

NORTHERN ENGAGEMENT INTO RECOVERY FROM ADDICTION FOUNDATION

England & Wales · Charity number 1141400

Details

Other names	NORTH EAST REGIONAL ALCOHOL FORUM, NERAF
Status	Registered
Legal form	Charitable company
Company number	07586712
Registered	2011-04-05
Register	View on the Charity Commission register

Contact

Address	Neraf Sunderland wellbeing hub church street east sunderland SR1 2BB
Phone	07824638554
Email	info@neraf.org
Website	www.neraf.org

Activities

Objects: TO ADVANCE THE EDUCATION OF THE PUBLIC IN ALL ASPECTS OF THE MISUSE OF ALCOHOL AND OTHER SUBSTANCE ABUSE;FOR THE PUBLIC BENEFIT TO PRESERVE AND PROTECT THE HEALTH OF THE GENERAL PUBLIC BY PROMOTING THE DEVELOPMENT OF TREATMENT AND ADVICE SERVICES FOR THOSE WHO MISUSE ALCOHOL AND/OR OTHER SUBSTANCE ABUSE, THEIR FAMILIES AND FRIENDS.

Activities: NERAF provide peer 1-2-1 recovery coaching & peer groups for people who have substance addictions & their family/carers. NERAF work to achieve outcomes in, Mental, Physical & Emotional Health & Wellbeing, Housing Education/Employment, Relationships, Finance, Offending, Living Skills. Raising public awareness through a monthly newsletter, website, conferences, partnership working, training & networks.

Classification

- **How:** Provides Services, Provides Advocacy/advice/information, Other Charitable Activities
- **What:** General Charitable Purposes, Education/training, The Advancement Of Health Or Saving Of Lives, Accommodation/housing, Armed Forces/emergency Service Efficiency, Other Charitable Purposes
- **Who:** Children/young People, Elderly/old People, People With Disabilities, Other Defined Groups, The General Public/mankind

Geography

- Gateshead
- North Tyneside
- South Tyneside
- Sunderland

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£167,909	£157,988	-	-
2024-03-31	£199,070	£134,456	-	-
2023-03-31	£144,624	£84,252	-	-
2022-03-31	£78,210	£76,001	-	-
2021-03-31	£170,225	£132,112	-	-

Trustees

Name	Role	Appointed
Eleanor Griffin	Chair	2017-10-19
Billy Broad Mr		2026-02-12
Christine Carruthers		2020-11-25
Helen Nicholson		2026-02-12
Natalie Parry		2017-04-10

Accounts

NORTHERN ENGAGEMENT INTO RECOVERY FROM ADDICTION FOUNDATION
(A company limited by guarantee)

REPORT AND FINANCIAL STATEMENTS
For the year ended 31 March 2025

Charity Number 1141400
Company Number 07586712

NORTHERN ENGAGEMENT INTO RECOVERY FROM ADDICTION FOUNDATION

(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

For the year ended 31 March 2025

Contents	Page
Trustees annual report	1 to 6
Independent examiners report	7
Statement of Financial Activities (including income and expenditure account)	8
Balance sheet	9
Notes to the financial statements	10 to 17

NORTHERN ENGAGEMENT INTO RECOVERY FROM ADDICTION FOUNDATION

(A company limited by guarantee)

TRUSTEES ANNUAL REPORT

For the year ended 31 March 2025

The Trustees are pleased to present their annual Directors' report together with financial statements of the charity for the year ended 31 March 2025 which are also prepared to meet the requirements for a Directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2022, the Companies Act 2006, the Memorandum and Articles of Association and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the UK and Republic of Ireland (FRS 102) (effective October 2019). The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2022, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

Achievements and Performance

The operating year of 24/25 has seen the progress made against the outcomes set for the year and built on the success of our previous years, this year working with 341 people in one-to-one support and 272 individuals have attended our group support service.

Of note are our achievements in:

- Responding to the individual needs of our clients through adopting a more flexible working practice and specifically the realignment of resources to meet the increased demand for 1:1 based interventions.
- We are open 30 hrs per week with one late evening. Monday, Wednesday, Thursday and Fri 09:30 – 14:30 and Tuesday 9:30 – 19:30.
- The continuation and increase of the support offered to people within Sunderland who have substance and alcohol issues.
- Increase in our numbers of clients receiving one to one support!
- Increase in the number of clients accessing our support groups!
- Increase in volunteer hours in which 5 volunteers gave a total of 1591 hours to our service!
- Increased presence on social media with Instagram Reach
- Increase of Google searches for NERAF

The operating year of 2024 to 2025 has seen NERAF adapt and diversify in response to need and funding changes. Our funding streams have grown, and with it, our staff team to meet the growing demand for our services. We are receiving referrals from new and diverse partners across Sunderland and other National Organisations. We have ended the financial

NORTHERN ENGAGEMENT INTO RECOVERY FROM ADDICTION FOUNDATION

(A company limited by guarantee)

TRUSTEES ANNUAL REPORT

For the year ended 31 March 2025

year with 8 part time staff. Despite a small staff team, we have worked with over 341 people in one-to-one support and 272 individuals in Group Support.

This year has seen a strong emphasis placed on our client centred approach through the lived experience support, which places the client at the centre of the process and ensures that they are included in considerations regarding decisions made, targets set, and the learning taken from previous actions and outcomes. This approach has demonstrated the positivity generated through the client empowerment process and evidenced through our recorded success rate.

The financial climate remains challenging and as such the board and staff have placed a greater emphasis on developing the volunteer base, which not only has a positive impact on our clients' recovery and ability to meet ever increasing need but also provides the opportunity to develop and progress new ideas. We currently have 5 volunteers, many who have had substance or alcohol issues themselves and are able to offer peer knowledge and support to our clients. Other volunteers have loved ones who have had substance and alcohol issues and are passionate about support individuals and loved ones of those effected.

As a board we continue to submit funding applications and are always looking for opportunities to further develop the charity. We have remained in a good financial position and 2025/2026 is already shaping up to be another year of stability.

As with 2023/2024, this year has been a year of strengthening and development. My sincere thanks go to all those that have supported NERAF past, present, and future and a huge, big thank you to all our customers, volunteers, peers, staff, and stakeholders; without which our continuing success would not be achievable. Also, a big thanks to charities providing similar support, and if it were not for your continuing support to access our service, referring to us, and volunteering for us, our task would be so much harder to accomplish.

Thank you also to the Board of Trustees who do so much unrecognised and voluntary work behind the scenes and often must make tough decisions, financial pressures and robust decision making is at the heart at what we do at NERAF, and this could not be achieved without the support of Board.

I would like to take a moment to say a big well done to those who have sustained and flourished in their recovery this year and wish you success to the future.

As with other third sector organisations we are aware of the financial difficulties that are present given the current financial climate in the UK, as a Board we are proud that we continue to make positive financial headway in these challenging times.



Eleanor Griffin
Chair of Board for NERAF

NORTHERN ENGAGEMENT INTO RECOVERY FROM ADDICTION FOUNDATION

(A company limited by guarantee)

TRUSTEES ANNUAL REPORT

For the year ended 31 March 2025

Plans for the Future

We continue to monitor and review all non-essential work in order to keep all costs to a minimum whilst being sure not to compromise the quality of our service delivery.

As a strong element of our work to support our service users, NERAF continue to seek out new partnership opportunities whilst maintaining positive relationships with our existing partners. These will enable us to finance our work across public health contracts, grant work and independently paid for commercial work. In this way we aim to spread our financial risk and any surplus gained will be used to support our ongoing day to day activities of one to one and group work.

Financial review

The total income for the year was £167,909 (2023/2024: £199,070) of which £151,507 was restricted 2023/2024 £56,962). This income is allocated across respective funds on the Statement of Financial Activities in accordance with the Statement of Recommended Practice (SORP) 2019.

Expenditure for the year was £157,988 (2023/2024: £134,456) of which £115,997 was restricted (2023/2024 £76,743), which resulted in a net income of £9,921 (2023/24 £64,614).

The Balance Sheet as at 31 March 2025 showed net current assets of £159,070 (2023/2024 £149,149) with £21,990 held in restricted funds (2023/2024 deficit £13,520).

Reserves policy

The 2023/2024 financial year and this year has led to an increase in funding opportunities. Our loan finance from NorthStar Ventures was completed within this financial year so we no longer have any creditors or accruals.

The Trustees continue to aim to keep the equivalent of one years running costs in Reserves (£170,000). Owing to the number of individuals relying on support and the nature of the support received by our charity, we feel one years running costs in reserves allows for stability and future planning.

NORTHERN ENGAGEMENT INTO RECOVERY FROM ADDICTION FOUNDATION

(A company limited by guarantee)

TRUSTEES ANNUAL REPORT

For the year ended 31 March 2025

Reference and administrative details of the charity, its Trustees and advisors

Charity Name	Northern Engagement into Recovery from Addiction Foundation
Registered Charity Number	1141400
Company Number	07586712
Registered Office and operational address	Sunderland MIND Wellbeing Hub Church Street Hendon Sunderland SR1 2BB
Trustees	Mrs L Dougan Mrs N Parry Mrs C Carruthers Ms E Griffin, Chair
Bankers	The Co-operative Bank Delf House Southway Skelmersdale WN8 6WT
Independent Examiner	Douglas Maltman Connected Voice Business Services One Strawberry Lane Newcastle upon Tyne NE1 4BX
Solicitors	Hempsons The Exchange Station Parade Harrogate HG 1DY

Structure, governance and management

Governing Documents

The organisation is a charitable company limited by guarantee, incorporated on the 31 March 2011. The company was established under a Memorandum of Association which establishes the objectives and powers of the charitable company and is governed under its Articles of Association.

NORTHERN ENGAGEMENT INTO RECOVERY FROM ADDICTION FOUNDATION

(A company limited by guarantee)

TRUSTEES ANNUAL REPORT

For the year ended 31 March 2025

Appointment, Induction and Training of Trustees

The management of the charitable company is the responsibility of the Trustees. Trustees are provided with correct advice, guidance and support to enable them to fulfil their duties to the standard required of the Charity Commission.

Induction will consist of:

- Explanation of appropriate documents relevant to the position
- One to one meeting with the chair of the Trustees and the Chief executive Officer
- Criminal record bureau Checks
- Confidentiality Procedures
- Health and Safety procedures; and
- Training will be provided as required.

Organisation

The Trustees meet every quarter and deal with the administration of the charity to ensure that Northern Engagement into Recovery from Addiction Foundation has a clear vision and strategy for the future, and to monitor the performance against plans, to support the management and staff team, and to oversee financial accountability and risk management.

The operational management of the organisation is undertaken by the paid staff team.

Risk Management

The Trustees have conducted a review of the major risks to which the charity is exposed, and systems have been established to mitigate those risks including the implementation of procedures for authorisation of all transactions and projects and for ensuring the consistent quality of the delivery of all operational aspects of the charitable company. These procedures are periodically reviewed to ensure that they still meet the needs of the charity.

Public Benefit Statement

The Trustees/directors have considered the guidance produced by the Charity Commission on the provision of public benefit and they confirm that public benefit has been provided by the range of activities as described above.

Statement of Trustee Responsibilities

The Trustees, who are also directors for the purposes of company law, are responsible for preparing the Trustees' Annual Report and the Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

NORTHERN ENGAGEMENT INTO RECOVERY FROM ADDICTION FOUNDATION

(A company limited by guarantee)

TRUSTEES ANNUAL REPORT

For the year ended 31 March 2025

Company Law requires the Trustees to prepare financial statements for each financial year which show the state of affairs of the charitable company and of incoming resources and application of resources, including the income and expenditure of the charitable company for that year. In preparing those financial statements, the Trustees are required to:

- select suitable accounting policies and apply them consistently.
- observe the methods and principles in the Charities SORP.
- make judgements and estimates that are reasonable and prudent.
- state whether applicable 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 charity will continue in operation.

The Trustees are responsible for keeping 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.

Approved by the Board on:

28.11.2025_____

and signed on their behalf by: Ms E Griffin (Chair)

NORTHERN ENGAGEMENT INTO RECOVERY FROM ADDICTION FOUNDATION

(A company limited by guarantee)

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES

For the year ended 31 March 2025

I report on the financial statements of Northern Engagement into Recovery from Addiction Foundation for the year ended 31 March 2025, which are set out on pages 8 to 17.

Respective responsibilities of trustees and examiner

The charity's trustees (who are also directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144 of the Charities Act 2022 ("the Charities Act") and that an independent examination is needed.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the Charities Act,
- to follow the procedures laid down in the general Directions given by the Charity Commission (under section 145(5)(b) of the Charities Act), and
- to state whether particular matters have come to my attention.

Basis of independent examiner's statement

My examination was carried out in accordance with general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no material matters have come to my attention which gives me cause to believe that in, any material respect:

- accounting records were not kept in accordance with section 386 of the Companies Act 2006; or
- the accounts do not accord with such records; or
- the accounts do not comply with relevant accounting requirements under section 396 of the Companies Act 2006 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
- the accounts have not been prepared in accordance with the Charities SORP (FRS102).

I 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.

Doug Maltman FMAAT
Fellow Member of the Association of Accountancy Technicians
Connected Voice Business Services
One Strawberry Lane
Newcastle upon Tyne
NE1 4BX
Date: 28.11.2025

NORTHERN ENGAGEMENT INTO RECOVERY FROM ADDICTION FOUNDATION

(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES

(INCLUDING SUMMARY INCOME & EXPENDITURE ACCOUNT)

For the year ended 31 March 2025

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2025 £	Total 2024 £
Income from:					
Donations and legacies	5	908	-	908	2,376
Charitable activities					
Grants and contracts	6	15,387	151,507	166,894	196,258
Other trading activities	7	107	-	107	436
Total income		16,402	151,507	167,909	199,070
Expenditure on:					
Charitable activities					
Operation of the charity	8	41,991	115,997	157,988	134,456
Total expenditure		41,991	115,997	157,988	134,456
Net income/(expenditure) and net movement of funds		(25,589)	35,510	9,921	64,614
Reconciliation of funds					
Total funds brought forward		162,669	(13,520)	149,149	84,535
Total funds carried forward		137,080	21,990	159,070	149,149

The Statement of Financial Activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities

The notes on pages 10 to 17 form an integral part of these accounts.

NORTHERN ENGAGEMENT INTO RECOVERY FROM ADDICTION FOUNDATION

(A company limited by guarantee)

Charity Number 1141400

BALANCE SHEET

Company Number 07586712

As at 31 March 2025

	Notes	£	Total 2025 £	£	Total 2024 £
Current assets					
Debtors	15	-	-	-	-
Cash at bank and in hand	15	169,312		166,415	
Total current assets		169,312		166,415	
Creditors: amounts falling due within one year	16	(10,242)		(14,006)	
Net current assets			159,070		152,409
Total assets less current liabilities			159,070		152,409
Creditors: amounts falling due after more than one year	17	-		(3,260)	
Total net assets or liabilities			159,070		149,149
Funds of the charity					
Unrestricted income funds			137,080		162,669
Restricted income funds			21,990		(13,520)
Total funds			159,070		149,149

The company was entitled to an exemption from audit under s477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act with the respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to small companies subject to the small companies regime and in accordance with FRS102 SORP.

The notes on pages 10 to 17 form an integral part of these accounts.

These financial statements were approved by the Board on: 28.11.2025

and are signed on its behalf by: Ms E Griffin
Chair

NORTHERN ENGAGEMENT INTO RECOVERY FROM ADDICTION FOUNDATION

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2025

1 Accounting Policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

2 Basis of accounting

2.1 Basis of preparation

These accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts.

The accounts 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) (effective October 2019) – Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2022, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

Northern Engagement into Recovery from Addiction Foundation meets the definition of a public benefit entity

2.2 Preparation of the accounts on a going concern basis

The financial statements have been prepared on a going concern basis. In making their assessment the trustees have reviewed and considered relevant information, including their annual budget and future cash flows. The trustees are of the view that the immediate future of the charity for the next 12 months is secure and that on this basis the charity is a going concern.

3 Income

3.1 Recognition of income

Income is recognised when the charity has entitlement to the resources, any performance conditions attached to the item(s) of income have been met, it is more likely than not that the resources will be received and the monetary value can be measured with sufficient reliability

3.2 Offsetting

There has been no offsetting of assets and liabilities, or income and expenses, unless required or permitted by FRS102 SORP or FRS102.

3.3 Grants and donations

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income received in advance of the provision of a specified service is deferred until the criteria of income recognition are met.

