

NARCONON UNITED KINGDOM

England & Wales - Charity number 1159334

Details

Status Registered

Legal form CIO

Registered 2014-11-24

Register [View on the Charity Commission register](#)

Contact

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Activities

Objects: THE OBJECTS OF THE CIO ARE(1) TO REFORM, AND REHABILITATE PERSONS WHO ARE FOR THE TIME BEING OR WHO HAVE AT ANY TIME BEEN DRUG ADDICTS;(2) TO ASSIST IN THE REFORMATION AND REHABILITATION OF PERSONS WHO HAVE AT ANY TIME BEEN CONVICTED (WHETHER IN THE UNITED KINGDOM OR ELSEWHERE) OF ANY CRIME;(3) TO ADVANCE THE EDUCATION OF THE PUBLIC AND/OR PERSONS WHO ARE OR HAVE BEEN DEPENDENT UPON OR AFFECTED BY THE USE OF DRUGS ABOUT ALL MATTERS RELATING TO DRUG ABUSE/ADDICTION IN PARTICULAR BY THE PROVISION OF ADVICE, INFORMATION AND SUPPORT.

Activities: Rehabilitation from drug and alcohol dependency, training of specialist staff, and delivery of drugs awareness education.

Classification

- **How:** Provides Services, Provides Advocacy/advice/information
- **What:** Education/training, The Advancement Of Health Or Saving Of Lives
- **Who:** Children/young People, Other Defined Groups, The General Public/mankind

Geography

- Throughout England

Finances

Period end	Income	Expenditure	Assets	Employees
2025-02-28	£82,710	£150,896	-	-
2024-02-28	£118,599	£154,291	-	-
2022-12-31	£159,969	£182,096	-	-
2021-12-31	£159,560	£182,096	-	-
2020-12-31	£230,624	£228,841	-	-

Trustees

Name	Role	Appointed
HEATHER ANN ROSE		2014-11-24
Lord Duncan James McNair		2024-04-21
Sam Butler		2024-02-19

NARCONON UNITED KINGDOM

England & Wales - Charity number 1159334

Accounts

Charity registration number: 1159334

Narconon United Kingdom

Annual Report and Financial Statements

for the period from 1 January 2023 to 28 February 2024

Narconon United Kingdom

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Narconon United Kingdom

Reference and Administrative Details

Trustees	Ms Heather Ann Rose Mr Sam Butler Lord Duncan James McNair
Charity Registration Number	1159334
Principal Office	42/44 Copthorne Road Felbridge East Grinstead West Sussex PH19 2NS
Independent Examiner	Grant Sellers Bank Court Manor Road Verwood Dorset BH31 6DY

Narconon United Kingdom

Trustees' Report

The trustees present their report with the financial statements of the charity for the period ended 28 February 2024.

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charity's governing document, the Charities Act 2011 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 published in October 2019.

Objectives and activities

Our principal purposes are:

To reform and rehabilitate persons who are for the time being or who have at any time been drug addicts;

To advance the education of the public and/or persons who are or have been dependent upon or affected by the use of drugs about all matters relating to drug abuse addiction in particular by the provision of advice, information and support.

Ensuring our work delivers our aims:

We review our aims, objectives and activities each year. This review looks at what we achieved and the outcomes of our work in the previous year. The review looks at the success of each key activity and the benefits they have brought to those groups of people we are set up to help.

The review also helps us ensure our aim, objectives and activities remained focused on our stated purposes. We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aim and objectives and in planning our future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives they have set.

Public benefit

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Achievements and performance

We seek to rehabilitate substance misusers, provide drug education within the greater communities of the United Kingdom to empower individuals to make positive choices and not fall into the pitfalls of drug and alcohol abuse and train specialist staff in the delivery of the Narconon abstinence based programme. These provide significant benefits to the public, both directly and indirectly

Narconon United Kingdom recognises that our continued existence depends on providing services of high quality and which meet the substance misuser's needs. This involves our commitment to provide a reliable service with a quick and authoritative response to meet the needs of our students. To gain first-hand experience as to how our service is experienced by our students, Narconon United Kingdom uses a Routine Outcome Monitoring (ROM) system throughout the programme and up to two years following the programme completion.

The Trustees conducted an updated random sampling analysis of the ROM over five years inclusive of 2023 which continued to show that the majority of the students completing the programme at our centre remain drug free. This level of successful outcome puts us amongst the most successful drug rehabilitation centres in the world.

Narconon United Kingdom

Trustees' Report (continued)

The trustees are also aware that for every individual rehabilitated from drugs or alcohol then goes on to affect the lives of their immediate family, friends and associates.

The trustees found that the senior managers and all staff are able to clearly express the value system of Narconon and to effectively communicate this through their personal attention persistence and direct intervention. The emphasis on values is clearly illustrated in Narconon's goal, which is to deliver a rehabilitation programme, that not only results in a significant percentage of students off drugs or alcohol, but also gives them back control of their life.

Narconon is an evidence-based approach, developed over nearly six decades. After completing drug free withdrawal, where the student receives 24-hour supervision and assistance where needed and supervision and, dependent on medical approval, they then do the detoxification programme. This includes sauna, exercise and nutrition to help reduce craving, cleanse the body and improve health. The remainder of the programme consists of exercises within four learning modules, each with a purpose, expected outcome, and typical duration but specifically geared to each individual care plan. These steps foster motivation for change while managing attendant painful responses to change, teach the person coping skills, reinforce contingency awareness, and promote enduring positivity.

Staff training is based on person-centred care. Each student has a detailed care plan which is monitored against each module completion. This allows the student to see what progress they are making as they go through the programme. Some students have low literacy skills. In these situations, they have been given a staff member to work with them on a one to one basis. In the course room course supervisors are skilled in the detection of barriers to study and how to help the student. Staff members are trained in different protected characteristics, which require different needs and this training is regularly updated.

Over the year we continued to connect the Narconon programme with policy and practice to better the lives of students, their families and their wider community adversely impacted by substance use and addiction. Our vision through our continued aims and objectives is: lasting solutions that free individuals and communities from the devastation of substance use and addiction.

We are pleased to have a skilled multi-disciplinary team who have adapted well to a challenging year of change. They have successfully delivered the Narconon programme to a range of service users from different ethnic and culturally diverse groups. Externally we have supported people with drug or alcohol issues and have delivered various types of help ranging from basic advice and information to structured interventions.

A number of people participated in the Narconon programme in the period. Narconon was also pleased to be able to support through sponsorships two students who were financially unable to access the programme, both of whom successfully completed the programme and remained free of substance abuse. Here are some of the out-comes from those who graduated the programme:

“Hi, I am a Narconon student and I’m coming to the end of my programme. I thought I’d share my experience with you so as to inspire you to lead a drug free life.

“In my life I made some bad choices, and it all started by being influenced by the wrong sort of people. These people are likely to exert peer pressure on you and make you do things that you wouldn’t want to do. these people are likely to support destructive groups and actions and crush all the good that goes on in the world. They make drugs seem fun and they make you feel wrong if you are not on their side, offering you a false sense of security. Before you know it your hooked on drugs, your selling drugs yourself and you are committing street robberies and you get into trouble with the law. You end up skipping days off school and work. You become the burden to family and parents. In other words, you fall down the rabbit hole and you become the worst version of yourself.

Narconon United Kingdom

Trustees' Report (continued)

“Thankfully I have been given a chance to get out of this trap by doing the Narconon Programme. I learned how to recognise the traits of the people that lead you astray, the anti-social people. So, if you are looking to overcome your addiction, I highly recommend doing the Narconon programme. So you can spot unwanted people in your life and stop a life of misery in its tracks. You too can be drug free and stable.”

S.B. Narconon Graduate

“I was born and raised in Upton Park, East London. My life before I started doing drugs was good. I had a mixed upbringing, and I can't really remember much. But there was good and bad.

“I first started using drugs when I was 13 years old with friends. It was so common in my area that every street group was smoking cannabis. That's all I tried then—the area is still flooded with drugs.

“I was doing a bit of weed, there was hash, started on that at home, carried on with the drink on and off. When I left school, I stopped. But then I remember it started up again, here and there, little bits, smoking here and there, on the way to college. Back in 2000, I started making weed cakes. I tried a few times, and that was it. When I was running a public house, I had cocaine then with my mate, and it progressed from there, it was different things all the time.

“With drugs, I lost control of myself and my thinking—I had memory loss. I started getting famous with the law (police departments). I was lying, and cheating, and I started losing my sanity. I was losing everything around me.

“What led me to come to Narconon was that I just felt sick and tired of feeling depressed, confused, angry, anxious, frustrated, and having hate and resentment always on my mind. I was sick of just seeing and feeling pain and wanting to pass it on to others.

“A family member attended Narconon, and I visited him and learned about the programme. I stopped drinking for a while, and a text came from Narconon. I thought about coming to rehab a few times but didn't bother. But I knew I needed it, so I spoke to Narconon and made the decision to come.

“When I first arrived here, I felt a bit nervous and was asking myself if I should stay or not. In my head, I was thinking, “I can do this on my own”, but I was also thinking, “I know I need this. Stop lying to yourself—you ain't going to keep trying on your own”.

“My biggest wins on the programme were regaining self-control, the ability to see, notice, make, endure, recognize, CHANGE, focus, and concentration.

“I feel very happy about graduation, very excited, and proud that I've finished the programme. Although it was challenging, I was able to push through each checkpoint feeling a bit better, and that itself was rewarding. That feeling did not exist for a long time—knowing that “I DID THAT” feeling is amazing.

“I am looking forward to living a life of beautiful memories, being able to look forward to spending time with my family and being able to do different things in life like travel, holidays, go places.

“My proudest accomplishment was passing my railway exams and completing the Narconon Programme.

“My relationship with my family is much better now. I've been absent for some time, but I'm back to where I was meant to be, but stronger and more positive, and my family loves me again.

Narconon United Kingdom

Trustees' Report (continued)

“My favourite thing about being drug free now is being able to make decisions for myself, not being intoxicated, being free, happy.

“My advice to someone who is in active addiction now is that I lost my path along the line, but Narconon has helped me find it again, and I’m back on track.

Why not do the same?”

A. S., Narconon United Kingdom Graduate

“I did have a good, healthy life once upon a time. I had a happy marriage and three beautiful kids. My work and drive to succeed and provide a good life for my family were out of this world. That’s not anything to brag about, but it is something to be proud of, what one must remember is that this is actually normal. That is what a good human being does and how he lives a normal life, this was all in a period of my life when I did not drink alcohol in excess and did not touch drugs.

“Things did, however, take a dramatic downturn for me and this all started in the blink of an eye. How much I wish I didn’t take that first line of cocaine seven years ago. I would do anything to turn back the time and say NO. I had a difficult time just before this when I lost someone that was very close to me. He must be so disappointed in how things played out for me after his death. Ultimately, I hold myself responsible for my own demise. I was bitter at how my best person was taken from me so suddenly, and although I thought the drink and drugs were helping with my pain, I am fully aware that all they did was throw me further down the chute.

“The day I took that first line of cocaine, I let the possessed devil out of me and sent my life towards the gates to hell. That one action was the beginning of my own ethics and morals being compromised, and deep down, I knew it.

“The drugs and alcohol got worse and worse over the next seven years, from cocaine to ketamine to ecstasy and then back to cocaine. The amount of alcohol and drug-fuelled binges I had was horrible. I lost my mind and went from having one-day parties to eventually going through three to four days with no food or sleep but just simply using alcohol and drugs to carry me on.

“I cheated on my wife and hurt my kids and my family. They could all see what I was becoming and I knew deep down I was destroying myself. I knew for years I had this alcohol and drug problem, and it was out of control. I knew it deep down in my heart, but in my mind, I kept telling myself, “I got this.” It’s hard to accept how weak I had become and was, in a way, embarrassed. I was never this weak person. “I have a problem with alcohol or drugs? Never!!” I told myself, but I did.

