

PROPS NORTH EAST
(A company limited by guarantee)

REPORT AND GROUP FINANCIAL STATEMENTS

For the year ended 31 March 2023

Charity number 1146582

Company number 07902767

PROPS NORTH EAST

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TRUSTEES ANNUAL REPORT

For the year ended 31 March 2023

The trustees are pleased to present their annual directors' report together with the 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 in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

Summary by Denise Wilkins, Chair:

This year we are reporting an increase in income of £42,478. Expenditure increased by £23,416 and this has resulted in a surplus of £37,686 (2022: £18,624) for the year and a further increase in our free reserves.

We will continue to work to develop a strategic and focused approach in our trading model in the years ahead.

In January 2023 we received confirmation that our tender to maintain our contract of services with North Tyneside Council was successful. We were also successful in securing funding with the Home Office and Public Health under the Supplementary Substance Misuse Treatment Grant (SSMTRG), the follow up programme to the Project Adder initiative which ended in March 2023.

As was the case of Project Adder, this scheme focuses on coordinated law enforcement activity alongside expanded diversionary programmes (such as Out of Court Disposal Orders), using the criminal justice system to divert people away from offending. PROPS works closely with the Police, Local Authority, and treatment commissioners to co-produce detailed delivery plans for families, taking into account local need with a focus on a whole system response with enhanced partnership working.

The confirmation of funding allows us to focus on our long-term strategic plan with greater financial stability.

Following significant operational changes during the pandemic our Charity adapted its services and continues to communicate via various social online platforms, offering virtual spaces as well as face to face meetings or groups in the community, to provide connections for families whose needs are paramount.

I would like to thank Nicola Mansfield Jones for her dedication and commitment to PROPS before she stepped down as Chief Executive in 2022.

I would like to express gratitude to my fellow trustees, the dedicated staff team and all our invaluable volunteers who continue to demonstrate exceptional commitment and fortitude.



Denise Wilkins
Chair of Trustees

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Our People**Trustees and Directors**

Denise Wilkins – Chair of Trustees and Director

Lynne Griffin – Trustee and Director

Susan Sinton – Trustee and Director

Alastair Mitchell – Treasurer and Director

Phillip Brown - Trustee and Director

Staff Team

Helen Thompson – Chief Executive

Sandra Adams – Service Manager

Annette Walby – Team Leader

Daniel Brocksope – Young Persons Intervention Lead

Sandy Lambrou – Finance Manager

Claire Hagelburg – Family Intervention Worker

Tracey Harkins Hobson – Family Intervention Worker

Andrea Mansfield – Family Intervention Worker

Katie Brown – Young Persons Intervention Worker

Paige Scott – Young Persons Intervention Worker

Volunteers

Peter Toner

Lesley Hardie

Muriel Goulding

Sandra Davies

Maria Gregson

Joanne Whittington

Sarah Cope

Fatema Rahman

Changes in Staff Team

Nicola Mansfield Jones, Chief Executive – resigned November 2022

Lyn Hunter, Service Manager - resigned June 2022

Teresa Atkinson, Administration – resigned August 2022

Kirsty Barber, Family Intervention Worker – resigned February 2023

Julie Gardener, Family Intervention Worker – resigned March 2023

Purpose and Aims

The purpose of the Charity as set out in the objects contained in the company's Memorandum and Articles of Association is:

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“to relieve needs of carers and whole families affected by substance misuse, by providing them with, information, education and training, and other forms of support, and to raise public awareness of people’s drug and alcohol dependence and their associated behaviour, with the overall aim of promoting sustainable whole family recovery.”

Vision

To be the best at supporting and empowering young people, adults and whole families affected by substance misuse to live healthy, fulfilling, and independent lives.