NORTHERN ENGAGEMENT INTO RECOVERY FROM ADDICTION FOUNDATION

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2025

3.4 Volunteer help

The value of volunteer help received is not included in the accounts but is described in the trustees' annual report.

3.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

3.6 Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity.

4 Expenditure and liabilities

4.1 Liability recognition

Liabilities are recognised when it is more likely than not that there is a legal or constructive obligation committing the charity to pay out resources and the amount of the obligation can be measured with reasonable certainty.

4.2 Charitable activities

Expenditure on charitable activities includes the costs of peer support work and public awareness of alcohol and substance misuse and other activities undertaken to further the purposes of the charity and their associated support costs.

4.3 Governance and support costs

Support costs have been allocated between governance cost and other support. Governance costs comprise all costs involving public accountability of the charity and its compliance with regulation and good practice.

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources.

4.4 Irrecoverable VAT

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

4.5 Creditors

The charity has creditors which are measured at settlement amounts less any trade discounts.

4.6 Provisions for liabilities

A liability is measured on recognition at its historical cost and then subsequently measured at the best estimate of the amount required to settle the obligation at the reporting date.

NORTHERN ENGAGEMENT INTO RECOVERY FROM ADDICTION FOUNDATION

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2025

Analysis of income

	Unrestricted Funds £	Restricted Funds £	Total 2025 £	Total 2024 £
5 Donations and legacies				
Other donations and grants	908	-	908	2,376
	<u>908</u>	<u>-</u>	<u>908</u>	<u>2,376</u>
6 Charitable activities				
<u>Income from grants and contracts</u>				
Sunderland City Council	1,503	114,053	115,556	19,970
Greggs Foundation	-	19,296	19,296	19,296
NHS Sunderland Clinical Commissioning Group	13,884	-	13,884	95,000
Lloyds Bank Foundation	-	-	-	25,000
Lottery - Awards For All	-	17,050	17,050	9,872
UKRI	-	1,108	1,108	1,800
Community Organisation	-	-	-	25,320
	<u>15,387</u>	<u>151,507</u>	<u>166,894</u>	<u>196,258</u>
7 Other trading activities				
Other income	107	-	107	436
	<u>107</u>	<u>-</u>	<u>107</u>	<u>436</u>

Income was £167,909 (2024: £199,070) of which £16,402 was unrestricted or designated (2024: £142,108) and £151,507 was restricted (2024: £56,962)

NORTHERN ENGAGEMENT INTO RECOVERY FROM ADDICTION FOUNDATION

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2025

Analysis of expenditure on charitable activities

	Unrestricted Funds £	Restricted Funds £	Total 2025 £	Total 2024 £
8 Charitable activities				
<u>Direct costs</u>				
Volunteer expenses	-	-	-	-
Computer expenses	1,926	1,750	3,676	2,717
Insurance	1,720	-	1,720	2,267
Sundries	126	-	126	2,244
Other staff costs	496	140	636	298
Volunteer costs	637	-	637	-
<u>Support costs</u>				
Rent and rates	-	13,107	13,107	11,686
Telephone	1,765	-	1,765	1,761
Printing, postage and stationery	153	468	621	244
Sundries	-	-	-	46
Advertising	191	-	191	416
Group Activity Cost	1,305	1,120	2,425	2,749
Room Hire and Refreshments	420	-	420	719
Cleaning and health & safety costs	226	-	226	478
Legal and professional fees	83	-	83	40
Wages and salaries	9,887	99,412	109,299	91,326
National insurance	14,690	-	14,690	10,252
Pension costs	5,712	-	5,712	4,122
Office machine costs	1,744	-	1,744	2,239
<u>Governance costs</u>				
Independent examiner's fees for reporting on the accounts	910	-	910	852
	<u>41,991</u>	<u>115,997</u>	<u>157,988</u>	<u>134,456</u>

Expenditure on charitable activities was £157,988 (2024: £134,456) of which £41,991 was unrestricted or designated (2024: £57,713) and £115,997 was restricted (2024: £76,743)

9 Fees for examination of the accounts

	2025 £	2024 £
Independent examiner's fees for reporting on the accounts	910	852
	<u>910</u>	<u>852</u>

There were no other fees paid to the examiner (2024: £nil)

NORTHERN ENGAGEMENT INTO RECOVERY FROM ADDICTION FOUNDATION

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2025

10 Analysis of staff costs and the cost of key management personnel

	2025 £	2024 £
Salaries and wages	109,299	91,326
Social security costs	14,690	10,252
Employers pension costs	5,712	4,122
	129,701	105,700

No employee received remuneration above £60,000 (2024: nil)

The key management personnel of the charity, comprise the trustees and the chief executive officer . The total employee benefits of the key management personnel of the charity were £35,296. (2024: £34,321)

11 Staff numbers

The head count was 8 staff (2024: 11 staff).

12 Transactions with trustees

One trustees has been paid remunerations from an employment with their charity. Authority for payment was effected by a minute of appointment. No payment is made to the trustee for services as a trustee. Details for the periods were as follows:

Name	Remuneration £	Employer NI £	Employer Pension £	Total 2025 £	Total 2024 £
A Lowery	-	-	-	-	34,321

Trustees' expenses

No trustee expenses have been incurred in the year.

Transaction(s) with related parties

There have been no related party transactions in the reporting period.

13 Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The employer's pension costs represent contributions payable by the charity to the fund and amount to £5,712 (2024: £4,122). There was £462 outstanding as at 31 March 2025 (2024: £0)

14 Corporation Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objectives.

NORTHERN ENGAGEMENT INTO RECOVERY FROM ADDICTION FOUNDATION

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2025

15 Cash at bank and in hand

	2025 £	2024 £
Cash at bank	169,070	166,336
Short term deposits	6	6
Cash in hand	236	73
	169,312	166,415

16 Creditors and accruals (payable within 1 year)

	2025 £	2024 £
Trade creditors	2,115	1,260
Other loans	7,217	11,894
Accruals		
Independent examination of accounts	910	852
	10,242	14,006

17 Creditors and accruals (payable after more than 1 year)

	2025 £	2024 £
Long Term Loan - one to two years	-	3,260
	-	3,260

18 Events after the end of the reporting period

No events (not requiring adjustment to the accounts) have occurred after the end of the reporting period but before the accounts are authorised which relate to conditions that arose after the end of the reporting period.

19 Analysis of charitable funds

Analysis of movements in unrestricted funds

As at 31 March 2025

	Fund balances brought forward £	Incoming resources £	Resources expended £	Transfers £	Fund balances carried forward £
Unrestricted funds					
General unrestricted fund	162,669	16,402	(41,991)	-	137,080
Totals	162,669	16,402	(41,991)	-	137,080

Purpose of unrestricted funds

General unrestricted fund The 'free reserves' of the charity

NORTHERN ENGAGEMENT INTO RECOVERY FROM ADDICTION FOUNDATION

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2025

20 Analysis of charitable funds continued

Analysis of movement in restricted funds

As at 31 March 2025

	Fund balances brought forward £	Incoming resources £	Resources expended £	Transfers £	Fund balances carried forward £
Restricted funds					
Sunderland City Council - Dependancy Awareness	(4,520)	6,435	-	-	1,915
Sunderland City Council - Suicide Prevention Awareness	(9,000)	13,065	-	-	4,065
Lottery - Awards For All	-	17,050	(3,542)	-	13,508
UKRI	-	1,108	(1,108)	-	-
Greggs Foundation	-	19,296	(19,296)	-	-
Sunderland City Council - DAA	-	48,717	(48,717)	-	-
Sunderland City Council - Links for life	-	36,338	(36,338)	-	-
Sunderland City Council - Gym passes	-	2,502	-	-	2,502
Sunderland City Council - Smoking cessation	-	6,996	(6,996)	-	-
Totals	(13,520)	151,507	(115,997)	-	21,990

Sunderland City Council Dependancy Awareness and Suicide Prevention Awareness projects are due to be funded during the financial year 2024-25.

Purpose of restricted funds

Restricted funds represent income resources used for a specific purpose within the charity as identified by the donor.

Sunderland City Council - Dependancy Awareness	This grant was provided for a part time staff member working as an Alcohol and Substance wellbeing advisor to support any clients with any issues highlighted by the recovery coach as a barrier to their recovery or maintaining their sobriety.
Sunderland City Council - Suicide Prevention Awareness	This grant was awarded to NERAF to help support clients with mental health and advocacy work to prevent further mental health crisis. It was also to deliver awareness session and preventative work to clients to aid in a better understanding of their own mental health and how this can prevent
Lottery - Awards For All	This grant was awarded to NERAF to support the social and support group sessions by being able to provide a larger group drop in area, more facilities and equipments for the clients as well as volunteer costing and staff to oversee the sessions.
UKRI	This grant was a part of a community bid to add vital funding towards management roles in order to allow voluntary sector organisations to expand.
Greggs Foundation	This grant enabled NERAF to continue to deliver a support service to over 300 individuals per year. The grant ensures that we have enough funds to pay our rent and have a Chief Executive to navigate the charity through

NORTHERN ENGAGEMENT INTO RECOVERY FROM ADDICTION FOUNDATION

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2025

Purpose of restricted funds (continued)

Sunderland City Council - DAA	This grant was provided for a part time staff member working as a Depedancy Awareness advisor to support any clients with any issues highlighted by the recovery coach as a barrier to their recovery or
Sunderland City Council - Links for Life	The HARP Project funded by Links For Life increased the support available to individuals in Sunderland experiencing substance and alcohol issues. With a focus on advocating and supporting the under represented and
Sunderland City Council - Gym passes	Sunderland City Council provided this fund in order to support clients that are in recovery with their physical health and wellbeing.
Sunderland City Council - Smoking cessation	This project offered all clients and loved ones of NERAFa comprehensive support package to increase their chances of reducing or quitting smoking. As well as raising awareness around the dangers and impacts of smoking.

21 Capital commitments

As at 31 March 2025, the charity had no capital commitments (2024 -£nil)

22 Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total 2025 £	Total 2024 £
Cash at bank and in hand	147,322	21,990	169,312	166,415
Other net current assets/(liabilities)	(10,242)	-	(10,242)	(14,006)
Long term assets/(liabilities)	-	-	-	(3,260)
	<u>137,080</u>	<u>21,990</u>	<u>159,070</u>	<u>149,149</u>

Accounts

NORTHERN ENGAGEMENT INTO RECOVERY FROM ADDICTION FOUNDATION
(A company limited by guarantee)

REPORT AND FINANCIAL STATEMENTS
For the year ended 31 March 2024

Charity Number 1141400
Company Number 07586712

NORTHERN ENGAGEMENT INTO RECOVERY FROM ADDICTION FOUNDATION
(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

For the year ended 31 March 2024

Contents	Page
Trustees annual report	1 to 6
Independent examiners report	7
Statement of Financial Activities (including income and expenditure account)	8
Balance sheet	9
Notes to the financial statements	10 to 18

NORTHERN ENGAGEMENT INTO RECOVERY FROM ADDICTION FOUNDATION

(A company limited by guarantee)

TRUSTEES ANNUAL REPORT

For the year ended 31 March 2024

The Trustees are pleased to present their annual Directors' report together with financial statements of the charity for the year ended 31 March 2024 which are also prepared to meet the requirements for a Directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2022, the Companies Act 2006, the Memorandum and Articles of Association and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the UK and Republic of Ireland (FRS 102) (effective October 2019). The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2022, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

Achievements and Performance

The operating year of 23/24 has seen the progress made against the outcomes set for the year and built on the success of our previous years, this year working with 301 people in one-to-one support and 111 individuals have attended our group support service.

Of note are our achievements in:

- Responding to the individual needs of our clients through adopting a more flexible working practice and specifically the realignment of resources to meet the increased demand for 1:1 based interventions.
- We are open 30 hrs per week with one late evening. Mon, Wed and Fri 09:30 – 14:30 and Tuesday 9:30 – 19:30.
- The continuation and increase of the support offered to people within Sunderland who have substance and alcohol issues.
- Increase in our numbers of clients receiving one to one support
- Increase in the number of clients accessing our support groups
- Increase in Volunteers and volunteer hours. 6 volunteers gave a total of 1014 hours to our service
- Increased presence on social media with Instagram Reach improving by 155.3%
- Increase of Google searches for NERAF

NORTHERN ENGAGEMENT INTO RECOVERY FROM ADDICTION FOUNDATION

(A company limited by guarantee)

TRUSTEES ANNUAL REPORT

For the year ended 31 March 2024

The operating year of 2023 to 2024 has seen NERAF adapt and diversify in response to need and funding changes. Our funding streams have grown, and with it, our staff team to meet the growing demand for our services. We are receiving referrals from new and diverse partners across Sunderland and other National Organisations. We have ended the financial year with 8 part time staff. Despite a small staff team, we have worked with over 301 people in one-to-one support and 111 individuals in Group Support.

This year has seen a strong emphasis placed on our client centred approach through the coaching and mentoring model, which places the client at the centre of the process and ensures that they are included in considerations regarding decisions made, targets set, and the learning taken from previous actions and outcomes. This approach has demonstrated the positivity generated through the client empowerment process and evidenced through our recorded success rate.

The financial climate remains challenging and as such the board and staff have placed a greater emphasis on developing the volunteer base, which not only has a positive impact on our clients' recovery and ability to meet ever increasing need but also provides the opportunity to develop and progress new ideas. We currently have 6 volunteers, many who have had substance or alcohol issues themselves and are able to offer peer knowledge and support to our clients. Other volunteers have loved ones who have had substance and alcohol issues and are passionate about support individuals and loved ones of those effected.

As a board we continue to submit funding applications and are always looking for opportunities to further develop the charity. We have almost doubled our income from grant funding from the previous financial year and 2023/2024 is already shaping up to be another year of growth.

My sincere thanks go to all those that have supported NERAF past, present, and future and a huge, big thank you to all our customers, volunteers, peers, staff, and stakeholders; without which our continuing success would not be achievable. Similar to last year, this year has been a tough year for us, and for other charities providing similar support, and if it were not for your continuing support to access our service, referring to us, and volunteering for us, our task would be so much harder to accomplish.

Thank you also to the Board of Trustees who do so much unrecognised and voluntary work behind the scenes and often must make tough decisions, financial pressures and robust decision making is at the heart at what we do at NERAF, and this could not be achieved without the support of Board.

I would like to take a moment to say a big well done to those who have sustained and flourished in their recovery this year and wish you success to the future. Unfortunately, we have lost some people along the way either to their addiction or for other reasons. I hope and wish them well for the future too.

As with other third sector organisations we are aware of the financial difficulties that are present given the current climate following Covid, as a Board we are proud that we continue to make positive financial headway in these challenging times.

NORTHERN ENGAGEMENT INTO RECOVERY FROM ADDICTION FOUNDATION

(A company limited by guarantee)

TRUSTEES ANNUAL REPORT

For the year ended 31 March 2024



Eleanor Griffin

Chair of Board for NERAF

Plans for the future

We continue to monitor and review all non-essential work in order to keep all costs to a minimum whilst being sure not to compromise the quality of our service delivery.

As a strong element of our work to support our service users, NERAF continue to seek out new partnership opportunities whilst maintaining positive relationships with our existing partners. These will enable us to finance our work across public health contracts, grant work and independently paid for commercial work. In this way we aim to spread our financial risk and any surplus gained will be used to support our ongoing day to day activities of one to one and group work.

Financial review

The total income for the year was £199,070 (2023: £144,624) of which £56,962 was restricted (2023: £16,865). This income is allocated across respective funds on the Statement of Financial Activities in accordance with the Statement of Recommended Practice (SORP) 2019.

Expenditure for the year was £134,456 (2023: £84,252) of which £76,743 was restricted (2023: £44,519), which resulted in a net income of £64,614 (2023: £60,372) of which a deficit of £19,581 was restricted (2023: a deficit of £27,654).

The Balance Sheet as at 31 March 2024 showed net current assets of £149,149 (2023: £84,535) of which a deficit of £13,520 was restricted (2023: surplus of £20,954).

Reserves policy

The Trustees intend to build reserves to enable the charity to secure and expand its services. In the year ended 31 March 2025. Free reserves at the year-end stood at £162,669. (2023: £63,581). The charity continues to benefit from the provision of loan finance from NorthStar Ventures which will be complete in the next financial year.