“I saw a therapist, and it helped for a while, it would help in the short term, but it didn’t cure the long-term problem. That problem was me and my mind. I didn’t have enough time off the alcohol and drugs to be able to see things for what they really were. I gave my wife no choice and am sitting here writing this today and can honestly say I am to blame for my divorce and the heartbreak I have caused my family. Alcohol and drugs made me a disloyal, selfish person who acted impulsively and made so many bad choices.

Narconon United Kingdom

Trustees' Report (continued)

“I was eventually trapped in my own conscience, guilt and the toxic life I had made. Something had to change because deep down, I knew this wasn't me, and I wasn't happy. My cousin was at Narconon and was doing really well. Truly admitting you have a problem is the first step. I gave my word I would come here and I stuck to it. The Narconon programme is truly amazing, and the staff is so selfless and I can only ever have the deepest gratitude towards them. They give up their own time to save someone else's life, and I believe that is so special. How many people do you know that can say they have done that? I'm truly sitting here right now writing this with the belief they have saved my life.

“I am at the end of my programme and will literally graduate any day. It hasn't been easy by any means, but remember, you have to work for the best things in life. When I first came, I went through withdrawal, which helped me get back to reality. Then I did the detox stage, which cleared my body of toxins I had accumulated not just whilst on drink and drugs but in my life. Thirdly, I have done what they call Objectives, which I would describe as fixing my mind and regaining abilities I once had or learning how to do them better. Yes, they are challenging, to say the least. It's a roller-coaster journey on the way to getting clean. Emotional, sure, but you can really find yourself again through the process, and I believe I have. I felt like giving up and walking out on many occasions, but knew that would only lead back to the road to unhappiness.

“After Objectives, it was on to stage four, which was in the course room, and I did the life skills courses, which consisted of Overcoming Ups & Downs in Life, Personal Values and Changing Conditions in Life. Wow!! I learnt so much about myself and how I had previously been living my destructive life while on these three courses. I could put my life into perspective and had answers to why my life took the turn it did. I also learnt skills in how to identify things in the future and make sure they don't happen again. I don't have enough paper to explain everything I have learned here, but I know it's going to stand me in good stead in the future.

“I have a second chance in life and I owe that to the Narconon programme and the staff. I have already started to repair the relationships I damaged and have a brilliant exit strategy in place. I am days away from graduating and leaving and I know I will live a happy life and be successful. I am so thankful to my family that cares about me and stood by me and I am determined to show them it wasn't to waste.

“I would say if you are considering whether or not you should do this programme, I think deep down you already know the answer.

“Remember, you can't put a price on time, so why waste any more of it? The past is the past, and it can't be changed, but the future is what matters, and you have yours in your hands”

G.B, Narconon Graduate

Financial review

The trustees had initiated reorganisation planning to shepherd the Charity out of the after effects of the pandemic period which took a toll on everyone. A new consultant was brought on board, staff performance was reviewed, delivery procedures were reviewed and financial planning was also reviewed. Whilst the actions being taken are ongoing the positive results have been seen with improvement in both cash flow and, donations to support students. The trustees have determined to continue with the reorganisation actions and from the results are confident the Charity's financial position will continue to improve going forward.

Narconon United Kingdom

Trustees' Report (continued)

The Charity received donations of £44,055 for support, promotion, training and upgrade of facilities. The centre's income of £73,858 from student fees for the running of the Charity. Expenditure totalled £154,291. This compares with income of £159,969 and expenditure of £167,796 in the previous period.

With the unstable economics today and government spending changes, the trustees widened their research into additional fund raising avenues to meet the new challenges ahead. With the additional support of Narconon Trust where needed, the trustees of the Charity have a reasonable expectation it will be able to meet the expenditures from fees, grants and donations in the foreseeable future.

Policy on reserves

The Charity would normally expect to hold reserves derived from donations and grants and rehabilitation centre income. These would consist of restricted funds and unrestricted funds. However, the total of funds held as of 28th February was in a deficit of £67,464. Narconon United Kingdom has received assurance from Narconon Trust that Narconon Trust will provide further assistance to remove the deficit should it be needed.

The Board of Trustees in its current form, as it has been constituted from February 2024 onward, acknowledges awareness of the charity's position in the financial year subsequent to that which is the subject of this report, and which unfortunately does not show the growth we would have hoped for the charity in that period. We are however sufficiently encouraged by more recent activities that we can be certain of a cash positive position as of the end of the current financial year (to Feb 2025), including through a board-level portfolio to secure grant funding and supporter donations to augment the established funding sources and thereby clear the extant deficit so the charity can invest more in servicing its present beneficiaries.

Principal funding sources

The activities of Narconon United Kingdom have been facilitated mainly by donations derived from the rehabilitation services provided, which is its principal funding source and with the assistance of Narconon Trust following from the difficult COVID period. Narconon United Kingdom was able to continue servicing the community without having to seek government support.

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Investment policy and objectives

The charity has the power to invest in any way the trustees wish. The trustees, having regard to the liquidity requirements of the Charity's operations and to the reserves policy, will

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operate a policy of keeping available funds in interest bearing deposit accounts.

Structure, governance and management

Nature of governing document

The charity is a charitable incorporated organization registered on 24 November 2014.

Narconon United Kingdom

Trustees' Report (continued)

Recruitment and appointment of trustees

New trustees are appointed by existing trustees. New trustees undergo an orientation session to brief them on their legal obligations under charity law, the content of the memorandum and articles of association, the decision-making processes, the business plan and recent financial performance of the charity.

Organisational structure

The trustees are responsible for the administration and running of the activities of the Charity.

The annual report was approved by the trustees of the charity on 21/12/24 and signed on its behalf by:



Mr Sam Butler

Trustee

Narconon United Kingdom

Statement of Trustees' Responsibilities

The trustees are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

The law applicable to charities requires the trustees to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity 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;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008, and the provisions of the constitution. The trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Approved by the trustees of the charity on 20/12/24 and signed on its behalf by:



Ms Heather Ann Rose
Trustee

Narconon United Kingdom

Independent Examiner's Report to the trustees of Narconon United Kingdom

I report to the trustees on my examination of the accounts of Narconon United Kingdom for the year ended 28 February 2024.

Responsibilities and basis of report

As the charity trustees of Narconon United Kingdom you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Narconon United Kingdom's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

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

1. accounting records were not kept in respect of Narconon United Kingdom as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 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.

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



.....
Stephen Sellers
Institute of Chartered Accountants in England and Wales

Bank Court
Manor Road
Verwood
Dorset
BH31 6DY

Date: 22 December 2024

Narconon United Kingdom

Statement of Financial Activities for the Period from 1 January 2023 to 28 February 2024

	Note	Unrestricted funds £	Total 2024 £
Income and Endowments from:			
Donations and legacies		44,055	44,055
Other trading activities		73,858	73,858
Investment income	4	686	686
Total income		118,599	118,599
Expenditure on:			
Raising funds		(20,105)	(20,105)
Charitable activities		(130,341)	(130,341)
Other expenditure	7	(3,845)	(3,845)
Total expenditure		(154,291)	(154,291)
Net expenditure		(35,692)	(35,692)
Net movement in funds		(35,692)	(35,692)
Reconciliation of funds			
Total funds brought forward		(31,772)	(31,772)
Total funds carried forward	18	(67,464)	(67,464)
		Unrestricted funds £	Total 31 December 2022 £
	Note		
Income and Endowments from:			
Donations and legacies		1,150	1,150
Other trading activities		158,817	158,817
Investment income	4	2	2
Total income		159,969	159,969
Expenditure on:			
Raising funds		(11,363)	(11,363)
Charitable activities		(152,291)	(152,291)
Other expenditure	7	(4,142)	(4,142)
Total expenditure		(167,796)	(167,796)
Net expenditure		(7,827)	(7,827)
Net movement in funds		(7,827)	(7,827)

The notes on pages 14 to 23 form an integral part of these financial statements.

Narconon United Kingdom

Statement of Financial Activities for the Period from 1 January 2023 to 28 February 2024 (continued)

	Note	Unrestricted funds £	Total 31 December 2022 £
Reconciliation of funds			
Total funds brought forward		<u>(23,945)</u>	<u>(23,945)</u>
Total funds carried forward	18	<u><u>(31,772)</u></u>	<u><u>(31,772)</u></u>

All of the charity's activities derive from continuing operations during the above two periods.

Narconon United Kingdom
(Registration number: 1159334)
Balance Sheet as at 28 February 2024

	Note	28 February 2024 £	31 December 2022 £
Fixed assets			
Tangible assets	13	1,369	1,935
Current assets			
Debtors	14	16,381	7,304
Cash at bank and in hand	15	5,386	20,424
		21,767	27,728
Creditors: Amounts falling due within one year	16	(90,600)	(61,435)
Net current liabilities		(68,833)	(33,707)
Net liabilities		(67,464)	(31,772)
Funds of the charity:			
Unrestricted income funds			
Unrestricted funds		(67,464)	(31,772)
Total funds	18	(67,464)	(31,772)

The financial statements on pages 11 to 23 were approved by the trustees, and authorised for issue on 20/12/24 and signed on their behalf by:



Ms Heather Ann Rose
Trustee

Narconon United Kingdom

Notes to the Financial Statements for the Period from 1 January 2023 to 28 February 2024

1 Accounting policies

Statement of compliance

The financial statements have been prepared in accordance with the second edition of the Charities Statement of Recommended Practice issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

Basis of preparation

Narconon United Kingdom meets the definition of a public benefit entity under FRS 102. The accounts (financial statements) 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 functional currency of the charity is GBP and is rounded to the nearest £1.

Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

Income and endowments

All income is recognised in the Statement of financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Donations and legacies

Donations and legacies are recognised on a receivable basis when receipt is probable and the amount can be reliably measured.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees meetings and reimbursed expenses.

Narconon United Kingdom

Notes to the Financial Statements for the Period from 1 January 2023 to 28 February 2024 (continued)

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation.

Depreciation and amortisation

Depreciation is provided at the following annual rates in order to write off each asset over its expected useful economic life.

Asset class	Depreciation method and rate
Plant and Machinery	25% on reducing balance

Trade debtors

Debtors with no stated interest rate and receivable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade creditors

Creditors with no stated interest rate and payable within one year are recorded at transaction price.

Foreign exchange

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date.

Exchange differences are recognised in the statement of financial activities in the period in which they arise.

