

**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

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# **NORTHERN ENGAGEMENT INTO RECOVERY FROM ADDICTION FOUNDATION**

(A company limited by guarantee)

## **TRUSTEES ANNUAL REPORT**

For the year ended 31 March 2022

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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 25<sup>th</sup> 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**

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## **TRUSTEES ANNUAL REPORT**

For the year ended 31 March 2022

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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

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### **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

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## TRUSTEES ANNUAL REPORT

For the year ended 31 March 2022

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### 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

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Solicitors	Hempsons The Exchange Station Parade Harrogate HG 1DY
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### **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

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### **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

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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 £
<b>Income from:</b>					
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	-
<b>Total income</b>		<b>34,849</b>	<b>43,361</b>	<b>78,210</b>	<b>170,224</b>
<b>Expenditure on:</b>					
Charitable activities					
Operation of the charity	9	71,321	4,680	76,001	132,112
<b>Total expenditure</b>		<b>71,321</b>	<b>4,680</b>	<b>76,001</b>	<b>132,112</b>
<b>Net income/(expenditure) and net movement of funds</b>		<b>( 36,472 )</b>	<b>38,681</b>	<b>2,209</b>	<b>38,112</b>
<b>Reconciliation of funds</b>					
Total funds brought forward		12,027	9,927	21,954	( 16,158 )
<b>Total funds carried forward</b>		<b>( 24,445 )</b>	<b>48,608</b>	<b>24,163</b>	<b>21,954</b>

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

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

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### **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**

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## **NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 31 March 2022

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### **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

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### **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

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## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2022

### Analysis of income

	Unrestricted Funds £	Restricted Funds £	Total 2022 £	Total 2021 £
<b>6 Donations and legacies</b>				
Big Lottery Trust	-	8,988	<b>8,988</b>	-
Other donations and grants	363	-	<b>363</b>	-
	<u>363</u>	<u>8,988</u>	<u><b>9,351</b></u>	<u>-</u>
<b>7 Charitable activities</b>				
<u>Income from grants and contracts</u>				
Sodexo Business Development	32,231	-	<b>32,231</b>	134,600
Sunderland City Council	-	4,770	<b>4,770</b>	14,000
The National Lottery Community Fund - COVID-19 Recovery Fund	-	-	-	8,750
Northstar Foundation	-	-	-	12,874
Bernicia Foundation	-	9,844	<b>9,844</b>	-
Hadrian trust	-	1,000	<b>1,000</b>	-
The Barbour Foundation	-	5,000	<b>5,000</b>	-
Wellbank Foundation	-	9,759	<b>9,759</b>	-
William Leech Foundation	-	4,000	<b>4,000</b>	-
	<u>32,231</u>	<u>34,373</u>	<u><b>66,604</b></u>	<u>170,224</u>
<b>8 Other trading activities</b>				
Room hire	495	-	<b>495</b>	-
Other income	260	-	<b>260</b>	-
rent refund	1,500	-	<b>1,500</b>	-
	<u>2,255</u>	<u>-</u>	<u><b>2,255</b></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 £
<b>9 Charitable activities</b>				
<u>Direct costs</u>				
Volunteer expenses	155	-	<b>155</b>	-
Rent and rates	6,075	-	<b>6,075</b>	6,670
Telephone	1,394	210	<b>1,604</b>	2,625
Printing, postage and stationery	1,131	-	<b>1,131</b>	1,818
Computer expenses	2,170	-	<b>2,170</b>	2,347
Insurance	1,762	-	<b>1,762</b>	1,445
Sundries	415	-	<b>415</b>	503
Refreshments	315	-	<b>315</b>	30
Wages and salaries	34,022	4,470	<b>38,492</b>	77,674
National insurance	1,767	-	<b>1,767</b>	1,057
Pension cost	1,325	-	<b>1,325</b>	1,393
Other staff costs	5,621	-	<b>5,621</b>	72
<u>Support costs</u>				
Rent and rates	1,425	-	<b>1,425</b>	1,580
Telephone	327	-	<b>327</b>	622
Printing, postage and stationery	265	-	<b>265</b>	431
Computer expenses	508	-	<b>508</b>	556
Insurances	174	-	<b>174</b>	305
Sundries	96	-	<b>96</b>	119
Refreshments	74	-	<b>74</b>	7
Equipment hire	-	-	-	766
Repairs and renewals	-	-	-	750
Legal and professional fees	1,049	-	<b>1,049</b>	8,177
Wages and salaries	7,981	-	<b>7,981</b>	21,084
National insurance	415	-	<b>415</b>	789
Pension costs	311	-	<b>311</b>	248
Office machine costs	1,512	-	<b>1,512</b>	-
<u>Governance costs</u>				
Independent examiner's fees for reporting on the accounts	1,032	-	<b>1,032</b>	1,044
	<u>71,321</u>	<u>4,680</u>	<u><b>76,001</b></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

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## 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

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### 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
	<u>-</u>	<u>12,128</u>

### 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
	<u>46,519</u>	<u>40,377</u>

### 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
	<u>13,096</u>	<u>15,291</u>

# NORTHERN ENGAGEMENT INTO RECOVERY FROM ADDICTION FOUNDATION

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## 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
	<u>9,260</u>	<u>15,260</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 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 )
<b>Totals</b>	<u>12,027</u>	<u>34,849</u>	<u>( 71,321 )</u>	<u>-</u>	<u>( 24,445 )</u>

#### 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
<b>Totals</b>	<u>( 26,085 )</u>	<u>170,224</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

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## 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 £
<b>Restricted funds</b>					
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
<b>Totals</b>	<b>9,927</b>	<b>43,361</b>	<b>( 4,680 )</b>	<b>-</b>	<b>48,608</b>

As at 31 March 2021

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

#### 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

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### NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2022

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#### 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	<b>46,519</b>	40,377
Other net current assets/(liabilities)	( 13,096 )	-	<b>( 13,096 )</b>	( 3,163 )
Long term assets/(liabilities)	( 9,260 )	-	<b>( 9,260 )</b>	( 15,260 )
	<u>( 24,445 )</u>	<u>48,608</u>	<u><b>24,163</b></u>	<u>21,954</u>