NORTHERN ENGAGEMENT INTO RECOVERY FROM ADDICTION FOUNDATION

(A company limited by guarantee)

TRUSTEES ANNUAL REPORT

For the year ended 31 March 2024

The Trustees continue to have a target to build up reserves to represent three months of expenditure, approximately £30,000. The Trustees are aware that the free reserves are below this target level but aim to increase free reserves with a planned operation surplus over the next few years.

Reference and administrative details of the charity, its Trustees and advisors

Charity Name	Northern Engagement into Recovery from Addiction Foundation
--------------	---

Registered Charity Number	1141400
---------------------------	---------

Company Number	07586712
----------------	----------

Registered Office and operational address	Sunderland MIND Wellbeing Hub Church Street Hendon Sunderland SR1 2BB
---	---

Trustees	Mrs L Dougan Mr A Matthews Mrs N Parry Mrs C Carruthers Ms E Griffin, Chair
----------	---

Bankers	The Co-operative Bank Delf House Southway Skelmersdale WN8 6WT
---------	--

Independent Examiner	Douglas Maltman Connected Voice Business Services One Strawberry Lane Newcastle upon Tyne NE1 4BX
----------------------	---

Solicitors	Hempsons The Exchange Station Parade Harrogate HG 1DY
------------	---

NORTHERN ENGAGEMENT INTO RECOVERY FROM ADDICTION FOUNDATION

(A company limited by guarantee)

TRUSTEES ANNUAL REPORT

For the year ended 31 March 2024

Structure, governance and management

Governing Documents

The organisation is a charitable company limited by guarantee, incorporated on the 31 March 2011. The company was established under a Memorandum of Association which establishes the objectives and powers of the charitable company and is governed under its Articles of Association.

Appointment, Induction and Training of Trustees

The management of the charitable company is the responsibility of the Trustees. Trustees are provided with correct advice, guidance and support to enable them to fulfil their duties to the standard required of the Charity Commission.

Induction will consist of:

- Explanation of appropriate documents relevant to the position
- One to one meeting with the chair of the Trustees and the Chief executive Officer
- Criminal record bureau Checks
- Confidentiality Procedures
- Health and Safety procedures; and
- Training will be provided as required.

Organisation

The Trustees meet every quarter and deal with the administration of the charity to ensure that Northern Engagement into Recovery from Addiction Foundation has a clear vision and strategy for the future, and to monitor the performance against plans, to support the management and staff team, and to oversee financial accountability and risk management.

The operational management of the organisation is undertaken by the paid staff team.

Risk Management

The Trustees have conducted a review of the major risks to which the charity is exposed, and systems have been established to mitigate those risks including the implementation of procedures for authorisation of all transactions and projects and for ensuring the consistent quality of the delivery of all operational aspects of the charitable company. These procedures are periodically reviewed to ensure that they still meet the needs of the charity.

Public Benefit Statement

The Trustees/directors have considered the guidance produced by the Charity Commission on the provision of public benefit and they confirm that public benefit has been provided by the range of activities as described above.

NORTHERN ENGAGEMENT INTO RECOVERY FROM ADDICTION FOUNDATION

(A company limited by guarantee)

TRUSTEES ANNUAL REPORT

For the year ended 31 March 2024

Statement of Trustee Responsibilities

The Trustees, who are also directors for the purposes of company law, are responsible for preparing the Trustees' Annual Report and the Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the Trustees to prepare financial statements for each financial year which show the state of affairs of the charitable company and of incoming resources and application of resources, including the income and expenditure of the charitable company for that year. In preparing those financial statements, the Trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable 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 charity will continue in operation.

The Trustees are responsible for keeping 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.

Approved by the Board on:

06.12.2024

and signed on their behalf by: Ms E Griffin
Chair

NORTHERN ENGAGEMENT INTO RECOVERY FROM ADDICTION FOUNDATION

(A company limited by guarantee)

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES

For the year ended 31 March 2024

I report on the financial statements of Northern Engagement into Recovery from Addiction Foundation for the year ended 31 March 2024, which are set out on pages 8 to 18.

Respective responsibilities of trustees and examiner

The charity's trustees (who are also directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144 of the Charities Act 2022 ("the Charities Act") and that an independent examination is needed.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the Charities Act,
- to follow the procedures laid down in the general Directions given by the Charity Commission (under section 145(5)(b) of the Charities Act), and
- to state whether particular matters have come to my attention.

Basis of independent examiner's statement

My examination was carried out in accordance with general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no material matters have come to my attention which gives me cause to believe that in, any material respect:

- accounting records were not kept in accordance with section 386 of the Companies Act 2006; or
- the accounts do not accord with such records; or
- the accounts do not comply with relevant accounting requirements under section 396 of the Companies Act 2006 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
- the accounts have not been prepared in accordance with the Charities SORP (FRS102).

I 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.

Doug Maltman FMAAT
Fellow of the Association of Accountancy technicians
Connected Voice Business Services
One Strawberry Lane
Newcastle upon Tyne
NE1 4BX
Date: 06.12.2024

NORTHERN ENGAGEMENT INTO RECOVERY FROM ADDICTION FOUNDATION

(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES

(INCLUDING SUMMARY INCOME & EXPENDITURE ACCOUNT)

For the year ended 31 March 2024

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2024 £	Total 2023 £
Income from:					
Donations and legacies	5	2,376	-	2,376	680
Charitable activities					
Grants and contracts	6	139,296	56,962	196,258	143,711
Other trading activities	7	436	-	436	233
Total income		142,108	56,962	199,070	144,624
Expenditure on:					
Charitable activities					
Operation of the charity	8	57,713	76,743	134,456	84,252
Total expenditure		57,713	76,743	134,456	84,252
Transfers between funds		(200)	200	-	-
Net movement of funds		84,195	(19,581)	64,614	60,372
Reconciliation of funds					
Total funds brought forward		78,474	6,061	84,535	24,163
Total funds carried forward		162,669	(13,520)	149,149	84,535

The Statement of Financial Activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities

The notes on pages 10 to 18 form an integral part of these accounts.

NORTHERN ENGAGEMENT INTO RECOVERY FROM ADDICTION FOUNDATION

(A company limited by guarantee)

Charity Number 1141400

BALANCE SHEET

Company Number 07586712

As at 31 March 2024

	Notes	£	Total 2024 £	£	Total 2023 £
Current assets					
Debtors	15	-		124	
Cash at bank and in hand	16	166,415		108,598	
Total current assets		166,415		108,722	
Creditors: amounts falling due within one year	17	(14,006)		(14,927)	
Net current assets			152,409		93,795
Total assets less current liabilities			152,409		93,795
Creditors: amounts falling due after more than one year	18	(3,260)		(9,260)	
Total net assets or liabilities			149,149		84,535
Funds of the charity					
Unrestricted income funds			162,669		78,474
Restricted income funds			(13,520)		6,061
Total funds			149,149		84,535

The company was entitled to an exemption from audit under s477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act with the respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to small companies subject to the small companies regime and in accordance with FRS102 SORP.

The notes on pages 10 to 18 form an integral part of these accounts.

These financial statements were approved by the Board on: 06.12.2024

and are signed on its behalf by: Ms E Griffin
Chair

NORTHERN ENGAGEMENT INTO RECOVERY FROM ADDICTION FOUNDATION

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2024

1 Accounting Policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

2 Basis of accounting

2.1 Basis of preparation

These accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts.

The accounts 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) (effective October 2019) – Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2022, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

Northern Engagement into Recovery from Addiction Foundation meets the definition of a public benefit entity

2.2 Preparation of the accounts on a going concern basis

The financial statements have been prepared on a going concern basis. In making their assessment the trustees have reviewed and considered relevant information, including their annual budget and future cash flows. The trustees are of the view that the immediate future of the charity for the next 12 months is secure and that on this basis the charity is a going concern.

3 Income

3.1 Recognition of income

Income is recognised when the charity has entitlement to the resources, any performance conditions attached to the item(s) of income have been met, it is more likely than not that the resources will be received and the monetary value can be measured with sufficient reliability

3.2 Offsetting

There has been no offsetting of assets and liabilities, or income and expenses, unless required or permitted by FRS102 SORP or FRS102.

3.3 Grants and donations

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income received in advance of the provision of a specified service is deferred until the criteria of income recognition are met.

NORTHERN ENGAGEMENT INTO RECOVERY FROM ADDICTION FOUNDATION

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2024

3.4 Volunteer help

The value of volunteer help received is not included in the accounts but is described in the trustees' annual report.

3.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

3.6 Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity.

4 Expenditure and liabilities

4.1 Liability recognition

Liabilities are recognised when it is more likely than not that there is a legal or constructive obligation committing the charity to pay out resources and the amount of the obligation can be measured with reasonable certainty.

4.2 Charitable activities

Expenditure on charitable activities includes the costs of peer support work and public awareness of alcohol and substance misuse and other activities undertaken to further the purposes of the charity and their associated support costs.

4.3 Governance and support costs

Support costs have been allocated between governance cost and other support. Governance costs comprise all costs involving public accountability of the charity and its compliance with regulation and good practice.

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources.

4.4 Irrecoverable VAT

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

4.5 Creditors

The charity has creditors which are measured at settlement amounts less any trade discounts.

4.6 Provisions for liabilities

A liability is measured on recognition at its historical cost and then subsequently measured at the best estimate of the amount required to settle the obligation at the reporting date.

NORTHERN ENGAGEMENT INTO RECOVERY FROM ADDICTION FOUNDATION

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2024

Analysis of income

	Unrestricted Funds £	Restricted Funds £	Total 2024 £	Total 2023 £
5 Donations and legacies				
Other donations and grants	2,376	-	2,376	680
	<u>2,376</u>	<u>-</u>	<u>2,376</u>	<u>680</u>
6 Charitable activities				
<u>Income from grants and contracts</u>				
Sunderland City Council	-	19,970	19,970	16,865
ASDA Foundation	-	-	-	300
Greggs Foundation	19,296	-	19,296	19,296
NHS Sunderland Clinical Commissioning Group	95,000	-	95,000	65,000
Community Foundation - The 1989 Willan Charitable Trust	-	-	-	15,000
Lloyds Bank Foundation	25,000	-	25,000	27,250
Lottery - Awards For All	-	9,872	9,872	-
UKRI	-	1,800	1,800	-
Community Organisation	-	25,320	25,320	-
	<u>139,296</u>	<u>56,962</u>	<u>196,258</u>	<u>143,711</u>
7 Other trading activities				
Other income	436	-	436	233
	<u>436</u>	<u>-</u>	<u>436</u>	<u>233</u>

Income was £199,070 (2023: £144,124) of which £142,108 was unrestricted or designated (2023: £127,259) and £56,962 was restricted (2023: £16,865)

NORTHERN ENGAGEMENT INTO RECOVERY FROM ADDICTION FOUNDATION

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2024

Analysis of expenditure on charitable activities

	Unrestricted Funds £	Restricted Funds £	Total 2024 £	Total 2023 £
8 Charitable activities				
<u>Direct costs</u>				
Volunteer expenses	-	-	-	595
Computer expenses	2,161	556	2,717	2,194
Insurance	2,267	-	2,267	1,677
Sundries	287	1,957	2,244	479
Other staff costs	163	135	298	666
<u>Support costs</u>				
Rent and rates	6,082	5,604	11,686	8,748
Telephone	1,761	-	1,761	1,482
Printing, postage and stationery	244	-	244	764
Sundries	46	-	46	-
Advertising	416	-	416	199
Group Activity Cost	1,167	1,582	2,749	62
Room Hire and Refreshments	321	398	719	150
Cleaning and health & safety costs	478	-	478	474
Legal and professional fees	40	-	40	1,468
Wages and salaries	35,125	56,201	91,326	53,869
National insurance	2,936	7,316	10,252	6,055
Pension costs	1,128	2,994	4,122	2,464
Office machine costs	2,239	-	2,239	2,054
<u>Governance costs</u>				
Independent examiner's fees for reporting on the accounts	852	-	852	852
	<u>57,713</u>	<u>76,743</u>	<u>134,456</u>	<u>84,252</u>

Expenditure on charitable activities was £134,456 (2023: £84,252) of which £57,713 was unrestricted or designated (2023: £39,733) and £76,743 was restricted (2023: £44,519)

9 Fees for examination of the accounts

	2024 £	2023 £
Independent examiner's fees for reporting on the accounts	852	852
	<u>852</u>	<u>852</u>

There were no other fees paid to the examiner (2023: £nil)

NORTHERN ENGAGEMENT INTO RECOVERY FROM ADDICTION FOUNDATION

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2024

10 Analysis of staff costs and the cost of key management personnel

	2024 £	2023 £
Salaries and wages	91,326	53,869
Social security costs	10,252	6,055
Employers pension costs	4,122	2,464
	105,700	62,388

No employee received remuneration above £60,000 (2023: nil)

The key management personnel of the charity, comprise the trustees and the chief executive officer. The total employee benefits of the key management personnel of the charity were £34,321. (2023: £26,268)

11 Staff numbers

The average monthly head count was 11 staff (2023: 8 staff) and the average monthly number of full-time equivalent employees during the year were as follows:

	2024 Number	2023 Number
The parts of the charity in which the employee's work		
Advice and information	7.1	5.6
Management	2.5	2.0
	9.7	7.6

12 Transactions with trustees

One trustees has been paid remunerations from an employment with their charity. Authority for payment was effected by a minute of appointment. No payment is made to the trustee for services as a trustee. Details for the periods were as follows:

Name	Remuneration £	Employer NI £	Employer Pension £	Total 2024 £	Total 2023 £
A Lowery	30,889	2,574	858	34,321	26,268

Trustees' expenses

No trustee expenses have been incurred in the year.

Transaction(s) with related parties

There have been no related party transactions in the reporting period.

NORTHERN ENGAGEMENT INTO RECOVERY FROM ADDICTION FOUNDATION

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2024

13 Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The employer's pension costs represent contributions payable by the charity to the fund and amount to £4,122 (2023: £2,464). There was £0 outstanding as at 31 March 2024 (2023: £261)

14 Corporation Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objectives.

15 Debtors and prepayments (receivable within 1 year)

	2024 £	2023 £
Prepayments	-	124
	-	124

16 Cash at bank and in hand

	2024 £	2023 £
Cash at bank	166,336	108,519
Short term deposits	6	6
Cash in hand	73	73
	166,415	108,598

17 Creditors and accruals (payable within 1 year)

	2024 £	2023 £
Trade creditors	1,260	2,075
Other loans	11,894	12,000
Accruals		
Independent examination of accounts	852	852
	14,006	14,927

18 Creditors and accruals (payable after more than 1 year)

	2024 £	2023 £
Long Term Loan - one to two years	3,260	6,000
Long Term Loan - two to five years	-	3,260
	3,260	9,260

NORTHERN ENGAGEMENT INTO RECOVERY FROM ADDICTION FOUNDATION

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2024

19 Events after the end of the reporting period

No events (not requiring adjustment to the accounts) have occurred after the end of the reporting period but before the accounts are authorised which relate to conditions that arose after the end of the reporting period.

20 Analysis of charitable funds

Analysis of movements in unrestricted funds As at 31 March 2023

	Fund balances brought forward £	Incoming resources £	Resources expended £	Transfers £	Fund balances carried forward £
Unrestricted funds					
General unrestricted fund	78,474	142,108	(57,713)	(200)	162,669
Totals	78,474	142,108	(57,713)	(200)	162,669

Purpose of unrestricted funds

General unrestricted fund The 'free reserves' of the charity

20 Analysis of charitable funds continued

Analysis of movement in restricted funds As at 31 March 2023

	Fund balances brought forward £	Incoming resources £	Resources expended £	Transfers £	Fund balances carried forward £
Restricted funds					
The Rothley Trust	102	-	(102)	-	-
Sunderland City Council - Dependency Awareness	3,421	10,470	(18,411)	-	(4,520)
Bernicia Foundation	(200)	-	-	200	-
Barbour Foundation	46	-	(46)	-	-
Wellbank Foundation	692	-	(692)	-	-
William Leech Foundation	2,000	-	(2,000)	-	-
Sunderland City Council - Suicide Prevention Awareness	-	-	(9,000)	-	(9,000)
Sunderland City Council - Group Activity Costs	-	9,500	(9,500)	-	-
Lottery - Awards For All	-	9,872	(9,872)	-	-
Community Organisation	-	25,320	(25,320)	-	-
UKRI	-	1,800	(1,800)	-	-
Totals	6,061	56,962	(76,743)	200	(13,520)

Sunderland City Council Dependency Awareness and Suicide Prevention Awareness projects are due to be funded during the financial year 2024-25.