Pensions and other post retirement obligations

The charity operates a defined contribution pension scheme. Contributions payable to the charity's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Narconon United Kingdom

Notes to the Financial Statements for the Period from 1 January 2023 to 28 February 2024 (continued)

2 Income from donations and legacies

	Unrestricted funds General £	Total funds £
Donations and legacies;		
Donations	44,055	44,055
Total for period ended 28 February 2024	44,055	44,055
Total for period ended 31 December 2022	1,150	1,150

3 Income from other trading activities

	Unrestricted funds General £	Total funds £
Trading income;		
Rehabilitation Centre income	73,858	73,858
Total for period ended 28 February 2024	73,858	73,858
Total for period ended 31 December 2022	158,817	158,817

4 Investment income

	Unrestricted funds General £	Total funds £
Interest receivable and similar income;		
Interest receivable on bank deposits	686	686
Total for period ended 28 February 2024	686	686
Total for period ended 31 December 2022	2	2

Narconon United Kingdom

Notes to the Financial Statements for the Period from 1 January 2023 to 28 February 2024 (continued)

5 Expenditure on raising funds

a) Costs of generating donations and legacies

	Note	Unrestricted funds General £	Total funds £
Marketing and publicity		9,584	9,584
Allocated support costs		10,521	10,521
Total for period ended 28 February 2024		20,105	20,105
Total for period ended 31 December 2022		11,363	11,363
			Total costs £

6 Expenditure on charitable activities

	Note	Unrestricted funds General £	Total funds £
Drug and offender rehabilitation		90,020	90,020
Staff costs		19,672	19,672
Allocated support costs		11,145	11,145
Governance costs		9,504	9,504
Total for period ended 28 February 2024		130,341	130,341
Total for period ended 31 December 2022		152,291	152,291

7 Other expenditure

Narconon United Kingdom

Notes to the Financial Statements for the Period from 1 January 2023 to 28 February 2024 (continued)

	Note	Unrestricted funds General £	Total funds £
Depreciation, amortisation and other similar costs		566	566
Allocated support costs		3,279	3,279
Total for period ended 28 February 2024		3,845	3,845
Total for period ended 31 December 2022		4,142	4,142

8 Analysis of governance and support costs

Governance costs

		Unrestricted funds General £	Total funds £
Independent examiner fees			
Other fees paid to examiners		9,504	9,504
Total for period ended 28 February 2024		9,504	9,504
Total for period ended 31 December 2022		3,900	3,900

9 Net incoming/outgoing resources

Net outgoing resources for the period include:

	2024 £		2022 £
Depreciation of fixed assets	566		421

10 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

11 Staff costs

The aggregate payroll costs were as follows:

Narconon United Kingdom

Notes to the Financial Statements for the Period from 1 January 2023 to 28 February 2024 (continued)

	2024 £	2022 £
Staff costs during the period were:		
Wages and allowances	19,403	37,703
Social security costs	232	937
Pension costs	37	116
	19,672	38,756

The monthly average number of persons (including senior management / leadership team) working at the charity during the period expressed as full time equivalents was as follows:

	2024 No	2022 No
Average number of staff	5	7

No staff received emoluments of more than £60,000 during the period

12 Taxation

The charity is a registered charity and is therefore exempt from taxation.

13 Tangible fixed assets

	Furniture and equipment £	Total £
Cost		
At 1 January 2023	8,352	8,352
At 28 February 2024	8,352	8,352
Depreciation		
At 1 January 2023	6,417	6,417
Charge for the year	566	566
At 28 February 2024	6,983	6,983
Net book value		
At 28 February 2024	1,369	1,369
At 31 December 2022	1,935	1,935

Narconon United Kingdom

Notes to the Financial Statements for the Period from 1 January 2023 to 28 February 2024 (continued)

14 Debtors

	2024 £	2022 £
Trade debtors	13,131	4,114
Prepayments	3,190	3,190
Other debtors	60	-
	<u>16,381</u>	<u>7,304</u>

Narconon United Kingdom

Notes to the Financial Statements for the Period from 1 January 2023 to 28 February 2024 (continued)

15 Cash and cash equivalents

	2024 £	2022 £
Cash on hand	2,087	1,258
Cash at bank	<u>3,299</u>	<u>19,166</u>
	5,386	20,424
Bank overdrafts	<u>(14)</u>	<u>-</u>
Cash and cash equivalents in statement of cash flows	<u><u>5,372</u></u>	<u><u>20,424</u></u>

16 Creditors: amounts falling due within one year

	2024 £	2022 £
Bank overdrafts	14	-
Trade creditors	70,133	47,992
Payments on account on long term contracts	-	421
Other taxation and social security	5,476	5,965
Other creditors	2	1,586
Accruals	<u>14,975</u>	<u>5,471</u>
	<u><u>90,600</u></u>	<u><u>61,435</u></u>

17 Pension and other schemes

Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The pension cost charge for the period represents contributions payable by the charity to the scheme and amounted to £37 (2022 - £116).

18 Funds

	Balance at 1 January 2023 £	Incoming resources £	Resources expended £	Balance at 28 February 2024 £
Unrestricted funds				
General	<u>(31,772)</u>	<u>118,599</u>	<u>(154,291)</u>	<u>(67,464)</u>

Narconon United Kingdom

Notes to the Financial Statements for the Period from 1 January 2023 to 28 February 2024 (continued)

	Balance at 1 January 2022 £	Incoming resources £	Resources expended £	Balance at 31 December 2022 £
Unrestricted funds				
General	<u>(23,945)</u>	<u>159,969</u>	<u>(167,796)</u>	<u>(31,772)</u>

19 Related Party Disclosures

Narconon United Kingdom and Narconon Trust share similar aims and from time to time provide mutual assistance to each other and therefore arguably qualify as related parties as defined by FRS102.

During the year the main property was rented from Narconon Trust rent-free.

20 Analysis of net funds

	At 1 January 2023 £	At 28 February 2024 £
Cash at bank and in hand	<u>5,386</u>	<u>5,386</u>
Net debt	<u>5,386</u>	<u>5,386</u>
	At 1 January 2022 £	At 31 December 2022 £
Cash at bank and in hand	<u>21,647</u>	<u>21,647</u>
Net debt	<u>21,647</u>	<u>21,647</u>

21 Analysis of net assets between funds

	Unrestricted funds General £	Total funds at 28 February 2024 £
Tangible fixed assets	1,369	1,369
Current assets	21,767	21,767
Current liabilities	<u>(90,600)</u>	<u>(90,600)</u>
Total net assets	<u>(67,464)</u>	<u>(67,464)</u>

Narconon United Kingdom

Notes to the Financial Statements for the Period from 1 January 2023 to 28 February 2024 (continued)

	Unrestricted funds General £	Total funds at 31 December 2022 £
Tangible fixed assets	1,935	1,935
Current assets	27,728	27,728
Current liabilities	<u>(61,435)</u>	<u>(61,435)</u>
Total net assets	<u>(31,772)</u>	<u>(31,772)</u>

NARCONON UNITED KINGDOM

England & Wales - Charity number 1159334

Accounts

Charity registration number: 1159334

Narconon United Kingdom

Annual Report and Financial Statements

for the Year Ended 31 December 2022

Narconon United Kingdom

Reference and Administrative Details

Trustees	Ms Heather Ann Rose Ms Muriel Claire Angius Mr Sam Butler
Charity Registration Number	1159334
Principal Office	42/44 Copthorne Road Felbridge East Grinstead West Sussex PH19 2NS
Independent Examiner	Grant Sellers Bank Court Manor Road Verwood Dorset BH31 6DY

Narconon United Kingdom

Trustees' Report

The trustees present their report with the financial statements of the charity for the year ended 31 December 2022.

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charity's governing document, the Charities Act 2011 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 published in October 2019.

Objectives and activities

Our principal purposes are:

To reform and rehabilitate persons who are for the time being or who have at any time been drug addicts;

To advance the education of the public and/or persons who are or have been dependent upon or affected by the use of drugs about all matters relating to drug abuse/addiction in particular by the provision of advice, information and support.

Ensuring our work delivers our aims:

We review our aims, objectives and activities each year. This review looks at what we achieved and the outcomes of our work in the previous year. The review looks at the success of each key activity and the benefits they have brought to those groups of people we are set up to help.

The review also helps us ensure our aim, objectives and activities remained focused on our stated purposes. We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aim and objectives and in planning our future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives they have set.

Public benefit

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Achievements and performance

We seek to rehabilitate substance misusers, provide drug education within the greater communities of the United Kingdom to empower individuals to make positive choices and not fall into the pitfalls of drug and alcohol abuse and train specialist staff in the delivery of the Narconon abstinence based programme. These provide significant benefits to the public, both directly and indirectly

Narconon United Kingdom recognises that our continued existence depends on providing services of high quality and which meet the substance misuser's needs. This involves our commitment to provide a reliable service with a quick and authoritative response to meet the needs of our students. To gain first-hand experience as to how our service is experienced by our students, Narconon United Kingdom uses a Routine Outcome Monitoring (ROM) system throughout the programme and up to two years following the programme completion.

A random sampling analysis of the ROM over five years inclusive of 2022 showed that the majority of the students completing the programme at our centre remain drug free. This level of successful outcome puts us amongst the most successful drug rehabilitation centres in the world.

The Trustees are also aware that for every individual rehabilitated from drugs or alcohol then goes on to affect the lives of their immediate family, friends and associates.

Narconon United Kingdom

Trustees' Report (continued)

Senior managers and all staff are able to clearly express the value system of Narconon and to effectively communicate this through their personal attention, persistence and direct intervention. This emphasis on values is clearly illustrated in Narconon's goal, which is to deliver a rehabilitation programme, which not only gets a significant percentage of students off drugs or alcohol, but also gives them back control of their life.

Narconon is an evidence-based approach, developed over four decades. After completing drug free withdrawal, where the student receives 24-hour supervision and assistance where needed and supervision and, dependent on medical approval, they then do the detoxification programme. This includes sauna, exercise and nutrition to help reduce craving, cleanse the body and improve health. The remainder of the programme consists exercises within five learning modules, each with a purpose, expected outcome, and typical duration but specifically geared to each individual care plan. These steps foster motivation for change while managing attendant painful responses to change, teach the person coping skills, reinforce contingency awareness, and promote enduring positivity.

Staff training is based on person-centred care. Each student has a detailed care plan which is monitored against each module completion. This allows the student to see what progress they are making as they go through the programme. Some students have low literacy skills. In these situations, they have been given a staff member to work with them on a one to one basis. In the course room course supervisors are skilled in the detection of barriers to study and how to help the student. Staff members were trained in different protected characteristics, which require different needs.

Over the year we continued to connect the Narconon programme with policy and practice to better the lives of students, their families and their wider community adversely impacted by substance use and addiction. Our vision through our continued aims and objectives is: lasting solutions that free individuals and communities from the devastation of substance use and addiction.

We are pleased to have a skilled multi-disciplinary team who have adapted well to a challenging year of change. They have successfully delivered the Narconon programme to a range of service users from different ethnic and culturally diverse groups. Externally we have supported people with drug or alcohol issues and have delivered various types of treatment ranging from basic advice and information to structured interventions.

A number of people participated in the Narconon programme in the year. Here are some of the out-comes from those who graduated the programme:

"I will treasure these teachings about how to cultivate a joyful life, one guided and driven by integrity. Now that I know the way and see that these things are not complicated or abstract but have simple steps and guidelines I have great trust I can live a life that I can be proud of.

"I am very grateful to Narconon for all the kind and caring staff who have facilitated and helped me innumerable ways. I have complete trust in this place, the people and the process that happens here."

"I arrived at Narconon on a dark, cold, wet and windy December evening.

"I remember one of the students meeting me outside. I was a little anxious, yes.

"I started in Withdrawal for a couple of nights before being allowed into the main centre, and then "Bang," I was okayed to start my detox with another student. Man, that was some journey, 5 hours a day in the sauna (with breaks). I had so much fun, we had five stages to complete with various vitamins and minerals taken daily. I forgot what it was like to be "happy," for 28 days, I laughed, I sweated, I ran, yes it was good. I felt amazing and then more amazing.

"Then, my twin and I started Objectives, it was challenging and something I embraced. Yes, it had some crazy reactions on me mentally, and I let out a lot of inner thoughts; they were flying out of my brain from morning till night. I helped my twin, and he helped me. I built a real connection with him, and we have a great understanding and friendship you cannot buy. I am not saying it was easy. There were some bumpy moments but that just made our connection stronger.

Narconon United Kingdom

Trustees' Report (continued)

“The staff at the centre have always done their best to assist me, at times I did not acknowledge this, but as I travelled through the course, I realised it.

“Next, the classroom really opened up my thoughts: Ups and Downs in Life, Personal Values and then Changing Conditions in Life.

“These courses contain interesting and very usable theories and tools to carry you through in your journey once you leave here and embrace your life.

“I am a lucky boy I reflect on the people who are stuck or imprisoned by addiction...”

“This was a great experience. I reflect on the people who are stuck or imprisoned by addiction; it's a horrible place to be. I am a lucky boy.

“Thanks to everyone who helped me, from family, staff and students.”

“We came after the second week, and he looked like a different person already. His skin looked better, he looked healthier, his eyes were bright.... Everything seemed to have improved hugely to what he was before...”