Ensuring the Work Delivers Our Aims

The Charity reviews its aims, objectives, and activities each year and updates both the strategic development and operational delivery plans accordingly. The review looks at achievements and outcomes of the work and evaluates the success of each key activity and the benefits brought to the groups of people and communities we serve. It also looks at the barriers, challenges and failures experienced to ensure our services are effective and fit for purpose – and that the aims, objectives and activities remain focussed on the stated purpose. The Trust has referred to the guidance contained in the Charity Commission's guidance on Public Benefit when reviewing our aims and objectives, and in planning future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives.

The Focus of Our Work

The main objectives and activities for the year were to maintain a consistent level of high-quality service delivery and continuing to strengthen the systems and infrastructure of the charity to support long term sustainability of our work, which involves:

- Support to adults caring for a family member
- Support to young people affected by substance misuse
- Support to individuals to address the problems caused by their own substance misuse
- Championing the voices of the communities we serve across the issues that impact upon their lives

How Our Activities Deliver Public Benefit

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the aims and objectives and in planning future activities. The charitable objectives are also set out in order to provide a clear and demonstrable public benefit. All our charitable activities focus on reducing the harm caused to carers and whole families affected by substance misuse. By providing these activities they further our charitable purpose for the public benefit.

Who Used and Benefitted from Our Services?

The funding we currently receive supports primarily the residents in Newcastle upon Tyne and North Tyneside.

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The North East still has some of the worst health harms in the UK with the highest rates of drug related deaths, alcohol related mortality and poverty. The North East has felt some of the harshest impacts of austerity through cuts to local authority funding. We work with families from every socioeconomic background and see higher referral rates from areas with high levels of social deprivation. All services are provided free of charge to families. In 2022 work has continued to develop a framework to better understand the longer-term impact of the pandemic alongside our current work to help us improve outcomes for those who use our services and increase accessibility across communities.

Achievements

The main areas of charitable activity are the provision of a range of evidence-based interventions tailored to the bespoke needs of people and families. We deliver support programmes that keep families and carers safe and achieve self-directed outcomes based on their expressed needs and wishes. These activities and the achievements are described below.

Support We Provide for Adults Caring for a Substance User:

Our work to promote recovery is underpinned three main principles:

- To reduce the positive reinforcements of using drugs and/or alcohol
- To enhance life circumstances, social networks, and family relationships
- To give adults a voice in the social issues that impact upon their lives

This work is underpinned by:

- Providing direct support to adults caring for a family member who misuses substances, with our assessment and care planning process ensuring we can reduce stress and isolation in the lives of affected others and improve their health and wellbeing.
- Improving relationships between substance users and affected others within families by offering them skills and education to manage their situation.
- Increasing a whole family's motivation to support substance users to access and sustain recovery.
- Supporting and reducing drug and alcohol misuse which may contribute to less re-offending behaviour through the use of evidence-based models and increasing the substance user's motivation to sustain long term change.
- Helping to prevent the number of children and young people from entering the Children's Social Care system, through employing Early Help Assessments (EHA) to provide additional support when identified.

Support we Provide for Children/Young People Affected by a Substance User:

We offer a unique service to young people aged 11-18 affected by parental or familial substance misuse in Newcastle.

Our work with young people is underpinned by three main principles:

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- Young people affected by substance misuse should be safe
- Young people affected by substance misuse should achieve their potential
- Young people affected by substance misuse should have a voice

This work:

- Provides direct support to children/young people impacted by a family member who misuses substances. Using an assessment and care planning process that ensures we cut stress and isolation in the lives of affected others and improve their health and wellbeing.
- Delivers the Young Persons programme within a safe space to enable self-exploration, helping young people overcome their challenges and empowering them to increase confidence and build resilience.
- Gives young people a voice through partnership work, advocacy, and mediation within the family.
- Helps to prevent the number of children and young people from entering the Children's Social Care system, through employing Early Help Assessments (EHA) as a means of providing additional support when identified.

Championing the Voices of the Communities we Serve

PROPS was founded by Scotswood Women's Drug Support Group using principles of social action and community organising. This has continued through our robust partnerships and attendance at local and regional forums, alongside empowering affected others to have a voice of their own.