NORTHERN ENGAGEMENT INTO RECOVERY FROM ADDICTION FOUNDATION

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2024

Purpose of restricted funds

Restricted funds represent income resources used for a specific purpose within the charity as identified by the donor.

The Rothley Trust	This grant is for the purchase of musical instruments for use in NERAF groups as part of members progression on their outcome star, providing meaningful use of time and expanding their social network through group interaction.
Sunderland City Council - Dependency Awareness	This grant was provided for a part time staff member working as an Alcohol and Substance wellbeing advisor to support any clients with any issues highlighted by the recovery coach as a barrier to their recovery or maintaining their sobriety.
Bernicia Foundation	This grant was provided towards the role of a Community Inclusion Officer. This role is to support NERAF clients in maintaining sobriety through the group support and reaching out to new clients via social media.
Barbour Foundation	This grant was awarded for a part time outreach and awareness coach. Their role was to raise awareness within the community regarding alcohol and substance use and how to access support within Sunderland.
Wellbank Foundation	This grant was given for the role of a Dependency Awareness Advisor to support individuals within the city into specialised support across the city.
William Leech	This grant was awarded for a Community Inclusion Officer on a part time basis. This role is to support NERAF clients in maintaining sobriety through the group support and reaching out to new clients via social media.
Sunderland City Council - Suicide Prevention Awareness	This grant was awarded to NERAF to help support clients with mental health and advocacy work to prevent further mental health crisis. It was also to deliver awareness session and preventative work to clients to aid in a better understanding of their own mental health and how this can prevent
Sunderland City Council - Group Activity Costs	This grant was awarded to NERAF to support our social and support group sessions staffing levels and hot meals and refreshments provided.
Lottery - Awards For All	This grant was awarded to NERAF to support the social and support group sessions by being able to provide a larger group drop in area, more facilities and equipments for the clients as well as volunteer costing and staff to oversee the sessions.
Community Organisation	The funding will allow this organisation to add 50 additional staff hours per week. And allow for critical training to upskill the lived experience volunteers they have. And to keep up with the increased demand in food.
UKRI	This grant was a part of a community bid to add vital funding towards management roles in order to allow voluntary sector organisations to expand.

Transfers between funds

As of 31/03/2023

	Reason for transfer	Amount £
Between unrestricted and restricted funds	Bernicia project completed.	200

NORTHERN ENGAGEMENT INTO RECOVERY FROM ADDICTION FOUNDATION

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2024

21 Capital commitments

As at 31 March 2024, the charity had no capital commitments (2023 -£nil)

22 Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total 2024 £	Total 2023 £
Cash at bank and in hand	179,935	(13,520)	166,415	108,598
Other net current assets/(liabilities)	(14,006)	-	(14,006)	(14,803)
Long term assets/(liabilities)	(3,260)	-	(3,260)	(9,260)
	<u>162,669</u>	<u>(13,520)</u>	<u>149,149</u>	<u>84,535</u>

Accounts

**NORTHERN ENGAGEMENT INTO RECOVERY FROM
ADDICTION FOUNDATION**

(A company limited by guarantee)

REPORT AND FINANCIAL STATEMENTS

For the year ended 31 March 2023

Charity number 1141400

Company number 07586712

NORTHERN ENGAGEMENT INTO RECOVERY FROM ADDICTION FOUNDATION

(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

For the year ended 31 March 2023

Contents	Page
Trustees annual report	1 to 6
Independent examiners report	7
Statement of Financial Activities (including income and expenditure account)	8
Balance sheet	9
Notes to the financial statements	10 to 19

NORTHERN ENGAGEMENT INTO RECOVERY FROM ADDICTION FOUNDATION

(A company limited by guarantee)

TRUSTEES ANNUAL REPORT

For the year ended 31 March 2023

The Trustees are pleased to present their annual Directors' report together with financial statements of the charity for the year ended 31 March 2023 which are also prepared to meet the requirements for a Directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the UK and Republic of Ireland (FRS 102) (effective October 2019). The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice. T

Achievements and Performance

The operating year of 22/23 has seen the progress made against the outcomes set for the year and built on the success of our previous years, this year working with 315 people in one-to-one support and 89 individuals have attended our group support service.

Of particular note are our achievements in:

- Responding to the individual needs of our clients through adopting a more flexible working practice and specifically the realignment of resources to meet the increased demand for 1:1 based interventions.
- We are open 35 hrs per week with two late evenings. Mon, Wed and Fri 09:30 – 14:30 and Tues, Thurs 09:30 – 19:30.
- The continuation and increase of the support offered to people within Sunderland who have substance and alcohol issues.
- Increase in our numbers of clients receiving one to one support
- Increase in the number of clients accessing our support groups
- Increase in Volunteers
- Increased presence on social media with a 47.3% increase in our Facebook reach from previous year and a 123.6% increase on Instagram from previous year
- Increase of Google searches specifically for NERAF with 10,408 individuals viewing our profile and an average response time to Google messages being 5 minutes

NORTHERN ENGAGEMENT INTO RECOVERY FROM ADDICTION FOUNDATION

(A company limited by guarantee)

TRUSTEES ANNUAL REPORT

For the year ended 31 March 2023

The operating year of 2022 to 2023 has seen NERAF adapt and diversify in response to need and funding changes. Our funding streams have grown, and with it, our staff team to meet the growing demand for our services. We are receiving referrals from new and diverse partners across Sunderland and other National Organisations. We have ended the financial year with 6 part time staff. Despite a small staff team, we have worked with over 315 people in one-to-one support and 89 individuals in Group Support.

This year has seen a strong emphasis placed on our client centred approach through the coaching and mentoring model, which places the client at the centre of the process and ensures that they are included in considerations regarding decisions made, targets set, and the learning taken from previous actions and outcomes. This approach has demonstrated the positivity generated through the client empowerment process and evidenced through our recorded success rate.

The financial climate remains challenging and as such the board and staff have placed a greater emphasis on developing the volunteer base, which not only has a positive impact on our clients' recovery and ability to meet ever increasing need but also provides the opportunity to develop and progress new ideas. We currently have 7 volunteers, many who have had substance or alcohol issues themselves and are able to offer peer knowledge and support to our clients. Other volunteers have loved ones who have had substance and alcohol issues and are passionate about support individuals and loved ones of those effected.

As a board we continue to submit funding applications and are always looking for opportunities to further develop the charity. We have almost doubled our income from grant funding from the previous financial year and 2023/2024 is already shaping up to be another year of growth.

My sincere thanks go to all those that have supported NERAF past, present, and future and a huge, big thank you to all our customers, volunteers, peers, staff, and stakeholders; without which our continuing success would not be achievable. Similar to last year, this year has been a tough year for us, and for other charities providing similar support, and if it were not for your continuing support to access our service, referring to us, and volunteering for us, our task would be so much harder to accomplish.

Thank you also to the Board of Trustees who do so much unrecognised and voluntary work behind the scenes and often must make tough decisions, financial pressures and robust decision making is at the heart at what we do at NERAF, and this could not be achieved without the support of Board.

I would like to take a moment to say a big well done to those who have sustained and flourished in their recovery this year and wish you success to the future. Unfortunately, we have lost some people along the way either to their addiction or for other reasons. I hope and wish them well for the future too.

As with other third sector organisations we are aware of the financial difficulties that are present given the current climate following Covid, as a Board we are proud that we continue to make positive financial headway in these challenging times.

NORTHERN ENGAGEMENT INTO RECOVERY FROM ADDICTION FOUNDATION

(A company limited by guarantee)

TRUSTEES ANNUAL REPORT

For the year ended 31 March 2023



Eleanor Griffin

Chair of Board for NERAF

Plans for the future

We continue to monitor and review all non-essential work in order to keep all costs to a minimum whilst being sure not to compromise the quality of our service delivery.

As a strong element of our work to support our service users, NERAF continue to seek out new partnership opportunities whilst maintaining positive relationships with our existing partners. These will enable us to finance our work across public health contracts, grant work and independently paid for commercial work. In this way we aim to spread our financial risk and any surplus gained will be used to support our ongoing day to day activities of one to one and group work.

Financial review

The total income for the year was £144,624 (2022: £78,210) of which **£16,865** was restricted (2022: £43,361). This income is allocated across respective funds on the Statement of Financial Activities in accordance with the Statement of Recommended Practice (SORP) 2019.

Expenditure for the year was £84,252 (2022: £76,001) of which £44,519 was restricted (2022: £4,680), which resulted in a net income of £60,372 (2022: £2,209) of which - £27,654 was restricted (2022: £38,681).

The Balance Sheet as at 31 March 2023 showed net current assets of £93,795 (2022: £33,423). The total net assets as at 31 March 2023 was £84,535 (2022: £24,163) with £20,954 held in restricted funds (2022: £48,608).

Reserves policy

The Trustees intend to build reserves to enable the charity to secure and expand its services. In the year ended 31 March 2023, the deficit has led to an increase in funding opportunities. Free reserves at the year-end stood at £63,581. (2022: -£24,445). The charity continues to benefit from the provision of long-term loan finance from NorthStar Ventures.

NORTHERN ENGAGEMENT INTO RECOVERY FROM ADDICTION FOUNDATION

(A company limited by guarantee)

TRUSTEES ANNUAL REPORT

For the year ended 31 March 2023

The Trustees continue to have a target to build up reserves to represent three months of expenditure, approximately £30,000. The Trustees are aware that the free reserves are way below this target level but aim to increase free reserves with a planned operation surplus over the next few years.

Reference and administrative details of the charity, its Trustees and advisors

Charity Name	Northern Engagement into Recovery from Addiction Foundation
Registered Charity Number	1141400
Company Number	07586712
Registered Office and operational address	Sunderland MIND Wellbeing Hub Church Street Hendon Sunderland SR1 2BB
Trustees	Mr D Maguire Mrs L Dougan Mr A Matthews Mrs N Parry Mrs C Carruthers Ms E Griffin, Chair Mrs S Nichols-Key
Bankers	The Co-operative Bank Delf House Southway Skelmersdale WN8 6WT
Independent Examiner	Douglas Maltman Connected Voice Business Services Ltd One Strawberry Lane Newcastle upon Tyne NE1 4BX
Solicitors	Hempsons The Exchange Station Parade Harrogate HG 1DY

NORTHERN ENGAGEMENT INTO RECOVERY FROM ADDICTION FOUNDATION

(A company limited by guarantee)

TRUSTEES ANNUAL REPORT

For the year ended 31 March 2023

Structure, governance and management

Governing Documents

The organisation is a charitable company limited by guarantee, incorporated on the 31 March 2011. The company was established under a Memorandum of Association which establishes the objectives and powers of the charitable company and is governed under its Articles of Association.

Appointment, Induction and Training of Trustees

The management of the charitable company is the responsibility of the Trustees. Trustees are provided with correct advice, guidance and support to enable them to fulfil their duties to the standard required of the Charity Commission.

Induction will consist of:

- Explanation of appropriate documents relevant to the position
- One to one meetings with the chair of the Trustees and the Chief executive Officer
- Criminal record bureau Checks
- Confidentiality Procedures
- Health and Safety procedures; and
- Training will be provided as required.

Organisation

The Trustees meet every quarter and deal with the administration of the charity to ensure that Northern Engagement into Recovery from Addiction Foundation has a clear vision and strategy for the future, and to monitor the performance against plans, to support the management and staff team, and to oversee financial accountability and risk management.

The operational management of the organisation is undertaken by the paid staff team.

Risk Management

The Trustees have conducted a review of the major risks to which the charity is exposed and systems have been established to mitigate those risks including the implementation of procedures for authorisation of all transactions and projects and for ensuring the consistent quality of the delivery of all operational aspects of the charitable company. These procedures are periodically reviewed to ensure that they still meet the needs of the charity.

NORTHERN ENGAGEMENT INTO RECOVERY FROM ADDICTION FOUNDATION

(A company limited by guarantee)

TRUSTEES ANNUAL REPORT

For the year ended 31 March 2023

Public benefit statement

The Trustees/directors have considered the guidance produced by the Charity Commission on the provision of public benefit and they confirm that public benefit has been provided by the range of activities as described above.

Statement of Trustee Responsibilities

The Trustees, who are also directors for the purposes of company law, are responsible for preparing the Trustees' Annual Report and the Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the Trustees to prepare financial statements for each financial year which show the state of affairs of the charitable company and of incoming resources and application of resources, including the income and expenditure of the charitable company for that year. In preparing those financial statements, the Trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable 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 charity will continue in operation.

The Trustees are responsible for keeping 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.

Approved by the Board on:

15.12.2023

and signed on their behalf by: Ms E Griffin
Chair

NORTHERN ENGAGEMENT INTO RECOVERY FROM ADDICTION FOUNDATION

(A company limited by guarantee)

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES

For the year ended 31 March 2023

I report on the financial statements of Northern Engagement into Recovery from Addiction Foundation for the year ended 31 March 2023, which are set out on pages 7 to 9.

Respective responsibilities of trustees and examiner

The charity's trustees (who are also directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144 of the Charities Act 2022 ("the Charities Act") and that an independent examination is needed.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the Charities Act,
- to follow the procedures laid down in the general Directions given by the Charity Commission (under section 145(5)(b) of the Charities Act), and
- to state whether particular matters have come to my attention.

Basis of independent examiner's statement

My examination was carried out in accordance with general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no material matters have come to my attention which gives me cause to believe that in, any material respect:

- accounting records were not kept in accordance with section 386 of the Companies Act 2006; or
- the accounts do not accord with such records; or
- the accounts do not comply with relevant accounting requirements under section 396 of the Companies Act 2006 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
- the accounts have not been prepared in accordance with the Charities SORP (FRS102).

I 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.

Doug Maltman FMAAT
Fellow of the Association of Accountancy technicians
Connected Voice Business Services Ltd
One Strawberry Lane
Newcastle upon Tyne
NE1 4BX
Date: 15.12.2023

NORTHERN ENGAGEMENT INTO RECOVERY FROM ADDICTION FOUNDATION

(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES

(INCLUDING SUMMARY INCOME & EXPENDITURE ACCOUNT)

For the year ended 31 March 2023

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Total 2022 £
<u>Income from:</u>					
Donations and legacies	5	681	-	681	9,351
Charitable activities					
Grants and contracts	6	126,846	16,865	143,711	66,604
Other trading activities	7	233	-	233	2,255
Total income		127,759	16,865	144,624	78,210
<u>Expenditure on:</u>					
Charitable activities					
Operation of the charity	8	39,733	44,519	84,252	76,001
Total expenditure		39,733	44,519	84,252	76,001
Net income/(expenditure) and net movement of funds		88,026	(27,654)	60,372	2,209
<u>Reconciliation of funds</u>					
Total funds brought forward		(24,445)	48,608	24,163	21,954
Total funds carried forward		63,581	20,954	84,535	24,163

The Statement of Financial Activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities

The notes on pages 10 to 19 form an integral part of these accounts.

NORTHERN ENGAGEMENT INTO RECOVERY FROM ADDICTION FOUNDATION

(A company limited by guarantee)

Charity Number 1141400

BALANCE SHEET

Company Number 07586712

As at 31 March 2023

	Notes	£	Total 2023 £	£	Total 2022 £
Current assets					
Debtors	15	124		-	
Cash at bank and in hand	16	108,598		46,519	
Total current assets		108,722		46,519	
Creditors: amounts falling due within one year	17	(14,927)		(13,096)	
Net current assets			93,795		33,423
Total assets less current liabilities			93,795		33,423
Creditors: amounts falling due after more than one year	18	(9,260)		(9,260)	
Total net assets or liabilities			84,535		24,163
Funds of the charity					
Unrestricted income funds			63,581		(24,445)
Restricted income funds			20,954		48,608
Total funds			84,535		24,163

The company was entitled to an exemption from audit under s477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act with the respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to small companies subject to the small companies regime and in accordance with FRS102 SORP.

The notes on pages 10 to 19 form an integral part of these accounts.

These financial statements were approved by the Board on: 15.12.2023

and are signed on its behalf by: Ms E Griffin
Chair

NORTHERN ENGAGEMENT INTO RECOVERY FROM ADDICTION FOUNDATION

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2023

1 Accounting Policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

2 Basis of accounting

2.1 Basis of preparation

These accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts.

The accounts 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) (effective October 2019) – Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2022, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

Northern Engagement into Recovery from Addiction Foundation meets the definition of a public benefit entity

2.2 Preparation of the accounts on a going concern basis

The financial statements have been prepared on a going concern basis. In making their assessment the trustees have reviewed and considered relevant information, including their annual budget and future cash flows. The trustees are of the view that the immediate future of the charity for the next 12 months is secure and that on this basis the charity is a going concern.