“While he was on the programme, I just think he became a lot calmer, a lot more able to have a conversation with you. Beforehand you couldn't even get two words out of him. You were lucky if you could get a conversation out of him. He just became a much better person, we came after the second week, and he looked like a different person already. His skin looked better, he looked healthier, his eyes were bright. He just looked and sounded like a different person, and I would say his personality was better, much more lucid. Everything seemed to have improved hugely to what he was before. He was like a wreck when he came to you. He was uncooperative and very distant and frustrating because you could never get to the bottom of anything with him because everything was so secretive because of what he was doing. Our relationship is good now—I would say it's close.

“Narconon has helped him by getting him clean. But, what stood out the most to me regarding our experience with Narconon was that being at his lowest point ever when he first came—he was a changed person when he came home.

“The best thing about my son now that he has completed the Narconon programme is that he's just in a much better place—he's a much happier and healthier person.”

—**Mother of a Narconon United Kingdom Graduate**

“When I arrived I was terrified, but after the first day here, I was at ease as the staff really made me feel comfortable, I feel immediately at home. With the programme, my outlook on myself completely turned around. I felt I was able to love myself, and throughout the programme, that kind of grew gradually more and more.

“After New Life Detox, I felt really good and felt that I had handled the physical part of my drug addiction. Once I was free of that I felt all of the things that the drugs masked, they came back with a vengeance. Then through Objectives, I began to feel freer each day as I progressed. By the end of Objectives, I felt that the mental side of things had been handled. I was more able to live in the now, to experience life in the now. My mind was at ease. I began to sleep better and I'm beginning to enjoy my dreams again due to a clean body and mind. After Life Skills, I felt that all the things I'd been hiding away from everyone and lying about, had been handled too, and as a result, I had a resurgence of life. Graduation was a very special and emotional time for myself and family, I am very sad to leave because I feel part of the Narconon family. I am looking forward to being able to get back to life without having to resort to drugs—living a clean life.

“My proudest accomplishment is completing the programme and proving to myself that I can actually do it and also restoring my family’s trust in me. My relationship with my family is now a lot better, a hundred times better than what it was before. My favourite thing about being drug-free now is a clear head. I look forward to life every day. I wake up with an excitement about me as opposed to being worried about the day ahead. I feel more myself than I ever have.”

Financial review

The Trustees are reasonably satisfied with the Charity’s financial position at the end of the year taking into account that they had to implement certain changes during the course of the year to improve the delivery potential of the Charity and the continuing impact of COVID.

The Charity received a donation of £1,150 for the training of Narconon staff and also rehabilitation centre income of £158,817 for the running of the Charity. Expenditure totalled £167,797. This compares with income of £159,560 and expenditure of £182,096 in the prior year.

With the ongoing impact of COVID, the Trustees have engaged in researching additional fund raising avenues as well as personnel reviews with the view to bringing on board fresh ideas. With the support of Narconon Trust, the Trustees of the Charity have a reasonable expectation it will be able to be able to meet the expenditures from fees, grants and donations in the foreseeable future.

Policy on reserves

The Charity would normally expect to hold reserves derived from donations and grants and rehabilitation centre income. These would consist of restricted funds and unrestricted funds. However, the total of funds held at the 31st December was in a deficit of £31,773. Narconon United Kingdom has received assurance from Narconon Trust that Narconon Trust will provide further assistance to remove the deficit should it be needed.

The Board of Trustees in its current form, as it has been constituted from February 2024 onward, acknowledges awareness of the charity’s position in the financial year subsequent to that which is the subject of this report, and which unfortunately does not show the growth we would have hoped for the charity in that period. We are however sufficiently encouraged by more recent activities that we can be certain of a cash positive position as of the end of the current financial year (to Dec 2024), including through a board-level portfolio to secure grant funding and supporter donations to augment the established funding sources and thereby clear the extant deficit so the charity can invest more in servicing its present beneficiaries.

Principal funding sources

The activities of Narconon United Kingdom have been facilitated mainly by donations derived from the rehabilitation services provided, which is its principal funding source and with the assistance of Narconon Trust during the difficult COVID period. Narconon United Kingdom was able to continue servicing the community without having to seek government support.

Investment policy and objectives

The charity has the power to invest in any way the Trustees wish. The Trustees, having regard to the liquidity requirements of the Charity’s operations and to the reserves policy, will operate a policy of keeping available funds in interest bearing deposit accounts.

Structure, governance and management

Nature of governing document

The organization is a charitable unincorporated organization registered on 24 November 2014.

Narconon United Kingdom

Statement of Trustees' Responsibilities

The trustees are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

The law applicable to charities 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 charity and of the incoming resources and application of resources of the charity 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;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008, and the provisions of the constitution. The trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Approved by the trustees of the charity on 8/4/24 and signed on its behalf by:



Ms Heather Ann Rose
Trustee

Narconon United Kingdom

Independent Examiner's Report to the trustees of Narconon United Kingdom

I report to the trustees on my examination of the accounts of Narconon United Kingdom for the year ended 31 December 2022.

Responsibilities and basis of report

As the charity trustees of Narconon United Kingdom you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

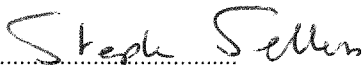
I report in respect of my examination of the Narconon United Kingdom's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

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

1. accounting records were not kept in respect of Narconon United Kingdom as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 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.

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



Stephen Sellers
Institute of Chartered Accountants in England and Wales

Bank Court
Manor Road
Verwood
Dorset
BH31 6DY

Date: 12 April 2024

Narconon United Kingdom

Statement of Financial Activities for the Year Ended 31 December 2022

	Note	Unrestricted funds £	Total 2022 £
Income and Endowments from:			
Donations and legacies		1,150	1,150
Other trading activities		158,817	158,817
Investment income	4	<u>2</u>	<u>2</u>
Total income		<u>159,969</u>	<u>159,969</u>
Expenditure on:			
Raising funds		(11,363)	(11,363)
Charitable activities		(152,291)	(152,291)
Other expenditure	7	<u>(4,142)</u>	<u>(4,142)</u>
Total expenditure		<u>(167,796)</u>	<u>(167,796)</u>
Net expenditure		<u>(7,827)</u>	<u>(7,827)</u>
Net movement in funds		(7,827)	(7,827)
Reconciliation of funds			
Total funds brought forward		<u>(23,945)</u>	<u>(23,945)</u>
Total funds carried forward	18	<u>(31,772)</u>	<u>(31,772)</u>
		Unrestricted funds £	Total 2021 £
	Note		
Income and Endowments from:			
Donations and legacies		3,688	3,688
Other trading activities		155,872	155,872
Total income		<u>159,560</u>	<u>159,560</u>
Expenditure on:			
Raising funds		(12,078)	(12,078)
Charitable activities		(165,623)	(165,623)
Other expenditure	7	<u>(4,395)</u>	<u>(4,395)</u>
Total expenditure		<u>(182,096)</u>	<u>(182,096)</u>
Net expenditure		<u>(22,536)</u>	<u>(22,536)</u>
Net movement in funds		(22,536)	(22,536)
Reconciliation of funds			
Total funds brought forward		<u>(1,410)</u>	<u>(1,410)</u>
Total funds carried forward	18	<u>(23,946)</u>	<u>(23,946)</u>

All of the charity's activities derive from continuing operations during the above two periods.

The notes on pages 11 to 18 form an integral part of these financial statements.

Narconon United Kingdom
(Registration number: 1159334)
Balance Sheet as at 31 December 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	13	1,935	1,658
Current assets			
Debtors	14	7,304	10,440
Cash at bank and in hand	15	<u>20,424</u>	<u>21,647</u>
		27,728	32,087
Creditors: Amounts falling due within one year	16	<u>(61,435)</u>	<u>(57,691)</u>
Net current liabilities		<u>(33,707)</u>	<u>(25,604)</u>
Net liabilities		<u>(31,772)</u>	<u>(23,946)</u>
Funds of the charity:			
Unrestricted income funds			
Unrestricted funds		<u>(31,772)</u>	<u>(23,946)</u>
Total funds	18	<u>(31,772)</u>	<u>(23,946)</u>

The financial statements on pages 9 to 18 were approved by the trustees, and authorised for issue on 8/11/24 and signed on their behalf by:



Ms Heather Ann Rose
Trustee

Narconon United Kingdom

Notes to the Financial Statements for the Year Ended 31 December 2022

1 Accounting policies

Statement of compliance

The financial statements have been prepared in accordance with the second edition of the Charities Statement of Recommended Practice issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

Basis of preparation

Narconon United Kingdom meets the definition of a public benefit entity under FRS 102. The accounts (financial statements) 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 functional currency of the charity is GBP and is rounded to the nearest £1.

Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

Income and endowments

All income is recognised in the Statement of financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Donations and legacies

Donations and legacies are recognised on a receivable basis when receipt is probable and the amount can be reliably measured.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees meetings and reimbursed expenses.

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Narconon United Kingdom

Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)

Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation.

Depreciation and amortisation

Depreciation is provided at the following annual rates in order to write off each asset over its expected useful economic life.

Asset class	Depreciation method and rate
Plant and Machinery	25% on reducing balance

Trade debtors

Debtors with no stated interest rate and receivable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade creditors

Creditors with no stated interest rate and payable within one year are recorded at transaction price.

Foreign exchange

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date.

Exchange differences are recognised in the statement of financial activities in the period in which they arise.

Pensions and other post retirement obligations

The charity operates a defined contribution pension scheme. Contributions payable to the charity's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

2 Income from donations and legacies

	Unrestricted funds General £	Total funds £
Donations and legacies;		
Donations	1,150	1,150
Total for 2022	1,150	1,150
Total for 2021	3,688	3,688

Narconon United Kingdom

Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)

3 Income from other trading activities

	Unrestricted funds General £	Total funds £
Trading income; Rehabilitation Centre income	<u>158,817</u>	<u>158,817</u>
Total for 2022	<u><u>158,817</u></u>	<u><u>158,817</u></u>
Total for 2021	<u><u>155,872</u></u>	<u><u>155,872</u></u>

4 Investment income

	Unrestricted funds General £	Total funds £
Interest receivable and similar income; Interest receivable on bank deposits	<u>2</u>	<u>2</u>
Total for 2022	<u><u>2</u></u>	<u><u>2</u></u>

Narconon United Kingdom

Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)

5 Expenditure on raising funds

a) Costs of generating donations and legacies

	Note	Unrestricted funds General £	Total funds £
Marketing and publicity		11,363	11,363
Total for 2022		<u>11,363</u>	<u>11,363</u>
Total for 2021		<u>12,078</u>	<u>12,078</u>
			Total costs £

6 Expenditure on charitable activities

	Note	Unrestricted funds General £	Total funds £
Drug and offender rehabilitation		103,946	103,946
Staff costs		38,756	38,756
Allocated support costs		5,689	5,689
Governance costs		3,900	3,900
Total for 2022		<u>152,291</u>	<u>152,291</u>
Total for 2021		<u>165,623</u>	<u>165,623</u>

7 Other expenditure

	Note	Unrestricted funds General £	Total funds £
Depreciation, amortisation and other similar costs		421	421
Allocated support costs		3,721	3,721
Total for 2022		<u>4,142</u>	<u>4,142</u>
Total for 2021		<u>4,395</u>	<u>4,395</u>

Narconon United Kingdom

Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)

8 Analysis of governance and support costs

Governance costs

	Unrestricted funds General £	Total funds £
Independent examiner fees		
Other fees paid to examiners	3,900	3,900
Total for 2022	3,900	3,900
Total for 2021	3,900	3,900

9 Net incoming/outgoing resources

Net outgoing resources for the year include:

	2022 £	2021 £
Depreciation of fixed assets	421	512

10 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

11 Staff costs

The aggregate payroll costs were as follows:

	2022 £	2021 £
Staff costs during the year were:		
Wages and salaries	37,703	37,374
Social security costs	937	555
Pension costs	116	77
	38,756	38,006

The monthly average number of persons (including senior management / leadership team) employed by the charity during the year expressed as full time equivalents was as follows:

	2022 No	2021 No
Average number of employees	7	7

Narconon United Kingdom

Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)

No employee received emoluments of more than £60,000 during the year

12 Taxation

The charity is a registered charity and is therefore exempt from taxation.