Financial Review

Considerable progress continues to be made in strengthening the governance and operations of the Charity. We have reviewed our strategic plan to strengthen our infrastructure.

The outcome of these actions has been an increase in income of £42,478. Expenditure increased by £23,416 and this has resulted in a surplus of £37,686 (2022: £18,624) for the year and a further increase in our free reserves.

Income from other trading activities decreased this year because of the aftermath of the pandemic. We will be working to develop a more strategic and focussed approach in our trading model.

Trustees and managers continue to review and regularly monitor progress against the strategic, operational, and financial plans through trustee and finance meetings.

Principal Funding Sources

The Trustees are grateful to the following for funding the work of the Charity during the period:

- Newcastle City Council
- North Tyneside Council

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- Community Foundation Tyne and Wear
- Public Health Project Adder
- Pavers Charitable Foundation
- North Star Charitable Fund

We would also like to thank people who have made personal donations to the charity over this year, these contributions allow us to make essential purchases for our services and provide much valued respite events and activities for adults and young people.

Investment Policy

The strategic aims and development of the Charity specify that the trustees ensure the best use of reserves over the long-term, showing due diligence and an agreed level of risk averseness. The investment objective is to create a balance between capital growth and income, which over the long run, will have the aim of maintaining the real value of any assets.

The charity does not currently hold any investments other than bank deposits.

Pay Policy for Key Management Personnel

The board, who give their time freely with no trustee receiving remuneration during the year, have considered who the Key Management Personnel (KMP) of the charitable company are, as noted in the reference and administration section. Together with the board, these KMP are those in charge of directing and controlling, running, and operating the activities of the charitable company on a day-to-day basis. The pay of the KMP is reviewed annually.

The trustees benchmark against pay levels of other charities and similar organisations within the sector and the region. Pay levels are set using this information together with budget and forecast information, ensuring that the charitable company.

Reserves Policy and Going Concern

The calculation of free reserves is based on the definition included in the charity statement of recommended practice (SORP), which provides recommendations for accounting and reporting for charities. The trustees have examined the requirements of the charitable company to hold free reserves, those reserves not invested in tangible fixed assets, excluding long term liabilities, or designated for a particular purpose.

This exercise considered both the normal requirements for working capital and the loss of income of a hypothetical but reasonable reduction in the scale of operations. Resulting from this, the trustees considered it would be appropriate to hold the equivalent one to two months' payroll costs/expenditure, which would equate to holding approximately £35,000 - £70,000 in free reserves.

At the year end, total free reserves (unrestricted and designated funds not invested in tangible fixed assets) were £141,401 (2022: £105,697) an increase of £35,704. As we head into 2023/2024, we are confidently forecasting an increase in free reserves at that the end of the next financial year.

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The trustees will continue to budget future surpluses and diversify income generation activities in order to provide improved organisational sustainability.

The trustees recognise that while reserves may be utilised to maintain capacity within the charity and to finance essential infrastructure projects, they are conscious that in the medium and longer term the charity will need to continue to generate surpluses in order to maintain their target level of free reserves.

The need for the charity's services to continue to grow and therefore the demand on future income and reserves will also be greater, hence the charity continues to require future funding and the support of its funding partners.

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. With 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.

Plans for Future Periods

Following our organisational review, trustees are committed to continuing to invest time in strategic development.

The true impact of the devastating Coronavirus pandemic on communities is still being realised as well as the worsening cost-of-living crisis; but PROPS will continue to work alongside partners and adapt to any social changes we encounter.

Because of increasing the accessibility of our services and becoming more digital, we have assessed and will continue to regularly revise our cyber security processes to ensure the charity and the community data remains secure.

We are an accredited member of the Living Wage Foundation and will continue to support our employees with a fair hourly rate of pay.

As a charity we feel we have a social responsibility to support action to tackle the climate crisis. We continue to focus on reducing our carbon footprint and as a member of Forest Carbon we continue to offset our carbon footprint to support the increase in woodland cover in the UK. Since becoming a member of the Carbon Club in June 2021 and have captured a total of 20.5 tonnes of CO₂, helping to plant approximately 82 trees covering 0.1 hectares.