3 Income

3.1 Recognition of income

Income is recognised when the charity has entitlement to the resources, any performance conditions attached to the item(s) of income have been met, it is more likely than not that the resources will be received and the monetary value can be measured with sufficient reliability

3.2 Offsetting

There has been no offsetting of assets and liabilities, or income and expenses, unless required or permitted by FRS102 SORP or FRS102.

3.3 Grants and donations

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income received in advance of the provision of a specified service is deferred until the criteria of income recognition are met.

NORTHERN ENGAGEMENT INTO RECOVERY FROM ADDICTION FOUNDATION

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2023

3.4 Donated goods and services

Donated goods are measured at fair value (the amount for which the asset could be exchanged) unless impractical to do so.

Donated services and facilities are included in the SoFA when received at the value of the gift to the charity provided that the value of the gift can be measured reliably. Donated services and facilities that are consumed immediately are recognised as income with the equivalent amount recognised as an expense under the appropriate heading in the SoFA.

3.5 Volunteer help

The value of volunteer help received is not included in the accounts but is described in the trustees' annual report.

3.6 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

3.7 Income from membership subscriptions

Membership subscriptions received in the nature of a gift are recognised in donations and legacies.

Membership subscriptions which gives a member the right to buy services or other benefits are recognised as income earned from the provision of goods and services as income from charitable activities.

3.8 Investment gains and losses

This includes any realised or unrealised gains or losses on the sale of investments and any gain or loss resulting from revaluing investments to market value at the end of the year.

3.9 Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the

4 Expenditure and liabilities

4.1 Liability recognition

Liabilities are recognised when it is more likely than not that there is a legal or constructive obligation committing the charity to pay out resources and the amount of the obligation can be measured with reasonable certainty.

4.2 Charitable activities

Expenditure on charitable activities includes the costs of peer support work and public awareness of alcohol and substance misuse and other activities undertaken to further the purposes of the charity and their associated support costs.

NORTHERN ENGAGEMENT INTO RECOVERY FROM ADDICTION FOUNDATION

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2023

4.3 Governance and support costs

Support costs have been allocated between governance cost and other support. Governance costs comprise all costs involving public accountability of the charity and its compliance with regulation and good practice.

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources.

4.4 Irrecoverable VAT

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

4.5 Creditors

The charity has creditors which are measured at settlement amounts less any trade discounts.

4.6 Provisions for liabilities

A liability is measured on recognition at its historical cost and then subsequently measured at the best estimate of the amount required to settle the obligation at the reporting date.

NORTHERN ENGAGEMENT INTO RECOVERY FROM ADDICTION FOUNDATION

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2023

Analysis of income

	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Total 2022 £
5 Donations and legacies				
Big Lottery Trust	-	-	-	8,988
Other donations and grants	681	-	681	363
	<u>681</u>	<u>-</u>	<u>681</u>	<u>9,351</u>
6 Charitable activities				
<u>Income from grants and contracts</u>				
Sodexo Business Development	-	-	-	32,231
Sunderland City Council	-	16,865	16,865	4,770
The National Lottery Community Fund - COVID-19 Recovery Fund	-	-	-	-
ASDA Foundation	300	-	300	-
Bernicia Foundation	-	-	-	9,844
Hadrian trust	-	-	-	1,000
The Barbour Foundation	-	-	-	5,000
Wellbank Foundation	-	-	-	9,759
Greggs Foundation	19,296	-	19,296	-
NHS Sunderland Clinical Commissioning Group	65,000	-	65,000	-
Community Foundation - The 1989 Willan Charitable Trust	15,000	-	15,000	-
Lloyds Bank Foundation	27,250	-	27,250	-
William Leech Foundation	-	-	-	4,000
	<u>126,846</u>	<u>16,865</u>	<u>143,711</u>	<u>66,604</u>
7 Other trading activities				
Room hire	-	-	-	495
Other income	233	-	233	260
rent refund	-	-	-	1,500
	<u>233</u>	<u>-</u>	<u>233</u>	<u>2,255</u>

Income was £144,624 (2022: £78,210) of which £127,759 was unrestricted or designated (2022: £34,849) and £16,865 was restricted (2022: £43,361)

NORTHERN ENGAGEMENT INTO RECOVERY FROM ADDICTION FOUNDATION

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2023

Analysis of expenditure on charitable activities

	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Total 2022 £
8 Charitable activities				
<u>Direct costs</u>				
Volunteer expenses	595	-	595	155
Rent and rates	-	-	-	6,075
Telephone	-	-	-	1,604
Printing, postage and stationery	-	-	-	1,131
Computer expenses	2,194	-	2,194	2,170
Insurance	1,677	-	1,677	1,762
Sundries	479	-	479	415
Refreshments	-	-	-	315
Training	-	-	-	-
Group activities	-	-	-	-
Other staff costs	666	-	666	5,621
<u>Support costs</u>				
Rent and rates	8,748	-	8,748	1,425
Telephone	1,482	-	1,482	327
Printing, postage and stationery	530	234	764	265
Computer expenses	-	-	-	508
Insurances	-	-	-	174
Sundries	-	-	-	96
Refreshments	-	-	-	74
Advertising	199	-	199	-
Group Activity Cost	62	-	62	-
Room Hire and Refreshments	150	-	150	-
Cleaning and health & safety costs	474	-	474	-
Legal and professional fees	1,468	-	1,468	1,049
Wages and salaries	15,501	38,368	53,869	46,473
National insurance	1,877	4,179	6,055	2,182
Pension costs	725	1,738	2,464	1,636
Office machine costs	2,054	-	2,054	1,512
<u>Governance costs</u>				
Independent examiner's fees for reporting on the accounts	852	-	852	1,032
	<u>39,733</u>	<u>44,519</u>	<u>84,252</u>	<u>76,001</u>

Expenditure on charitable activities was £84,252 (2022: £76,001) of which £39,733 was unrestricted or designated (2022: £71,321) and £44,519 was restricted (2022: £4,680)

NORTHERN ENGAGEMENT INTO RECOVERY FROM ADDICTION FOUNDATION

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2023

9 Fees for examination of the accounts

	2023 £	2022 £
Independent examiner's fees for reporting on the accounts	852	1,032
	852	1,032

There were no other fees paid to the examiner (2022: £nil)

10 Analysis of staff costs and the cost of key management personnel

	2023 £	2022 £
Salaries and wages	53,869	46,473
Social security costs	6,055	2,182
Employers pension costs	2,464	1,636
	62,388	50,291

No employee received remuneration above £60,000 (2022: nil)

The key management personnel of the charity, comprise the trustees and the chief executive officer. The total employee benefits of the key management personnel of the charity were £26,268. (2022: £18,350)

11 Staff numbers

The average monthly head count was 8 staff (2022: 7 staff) and the average monthly number of full-time equivalent employees during the year were as follows:

	2023 Number	2022 Number
The parts of the charity in which the employee's work		
Advice and information	5.6	5.6
Management	2.0	0.9
	7.6	6.5

12 Transactions with trustees

One trustee has been paid remunerations from an employment with their charity. Authority for payment was effected by a minute of appointment. No payment is made to the trustee for services as a trustee. Details for the periods were as follows:

Name	Remuneration £	Employer NI £	Employer Pension £	Total 2023 £	Total 2022 £
G Frend	-	-	-	-	4,359
A Lowery	23,530	2,085	653	26,268	13,992

NORTHERN ENGAGEMENT INTO RECOVERY FROM ADDICTION FOUNDATION

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2023

Trustees' expenses

No trustee expenses have been incurred in the year.

Transaction(s) with related parties

There have been no related party transactions in the reporting period.

13 Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The employer's pension costs represent contributions payable by the charity to the fund and amount to £2,464 (2022: £1,636). There was £261 outstanding as at 31 March 2023 (2022: £64)

14 Corporation Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objectives.

15 Debtors and prepayments (receivable within 1 year)

	2023 £	2022 £
Prepayments	124	-
	124	-

16 Cash at bank and in hand

	2023 £	2022 £
Cash at bank	108,519	46,494
Short term deposits	6	6
Cash in hand	73	19
	108,598	46,519

17 Creditors and accruals (payable within 1 year)

	2023 £	2022 £
Trade creditors	2,075	64
Taxation and social security	-	-
Other loans	12,000	12,000
Accruals	-	-
Independent examination of accounts	852	1,032
	14,927	13,096

NORTHERN ENGAGEMENT INTO RECOVERY FROM ADDICTION FOUNDATION

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2023

18 Creditors and accruals (payable after more than 1 year)

	2023 £	2022 £
Long Term Loan - one to two years	6,000	6,000
Long Term Loan - two to five years	3,260	3,260
	9,260	9,260

19 Events after the end of the reporting period

No events (not requiring adjustment to the accounts) have occurred after the end of the reporting period but before the accounts are authorised which relate to conditions that arose after the end of the reporting period.

20 Analysis of charitable funds

Analysis of movements in unrestricted funds As at 31 March 2023

	Fund balances brought forward £	Incoming resources £	Resources expended £	Transfers £	Fund balances carried forward £
Unrestricted funds					
General unrestricted fund	(24,445)	127,759	(39,733)	14,893	78,474
Totals	(24,445)	127,759	(39,733)	14,893	78,474

As at 31 March 2022

	Fund balances brought forward £	Incoming resources £	Resources expended £	Transfers £	Fund balances carried forward £
Unrestricted funds					
General unrestricted fund	12,027	34,849	(71,321)	-	(24,445)
Totals	12,027	34,849	(71,321)	-	(24,445)

Purpose of unrestricted funds

General unrestricted fund The 'free reserves' of the charity

NORTHERN ENGAGEMENT INTO RECOVERY FROM ADDICTION FOUNDATION

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2023

20 Analysis of charitable funds continued

Analysis of movement in restricted funds

As at 31 March 2023

Restricted funds	Fund balances brought forward £	Incoming resources £	Resources expended £	Transfers £	Fund balances carried forward £
The Rothley Trust	102	-	-	-	102
The National Lottery	18,603	-	(3,710)	(14,893)	-
Sunderland City Council	300	16,865	(13,744)	-	3,421
Bernicia Foundation	9,844	-	(10,044)	-	(200)
Hadrian Trust	1,000	-	(1,000)	-	-
Barbour Foundation	5,000	-	(4,954)	-	46
Wellbank Foundation	9,759	-	(9,067)	-	692
William Leech Foundation	4,000	-	(2,000)	-	2,000
Totals	48,608	16,865	(44,519)	(14,893)	6,061

As at 31 March 2022

Restricted funds	Fund balances brought forward £	Incoming resources £	Resources expended £	Transfers £	Fund balances carried forward £
The Rothley Trust	102	-	-	-	102
The National Lottery	9,825	8,988	(210)	-	18,603
Sunderland City Council	-	4,770	(4,470)	-	300
Bernicia Foundation	-	9,844	-	-	9,844
Hadrian Trust	-	1,000	-	-	1,000
Barbour Foundation	-	5,000	-	-	5,000
Wellbank Foundation	-	9,759	-	-	9,759
William Leech Foundation	-	4,000	-	-	4,000
Totals	9,927	43,361	(4,680)	-	48,608

Purpose of restricted funds

Restricted funds represent income resources used for a specific purpose within the charity as identified by the donor.

The Rothley Trust	This grant is for the purchase of musical instruments for use in NERAF groups as part of members progression on their outcome star, providing meaningful use of time and expanding their social network through group interaction.
The National Lottery	This grant is to run a Breakfast drop in group and has had to be put on hold due to Covid 19 restrictions.
Sunderland City Council	This grant was provided for a part time staff member working as an Alcohol and Substance wellbeing advisor to support any clients with any issues highlighted by the recovery coach as a barrier to their recovery or maintaining their sobriety.

NORTHERN ENGAGEMENT INTO RECOVERY FROM ADDICTION FOUNDATION

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2023

Purpose of restricted funds (continued)

Bernicia Foundation	This grant was provided towards the role of a Community Inclusion Officer. This role is to support NERAF clients in maintaining sobriety through the group support and reaching out to new clients via social media.
Hadrian Trust	This grant was awarded to go towards a Volunteer Co-ordinator. Their role was to facilitate the group as well as train and recruit new volunteers.
Barbour Foundation	This grant was awarded for a part time outreach and awareness coach. Their role was to raise awareness within the community regarding alcohol and substance use and how to access support within Sunderland.
Wellbank Foundation	This grant was given for the role of a Dependency Awareness Advisor to support individuals within the city into specialised support across the city.
William Leech	This grant was awarded for a Community Inclusion Officer on a part time basis. This role is to support NERAF clients in maintaining sobriety through the group support and reaching out to new clients via social media.

Transfers between funds

As of 31/03/2023	Reason for transfer	Amount £
Between unrestricted and restricted funds	Cost have been wrongly allocated to unrestricted funds in prior years	14,893

21 Capital commitments

As at 31 March 2023, the charity had no capital commitments (2022 -£nil)

22 Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Total 2022 £
Cash at bank and in hand	87,644	20,954	108,598	46,519
Other net current assets/(liabilities)	(14,803)	-	(14,803)	(13,096)
Long term assets/(liabilities)	(9,260)	-	(9,260)	(9,260)
	63,581	20,954	84,535	24,163

Accounts

NORTHERN ENGAGEMENT INTO RECOVERY FROM ADDICTION FOUNDATION
(A company limited by guarantee)

REPORT AND FINANCIAL STATEMENTS
For the year ended 31 March 2022

Charity Number 1141400
Company Number 07586712

NORTHERN ENGAGEMENT INTO RECOVERY FROM ADDICTION FOUNDATION

(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

For the year ended 31 March 2022

Contents	Page
Trustees annual report	1 to 6
Independent examiners report	7
Statement of Financial Activities (including income and expenditure account)	8
Balance sheet	9
Notes to the financial statements	10 to 19

NORTHERN ENGAGEMENT INTO RECOVERY FROM ADDICTION FOUNDATION

(A company limited by guarantee)

TRUSTEES ANNUAL REPORT

For the year ended 31 March 2022

The Trustees are pleased to present their annual Directors' report together with financial statements of the charity for the year ended 31 March 2022 which are also prepared to meet the requirements for a Directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the UK and Republic of Ireland (FRS 102) (effective October 2019). The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice. T

Achievements and Performance

The operating year of 21/22 has seen the progress made against the outcomes set for the year and built on the success of our previous years, this year working with over 300 people who have accessed our services.

Of particular note are our achievements in:

- Responding to the individual needs of our clients through adopting a more flexible working practice and specifically the realignment of resources to meet the increased demand for 1:1 based interventions, these positive actions have been highlighted in recent independent audits
- The continuation and increase of the support offered to people within Sunderland who have substance and alcohol issues
- Increase in our numbers of clients receiving one to one support
- Increase in the number of clients accessing our support groups
- Increase in Volunteers

The operating year of 2021 to 2022 has seen NERAF adapt and diversify in response to need and funding changes. Our work with Northumbria Rehabilitation Company (CRC) ceased on the 25th of June 2021 and the staff were tupe'd over to the Probation Service from this date. Our CEO Graham Frend retired the following week, and we welcomed our new CEO Amanda Lowery. From July 2021 we had three part time staff in total and began focusing on the needs of general population and securing funding. We have ended the financial year with 5 part time staff. Despite a small staff team, we have worked with over 300 people who have accessed our services.

NORTHERN ENGAGEMENT INTO RECOVERY FROM ADDICTION FOUNDATION

(A company limited by guarantee)

TRUSTEES ANNUAL REPORT

For the year ended 31 March 2022

This year has seen a strong emphasis placed on our client centred approach through the coaching and mentoring model, which places the client at the centre of the process and ensures that they are included in considerations regarding decisions made, targets set and the learning taken from previous actions and outcomes. This approach has demonstrated the positivity generated through the client empowerment process and evidenced through our recorded success rate.

The financial climate remains challenging and as such the board and staff have placed a greater emphasis on developing the volunteer base, which not only has a positive impact on our clients' recovery and ability to meet ever increasing need but also provides the opportunity to develop and progress new ideas. We currently have 13 volunteers, many who have had substance or alcohol issues themselves and are able to offer peer knowledge and support to our clients. Other volunteers have loved ones who have had substance and alcohol issues and are passionate about support individuals and loved ones of those effected. Two of our volunteers are also in their final year of a Health and Social Care Degree.