13 Tangible fixed assets

	Furniture and equipment £	Total £
Cost		
At 1 January 2022	7,653	7,653
Additions	699	699
At 31 December 2022	<u>8,352</u>	<u>8,352</u>
Depreciation		
At 1 January 2022	5,995	5,995
Charge for the year	422	422
At 31 December 2022	<u>6,417</u>	<u>6,417</u>
Net book value		
At 31 December 2022	<u>1,935</u>	<u>1,935</u>
At 31 December 2021	<u>1,658</u>	<u>1,658</u>

14 Debtors

	2022 £	2021 £
Trade debtors	4,114	7,250
Prepayments	3,190	3,190
	<u>7,304</u>	<u>10,440</u>

Narconon United Kingdom

Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)

15 Cash and cash equivalents

	2022 £	2021 £
Cash on hand	1,258	1,258
Cash at bank	<u>19,166</u>	<u>20,389</u>
	<u>20,424</u>	<u>21,647</u>

16 Creditors: amounts falling due within one year

	2022 £	2021 £
Trade creditors	47,992	42,460
Payments on account on long term contracts	421	5,421
Other taxation and social security	5,965	3,133
Other creditors	1,586	2,777
Accruals	<u>5,471</u>	<u>3,900</u>
	<u>61,435</u>	<u>57,691</u>

17 Pension and other schemes

Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the charity to the scheme and amounted to £116 (2021 - £77).

18 Funds

	Balance at 1 January 2022 £	Incoming resources £	Resources expended £	Balance at 31 December 2022 £
Unrestricted funds				
General	<u>(23,945)</u>	<u>159,969</u>	<u>(167,796)</u>	<u>(31,772)</u>
	Balance at 1 January 2021 £	Incoming resources £	Resources expended £	Balance at 31 December 2021 £
Unrestricted funds				
General	<u>(1,410)</u>	<u>159,560</u>	<u>(182,096)</u>	<u>(23,946)</u>

Narconon United Kingdom

Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)

19 Related Party Disclosures

Narconon United Kingdom and Narconon Trust share similar aims and from time to time provide mutual assistance to each other and therefore arguably qualify as related parties as defined by FRS102.

During the year the main property was rented from Narconon Trust rent-free.

20 Analysis of net funds

	At 1 January 2022	At 31 December 2022
	£	£
Cash at bank and in hand	21,647	21,647
Net debt	21,647	21,647
	At 1 January 2021	At 31 December 2021
	£	£
Cash at bank and in hand	29,337	29,337
Net debt	29,337	29,337

21 Analysis of net assets between funds

	Unrestricted funds General	Total funds at 31 December 2022
	£	£
Tangible fixed assets	1,935	1,935
Current assets	27,728	27,728
Current liabilities	(61,435)	(61,435)
Total net assets	(31,772)	(31,772)
	Unrestricted funds General	Total funds at 31 December 2021
	£	£
Tangible fixed assets	1,658	1,658
Current assets	32,087	32,087
Current liabilities	(57,691)	(57,691)
Total net assets	(23,946)	(23,946)

Narconon United Kingdom

Detailed Statement of Financial Activities for the Year Ended 31 December 2022

	Total 2022 £	Total 2021 £
Income and Endowments from:		
Donations and legacies (analysed below)	1,150	3,688
Other trading activities (analysed below)	158,817	155,872
Investment income (analysed below)	<u>2</u>	<u>-</u>
Total income	<u>159,969</u>	<u>159,560</u>
Expenditure on:		
Raising funds (analysed below)	(11,363)	(12,078)
Charitable activities (analysed below)	(152,291)	(165,623)
Other expenditure (analysed below)	<u>(4,142)</u>	<u>(4,395)</u>
Total expenditure	<u>(167,796)</u>	<u>(182,096)</u>
Net expenditure	<u>(7,827)</u>	<u>(22,536)</u>
Net movement in funds	(7,827)	(22,536)
Reconciliation of funds		
Total funds brought forward	<u>(23,945)</u>	<u>(1,410)</u>
Total funds carried forward	<u>(31,772)</u>	<u>(23,946)</u>

Narconon United Kingdom

**Detailed Statement of Financial Activities for the Year Ended 31 December 2022
(continued)**

	Total 2022 £	Total 2021 £
<i>Donations and legacies</i>		
Donations and legacies	1,150	3,688
	<u>1,150</u>	<u>3,688</u>
<i>Other trading activities</i>		
Rehabilitation Centre income	158,817	155,872
	<u>158,817</u>	<u>155,872</u>
<i>Investment income</i>		
Interest on cash deposits	2	-
	<u>2</u>	<u>-</u>
<i>Raising funds</i>		
Staff training	-	91
Advertising	11,363	11,987
	<u>11,363</u>	<u>12,078</u>
<i>Charitable activities</i>		
Wages and salaries	(37,703)	(37,374)
Staff NIC (Employers)	(937)	(555)
Staff pensions (Defined contribution) - pension scheme 1	(116)	(77)
Rates and water	(4,170)	(4,895)
Light, heat and power	(28,203)	(19,734)
Telephone and fax	(3,718)	(7,988)
Computer software and maintenance costs	(927)	(668)
Printing, postage and stationery	(764)	(2,596)
Sundry expenses	(1,675)	(938)
Medical costs	(3,092)	(5,929)
Consultancy	(12,263)	(24,675)
Licences	(20,919)	(18,401)
Subsistence	(19,410)	(13,250)
Recreational expenses	(4,726)	(2,079)
Cleaning	(1,593)	(2,860)
Recruitment	(1,421)	(24)
Uniforms	(417)	(658)
Bad debts written off	(3,250)	(6,000)
Bank charges	(1,875)	(2,177)
Travelling	(961)	(10,114)
Motor expenses	(251)	(731)
Accountancy fees	(3,900)	(3,900)

This page does not form part of the statutory financial statements.

Narconon United Kingdom

Detailed Statement of Financial Activities for the Year Ended 31 December 2022 (continued)

	Total 2022 £	Total 2021 £
	<u>(152,291)</u>	<u>(165,623)</u>
<i>Other expenditure</i>		
Repairs and renewals	(3,721)	(3,883)
Depreciation of plant and machinery	<u>(421)</u>	<u>(512)</u>
	<u>(4,142)</u>	<u>(4,395)</u>

NARCONON UNITED KINGDOM

England & Wales - Charity number 1159334

Accounts

Charity registration number: 1159334

Narconon United Kingdom

Annual Report and Financial Statements

for the Year Ended 31 December 2021

Narconon United Kingdom

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Narconon United Kingdom

Reference and Administrative Details

Trustees	Ms Heather Ann Rose Ms Muriel Claire Angius
Charity Registration Number	1159334
Principal Office	42/44 Copthorne Road Felbridge East Grinstead West Sussex PH19 2NS
Independent Examiner	Grant Sellers Bank Court Manor Road Verwood Dorset BH31 6DY

Narconon United Kingdom

Trustees' Report

The trustees present their report with the financial statements of the charity for the year ended 31 December 2021.

The trustees have adopted the provisions of 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 2015).

Objectives and activities

Our charity's purposes are:

To reform and rehabilitate persons who are for the time being or who have at any time been drug addicts;

To assist in the reformation and rehabilitation of persons who have at any time been convicted (whether in the United Kingdom or elsewhere) of any crime;

To advance the education of the public and/or persons who are or have been dependent upon or affected by the use of drugs about all matters relating to drug abuse/addiction in particular by the provision of advice, information and support.

Ensuring our work delivers our aims:

We review our aims, objectives and activities each year. This review looks at what we achieved and the outcomes of our work in the previous year. The review looks at the success of each key activity and the benefits they have brought to those groups of people we are set up to help.

The review also helps us ensure our aim, objectives and activities remained focused on our stated purposes. We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aim and objectives and in planning our future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives they have set.

Public benefit

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Achievements and performance

Our main objective is to rehabilitate substance misusers and train specialist staff in the delivery of the Narconon abstinence based programme.

At Narconon United Kingdom, we recognise that our very existence depends on our providing services and products which are of high quality and which closely meet the substance misuser's needs. This involves a commitment to provide a reliable service; to give a quick and authoritative response and to be able to gain first-hand experience about how our service is experienced by our clients by the use of a Routine Outcome Monitoring system during their programme, and up to two years following the programme completion.

Senior managers and all staff are able to clearly identify and articulate the value system of Narconon and then to effectively communicate this through personal attention, persistence and direct intervention. This emphasis on values is clearly illustrated in Narconon's goal, which is to deliver a unique rehabilitation programme, which not only gets a person off drugs or alcohol, but also gives them back control of their life.

Narconon is an evidence-based approach, developed over four decades.

After completing drug free withdrawal, where the client receives 24-hour assistance and supervision, and

Narconon United Kingdom

Trustees' Report

dependent on medical approval, they then do the detoxification programme. This includes sauna, exercise and nutrition to help reduce craving, cleanse the body and improve health. The remainder of the programme consists of five learning modules, each with a purpose, expected outcome, and typical duration but specifically geared to each individual's care plan. These steps foster motivation for change while managing attendant painful responses to change, teach the person coping skills, reinforce contingency awareness, and promote enduring positive

Staff training is based on person-centered care. Each student has a detailed care plan which is monitored against each module completion. This allows the student to see what progress they are making as they go through the programme. Some students have low literacy skills. In these situations they have been given a staff member to work with them on a one to one basis. In the course room course supervisors are skilled in the detection of barriers to study and how to help the student. Staff members were trained in different protected characteristics, which require different needs.

Over the year we continued to connect the Narconon programme with policy and practice to better the lives of students, their families and their wider community adversely impacted by substance use and addiction. Our vision through our continued aims and objectives is: lasting solutions that free individuals and communities from the devastation of substance use and addiction.

We are pleased to have a skilled multi-disciplinary team who have adapted well to a challenging year of change. They have successfully delivered the Narconon programme to a range of service users from different ethnic and culturally diverse groups including service users on mandatory orders as part of Drug Rehabilitation Requirements. Externally we have supported people with drug or alcohol issues and have delivered various types of treatment ranging from basic advice and information to structured interventions.

A number of people participated in the Narconon programme in the year. Here are some of the out-comes from those who graduated the programme:

(a) I was born in Aden, South Yemen and I was raised in India.

I had a wonderful life before I started doing drugs. I was a very successful entrepreneur from age 15 in India. Then I started here in the UK with a number of successful businesses and we ran a number of businesses in food and drink, including food exports.

Some of the happiest moments in my life I can remember before I started doing drugs were getting married and having children and living a good life.

I started using drugs because I got mixed with the wrong friends. It was 20 years ago. It was in 1999 that I started. I started because my house caught fire on a one-day firemen strike and I lost everything.

Due to using drugs I lost my entire family, my children, my wife, friends—I lost everyone, and I still don't have my children back. Everything got out of hand when I sold my business and retired. I had a busy life for 45 years and after retirement I got bored—I started drinking and using more and more. What led me to come to Narconon was that my wife left and she wasn't coming back until I sorted myself out and my brother brought me to Narconon.

I now have a new way of life—staying in the present all the time, before I didn't know how. Thanks to the staff in Withdrawal. They made it so simple for me. They were there for me 24 hours a day. It was really rough. It works if you want it to work. If you want to get your life back and live a happy life, Narconon is the only way. Basically, the whole programme is easy but difficult, but works. B.P

(b) "Your efforts are most likely the reason our son developed the will to change ..."

(c) I "I wake up every morning looking forward to my day ahead because I know I'm in total control of my life and because I rediscovered myself ..."

Narconon United Kingdom

Trustees' Report

(d) "...I was very skeptic at first but now I feel Narconon is the only way – it's working for me."