We will continue to focus on generating unrestricted income to allow the charity to remain agile in responding to the needs of those we serve in a climate of even greater uncertainty.

There appears to be growing acknowledgment of the value of 'charity' fuelled by the sector wide response to meeting the needs of the most vulnerable citizens in our country. There has been a rise in government spending to support the recovery of communities, which PROPS has been recognised as being an integral part of by the Newcastle City Council and North Tyneside Council commissioning streams.

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Looking to the future we will continue to work with current and potential new partners in developing innovative solutions to complex problems. We will continue to explore new markets and develop new initiatives ensuring that those who use and purchase our services have excellent experiences of our work.

The Charity will focus on:

- Strengthening organisational infrastructure and systems
- Maintaining existing contracts with Newcastle City Council and North Tyneside
- Developing new partnership responses and approaches
- Developing and expanding the reach of our specialist services
- Improving the communication and marketing our offer to all stakeholders
- Expanding our skills services for young people and whole families
- Exploring sustainable income streams
- Increasing the mix of products and services offered by trading subsidiary Positive Practice Partnership Ltd.

Reference and Administrative Details of the Charity, its Trustees and Advisors

Charity Name	PROPS North East	
Registered Charity Number	1146582	Company Number 07902767
Registered Office and operational address	Linskill Centre Linskill Terrace North Shields England NE30 2AY	
Trustees	Denise Wilkins Alastair Mitchell Lynne Griffin Susan Sinton Phillip Brown Benjamin Broadhead	Chair of Trustees Treasurer Trustee Trustee Trustee (resigned 13 July 2023) Trustee (appointed 27 April 2023)
Chief Executive	Helen Thompson	Appointed September 2022
Independent Examiner	Jim Dodds FCIE 33 The Glebe Morpeth Northumberland NE61 6HW	

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Bankers	Unity Trust Bank Nine Brindley place Birmingham B1 2HB
	Lloyds Bank plc 25 Gresham Street London EC2V 7HN

Structure, Governance and Management**Governing Document**

PROPS North East is a charitable company limited by guarantee. Established as Scotswood Women's Drug Support Group in 1997, Newcastle PROPS was registered as a charity in 1999 and incorporated as PROPS North East 12 January 2012. The company was established under a Memorandum and Articles of Association which established the objects and powers of the charitable company and is governed under its articles of association. In the event of the company being wound up members are required to contribute an amount of £1.00.

Appointment of Trustees

As set out in the Memorandum and Articles of Association the Board shall consist of no more than 12 Trustees and no less than 1. At each Annual General Meeting one third of the longest serving Trustees retire by rotation from office. A retiring Trustee is eligible for re-election.

In the event of any skills being lost through retirement or resignation, suitable individuals are approached to offer themselves for appointment to the Board. All Trustees give their time voluntarily and received no benefits from the charity. No Trustees claimed expenses during the year.

Trustee Induction and Training

New trustees are invited to meet with the Chair and Chief Executive to familiarise themselves with the Charity and the context in which it operates. This covers:

- The obligations of trustees
- The main documents which set out the operational framework for the Trust
- Resourcing and the current financial position
- Future plans and objectives
- Risks facing the Charity

Trustees also receive an induction pack of internal information together with publications from the Charity Commission. The Chief Executive organises opportunities for the trustees to become familiar with the work of the Charity by meeting with those who use the services of the Charity, attending groups and training and for meeting staff and volunteers. Trustees are also invited to attend issue specific focus groups or projects.

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Organisation

The board of trustees has responsibility for the strategic direction and policy of the charity. Frequency of full meetings has been reviewed for effectiveness and the board will continue to meet on a monthly basis. Trustees have also established subgroups for financial governance and income generation that meet in addition to and report into ordinary meetings.