As a board we continue to submit funding applications and are always looking for opportunities to further develop the charity.

My sincere thanks go to all those that have supported NERAF past, present and future and a huge, big thank you to all our customers, volunteers, peers, staff, and stakeholders; without which our continuing success would not be achievable. Similar to last year, this year has been a tough year for us, and for other charities providing similar support, and if it were not for your continuing support to access our service, referring to us, and volunteering for us, our task would be so much harder to accomplish.

Thank you also to the Board of Trustees who do so much unrecognised and voluntary work behind the scenes and often must make tough decisions, financial pressures and robust decision making is at the heart at what we do at NERAF, and this could not be achieved without the support of Board.

I would like to take a moment to say a big well done to those who have sustained and flourished in their recovery this year and wish you success to the future. Unfortunately, we have lost some people along the way either to their addiction or for other reasons. I hope and wish them well for the future too.

As with other third sector organisations we are aware of the financial difficulties that are present given the current climate following Covid, as a Board we are proud that we continue to make positive financial headway in these challenging times.



Eleanor Griffin
Chair of Board for NERAF

NORTHERN ENGAGEMENT INTO RECOVERY FROM ADDICTION FOUNDATION

(A company limited by guarantee)

TRUSTEES ANNUAL REPORT

For the year ended 31 March 2022

Plans for the future

We continue to monitor and review all non-essential work in order to keep all costs to a minimum whilst being sure not to compromise the quality of our service delivery.

As a strong element of our work to support our service users, NERAF continue to seek out new partnership opportunities whilst maintaining positive relationships with our existing partners. These will enable us to finance our work across public health contracts, grant work and independently paid for commercial work. In this way we aim to spread our financial risk and any surplus gained will be used to support our ongoing day to day activities of one to one and group work.

Financial review

The total income for the year was £78,210 (2021: £170,224) of which £43,461 was restricted (2021: £nil). This income is allocated across respective funds on the Statement of Financial Activities in accordance with the Statement of Recommended Practice (SORP) 2019.

Expenditure for the year was £76,001 (2021: £132,112) of which £4,680 was restricted (2021: £nil), which resulted in a net income of £2,209 (2021: £38,112) of which £38,681 was restricted (2021: £nil).

The Balance Sheet as at 31 March 2022 showed net current assets of £33,423 (2020: £37,214). The total net assets as at 31 March 2022 was £24,163 (2021: £21,954) with £48,608 held in restricted funds (2021: £9,927).

Preparation of the accounts on a going concern basis

The financial statements have been prepared on a going concern basis. The Trustees have reviewed and considered relevant information, including the annual budget and future cash flows in making their assessment. In particular, in response to the COVID-19 pandemic, the Trustees have revised their forecasts to take into account the impact on the business of possible scenarios brought on by the impact of COVID-19, alongside the measures that they can take to mitigate the impact.

The unrestricted funds as of 31 March 2022 are in deficit by £24,445 which will be addressed by unrestricted funds of £10,000 from the Willan Trust which was received in May 2022 and £65,000 from the Clinical Commissioning Group which was received June 2022. Further unrestricted funds from the Greggs Foundation is due to be received in the financial year 2022-23. The Trustees have concluded that they can continue to adopt the going concern basis in preparing the annual report and accounts.

NORTHERN ENGAGEMENT INTO RECOVERY FROM ADDICTION FOUNDATION

(A company limited by guarantee)

TRUSTEES ANNUAL REPORT

For the year ended 31 March 2022

Reserves policy

The Trustees intend to build reserves to enable the charity to secure and expand its services. In the year ended 31 March 2022, the deficit has led to an increase in funding opportunities. Free reserves at the year-end stood at a deficit of £24,445. (2021: a surplus of £12,027). The charity continues to benefit from the provision of long term loan finance from NorthStar Ventures.

The Trustees continue to have a target to build up reserves to represent three months of expenditure, approximately £24,000. The Trustees are aware that the free reserves are way below this target level but aim to increase free reserves with a planned operation surplus over the next few years.

Reference and administrative details of the charity, its Trustees and advisors

Charity Name	Northern Engagement into Recovery from Addiction Foundation
Registered Charity Number	1141400
Company Number	07586712
Registered Office and operational address	Sunderland MIND Wellbeing Hub Church Street Hendon Sunderland SR1 2BB
Trustees	Mr G Frend Mrs L Dougan Mr A Matthews Mrs N Parry Christine Carruthers Ms E Griffin, Chair Mrs Shellie Nichols-Key
Bankers	The Co-operative Bank Delf House Southway Skelmersdale WN8 6WT
Independent Examiner	Douglas Maltman Connected Voice Business Services Ltd Higham House Higham Place Newcastle upon Tyne NE1 8AF

NORTHERN ENGAGEMENT INTO RECOVERY FROM ADDICTION FOUNDATION

(A company limited by guarantee)

TRUSTEES ANNUAL REPORT

For the year ended 31 March 2022

Solicitors	Hempsons The Exchange Station Parade Harrogate HG 1DY
------------	---

Structure, governance and management

Governing Documents

The organisation is a charitable company limited by guarantee, incorporated on the 31 March 2011. The company was established under a Memorandum of Association which establishes the objectives and powers of the charitable company and is governed under its Articles of Association.

Appointment, Induction and Training of Trustees

The management of the charitable company is the responsibility of the Trustees. Trustees are provided with correct advice, guidance and support to enable them to fulfil their duties to the standard required of the Charity Commission.

Induction will consist of:

- Explanation of appropriate documents relevant to the position
- One to one meetings with the chair of the Trustees and the Chief executive Officer
- Criminal record bureau Checks
- Confidentiality Procedures
- Health and Safety procedures; and
- Training will be provided as required.

Organisation

The Trustees meet every quarter and deal with the administration of the charity to ensure that Northern Engagement into Recovery from Addiction Foundation has a clear vision and strategy for the future, and to monitor the performance against plans, to support the management and staff team, and to oversee financial accountability and risk management.

The operational management of the organisation is undertaken by the paid staff team.

Risk management

The Trustees have conducted a review of the major risks to which the charity is exposed and systems have been established to mitigate those risks including the implementation of procedures for authorisation of all transactions and projects and for ensuring the consistent quality of the delivery of all operational aspects of the charitable company. These procedures are periodically reviewed to ensure that they still meet the needs of the charity.

NORTHERN ENGAGEMENT INTO RECOVERY FROM ADDICTION FOUNDATION

(A company limited by guarantee)

TRUSTEES ANNUAL REPORT

For the year ended 31 March 2022

Public benefit statement

The Trustees/directors have considered the guidance produced by the Charity Commission on the provision of public benefit and they confirm that public benefit has been provided by the range of activities as described above.

Statement of Trustee Responsibilities

The Trustees, who are also directors for the purposes of company law, are responsible for preparing the Trustees' Annual Report and the Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the Trustees to prepare financial statements for each financial year which show the state of affairs of the charitable company and of incoming resources and application of resources, including the income and expenditure of the charitable company for that year. In preparing those financial statements, the Trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable 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 charity will continue in operation.

The Trustees are responsible for keeping 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.

Approved by the Board on:

22.12.2022

and signed on their behalf by: Ms E Griffin
Chair

NORTHERN ENGAGEMENT INTO RECOVERY FROM ADDICTION FOUNDATION

(A company limited by guarantee)

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES

For the year ended 31 March 2022

I report on the financial statements of Northern Engagement into Recovery from Addiction Foundation for the year ended 31 March 2022, which are set out on pages 8 to 19.

Respective responsibilities of trustees and examiner

The charity's trustees (who are also directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 ("the Charities Act") and that an independent examination is needed.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the Charities Act,
- to follow the procedures laid down in the general Directions given by the Charity Commission (under section 145(5)(b) of the Charities Act), and
- to state whether particular matters have come to my attention.

Basis of independent examiner's statement

My examination was carried out in accordance with general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no material matters have come to my attention which gives me cause to believe that in, any material respect:

- accounting records were not kept in accordance with section 386 of the Companies Act 2006; or
- the accounts do not accord with such records; or
- the accounts do not comply with relevant accounting requirements under section 396 of the Companies Act 2006 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
- the accounts have not been prepared in accordance with the Charities SORP (FRS102).

I 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.

Doug Maltman FMAAT
Connected Voice Business Services Ltd
Higham House
Higham Place
Newcastle upon Tyne
NE1 8AF
Date: 22.12.2022

NORTHERN ENGAGEMENT INTO RECOVERY FROM ADDICTION FOUNDATION

(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES

(INCLUDING SUMMARY INCOME & EXPENDITURE ACCOUNT)

For the year ended 31 March 2022

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2022 £	Total 2021 £
Income from:					
Donations and legacies	6	363	8,988	9,351	-
Charitable activities					
Grants and contracts	7	32,231	34,373	66,604	170,224
Other trading activities	8	2,255	-	2,255	-
Total income		34,849	43,361	78,210	170,224
Expenditure on:					
Charitable activities					
Operation of the charity	9	71,321	4,680	76,001	132,112
Total expenditure		71,321	4,680	76,001	132,112
Net income/(expenditure) and net movement of funds		(36,472)	38,681	2,209	38,112
Reconciliation of funds					
Total funds brought forward		12,027	9,927	21,954	(16,158)
Total funds carried forward		(24,445)	48,608	24,163	21,954

The Statement of Financial Activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities

The notes on pages 10 to 19 form an integral part of these accounts.

NORTHERN ENGAGEMENT INTO RECOVERY FROM ADDICTION FOUNDATION

(A company limited by guarantee)

Charity Number 1141400

BALANCE SHEET

Company Number 07586712

As at 31 March 2022

	Notes	£	Total 2022 £	£	Total 2021 £
Current assets					
Debtors	16	-		12,128	
Cash at bank and in hand	17	46,519		40,377	
Total current assets		46,519		52,505	
Creditors: amounts falling due within one year	18	(13,096)		(15,291)	
Net current assets			33,423		37,214
Total assets less current liabilities			33,423		37,214
Creditors: amounts falling due after more than one year	19	(9,260)		(15,260)	
Total net assets or liabilities			24,163		21,954
Funds of the charity					
Unrestricted income funds			(24,445)		12,027
Restricted income funds			48,608		9,927
Total funds			24,163		21,954

The company was entitled to an exemption from audit under s477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act with the respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to small companies subject to the small companies regime and in accordance with FRS102 SORP.

The notes on pages 10 to 19 form an integral part of these accounts.

These financial statements were approved by the Board on: 22.12.2022

and are signed on its behalf by: Ms E Griffin
Chair

NORTHERN ENGAGEMENT INTO RECOVERY FROM ADDICTION FOUNDATION

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2022

1 Accounting Policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

2 Basis of accounting

2.1 Basis of preparation

These accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts.

The accounts 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) (effective October 2019) – Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

Northern Engagement into Recovery from Addiction Foundation meets the definition of a public benefit entity

2.2 Preparation of the accounts on a going concern basis

The financial statements have been prepared on a going concern basis. In making their assessment the trustees have reviewed and considered relevant information, including their annual budget and future cash flows. In response to the COVID-19 pandemic, the trustees have revised their forecasts to take into account measures that they can take with the current resources available to mitigate the impact of the current adverse conditions. The trustees are of the view that the immediate future of the charity for the next 12 months is secure and that on this basis the charity is a going concern.

3 Income

3.1 Recognition of income

Income is recognised when the charity has entitlement to the resources, any performance conditions attached to the item(s) of income have been met, it is more likely than not that the resources will be received and the monetary value can be measured with sufficient reliability

3.2 Offsetting

There has been no offsetting of assets and liabilities, or income and expenses, unless required or permitted by FRS102 SORP or FRS102.

3.3 Grants and donations

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income received in advance of the provision of a specified service is deferred until the criteria of income recognition are met.

NORTHERN ENGAGEMENT INTO RECOVERY FROM ADDICTION FOUNDATION

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2022

3.4 Donated goods and services

Donated goods are measured at fair value (the amount for which the asset could be exchanged) unless impractical to do so.

Donated services and facilities are included in the SoFA when received at the value of the gift to the charity provided that the value of the gift can be measured reliably. Donated services and facilities that are consumed immediately are recognised as income with the equivalent amount recognised as an expense under the appropriate heading in the SoFA.

3.5 Volunteer help

The value of volunteer help received is not included in the accounts but is described in the trustees' annual report.

3.6 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

3.7 Income from membership subscriptions

Membership subscriptions received in the nature of a gift are recognised in donations and legacies.

Membership subscriptions which gives a member the right to buy services or other benefits are recognised as income earned from the provision of goods and services as income from charitable activities.

3.8 Investment gains and losses

This includes any realised or unrealised gains or losses on the sale of investments and any gain or loss resulting from revaluing investments to market value at the end of the year.

3.9 Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the

4 Expenditure and liabilities

4.1 Liability recognition

Liabilities are recognised when it is more likely than not that there is a legal or constructive obligation committing the charity to pay out resources and the amount of the obligation can be measured with reasonable certainty.

4.2 Charitable activities

Expenditure on charitable activities includes the costs of peer support work and public awareness of alcohol and substance misuse and other activities undertaken to further the purposes of the charity and their associated support costs.

NORTHERN ENGAGEMENT INTO RECOVERY FROM ADDICTION FOUNDATION

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2022

4.3 Governance and support costs

Support costs have been allocated between governance cost and other support. Governance costs comprise all costs involving public accountability of the charity and its compliance with regulation and good practice.

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources.

4.4 Irrecoverable VAT

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

4.5 Creditors

The charity has creditors which are measured at settlement amounts less any trade discounts.

4.6 Provisions for liabilities

A liability is measured on recognition at its historical cost and then subsequently measured at the best estimate of the amount required to settle the obligation at the reporting date.

5 Assets

5.1 Tangible fixed assets for use by the charity

Individual fixed assets costing £1,000 or more are capitalised at cost and are depreciated over their estimated useful economic lives on a straight line basis, the charity does not currently have any tangible fixed assets:

Leasehold property improvements	Straight line over life of lease
Office and computer equipment	Straight line over four years

NORTHERN ENGAGEMENT INTO RECOVERY FROM ADDICTION FOUNDATION

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2022

Analysis of income

	Unrestricted Funds £	Restricted Funds £	Total 2022 £	Total 2021 £
6 Donations and legacies				
Big Lottery Trust	-	8,988	8,988	-
Other donations and grants	363	-	363	-
	<u>363</u>	<u>8,988</u>	<u>9,351</u>	<u>-</u>
7 Charitable activities				
<u>Income from grants and contracts</u>				
Sodexo Business Development	32,231	-	32,231	134,600
Sunderland City Council	-	4,770	4,770	14,000
The National Lottery Community Fund - COVID-19 Recovery Fund	-	-	-	8,750
Northstar Foundation	-	-	-	12,874
Bernicia Foundation	-	9,844	9,844	-
Hadrian trust	-	1,000	1,000	-
The Barbour Foundation	-	5,000	5,000	-
Wellbank Foundation	-	9,759	9,759	-
William Leech Foundation	-	4,000	4,000	-
	<u>32,231</u>	<u>34,373</u>	<u>66,604</u>	<u>170,224</u>
8 Other trading activities				
Room hire	495	-	495	-
Other income	260	-	260	-
rent refund	1,500	-	1,500	-
	<u>2,255</u>	<u>-</u>	<u>2,255</u>	<u>-</u>

Income was £78,210 (2021: £170,224) of which £34,849 was unrestricted or designated (2021: £170,224) and £43,361 was restricted (2021: £0)

NORTHERN ENGAGEMENT INTO RECOVERY FROM ADDICTION FOUNDATION

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2022

Analysis of expenditure on charitable activities

	Unrestricted Funds £	Restricted Funds £	Total 2022 £	Total 2021 £
9 Charitable activities				
<u>Direct costs</u>				
Volunteer expenses	155	-	155	-
Rent and rates	6,075	-	6,075	6,670
Telephone	1,394	210	1,604	2,625
Printing, postage and stationery	1,131	-	1,131	1,818
Computer expenses	2,170	-	2,170	2,347
Insurance	1,762	-	1,762	1,445
Sundries	415	-	415	503
Refreshments	315	-	315	30
Wages and salaries	34,022	4,470	38,492	77,674
National insurance	1,767	-	1,767	1,057
Pension cost	1,325	-	1,325	1,393
Other staff costs	5,621	-	5,621	72
<u>Support costs</u>				
Rent and rates	1,425	-	1,425	1,580
Telephone	327	-	327	622
Printing, postage and stationery	265	-	265	431
Computer expenses	508	-	508	556
Insurances	174	-	174	305
Sundries	96	-	96	119
Refreshments	74	-	74	7
Equipment hire	-	-	-	766
Repairs and renewals	-	-	-	750
Legal and professional fees	1,049	-	1,049	8,177
Wages and salaries	7,981	-	7,981	21,084
National insurance	415	-	415	789
Pension costs	311	-	311	248
Office machine costs	1,512	-	1,512	-
<u>Governance costs</u>				
Independent examiner's fees for reporting on the accounts	1,032	-	1,032	1,044
	<u>71,321</u>	<u>4,680</u>	<u>76,001</u>	<u>132,112</u>