(e) I "After seeing the results of your work and speaking to members of the staff, I feel that you have much to teach the drug rehabilitation field"

(f) "I came to NARCONON a broken mess of a human being. ... Today I have no words to really explain the difference in my life. ... I am successful and happy and I have a future."

Financial review

The Trustees are reasonably satisfied with the Charity's financial position at the end of the year taking into account that they had to implement certain changes during the course of the year to improve the delivery potential of the Charity.

The Charity received a donation of £3,688 for the training of Narconon staff and also rehabilitation centre income of £155,872 for the running of the Charity. Expenditure totalled £182,096. This compares with income of £230,624 and expenditure of £228,841 in the prior year.

The Trustees believe the Charity is a going concern as it has a reasonable expectation that it will continue to meet all expenditures from grants and donations in the foreseeable future.

Policy on reserves

The Trustees are conscious of the need to aim to achieve adequate reserves and react to challenging economic times whilst ensuring that the maximum level of resources are applied to people who depend on the Charity to provide rehabilitation, education and assistance.

The Charity would normally expect to hold reserves derived from donations and grants and rehabilitation centre income. These would consist of restricted funds and unrestricted funds. However, the total of funds held at the 31st December was in a deficit of £23,946 (2020: Deficit of £1,410), which related to unrestricted funds.

Narconon United Kingdom

Trustees' Report

Principal funding sources

The activities of Narconon United Kingdom have been facilitated mainly by donations derived from the rehabilitation services provided, which is its principal funding source.

Investment policy and objectives

The charity has the power to invest in any way the Trustees wish. The Trustees, having regard to the liquidity requirements of the Charity's operations and to the reserves policy, will operate a policy of keeping available funds in interest bearing deposit accounts.

Structure, governance and management

Nature of governing document

The organization is a charitable unincorporated organization registered on 24 November 2014.

Recruitment and appointment of trustees

New trustees are appointed by existing trustees. New trustees undergo an orientation session to brief them on their legal obligations under charity law, the content of the memorandum and articles of association, the decision-making processes, the business plan and recent financial performance of the charity.

Organisational structure

The Trustees are responsible for the administration and running of the activities of the Charity.

The annual report was approved by the trustees of the charity on 24/11/22 and signed on its behalf by:



Ms Heather Ann Rose
Trustee

Narconon United Kingdom

Statement of Trustees' Responsibilities

The trustees are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

The law applicable to charities 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 charity and of the incoming resources and application of resources of the charity 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;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

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

Approved by the trustees of the charity on 24/11/22 and signed on its behalf by:



Ms Heather Ann Rose
Trustee

Narconon United Kingdom

Independent Examiner's Report to the trustees of Narconon United Kingdom

I report to the trustees on my examination of the accounts of Narconon United Kingdom for the year ended 31 December 2021.

Responsibilities and basis of report

As the charity trustees of Narconon United Kingdom you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

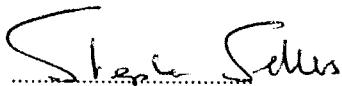
I report in respect of my examination of the Narconon United Kingdom's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

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

1. accounting records were not kept in respect of Narconon United Kingdom as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 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.

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



Stephen Sellers
Institute of Chartered Accountants in England and Wales

Bank Court
Manor Road
Verwood
Dorset
BH31 6DY

Date: 25 November 2022

Narconon United Kingdom

Statement of Financial Activities for the Year Ended 31 December 2021

	Note	Unrestricted funds £	Total 2021 £
Income and Endowments from:			
Donations and legacies		3,688	3,688
Other trading activities		<u>155,872</u>	<u>155,872</u>
Total income		<u>159,560</u>	<u>159,560</u>
Expenditure on:			
Raising funds		(12,078)	(12,078)
Charitable activities		(165,623)	(165,623)
Other expenditure	7	<u>(4,395)</u>	<u>(4,395)</u>
Total expenditure		<u>(182,096)</u>	<u>(182,096)</u>
Net expenditure		<u>(22,536)</u>	<u>(22,536)</u>
Net movement in funds		(22,536)	(22,536)
Reconciliation of funds			
Total funds brought forward		<u>(1,410)</u>	<u>(1,410)</u>
Total funds carried forward	17	<u>(23,946)</u>	<u>(23,946)</u>
	Note	Unrestricted funds £	Restricted funds £
			Total 2020 £
Income and Endowments from:			
Donations and legacies		8,502	91,192
Other trading activities		139,416	139,416
Investment income	4	<u>16</u>	<u>16</u>
Total income		<u>147,934</u>	<u>230,624</u>
Expenditure on:			
Raising funds		(4,562)	(4,856)
Charitable activities		(129,399)	(208,983)
Other expenditure	7	<u>(12,190)</u>	<u>(15,002)</u>
Total expenditure		<u>(146,151)</u>	<u>(228,841)</u>
Net income		<u>1,783</u>	<u>1,783</u>
Net movement in funds		1,783	1,783
Reconciliation of funds			
Total funds brought forward		<u>(3,193)</u>	<u>(3,193)</u>
Total funds carried forward	17	<u>(1,410)</u>	<u>(1,410)</u>

All of the charity's activities derive from continuing operations during the above two periods.

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

Narconon United Kingdom
 (Registration number: 1159334)
 Balance Sheet as at 31 December 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	13	1,658	2,170
Current assets			
Debtors	14	10,440	9,940
Cash at bank and in hand	15	<u>21,647</u>	<u>29,337</u>
		32,087	39,277
Creditors: Amounts falling due within one year	16	<u>(57,691)</u>	<u>(42,857)</u>
Net current liabilities		<u>(25,604)</u>	<u>(3,580)</u>
Net liabilities		<u>(23,946)</u>	<u>(1,410)</u>
Funds of the charity:			
Unrestricted income funds			
Unrestricted funds		<u>(23,946)</u>	<u>(1,410)</u>
Total funds	17	<u>(23,946)</u>	<u>(1,410)</u>

The financial statements on pages 8 to 17 were approved by the trustees, and authorised for issue on 24/11/22 and signed on their behalf by:



Ms Heather Ann Rose
Trustee

Narconon United Kingdom

Notes to the Financial Statements for the Year Ended 31 December 2021

1 Accounting policies

Statement of compliance

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in 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.

Basis of preparation

Narconon United Kingdom meets the definition of a public benefit entity under FRS 102. The accounts (financial statements) 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 functional currency of the charity is GBP and is rounded to the nearest £1.

Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

Income and endowments

All income is recognised in the Statement of financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Donations and legacies

Donations and legacies are recognised on a receivable basis when receipt is probable and the amount can be reliably measured.

Grants receivable

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

Investment income

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Narconon United Kingdom

Notes to the Financial Statements for the Year Ended 31 December 2021

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees's meetings and reimbursed expenses.

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation.

Depreciation and amortisation

Depreciation is provided at the following annual rates in order to write off each asset over its expected useful economic life.

Asset class	Depreciation method and rate
Plant and Machinery	25% on reducing balance

Trade debtors

Debtors with no stated interest rate and receivable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade creditors

Creditors with no stated interest rate and payable within one year are recorded at transaction price.

Foreign exchange

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date.

Exchange differences are recognised in the statement of financial activities in the period in which they arise.

Fund structure

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Narconon United Kingdom

Notes to the Financial Statements for the Year Ended 31 December 2021

Pensions and other post retirement obligations

The charity operates a defined contribution pension scheme. Contributions payable to the charity's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

2 Income from donations and legacies

	Unrestricted funds General £	Restricted funds £	Total funds £
Donations and legacies;			
Donations	3,688	-	3,688
Total for 2021	3,688	-	3,688
Total for 2020	8,502	82,690	91,192

3 Income from other trading activities

	Unrestricted funds General £	Total funds £
Trading income;		
Rehabilitation Centre income	155,872	155,872
Total for 2021	155,872	155,872
Total for 2020	139,416	139,416

4 Investment income

	Unrestricted funds General £	Total funds £
Total for 2021	-	-
Total for 2020	16	16

Narconon United Kingdom

Notes to the Financial Statements for the Year Ended 31 December 2021

5 Expenditure on raising funds

a) Costs of generating donations and legacies

	Note	Unrestricted funds General £	Restricted funds £	Total funds £
Marketing and publicity		11,987	-	11,987
Allocated support costs		91	-	91
Total for 2021		<u>12,078</u>	<u>-</u>	<u>12,078</u>
Total for 2020		<u>4,562</u>	<u>294</u>	<u>4,856</u>
				Total costs £

6 Expenditure on charitable activities

	Note	Unrestricted funds General £	Restricted funds £	Total funds £
Drug and offender rehabilitation		109,089	-	109,089
Staff costs		38,006	-	38,006
Allocated support costs		14,628	-	14,628
Governance costs		3,900	-	3,900
Total for 2021		<u>165,623</u>	<u>-</u>	<u>165,623</u>
Total for 2020		<u>129,399</u>	<u>79,584</u>	<u>208,983</u>

7 Other expenditure

	Note	Unrestricted funds General £	Restricted funds £	Total funds £
Depreciation, amortisation and other similar costs		512	-	512
Allocated support costs		3,883	-	3,883
Total for 2021		<u>4,395</u>	<u>-</u>	<u>4,395</u>
Total for 2020		<u>12,190</u>	<u>2,812</u>	<u>15,002</u>

Narconon United Kingdom

Notes to the Financial Statements for the Year Ended 31 December 2021

8 Analysis of governance and support costs

Governance costs

	Unrestricted funds General £	Total funds £
Independent examiner fees		
Other fees paid to examiners	3,900	3,900
Total for 2021	3,900	3,900
Total for 2020	3,036	3,036

9 Net incoming/outgoing resources

Net (outgoing)/incoming resources for the year include:

	2021 £	2020 £
Depreciation of fixed assets	512	676

10 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

11 Staff costs

The aggregate payroll costs were as follows:

	2021 £	2020 £
Staff costs during the year were:		
Wages and salaries	37,374	63,383
Social security costs	555	2,069
Pension costs	77	166
	38,006	65,618

The monthly average number of persons (including senior management / leadership team) employed by the charity during the year expressed as full time equivalents was as follows:

	2021 No	2020 No
Average number of employees	7	12

Narconon United Kingdom

Notes to the Financial Statements for the Year Ended 31 December 2021

No employee received emoluments of more than £60,000 during the year

12 Taxation

The charity is a registered charity and is therefore exempt from taxation.

13 Tangible fixed assets

	Furniture and equipment £	Total £
Cost		
At 1 January 2021	7,653	7,653
At 31 December 2021	7,653	7,653
Depreciation		
At 1 January 2021	5,483	5,483
Charge for the year	512	512
At 31 December 2021	5,995	5,995
Net book value		
At 31 December 2021	1,658	1,658
At 31 December 2020	2,170	2,170

14 Debtors

	2021 £	2020 £
Trade debtors	7,250	6,750
Prepayments	3,190	3,190
	10,440	9,940

Narconon United Kingdom

Notes to the Financial Statements for the Year Ended 31 December 2021

15 Cash and cash equivalents

	2021 £	2020 £
Cash on hand	1,258	1,258
Cash at bank	20,389	28,079
	21,647	29,337

16 Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	42,460	24,075
Payments on account on long term contracts	5,421	2,421
Other taxation and social security	3,133	1,809
Other creditors	2,777	11,084
Accruals	3,900	3,468
	57,691	42,857

17 Funds

	Balance at 1 January 2021 £	Incoming resources £	Resources expended £	Balance at 31 December 2021 £
Unrestricted funds				
General	(1,410)	159,560	(182,096)	(23,946)
	(3,193)	147,934	(146,151)	(1,410)
Restricted funds	-	82,690	(82,690)	-
Total funds	(3,193)	230,624	(228,841)	(1,410)

Narconon United Kingdom

Notes to the Financial Statements for the Year Ended 31 December 2021

18 Related Party Disclosures

Narconon United Kingdom and Narconon Trust share similar aims and from time to time provide mutual assistance to each other and therefore arguably qualify as related parties as defined by FRS102.