The Chief Executive is appointed by the trustees to manage the day-to-day operations. To facilitate effective operations the Chief Executive has delegated authority, within the terms of delegation approved by the trustees, for operational matters including finance, employment, and service delivery.

Risk Management

The Trustees have a risk management strategy that comprises:

- An annual review of the risks the charity may face
- The implementation and review of a formal risk mapping system and procedures to mitigate identified risks
- The implementation of systems and procedures designed to minimise any potential impact on the Trust should they materialise

Due to uncertainty in the economic climate and to mitigate significant external risks to funding organisation undertakes an annual strategic review. Each year the charity produces updated Business and Action Plans which are fully consulted with trustees, management and staff teams and reviewed against progress quarterly. They are very much working documents which recognise the need for diversification, development, and expansion of the Charity's core business. A key element in the management of financial risk is the setting of a Reserves Policy and its regular review by trustees.

Statement of Trustees' Responsibilities

The trustees (who are also the directors of PROPS North East for 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 give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities SORP
- Make judgements and estimates that are reasonable and prudent

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- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure the financial statements comply with the Companies Act 2006. The Trustees 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.

Independent Examiner

Jim Dodds has been re-appointed as independent examiner for the ensuing year ending 31 March 2024.

Approved by the Board on 14 September 2023 and signed on their behalf by:



.....

Denise Wilkins (Chair of Trustees)

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INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES

For the year ended 31 March 2023

I report on the financial statements of PROPS North East for the year ended 31 March 2023, which are set out on pages 13 to 24

Respective responsibilities of trustees and examiner

The trustees (who are also directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for the year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed. The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a Fellow of the Association of Charity Independent Examiners.

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 2011 Act,
- to follow the procedures laid down in the general Directions given by the Charity Commission (under section 145(5)(b) of the 2011 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 FCIE
33 The Glebe
Morpeth
Northumberland
NE61 6HW



Date: 14 September 2023

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CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

(INCLUDING THE INCOME & EXPENDITURE ACCOUNT)

For the year ended 31 March 2023

	Notes	General Unrestricted Funds £	Designated Unrestricted Funds £	Restricted Funds £	Total 2023 £	Total 2022 £
<u>Income:</u>						
Donations and legacies	7	3,425	-	-	3,425	868
Income from charitable activities:						
Grants and contracts	8	398,180	-	5,664	403,844	369,770
Other trading activities:						
Subsidiary income	9	9,137	-	-	9,137	3,702
Investment income	10	545	-	-	545	133
Total income		411,287	-	5,664	416,951	374,473
<u>Expenditure</u>						
Costs of raising funds:						
Subsidiary expenditure	11	6,161	-	-	6,161	790
Expenditure on charitable activities:						
Operation of the charity	12	367,440	-	5,664	373,104	355,059
Total expenditure		373,601	-	5,664	379,265	355,849
Net income/(expenditure)		37,686	-	-	37,686	18,624
<u>Transfers between funds</u>		(15,000)	15,000	-	-	-
Net income/(expenditure) and net movement of funds		22,686	15,000	-	37,686	18,624
<u>Reconciliation of funds</u>						
Total funds brought forward		79,131	30,000	-	109,131	90,507
Total funds carried forward		101,817	45,000	-	146,817	109,131

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

The notes on pages 15 to 24 form an integral part of these accounts.

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CONSOLIDATED BALANCE SHEET

As at 31 March 2023

	Notes	Group		Charity	
		2023 £	2022 £	2023 £	2022 £
<u>Fixed assets</u>					
Tangible assets	21	5,416	3,434	5,416	3,434
Total Fixed Assets		5,416	3,434	5,417	3,435
<u>Current assets</u>					
Debtors and prepayments	23	14,795	50,619	14,224	50,619
Cash at bank and in hand		170,900	90,222	170,900	89,476
Total Current Assets		185,695	140,841	185,124	140,095
<u>Liabilities</u>					
Creditors falling due within one year	24	(44,294)	(35,144)	(43,724)	(34,399)
Net Current Assets		141,401	105,697	141,400	105,696
Total assets less current liabilities		146,817	109,131	146,817	109,131
Net Assets		146,817	109,131	146,817	109,131
<u>The funds of the charity</u>					
Restricted income funds		-	-	-	-
General unrestricted income funds		101,817	79,131	101,817	79,131
Designated unrestricted income funds		45,000	30,000	45,000	30,000
Total charity funds		146,817	109,131	146,817	109,131

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.