Expenditure on charitable activities was £76,001 (2021: £132,112) of which £71,321 was unrestricted or designated (2021: £132,112) and £4,680 was restricted (2021: £0)

NORTHERN ENGAGEMENT INTO RECOVERY FROM ADDICTION FOUNDATION

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2022

10 Fees for examination of the accounts

	2022 £	2021 £
Independent examiner's fees for reporting on the accounts	1,032	1,044
	<u>1,032</u>	<u>1,044</u>

There were no other fees paid to the examiner (2021: £nil)

11 Analysis of staff costs and the cost of key management personnel

	2022 £	2021 £
Salaries and wages	42,003	98,758
Social security costs	2,182	1,846
Employers pension costs	1,636	1,641
	<u>45,821</u>	<u>102,245</u>

No employee received remuneration above £60,000 (2021: nil)

The key management personnel of the charity, comprise the trustees and the chief executive officer. The total employee benefits of the key management personnel of the charity were £18,350. (2021: £15,537)

12 Staff numbers

The average monthly head count was 9 staff (2021: 7 staff) and the average monthly number of full-time equivalent employees during the year were as follows:

	2022 Number	2021 Number
The parts of the charity in which the employee's work		
Advice and information	5.6	3.8
Management	0.9	0.9
	<u>6.5</u>	<u>4.7</u>

13 Transactions with trustees

One trustees has been paid remunerations from an employment with their charity. Authority for payment was effected by a minute of appointment. No payment is made to the trustee for services as a trustee. Details for the periods were as follows:

Name	Remuneration £	Employer NI £	Employer Pension £	Total 2022 £	Total 2021 £
G Frend	4,091	198	70	4,359	15,537
A Lowery	13,052	718	222	13,992	-

NORTHERN ENGAGEMENT INTO RECOVERY FROM ADDICTION FOUNDATION

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2022

Trustees' expenses

No trustee expenses have been incurred in the year.

Transaction(s) with related parties

There have been no related party transactions in the reporting period.

14 Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The employer's pension costs represent contributions payable by the charity to the fund and amount to £1,636 (2021: £1,641). There was £64 outstanding as at 31 March 2022 (2021: £333)

15 Corporation Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objectives.

16 Debtors and prepayments (receivable within 1 year)

	2022 £	2021 £
Trade debtors	-	11,235
Prepayments and accrued income	-	893
	-	12,128

17 Cash at bank and in hand

	2022 £	2021 £
Cash at bank	46,494	40,291
Short term deposits	6	6
Cash in hand	19	80
	46,519	40,377

18 Creditors and accruals (payable within 1 year)

	2022 £	2021 £
Trade creditors	64	493
Taxation and social security	-	1,754
Other loans	12,000	12,000
Accruals		
Independent examination of accounts	1,032	1,044
	13,096	15,291

NORTHERN ENGAGEMENT INTO RECOVERY FROM ADDICTION FOUNDATION

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2022

19 Creditors and accruals (payable after more than 1 year)

	2022 £	2021 £
Long Term Loan - one to two years	6,000	12,000
Long Term Loan - two to five years	3,260	3,260
	9,260	15,260

20 Events after the end of the reporting period

No events (not requiring adjustment to the accounts) have occurred after the end of the reporting period but before the accounts are authorised which relate to conditions that arose after the end of the reporting period.

21 Analysis of charitable funds

Analysis of movements in unrestricted funds As at 31 March 2022

	Fund balances brought forward £	Incoming resources £	Resources expended £	Transfers £	Fund balances carried forward £
Unrestricted funds					
General unrestricted fund	12,027	34,849	(71,321)	-	(24,445)
Totals	12,027	34,849	(71,321)	-	(24,445)

As at 31 March 2021

	Fund balances brought forward £	Incoming resources £	Resources expended £	Transfers £	Fund balances carried forward £
Unrestricted funds					
General unrestricted fund	(26,085)	170,224	(132,112)	-	12,027
Totals	(26,085)	170,224	(132,112)	-	12,027

Purpose of unrestricted funds

General unrestricted fund The 'free reserves' of the charity

NORTHERN ENGAGEMENT INTO RECOVERY FROM ADDICTION FOUNDATION

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2022

21 Analysis of charitable funds continued

Analysis of movement in restricted funds

As at 31 March 2022

	Fund balances brought forward £	Incoming resources £	Resources expended £	Transfers £	Fund balances carried forward £
Restricted funds					
The Rothley Trust	102	-	-	-	102
The National Lottery	9,825	8,988	(210)	-	18,603
Sunderland City Council	-	4,770	(4,470)	-	300
Bernicia Foundation	-	9,844	-	-	9,844
Hadrian Trust	-	1,000	-	-	1,000
Barbour Foundation	-	5,000	-	-	5,000
Wellbank Foundation	-	9,759	-	-	9,759
William Leech Foundation	-	4,000	-	-	4,000
Totals	9,927	43,361	(4,680)	-	48,608

As at 31 March 2021

	Fund balances brought forward £	Incoming resources £	Resources expended £	Transfers £	Fund balances carried forward £
Restricted funds					
The Rothley Trust	102	-	-	-	102
The National Lottery	9,825	-	-	-	9,825
Totals	9,927	-	-	-	9,927

Purpose of restricted funds

Restricted funds represent income resources used for a specific purpose within the charity as identified by the donor.

The Rothley Trust	This grant is for the purchase of musical instruments for use in NERAF groups as part of members progression on their outcome star, providing meaningful use of time and expanding their social network through group interaction.
The National Lottery	This grant is to run a Breakfast drop in group and has had to be put on hold due to Covid 19 restrictions.
Sunderland City Council	This grant was provided for a part time staff member working as an Alcohol and Substance wellbeing advisor to support any clients with any issues highlighted by the recovery coach as a barrier to their recovery or maintaining their sobriety.
Bernicia Foundation	This grant was provided towards the role of a Community Inclusion Officer. This role is to support NERAF clients in maintaining sobriety through the group support and reaching out to new clients via social media. Post was not appointed as at 31 march 2022.

NORTHERN ENGAGEMENT INTO RECOVERY FROM ADDICTION FOUNDATION

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2022

Purpose of restricted funds (continued)

Hadrian Trust	This grant was awarded to go towards a Volunteer Co-ordinator. Their role was to facilitate the group as well as train and recruit new volunteers. The post was not appointed as at 31 March 2022.
Barbour Foundation	This grant was awarded for a part time outreach and awareness coach. Their role was to raise awareness within the community regarding alcohol and substance use and how to access support within Sunderland. The post was not appointed as at 31 March 2022.
Wellbank Foundation	This grant was given for the role of a Dependency Awareness Advisor to support individuals within the city into specialised support across the city. The post was not appointed as at 31 March 2022.
William Leech	This grant was awarded for a Community Inclusion Officer on a part time basis. This role is to support NERAF clients in maintaining sobriety through the group support and reaching out to new clients via social media. The post was not appointed as at 31 March 2022.

22 Capital commitments

As at 31 March 2022, the charity had no capital commitments (2021 -£nil)

23 Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total 2022 £	Total 2021 £
Cash at bank and in hand	(2,089)	48,608	46,519	40,377
Other net current assets/(liabilities)	(13,096)	-	(13,096)	(3,163)
Long term assets/(liabilities)	(9,260)	-	(9,260)	(15,260)
	<u>(24,445)</u>	<u>48,608</u>	<u>24,163</u>	<u>21,954</u>

Accounts

**NORTHERN ENGAGEMENT INTO RECOVERY FROM
ADDICTION FOUNDATION**

(A company limited by guarantee)

REPORT AND FINANCIAL STATEMENTS

For the year ended 31 March 2021

Charity number 1141400

Company number 07586712

NORTHERN ENGAGEMENT INTO RECOVERY FROM ADDICTION FOUNDATION

(A company limited by guarantee)

TRUSTEES ANNUAL REPORT

For the year ended 31 March 2021

The Trustees are pleased to present their annual Directors' report together with financial statements of the charity for the year ended 31 March 2021 which are also prepared to meet the requirements for a Directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

Achievements and performance

The operating year of 20/21 has seen the progress made against the outcomes set for the year and built on the success of our previous years, this year working with 964 people who have accessed our services.

Of particular note are our achievements in:

- Responding to the individual needs of our clients through adopting a more flexible working practice and specifically the realignment of resources to meet the increased demand for 1:1 based interventions, these positive actions have been highlighted in recent independent audits,
- The continuation of the positive support provided by North Star Ventures
- Increase in our client base including a reported success rate, significantly in excess of the national average as, identified in our recent audit; and
- Exceeding our targets as set by the CRC.

In addition this year has seen a strong emphasis placed on our client centred approach through the coaching and mentoring model, which places the client at the centre of the process and ensures that they are included in considerations regarding decisions made, targets set and the learning taken from previous actions and outcomes. This approach has demonstrated the positivity generated through the client empowerment process and evidenced through our recorded success rate.

The financial climate remains challenging and as such the board have placed a greater emphasis on developing the volunteer base, which not only has a positive impact on our clients' recovery and ability to meet ever increasing need but also provides the opportunity to develop and progress new ideas.

As a board we continue to submit funding applications and are always looking for opportunities to further develop the charity.

NORTHERN ENGAGEMENT INTO RECOVERY FROM ADDICTION FOUNDATION

(A company limited by guarantee)

TRUSTEES ANNUAL REPORT

For the year ended 31 March 2021

The NERAF team of Recovery Coaches are well established and integrated with the CRC staff leading to a truly joined up working system and resulting in excellent results for our service users. Our work with Northumbria Rehabilitation Company (CRC) continues to go from strength to strength, however we are mindful of the forthcoming changes to the probation service and the fact that our current contract for delivery will end in June of this year. Our staff who have been funded by this contract will be tupe'd over to the Probation Service as of June 25th 2021. This is four members of staff in total and although we are sad to see these staff leave our service, we are pleased they have been able to secure continued employment and wish them all the best for the future.

Our service was impacted dramatically this year due to the pandemic. Although we had to cease our group support over this year and carry out most support via telephone we are pleased we have been still able to offer support to both our new and existing clients.

My sincere thanks go to all those that have supported Achieve with NERAF past, present and future and in particular a huge big thank you to all our customers, volunteers, peers, staff and stakeholders; without which our continuing success would not be achievable. Similar to last year, this year has been a tough year for us, and also for other charities providing similar support, and if it were not for your continuing support to access our service, referring to us, and volunteering for us, our task would be so much harder to accomplish.

Thank you also to the Board of Trustees who do so much unrecognised and voluntary work behind the scenes and often have to make tough decisions; financial pressures and robust decision making is at the heart at what we do at Achieve with NERAF, and this could not be achieved without the support of Board.

I would like to take a moment to say a big well done to those who have sustained and flourished in their recovery this year and wish you success to the future. Unfortunately we have lost some people along the way either to their addiction or for other reasons. I hope and wish them well for the future too.

As with other third sector organisations we are aware of the financial difficulties that are present given the current climate, as a Board we are proud that we continue to make positive financial headway in these challenging times and recognise and are grateful for the ongoing support for our largest creditor North Star Ventures, this continued positive support makes a significant contribution to our ongoing financial stability.

Plans for the future

We continue to monitor and review all non-essential work in order to keep all costs to a minimum whilst being sure not to compromise the quality of our service delivery.

NORTHERN ENGAGEMENT INTO RECOVERY FROM ADDICTION FOUNDATION

(A company limited by guarantee)

TRUSTEES ANNUAL REPORT

For the year ended 31 March 2021

As a strong element of our work to support our service users, NERAF continue to seek out new partnership opportunities whilst maintaining positive relationships with our existing partners. These will enable us to finance our work across public health contracts, grant work and independently paid for commercial work. In this way we aim to spread our financial risk and any surplus gained will be used to support our ongoing day to day activities of one to one and group work.

Financial review

The total income for the year ended 31 March 2021 was £170,225 (2020: £141,795). This income is allocated across respective funds on the Statement of Financial Activities in accordance with the Statement of Recommended Practice (SORP) 2019.

Expenditure for the period was £132,112 (2020: £123,719), which resulted in a net income of £38,113 (2020: £18,016).

The Balance Sheet as at 31 March 2021 showed net current assets of £37,214 (2020: 11,101). The total net assets as at 31 March 2021 was £21,954 (2020: deficit -£16,158) with £9,927 held in restricted funds (2020: £9,927).

Preparation of the accounts on a going concern basis

The financial statements have been prepared on a going concern basis. The Trustees have reviewed and considered relevant information, including the annual budget and future cash flows in making their assessment. In particular, in response to the COVID-19 pandemic, the Trustees have revised their forecasts to take into account the impact on the business of possible scenarios brought on by the impact of COVID-19, alongside the measures that they can take to mitigate the impact. Based on these assessments, given the measures that could be undertaken to mitigate the current adverse conditions, and the current resources available, the Trustees have concluded that they can continue to adopt the going concern basis in preparing the annual report and accounts.

Reserves policy

The Trustees wish to increase the level of reserves to enable the charity to secure and expand its services. In the year ended 31 March 2021, the reduced deficit has led to an improvement in free reserves. Free reserves at the year-end stood at £12,027 (2020: deficit -£26,085). The charity continues to benefit from the provision of long term loan finance from Northstar Ventures.

The Trustees continue to have a target to build up reserves to represent three months of expenditure, approximately £33,000. The Trustees are aware that the free reserves are way below this target level but aim to increase free reserves with a planned operation surplus over the next few years.

NORTHERN ENGAGEMENT INTO RECOVERY FROM ADDICTION FOUNDATION

(A company limited by guarantee)

TRUSTEES ANNUAL REPORT

For the year ended 31 March 2021

Reference and administrative details of the charity, its Trustees and advisors

Charity Name	Northern Engagement into Recovery from Addiction Foundation
Registered Charity Number	1141400
Company Number	07586712
Registered Office and operational address	Sunderland MIND Wellbeing Hub Church Street Hendon Sunderland SR1 2BB
Trustees	Mr G Frend, Chief Executive Mrs L Dougan Mr A Matthews Mrs N Parry Christine Carruthers Ms E Griffin, Chair Amanda Lowery – Appointed 28 June 2021 Melanie Nichols
Chief Executive	Graham Frend
Bankers	The Co-operative Bank Delf House Southway Skelmersdale WN8 6WT
Independent Examiner	Jim Dodds Connected Voice Business Services Ltd Higham House Higham Place Newcastle upon Tyne NE1 8AF
Solicitors	Hempsons The Exchange Station Parade Harrogate HG 1DY

NORTHERN ENGAGEMENT INTO RECOVERY FROM ADDICTION FOUNDATION

(A company limited by guarantee)

TRUSTEES ANNUAL REPORT

For the year ended 31 March 2021

Structure, governance and management

Governing documents

The organisation is a charitable company limited by guarantee, incorporated on the 31 March 2011. The company was established under a Memorandum of Association which establishes the objectives and powers of the charitable company and is governed under its Articles of Association.

Appointment, induction and training of Trustees

The management of the charitable company is the responsibility of the Trustees. Trustees are provided with correct advice, guidance and support to enable them to fulfil their duties to the standard required of the Charity Commission.

Induction will consist of:

- Explanation of appropriate documents relevant to the position
- One to one meetings with the chair of the Trustees and the Chief executive Officer
- Criminal record bureau Checks
- Confidentiality Procedures
- Health and Safety procedures; and
- Training will be provided as required.

Organisation

The Trustees meet every quarter and deal with the administration of the charity to ensure that Northern Engagement into Recovery from Addiction Foundation has a clear vision and strategy for the future, and to monitor the performance against plans, to support the management and staff team, and to oversee financial accountability and risk management.

The operational management of the organisation is undertaken by the paid staff team.