During the year the main property was rented from Narconon Trust rent-free.

19 Analysis of net funds

	At 1 January 2021 £	At 31 December 2021 £
Cash at bank and in hand	29,337	29,337
Net debt	29,337	29,337
	At 1 January 2020 £	At 31 December 2020 £
Cash at bank and in hand	3,900	3,900
Net debt	3,900	3,900

20 Analysis of net assets between funds

	Unrestricted funds General £		Total funds at 31 December 2021 £
Tangible fixed assets	1,658		1,658
Current assets	32,087		32,087
Current liabilities	(57,691)		(57,691)
Total net assets	(23,946)		(23,946)
	Unrestricted funds General £	Restricted funds £	Total funds at 31 December 2020 £
Tangible fixed assets	2,170	-	2,170
Current assets	31,014	8,263	39,277
Current liabilities	(34,594)	(8,263)	(42,857)
Total net assets	(1,410)	-	(1,410)

NARCONON UNITED KINGDOM

England & Wales - Charity number 1159334

Accounts

Charity registration number: 1159334

Narconon United Kingdom

Annual Report and Financial Statements
for the Year Ended 31 December 2020

Narconon United Kingdom

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Narconon United Kingdom

Reference and Administrative Details

Trustees	Ms Heather Ann Rose Ms Muriel Claire Angius
Principal Office	42/44 Copthorne Road Felbridge East Grinstead West Sussex PH19 2NS
Charity Registration Number	1159334
Independent Examiner	Grant Sellers Bank Court Manor Road Verwood Dorset BH31 6DY

Narconon United Kingdom

Trustees' Report

The trustees present their report with the financial statements of the charity for the year ended 31 December 2020.

The trustees have adopted the provisions of 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 2015).

Objectives and activities

Our charity's purposes are to:

- (1) To reform and rehabilitate persons who are for the time being or who have at any time been drug addicts;
- (2) To assist in the reformation and rehabilitation of persons who have at any time been convicted (whether in the United Kingdom or elsewhere) of any crime;
- (3) To advance the education of the public and/or persons who are or have been dependent upon or affected by the use of drugs about all matters relating to drug abuse/addiction in particular by the provision of advice, information and support.

Ensuring our work delivers our aims:

We review our aims, objectives and activities each year. This review looks at what we achieved and the outcomes of our work in the previous year. The review looks at the success of each key activity and the benefits they have brought to those groups of people we are set up to help.

The review also helps us ensure our aim, objectives and activities remained focused on our stated purposes. We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aim and objectives and in planning our future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives they have set.

Public benefit

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Achievements and performance

Our main objective is to rehabilitate substance misusers and train specialist staff in the delivery of the Narconon abstinence based programme.

At Narconon United Kingdom, we recognise that our very existence depends on our providing services and products which are of high quality and which closely meet the substance misuser's needs. This involves a commitment to provide a reliable service; to give a quick and authoritative response and to be able to gain first-hand experience about how our service is experienced by our clients by the use of a Routine Outcome Monitoring system during their programme, and up to two years following the programme completion.

Senior managers and all staff are able to clearly identify and articulate the value system of Narconon and then to effectively communicate this through personal attention, persistence and direct intervention. This emphasis on values is clearly illustrated in Narconon's goal, which is to deliver a unique rehabilitation programme, which not only gets a person off drugs or alcohol, but also gives them back control of their life.

Narconon is an evidence-based approach, developed over four decades.

Narconon United Kingdom

Trustees' Report

After completing drug free withdrawal, where the client receives 24-hour assistance and supervision, and dependent on medical approval, they then do the detoxification programme. This includes sauna, exercise and nutrition to help reduce craving, cleanse the body and improve health. The remainder of the programme consists of five learning modules, each with a purpose, expected outcome, and typical duration but specifically geared to each individual's care plan. These steps foster motivation for change while managing attendant painful responses to change, teach the person coping skills, reinforce contingency awareness, and promote enduring positive behaviour. Narconon clients are referred to as students.

Staff training is based on person-centred care. Each student has a detailed care plan which is monitored against each module completion. This allows the student to see what progress they are making as they go through the programme. Some students have low literacy skills. In these situations they have been given a staff member to work with them on a one to one basis. In the course room course supervisors are skilled in the detection of barriers to study and how to help the student. Staff members were trained in different protected characteristics, which require different needs.

Over the year we continued to connect the Narconon programme with policy and practice to better the lives of students, their families and their wider community adversely impacted by substance use and addiction. Our vision through our continued aims and objectives is: lasting solutions that free individuals and communities from the devastation of substance use and addiction.

We are pleased to have a skilled multi-disciplinary team who have adapted well to a challenging year of change. They have successfully delivered the Narconon programme to a range of service users from different ethnic and culturally diverse groups including service users on mandatory orders as part of Drug Rehabilitation Requirements. Externally we have supported people with drug or alcohol issues and have delivered various types of treatment ranging from basic advice and information to structured interventions.

Eleven people participated in the Narconon programme in the year. Here are some of the out-comes from the students who graduated the programme:

(a) "I gained so much in the way of abilities which I thought I had but was wrong. I also gained a massive sense of wellbeing from helping my twin through the process from start to end and seeing the amazing changes making me feel very proud that I could help. The programme also made me able to deal with situations which I wouldn't have been able to do very well before and communicate with another person to get my point across calmly and clearly, and with this it made me feel more confident and happier knowing I can continue with my life without anything holding me back."

(b) Through my experience with drugs, I lost my health, and I ended up as a heroin addict, a methadone addict and an alcoholic. I became very estranged from my family. I gave up work, I lost my purpose in life, and it just became 24/7 addiction and it was a full-time job in itself. I lost interest in my life, I was trying to be happy. When you're on drugs, everything is so overwhelming—you're trying to run away from that and it comes back. Addiction takes over. I had to walk two hours every day to get to the methadone clinic. I was going shoplifting, dressing as a commuter, to steal alcohol every day. I distanced myself from my family, I didn't communicate with them. I hid from them. It was a pretence to keep up appearances. I knew they were there for me. They were so anxious. For my Dad it was heart-breaking. He found me unconscious with blood on the floor so he took me to the hospital.

At Narconon everyone was very friendly, not like an institution, the service I got from the Withdrawal specialist was superb. If I needed anything they would be there for me. What really helped me was the winding down programme. I liked the setup. Homely environment, nicer than to be in a hospital. I liked the people.

Narconon United Kingdom

Trustees' Report

After going through the Narconon programme, I came out being able to run for 30 minutes continuously. I had my bodily health—a feeling of the physical nature of health. I have continued the healthy routines that I learned on the Narconon programme and now I go training most days, sometimes I run 5 km, and I have an 8 hour a day job. I get up at 4 in the morning and go to bed at 10 pm. I have enough energy to go to work and then go to the gym.

Another big gain I got from the Narconon programme is being self-aware—being aware of what makes me feel good and what makes me feel bad. When I completed the Narconon programme, the ceremony was really lovely. It was a real graduation. It felt really special. I was very proud of myself and appreciative. I was very grateful to my parents for putting me in the right place. For me 12 steps didn't work, I didn't get it.

I'm looking forward to continuing to feel really good about life and about myself. Having had a 30-year history of addiction abuse, I am grateful for the life that I have and the body that I have. That is what Narconon has given me, the ability to be self-aware and to be aware of the world I love.

Now I get up and embrace the day, whatever is ahead of me I confront it, I don't have so much stress, I wake up with energy. To be able to help another life, the possibility to recover it and get well again and share my knowledge is my purpose in life now. I love going to work, walking through the front door. I'm full of action at the age of 50 I'm not doing too bad. The sense of calm I can get by creating my space. Life goes up and down but I found a way to confront it better.

Thank you to Narconon for everything that it's helped me with.

(c) I started using drugs because I got mixed with the wrong friends. It was 20 years ago.

Due to using drugs I lost my entire family, my children, my wife, friends—I lost everyone, and I still don't have my children back. Everything got out of hand when I sold my business and retired. I had a busy life for 45 years and after retirement I got bored—I started drinking and using more and more. What led me to come to Narconon was that my wife left and she wasn't coming back until I sorted myself out and my brother brought me to Narconon. If I wouldn't have come, I would have died. I had a week left. I was at the last stage.

With Narconon I got my life back, got my family back and I became a totally new version of myself—even better than before. I now have a new way of life—staying in the present all the time, before I didn't know how. Thanks to the staff in Withdrawal. They made it so simple for me. They were there for me 24 hours a day. It was really rough.

I'm so grateful, to have gone through this lovely programme. No one else provides this to my knowledge. Although it was very tough to go through Life Skills courses, thanks to the Narconon staff, that step was a wake-up call for me. Without the Narconon staff, I wouldn't have made it through Life Skills. Continuous support after the programme was also very helpful and I had a good relationship with the staff and it was easy to talk to them after getting back home. Narconon saved my life, I was about to die. This is my second life. I am very pleased with the programme. I am willing to come to Narconon at any time to help.

The biggest win I had on the programme was staying in the present. I started to believe and love myself and the recognition of the past in the sense that, I accept the fact whatever has happened has happened. I don't want to forget about it. I'm not sorry about what happened but learnt to live with it. I don't want to forget my past so I don't make the same mistakes.

My favourite thing about being drug free now is I'm aware of everything, what's around me, the best awareness I've had in years and it's easy to make decisions about everything.

If you want to get your life back and live a happy life, Narconon is the only way. Basically, the whole programme is easy but difficult, but works.

Narconon United Kingdom

Trustees' Report

Financial review

The Trustees are reasonably satisfied with the Charity's financial position at the end of the year taking into account that they had to implement certain changes during the course of the year to improve the delivery potential of the Charity.

The Charity received grant income of £82,690 for the training of Narconon staff and also donations and rehabilitation centre income of £147,918 for the running of the Charity. Expenditure totalled £228,841. This compares with income of £357,827 and expenditure of £412,866 in the prior year.

The Trustees believe the Charity is a going concern as it has a reasonable expectation that it will continue to meet all expenditures from grants and donations in the foreseeable future.

Policy on reserves

The Trustees are conscious of the need to aim to achieve adequate reserves and react to challenging economic times whilst ensuring that the maximum level of resources are applied to people who depend on the Charity to provide rehabilitation, education and assistance.

The Charity would normally expect to hold reserves derived from donations and grants and rehabilitation centre income. These would consist of restricted funds and unrestricted funds. However, the total of funds held at the 31st December was in a small deficit of £1,410. (2019: Deficit of £3,192), which related to unrestricted funds.

Principal funding sources

The activities of Narconon United Kingdom have been facilitated mainly by donations derived from the rehabilitation services provided, which is its principal funding source.

Investment policy and objectives

The charity has the power to invest in any way the Trustees wish. The Trustees, having regard to the liquidity requirements of the Charity's operations and to the reserves policy, will operate a policy of keeping available funds in interest bearing deposit accounts.

Structure, governance and management

Nature of governing document

The organisation is a charitable unincorporated organisation registered on 24 November 2014.

Recruitment and appointment of trustees

New trustees are appointed by existing trustees. New trustees undergo an orientation session to brief them on their legal obligations under charity law, the content of the memorandum and articles of association, the decision-making processes, the business plan and recent financial performance of the charity.

Organisational structure

The Trustees are responsible for the administration and running of the activities of the Charity.

Narconon United Kingdom

Trustees' Report

The annual report was approved by the trustees of the charity on 26/10/21, and signed on its behalf by:



Ms Heather Ann Rose
Trustee

Narconon United Kingdom

Statement of Trustees' Responsibilities

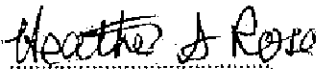
The trustees are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

The law applicable to charities 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 charity and of the incoming resources and application of resources of the charity 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;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

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

Approved by the trustees of the charity on 26/10/21 and signed on its behalf by:



Ms Heather Ann Rose
Trustee

Narconon United Kingdom

Independent Examiner's Report to the trustees of Narconon United Kingdom

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 December 2020 which are set out on pages 9 to 18.