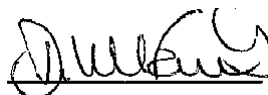
The notes on pages 15 to 24 form an integral part of these accounts.

These financial statements were approved by the Board on:

14 September 2023

and are signed on its behalf by:

Denise Wilkins
Chair



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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2023

1 Accounting Policies

The principle 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

PROPS North East meets the definition of a public benefit entity under FRS 102.

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 or provision of other specified service is deferred until the criteria of income recognition are met.

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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 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 charities' 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 providing support and other therapeutic activities to carers 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

5 Assets

5.1 Tangible fixed assets for use by the charity

Individual fixed assets costing £1000 or more are capitalised at cost and are depreciated over their estimated useful economic lives on a straight line basis as follows:

Office and computer equipment	Straight line over four years
Equipment	Straight line over four years

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6 The summary financial performance of the charity alone is:

	Total 2023 £	Total 2022 £
Income	407,814	370,771
Gift aid from trading subsidiary	2,976	2,912
	410,790	373,683
Expenditure on charitable activities	373,104	355,059
Net income/(expenditure)	37,686	18,624
Total funds brought forward	109,131	90,507
Total funds carried forward	146,817	109,131

Represented by:

General unrestricted income funds	101,817	79,131
Designated unrestricted income funds	45,000	30,000
Restricted income funds	-	-
	146,817	109,131

Analysis of income

	General Unrestricted Funds £	Designated Unrestricted Funds £	Restricted Funds £	Total 2023 £	Total 2022 £
7 Income from donations and legacies					
Donations	3,425	-	-	3,425	868
	3,425	-	-	3,425	868

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Analysis of income continued

	General Unrestricted Funds £	Designated Unrestricted Funds £	Restricted Funds £	Total 2023 £	Total 2022 £
8 Income from charitable activities					
<u>Income from contracts</u>					
NCC - Public Health Services - Carers Support	133,820	-	-	133,820	133,128
NCC - Community Led Local Development programme	-	-	-	-	51,171
Vita Health Group	23,000	-	-	23,000	-
North Tyneside Council	97,034	-	-	97,034	92,914
Project Adder	133,472	-	-	133,472	73,176
<u>Income from grants</u>					
Arnold Clark	1,000	-	-	1,000	750
Pavers Foundation	-	-	-	-	1,500
Proctor and Gamble	-	-	-	-	2,021
Newcastle City Council Training	-	-	-	-	4,860
Adfam	-	-	-	-	1,600
Community Foundation	-	-	5,664	5,664	3,006
NCC Anniversary event	4,000	-	-	4,000	-
Other small grants	854	-	-	854	-
Other income	5,000	-	-	5,000	5,644
	<u>398,180</u>	<u>-</u>	<u>5,664</u>	<u>403,844</u>	<u>369,770</u>
9 Income from other trading activities					
Trading subsidiary turnover	9,137	-	-	9,137	3,702
	<u>9,137</u>	<u>-</u>	<u>-</u>	<u>9,137</u>	<u>3,702</u>
10 Investment income					
Bank interest	545	-	-	545	133
	<u>545</u>	<u>-</u>	<u>-</u>	<u>545</u>	<u>133</u>

Income was £416,951 (2022: £374,473) of which £411,287 was unrestricted or designated (2022: £361,149) and £5,664 was restricted (2022: £13,324).