Risk management

The Trustees have conducted a review of the major risks to which the charity is exposed and systems have been established to mitigate those risks including the implementation of procedures for authorisation of all transactions and projects and for ensuring the consistent quality of the delivery of all operational aspects of the charitable company. These procedures are periodically reviewed to ensure that they still meet the needs of the charity.

Public benefit statement

The Trustees/directors have considered the guidance produced by the Charity Commission on the provision of public benefit and they confirm that public benefit has been provided by the range of activities as described above.

NORTHERN ENGAGEMENT INTO RECOVERY FROM ADDICTION FOUNDATION

(A company limited by guarantee)

TRUSTEES ANNUAL REPORT

For the year ended 31 March 2021

Statement of Trustee responsibilities

The Trustees, who are also directors for the purposes of company law, are responsible for preparing the Trustees' Annual Report and the Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the Trustees to prepare financial statements for each financial year which show the state of affairs of the charitable company and of incoming resources and application of resources, including the income and expenditure of the charitable company for that year. In preparing those financial statements, the Trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable 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 charity will continue in operation.

The Trustees are responsible for keeping 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.

Approved by the Board on:

and signed on their behalf by: Ms E Griffin
Chair

31221
Eafr

NORTHERN ENGAGEMENT INTO RECOVERY FROM ADDICTION FOUNDATION

(A company limited by guarantee)

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES

For the year ended 31 March 2021

I report on the financial statements of Northern Engagement into Recovery from Addiction Foundation for the year ended 31 March 2021, which are set out on pages 8 to 18.

Respective responsibilities of trustees and examiner

The charity's trustees (who are also directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 ('the Charities Act') and that an independent examination is needed.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the Charities Act,
- to follow the procedures laid down in the general Directions given by the Charity Commission (under section 145(5)(b) of the Charities Act), and
- to state whether particular matters have come to my attention.

Basis of independent examiner's statement

My examination was carried out in accordance with general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

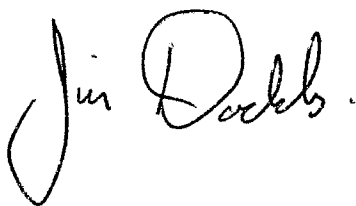
Independent examiner's statement

In connection with my examination, no material matters have come to my attention which gives me cause to believe that in, any material respect:

- accounting records were not kept in accordance with section 386 of the Companies Act 2006; or
- the accounts do not accord with such records; or
- the accounts do not comply with relevant accounting requirements under section 396 of the Companies Act 2006 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
- the accounts have not been prepared in accordance with the Charities SORP (FRS102).

I 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.

Jim Dodds
Connected Voice Business Services Ltd
Higham House
Higham Place
Newcastle upon Tyne
NE1 8AF
Date: 16/12/21



NORTHERN ENGAGEMENT INTO RECOVERY FROM ADDICTION FOUNDATION

(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES

(INCLUDING SUMMARY INCOME & EXPENDITURE ACCOUNT)

For the year ended 31 March 2021

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
<u>Income from:</u>					
Donations and legacies	6	-	-	-	9,831
Charitable activities					
Grants and contracts	7	170,225	-	170,225	131,964
Total income		170,225	-	170,225	141,795
<u>Expenditure on:</u>					
Charitable activities					
Operation of the charity	8	132,112	-	132,112	123,719
Total expenditure		132,112	-	132,112	123,719
Net income/(expenditure) and net movement of funds		38,113	-	38,113	18,076
<u>Reconciliation of funds</u>					
Total funds brought forward		(26,085)	9,927	(16,158)	(34,234)
Total funds carried forward		12,027	9,927	21,954	(16,158)

The Statement of Financial Activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities

The notes on pages 10 to 18 form an integral part of these accounts.

NORTHERN ENGAGEMENT INTO RECOVERY FROM ADDICTION FOUNDATION

(A company limited by guarantee)

Charity Number 1141400

BALANCE SHEET

Company Number 07586712

As at 31 March 2021

	Notes	£	Total 2021 £	£	Total 2020 £
Current assets					
Debtors	16	12,128		11,871	
Cash at bank and in hand	17	40,377		13,659	
Total current assets		52,505		25,530	
Creditors: amounts falling due within one year	18	(15,291)		(14,428)	
Net current assets			37,214		11,101
Total assets less current liabilities			37,214		11,101
Creditors: amounts falling due after more than one year	19	(15,260)		(27,260)	
Total net assets or liabilities			21,954		(16,158)
Funds of the charity					
Unrestricted income funds			12,027		(26,085)
Restricted income funds			9,927		9,927
Total funds			21,954		(16,158)

The company was entitled to an exemption from audit under s477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act with the respect to accounting records and the preparation of accounts.

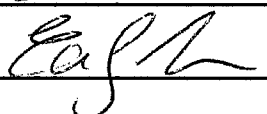
These accounts have been prepared in accordance with the provisions applicable to small companies subject to the small companies regime and in accordance with FRS102 SORP.

The notes on pages 10 to 18 form an integral part of these accounts.

These financial statements were approved by the Board on:

and are signed on its behalf by:

Ms E Griffin
Chair

312.2021


NORTHERN ENGAGEMENT INTO RECOVERY FROM ADDICTION FOUNDATION

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2021

1 Accounting Policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

2 Basis of accounting

2.1 Basis of preparation

These accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts.

The accounts 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) (effective 1 January 2019) – Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

Northern Engagement into Recovery from Addiction Foundation meets the definition of a public benefit entity

2.2 Preparation of the accounts on a going concern basis

The financial statements have been prepared on a going concern basis. In making their assessment the trustees have reviewed and considered relevant information, including their annual budget and future cash flows. In response to the COVID-19 pandemic, the trustees have revised their forecasts to take into account measures that they can take with the current resources available to mitigate the impact of the current adverse conditions. The trustees are of the view that the immediate future of the charity for the next 12 months is secure and that on this basis the charity is a going concern.

3 Income

3.1 Recognition of income

Income is recognised when the charity has entitlement to the resources, any performance conditions attached to the item(s) of income have been met, it is more likely than not that the resources will be received and the monetary value can be measured with sufficient reliability

3.2 Offsetting

There has been no offsetting of assets and liabilities, or income and expenses, unless required or permitted by FRS102 SORP or FRS102.

3.3 Grants and donations

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income received in advance of the provision of a specified service is deferred until the criteria of income recognition are met.

NORTHERN ENGAGEMENT INTO RECOVERY FROM ADDICTION FOUNDATION

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2021

3.4 Donated goods and services

Donated goods are measured at fair value (the amount for which the asset could be exchanged) unless impractical to do so.

Donated services and facilities are included in the SoFA when received at the value of the gift to the charity provided that the value of the gift can be measured reliably. Donated services and facilities that are consumed immediately are recognised as income with the equivalent amount recognised as an expense under the appropriate heading in the SoFA.

3.5 Volunteer help

The value of volunteer help received is not included in the accounts but is described in the trustees' annual report.

3.6 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

3.7 Income from membership subscriptions

Membership subscriptions received in the nature of a gift are recognised in donations and legacies.

Membership subscriptions which gives a member the right to buy services or other benefits are recognised as income earned from the provision of goods and services as income from charitable activities.

3.8 Investment gains and losses

This includes any realised or unrealised gains or losses on the sale of investments and any gain or loss resulting from revaluing investments to market value at the end of the year.

3.9 Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the

4 Expenditure and liabilities

4.1 Liability recognition

Liabilities are recognised when it is more likely than not that there is a legal or constructive obligation committing the charity to pay out resources and the amount of the obligation can be measured with reasonable certainty.

4.2 Charitable activities

Expenditure on charitable activities includes the costs of peer support work and public awareness of alcohol and substance misuse and other activities undertaken to further the purposes of the charity and their associated support costs.

NORTHERN ENGAGEMENT INTO RECOVERY FROM ADDICTION FOUNDATION

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2021

4.3 Governance and support costs

Support costs have been allocated between governance cost and other support. Governance costs comprise all costs involving public accountability of the charity and its compliance with regulation and good practice.

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources.

4.4 Irrecoverable VAT

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

4.5 Creditors

The charity has creditors which are measured at settlement amounts less any trade discounts.

4.6 Provisions for liabilities

A liability is measured on recognition at its historical cost and then subsequently measured at the best estimate of the amount required to settle the obligation at the reporting date.

5 Assets

5.1 Tangible fixed assets for use by the charity

Individual fixed assets costing £1,000 or more are capitalised at cost and are depreciated over their estimated useful economic lives on a straight line basis, the charity does not currently have any tangible fixed assets:

Leasehold property improvements	Straight line over life of lease
Office and computer equipment	Straight line over four years

NORTHERN ENGAGEMENT INTO RECOVERY FROM ADDICTION FOUNDATION

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2021

Analysis of income

	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
6 Donations and legacies				
Big Lottery Trust	-	-	-	9,825
Other donations and grants	-	-	-	6
	<u>-</u>	<u>-</u>	<u>-</u>	<u>9,831</u>
7 Charitable activities				
<u>Income from grants and contracts</u>				
Sodexo Business Development	134,600	-	134,600	131,964
Sunderland City Council	14,000	-	14,000	-
The National Lottery Community Fund - COVID-19 Recovery Fund	8,750	-	8,750	-
Northstar Foundation	12,875	-	12,875	-
	<u>170,225</u>	<u>-</u>	<u>170,225</u>	<u>131,964</u>

Income was £170,225 (2020: £141,795) of which £170,225 was unrestricted or designated (2020: £131,970) and £0 was restricted (2020: £9,825)

NORTHERN ENGAGEMENT INTO RECOVERY FROM ADDICTION FOUNDATION

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2021

Analysis of expenditure on charitable activities

	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
8 Charitable activities				
<u>Direct costs</u>				
Volunteer expenses	-	-	-	636
Rent and rates	6,670	-	6,670	7,277
Telephone	2,625	-	2,625	3,262
Printing, postage and stationery	1,818	-	1,818	1,169
Computer expenses	2,347	-	2,347	-
Insurance	1,445	-	1,445	1,487
Sundries	503	-	503	453
Refreshments	30	-	30	31
Training	-	-	-	333
Wages and salaries	77,674	-	77,674	71,828
National insurance	1,057	-	1,057	1,997
Pension cost	1,393	-	1,393	1,270
Other staff costs	72	-	72	2,285
<u>Support costs</u>				
Rent and rates	1,580	-	1,580	1,723
Telephone	622	-	622	773
Printing, postage and stationery	431	-	431	277
Computer expenses	556	-	556	2,911
Insurances	305	-	305	352
Sundries	119	-	119	107
Refreshments	7	-	7	7
Training	-	-	-	79
Equipment hire	766	-	766	2,065
Repairs and renewals	750	-	750	-
Legal and professional fees	8,177	-	8,177	240
Wages and salaries	21,084	-	21,084	21,003
National insurance	789	-	789	790
Pension costs	248	-	248	321
<u>Governance costs</u>				
Independent examiner's fees for reporting on the accounts	1,044	-	1,044	1,044
	<u>132,112</u>	<u>-</u>	<u>132,112</u>	<u>123,719</u>

Expenditure on charitable activities was £132,112 (2020: £123,719) of which £132,112 was unrestricted or designated (2020: £117,698) and £0 was restricted (2020: £6,021)

NORTHERN ENGAGEMENT INTO RECOVERY FROM ADDICTION FOUNDATION

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2021

9 Fees for examination of the accounts

	2021 £	2020 £
Independent examiner's fees for reporting on the accounts	1,044	1,044
	1,044	1,044

There were no other fees paid to the examiner (2020: £nil)

10 Analysis of staff costs and the cost of key management personnel

	2021 £	2020 £
Salaries and wages	98,758	92,831
Social security costs	1,846	2,787
Employers pension costs	1,641	1,591
	102,245	97,209

No employee received remuneration above £60,000 (2020: nil)

The key management personnel of the charity, comprise the trustees and the chief executive officer. The total employee benefits of the key management personnel of the charity were £15,537. (2020: £15,466)

11 Staff numbers

The average monthly head count was 7 staff (2020: 7 staff) and the average monthly number of full-time equivalent employees during the year were as follows:

	2021 Number	2020 Number
The parts of the charity in which the employee's work		
Advice and information	3.8	3.8
Management	0.9	0.9
	4.7	4.7

12 Transactions with trustees

One trustees has been paid remunerations from an employment with their charity. Authority for payment was effected by a minute of appointment. No payment is made to the trustee for services as a trustee. Details for the periods were as follows:

Name	Remuneration £	Employer NI £	Employer Pension £	Total 2021 £	Total 2020 £
G Frend	14,500	789	248	15,537	15,466

Trustees' expenses

No trustee expenses have been incurred in the year.

Transaction(s) with related parties

There have been no related party transactions in the reporting period.

NORTHERN ENGAGEMENT INTO RECOVERY FROM ADDICTION FOUNDATION

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2021

13 Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The employer's pension costs represent contributions payable by the charity to the fund and amount to £1,641 (2020: £1,591). There was £333 outstanding as at 31 March 2021 (2020: £288)

14 Corporation Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objectives.

15 Tangible fixed assets	Fixtures & fittings £	Office equipment £	Computer equipment £	Total £
Cost				
Balance brought forward	18,838	40,404	44,947	104,189
Additions	-	-	-	-
Disposals	-	-	-	-
Balance carried forward	18,838	40,404	44,947	104,189
Depreciation				
Basis	SL	SL	SL	
Rate	10%	25%	25%	
Balance brought forward	18,838	40,404	44,947	104,189
Depreciation charge for year	-	-	-	-
Disposals	-	-	-	-
Balance carried forward	18,838	40,404	44,947	104,189
Net book value				
Brought forward	-	-	-	-
Carried forward	-	-	-	-

16 Debtors and prepayments (receivable within 1 year)

	2021 £	2020 £
Trade debtors	11,235	11,015
Prepayments and accrued income	893	856
	12,128	11,871

NORTHERN ENGAGEMENT INTO RECOVERY FROM ADDICTION FOUNDATION

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2021

17 Cash at bank and in hand

	2021 £	2020 £
Cash at bank and in hand	40,377	13,659
	<u>40,377</u>	<u>13,659</u>

18 Creditors and accruals (payable within 1 year)

	2021 £	2020 £
Trade creditors	493	448
Taxation and social security	1,754	936
Other loans	12,000	12,000
Accruals		
Independent examination of accounts	1,044	1,044
	<u>15,291</u>	<u>14,428</u>

19 Creditors and accruals (payable after more than 1 year)

	2021 £	2020 £
Long Term Loan - one to two years	12,000	12,000
Long Term Loan - two to five years	3,260	15,260
	<u>15,260</u>	<u>27,260</u>

20 Events after the end of the reporting period

No events (not requiring adjustment to the accounts) have occurred after the end of the reporting period but before the accounts are authorised which relate to conditions that arose after the end of the reporting period.

21 Analysis of charitable funds

Analysis of movements in unrestricted funds

	Fund balances brought forward £	Incoming resources £	Resources expended £	Transfers £	Fund balances carried forward £
Unrestricted funds					
General unrestricted fund	(26,085)	170,225	(132,112)	-	12,027
Totals	<u>(26,085)</u>	<u>170,225</u>	<u>(132,112)</u>	<u>-</u>	<u>12,027</u>

Purpose of unrestricted funds

General unrestricted fund The 'free reserves' of the charity

NORTHERN ENGAGEMENT INTO RECOVERY FROM ADDICTION FOUNDATION

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2021

21 Analysis of charitable funds continued

Analysis of movement in restricted funds

	Fund balances brought forward £	Incoming resources £	Resources expended £	Transfers £	Fund balances carried forward £
Restricted funds					
The Rothley Trust	102	-	-	-	102
The National Lottery	9,825	-	-	-	9,825
Totals	9,927	-	-	-	9,927

Purpose of restricted funds

Restricted funds represent income resources used for a specific purpose within the charity as identified by the donor.

The Rothley Trust	This grant is for the purchase of musical instruments for use in NERAF groups as part of members progression on their outcome star, providing meaningful use of time and expanding their social network through group interaction.
The National Lottery	This grant is to run a Breakfast drop in group and has had to be put on hold due to Covid 19 restrictions.

22 Capital commitments

As at 31 March 2021, the charity had no capital commitments (2020 -£nil)

23 Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
Cash at bank and in hand	30,450	9,927	40,377	13,659
Other net current assets/(liabilities)	(3,163)	-	(3,163)	(2,557)
Long term assets/(liabilities)	(15,260)	-	(15,260)	(27,260)
	12,027	9,927	21,954	(16,158)