Respective responsibilities of trustees and examiner

As the charity's trustees of Narconon United Kingdom you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

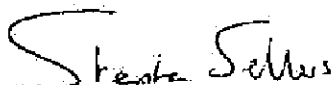
I report in respect of my examination of the Narconon United Kingdom's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

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

1. accounting records were not kept in respect of Narconon United Kingdom as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 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.

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



Stephen Sellers
Institute of Chartered Accountants in England and Wales

Bank Court
Manor Road
Verwood
Dorset
BH31 6DY

Date: 28 October 2021

Narconon United Kingdom

Statement of Financial Activities for the Year Ended 31 December 2020

	Note	Unrestricted funds £	Restricted funds £	Total 2020 £
Income and Endowments from:				
Donations and legacies		8,502	82,690	91,192
Other trading activities		139,416	-	139,416
Investment income	4	<u>16</u>	<u>-</u>	<u>16</u>
Total income		<u>147,934</u>	<u>82,690</u>	<u>230,624</u>
Expenditure on:				
Raising funds		(4,562)	(294)	(4,856)
Charitable activities		(129,399)	(79,584)	(208,983)
Other expenditure	7	<u>(12,190)</u>	<u>(2,812)</u>	<u>(15,002)</u>
Total expenditure		<u>(146,151)</u>	<u>(82,690)</u>	<u>(228,841)</u>
Net income		<u>1,783</u>	<u>-</u>	<u>1,783</u>
Net movement in funds		1,783	-	1,783
Reconciliation of funds				
Total funds brought forward		<u>(3,193)</u>	<u>-</u>	<u>(3,193)</u>
Total funds carried forward	18	<u>(1,410)</u>	<u>-</u>	<u>(1,410)</u>
	Note	Unrestricted funds £	Restricted funds £	Total 2019 £
Income and Endowments from:				
Donations and legacies		21,123	110,562	131,685
Other trading activities		226,161	-	226,161
Investment income	4	<u>26</u>	<u>-</u>	<u>26</u>
Total income		<u>247,310</u>	<u>110,562</u>	<u>357,872</u>
Expenditure on:				
Raising funds		(15,942)	(22,353)	(38,295)
Charitable activities		(269,522)	(93,293)	(362,815)
Other expenditure	7	<u>(9,555)</u>	<u>(2,201)</u>	<u>(11,756)</u>
Total expenditure		<u>(295,019)</u>	<u>(117,847)</u>	<u>(412,866)</u>
Net expenditure		<u>(47,709)</u>	<u>(7,285)</u>	<u>(54,994)</u>
Gross transfers between funds		<u>7,680</u>	<u>(7,680)</u>	<u>-</u>
Net movement in funds		<u>(40,029)</u>	<u>(14,965)</u>	<u>(54,994)</u>
Reconciliation of funds				
Total funds brought forward		<u>36,837</u>	<u>14,965</u>	<u>51,802</u>
Total funds carried forward	18	<u>(3,192)</u>	<u>-</u>	<u>(3,192)</u>

All of the charity's activities derive from continuing operations during the above two periods.

Narconon United Kingdom
(Registration number: 1159334)
Balance Sheet as at 31 December 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	14	2,170	2,507
Current assets			
Debtors	15	9,940	6,000
Cash at bank and in hand	16	<u>29,337</u>	<u>3,900</u>
		39,277	9,900
Creditors: Amounts falling due within one year	17	<u>(42,857)</u>	<u>(15,599)</u>
Net current liabilities		<u>(3,580)</u>	<u>(5,699)</u>
Net liabilities		<u>(1,410)</u>	<u>(3,192)</u>
Funds of the charity:			
Unrestricted income funds			
Unrestricted funds		<u>(1,410)</u>	<u>(3,192)</u>
Total funds	18	<u>(1,410)</u>	<u>(3,192)</u>

The financial statements on pages 9 to 18 were approved by the trustees, and authorised for issue on 26/10/21, and signed on their behalf by:

Heather A Rose

Ms Heather Ann Rose
Trustee

Narconon United Kingdom

Notes to the Financial Statements for the Year Ended 31 December 2020

1 Accounting policies

Statement of compliance

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in 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.

Basis of preparation

Narconon United Kingdom meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

The functional currency of the charity is GBP and is rounded to the nearest £1.

Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

Income and endowments

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Donations and legacies

Donations and legacies are recognised on a receivable basis when receipt is probable and the amount can be reliably measured.

Grants receivable

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

Investment income

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Narconon United Kingdom

Notes to the Financial Statements for the Year Ended 31 December 2020

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees's meetings and reimbursed expenses.

Taxation

The charity is considered to pass the tests set out in Paragraph 1, Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation.

Depreciation and amortisation

Depreciation is provided at the following annual rates in order to write off each asset over its expected useful economic life.

Asset class	Depreciation method and rate
Plant and Machinery	25% on reducing balance

Trade debtors

Debtors with no stated interest rate and receivable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade creditors

Creditors with no stated interest rate and payable within one year are recorded at transaction price.

Foreign exchange

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date.

Exchange differences are recognised in the statement of financial activities in the period in which they arise.

Fund structure

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

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Notes to the Financial Statements for the Year Ended 31 December 2020

Pensions and other post retirement obligations

The charity operates a defined contribution pension scheme. Contributions payable to the charity's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

2 Income from donations and legacies

	Unrestricted funds General £	Restricted funds £	Total 2020 £	Total 2019 £
Donations and legacies;				
Donations	8,502	-	8,502	21,123
Grants, including capital grants;				
Grants	-	82,690	82,690	110,562
	8,502	82,690	91,192	131,685

3 Income from other trading activities

	Unrestricted funds General £	Total 2020 £	Total 2019 £
Trading income;			
Rehabilitation Centre income.	139,416	139,416	226,161
	139,416	139,416	226,161

4 Investment income

	Unrestricted funds General £	Total 2020 £	Total 2019 £
Interest receivable and similar income;			
Interest receivable on bank deposits	16	16	26
	16	16	26

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Notes to the Financial Statements for the Year Ended 31 December 2020

5 Expenditure on raising funds

a) Costs of generating donations and legacies

	Note	Unrestricted funds General £	Restricted funds £	Total 2020 £	Total 2019 £
Marketing and publicity		4,344	-	4,344	34,111
Allocated support costs	8	218	294	512	4,184
		<u>4,562</u>	<u>294</u>	<u>4,856</u>	<u>38,295</u>
					Total 2020 £

6 Expenditure on charitable activities

	Note	Unrestricted funds General £	Restricted funds £	Total 2020 £	Total 2019 £
Drug and offender rehabilitation		78,803	26,821	105,624	156,399
Staff costs		25,160	40,458	65,618	177,099
Allocated support costs		22,400	12,305	34,705	27,977
Governance costs		3,036	-	3,036	1,340
		<u>129,399</u>	<u>79,584</u>	<u>208,983</u>	<u>362,815</u>

7 Other expenditure

		Unrestricted funds General £	Restricted funds £	Total 2020 £	Total 2019 £
Depreciation, amortisation and other similar costs		676	-	676	836
Allocated support costs		11,514	2,812	14,326	10,920
		<u>12,190</u>	<u>2,812</u>	<u>15,002</u>	<u>11,756</u>

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Notes to the Financial Statements for the Year Ended 31 December 2020

8 Analysis of governance and support costs

Governance costs

	Unrestricted funds General £	Total 2020 £	Total 2019 £
Independent examiner fees:			
Examination of the financial statements	1,212	1,212	540
Other fees paid to examiners	1,824	1,824	800
	<u>3,036</u>	<u>3,036</u>	<u>1,340</u>

9 Net incoming/outgoing resources

Net incoming/(outgoing) resources for the year include:

	2020 £	2019 £
Depreciation of fixed assets	<u>676</u>	<u>836</u>

10 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

11 Staff costs

The aggregate payroll costs were as follows:

	2020 £	2019 £
Staff costs during the year were:		
Wages and salaries	63,383	160,194
Social security costs	2,069	14,748
Pension costs	166	2,157
	<u>65,618</u>	<u>177,099</u>

The monthly average number of persons (including senior management team) employed by the charity during the year expressed as full time equivalents was as follows:

	2020 No	2019 No
Average number of employees	<u>12</u>	<u>12</u>

No employee received emoluments of more than £60,000 during the year

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Notes to the Financial Statements for the Year Ended 31 December 2020

12 Independent examiner's remuneration

	2020 £	2019 £
Examination of the financial statements.	1,212	540
Other fees to examiners		
All other services	1,824	800

13 Taxation

The charity is a registered charity and is therefore exempt from taxation.

14 Tangible fixed assets

	Furniture and equipment £	Total £
Cost		
At 1 January 2020	7,314	7,314
Additions	339	339
At 31 December 2020	7,653	7,653
Depreciation		
At 1 January 2020	4,807	4,807
Charge for the year	676	676
At 31 December 2020	5,483	5,483
Net book value		
At 31 December 2020	2,170	2,170
At 31 December 2019	2,507	2,507

15 Debtors

	2020 £	2019 £
Trade debtors	6,750	6,000
Prepayments	3,190	-
	9,940	6,000

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Notes to the Financial Statements for the Year Ended 31 December 2020

16 Cash and cash equivalents

	2020	2019
	£	£
Cash on hand	1,258	1,258
Cash at bank	28,079	2,642
	29,337	3,900

17 Creditors: amounts falling due within one year

	2020	2019
	£	£
Trade creditors	24,075	-
Payments on account on long term contracts	2,421	421
Other taxation and social security	1,809	994
Other creditors	11,084	1,043
Accruals	3,468	13,141
	42,857	15,599

18 Funds

	Balance at 1 January 2020	Incoming resources	Resources expended	Balance at 31 December 2020
	£	£	£	£
Unrestricted funds				
General	(3,193)	147,934	(146,151)	(1,410)
Restricted funds	-	82,690	(82,690)	-
Total funds	(3,193)	230,624	(228,841)	(1,410)

	Balance at 1 January 2019	Incoming resources	Resources expended	Transfers	Balance at 31 December 2019
	£	£	£	£	£
Unrestricted funds					
General	36,837	247,310	(295,019)	7,680	(3,192)
Restricted funds	14,965	110,562	(117,847)	(7,680)	-
Total funds	51,802	357,872	(412,866)	-	(3,192)

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Notes to the Financial Statements for the Year Ended 31 December 2020

19 Analysis of net assets between funds

	Unrestricted funds General £	Restricted funds £	Total funds 2020 £
Tangible fixed assets	2,170	-	2,170
Current assets	31,014	8,263	39,277
Current liabilities	<u>(34,594)</u>	<u>(8,263)</u>	<u>(42,857)</u>
Total net assets	<u>(1,410)</u>	<u>-</u>	<u>(1,410)</u>
		Unrestricted funds General £	Total funds 2019 £
Tangible fixed assets		2,507	2,507
Current assets		9,900	9,900
Current liabilities		<u>(15,599)</u>	<u>(15,599)</u>
Total net assets		<u>(3,192)</u>	<u>(3,192)</u>

20 Analysis of net funds

	At 1 January 2020 £	At 31 December 2020 £
Cash at bank and in hand	<u>3,900</u>	<u>3,900</u>
Net debt	<u>3,900</u>	<u>3,900</u>
	At 1 January 2019 £	At 31 December 2019 £
Cash at bank and in hand	<u>66,478</u>	<u>3,900</u>
Net debt	<u>66,478</u>	<u>3,900</u>

21 Related Party Disclosures

Narconon United Kingdom and Narconon Trust share similar aims and from time to time provide mutual assistance to each other and therefore arguably qualify as related parties as defined by FRS102.

During the year the main property was rented from Narconon Trust rent-free.

There were grants received in the year from Narconon Trust totalling £nil (2019: £110,562).