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Analysis of expenditure

	General Unrestricted Funds £	Designated Unrestricted Funds £	Restricted Funds £	Total 2023 £	Total 2022 £
11 Costs of raising funds					
Trading subsidiary costs					
Staff costs	5,000	-	-	5,000	-
Overheads	1,161	-	-	1,161	790
	<u>6,161</u>	<u>-</u>	<u>-</u>	<u>6,161</u>	<u>790</u>
12 Charitable activities					
Client activities	12,649	-	-	12,649	12,610
Staff salaries	291,204	-	3,400	294,604	268,916
Other staff costs	1,335	-	-	1,335	1,334
Staff travel & meetings	1,590	-	-	1,590	455
Training costs	608	-	-	608	8,150
Volunteer expenses	546	-	-	546	457
Premises costs	11,136	-	-	11,136	12,169
Office costs	19,968	-	2,264	22,232	26,081
Promotion and publicity	5,054	-	-	5,054	1,433
Professional fees	18,764	-	-	18,764	19,384
Bank charges	187	-	-	187	157
Depreciation	2,380	-	-	2,380	1,393
Governance costs					
Management committee costs	44	-	-	44	-
Independent examiners fees	1,975	-	-	1,975	2,520
	<u>367,440</u>	<u>-</u>	<u>5,664</u>	<u>373,104</u>	<u>355,059</u>

Expenditure on charitable activities was £373,104 (2022: £355,059) of which £367,440 was unrestricted or designated (2022: £341,735) and £5,664 was restricted (2022: £13,324).

13 Net income/(expenditure) for the year

This is stated after charging :	2023 £	2022 £
Depreciation	2,380	1,393
Independent examiner's fees for reporting on the accounts	1,975	2,520
Other accountancy services provided by the examiner	275	1,661
	<u>4,630</u>	<u>5,574</u>

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

	2023 £	2022 £
Gross wages, salaries and benefits in kind	258,650	231,691
Employer's National Insurance costs	22,832	19,477
Employer's pension costs	18,122	17,748
	299,604	268,916

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

The key management personnel of the charity, comprise the trustees and the Chief Executive. The total employee benefits of the key management personnel of the charity were £43,140 (2022: £41,331).

15 Staff Numbers

The average monthly head count was 11 staff (2022: 11 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 employees work		
Support staff	6.5	6.5
Management / admin staff	3.5	3.5
	10.0	10.0

16 Transactions with trustees

The charity trustees were not paid any other benefits from employment with the charity in the year (2022: £nil). No charity trustee received payment for professional or other services supplied to the charity. (2022: £nil).

17 Trustees' expenses

No trustee expenses have been incurred in the year (2022: £nil).

18 Transaction(s) with related parties

No trustee or other person related to the charity had any personal interest in any contract or other transactions entered into by the charity, including guarantees, during the year (2022: nil).

19 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 £18,122 (2022: £17,748) There was £nil outstanding as at 31 March 2023 (2022: £nil).

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20 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.

	<u>Charity</u>	<u>Subsidiary</u>	<u>Group</u>
	<u>Office & Computer Equipment £</u>	<u>Equipment £</u>	<u>Total £</u>
21 Tangible fixed assets			
Cost			
Balance brought forward	22,418	1,200	23,618
Additions	4,362	-	4,362
Disposals	-	-	-
Balance carried forward	<u>26,780</u>	<u>1,200</u>	<u>27,980</u>
Depreciation			
Balance brought forward	18,984	1,200	20,184
Depreciation charge for year	2,380	-	2,380
Disposals	-	-	-
Balance carried forward	<u>21,364</u>	<u>1,200</u>	<u>22,564</u>
Net book value			
Brought forward	<u>3,434</u>	<u>-</u>	<u>3,434</u>
Carried forward	<u>5,416</u>	<u>-</u>	<u>5,416</u>

22 Fixed asset investment

	<u>Group</u>		<u>Charity</u>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Investment in subsidiary company	-	-	1	1

The charitable company owns one £1 ordinary share, 100% of the voting capital of the Positive Practice Partnership Ltd a company incorporated and registered in England and Wales (Company number 08487355). To provide training, accreditation and supervision in evidenced based interventions to staff working with adults affected by a family members substance misuse. and pays all of its profits to the charity under the Gift Aid scheme. A summary of the trading results and balance sheet for the year ended 31 March 2023 is shown below.

Profit and loss account

	<u>2023</u>	<u>2022</u>
	<u>£</u>	<u>£</u>
Turnover	9,137	3,702
Cost of sales	-	-
Administration costs	(6,161)	(790)
Other operating income	-	-
Taxation	-	-
Donation to parent charity	(2,976)	(2,912)
Net profit	<u><u>-</u></u>	<u><u>-</u></u>

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22 Fixed asset investment continued

Balance sheet	2023 £	2022 £
Fixed assets	-	-
Current assets	8,251	747
Creditors amounts falling due within one year	(8,251)	(746)
	<u>-</u>	<u>1</u>
Called up share capital	1	1
Profit and loss account	-	-
	<u>1</u>	<u>1</u>

23 Debtors and prepayments (receivable within 1 year)

	Group		Charity	
	2023 £	2022 £	2023 £	2022 £
Trade debtors	13,837	49,748	8,624	49,748
Pre payments and other debtors	958	871	958	871
Amounts due from subsidiary undertakings	-	-	4,642	-
	<u>14,795</u>	<u>50,619</u>	<u>14,224</u>	<u>50,619</u>

24 Creditors and accruals (payable within 1 year)

	Group		Charity	
	2023 £	2022 £	2023 £	2022 £
Trade creditors	2,114	7,019	2,114	7,019
Other creditors	222	1,053	222	1,053
Accruals				
Independent examination of accounts	2,250	3,266	1,975	2,521
Deferred Income	39,708	23,806	39,413	23,806
	<u>44,294</u>	<u>35,144</u>	<u>43,724</u>	<u>34,399</u>

25 Deferred income

Deferred income comprises of advance payment from contracts and grant providers.

	2023 £
Balance brought forward	23,806
Amount released to income earned from charitable activities	(21,542)
Amount deferred in year	37,444
Balance carried forward	<u>39,708</u>

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26 Analysis of charitable funds

Analysis of movements in unrestricted funds

	Fund balances brought forward £	Incoming resources £	Resources expended £	Transfers £	Fund balances carried forward £
General unrestricted fund	79,131	411,287	(373,601)	(15,000)	101,817
Totals	79,131	411,287	(373,601)	(15,000)	101,817

Purpose of unrestricted funds

General unrestricted fund The 'free reserves' after allowing for designated funds.

	Fund balances brought forward £	Incoming resources £	Resources expended £	Transfers £	Fund balances carried forward £
Designated reserves fund	30,000	-	-	15,000	45,000
Totals	30,000	-	-	15,000	45,000

Purpose of designated funds

Designated reserves fund To cover one to two months running costs including potential close down costs.

Analysis of movement in restricted funds

	Fund balances brought forward £	Incoming resources £	Resources expended £	Transfers £	Fund balances carried forward £
Restricted funds					
Community Foundation Willan Trust	-	1,914	(1,914)	-	-
Community Foundation Joseph Brough Charitable Trust	-	3,750	(3,750)	-	-
Totals	-	5,664	(5,664)	-	-

Purpose of restricted funds

Community Foundation Willan Trust Contribution to website and Internet costs.

Community Foundation Joseph Brough Charitable Trust Family Intervention Worker targeting support for black and ethnic minority, LGBT and Muslim people with substance misuse problems.

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27 Analysis of net assets between funds

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total 2023 £	Total 2022 £
Tangible fixed assets	5,416	-	-	5,416	3,434
Cash at bank and in hand	125,900	45,000	-	170,900	90,222
Other net current assets	14,795	-	-	14,795	50,619
Creditors falling due within one year	(44,294)	-	-	(44,294)	(35,144)
	101,817	45,000	-	146,817	109,131