

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**

<b>Trustees</b>	Ms Heather Ann Rose
	Mr Sam Butler
	Lord Duncan James McNair
<b>Charity Registration Number</b>	1159334
<b>Principal Office</b>	42/44 Copthorne Road
	Felbridge
	East Grinstead
	West Sussex
	PH19 2NS
<b>Independent Examiner</b>	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**

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“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**

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“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**

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#### **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 £
<b>Income and Endowments from:</b>			
Donations and legacies		44,055	44,055
Other trading activities		73,858	73,858
Investment income	4	<u>686</u>	<u>686</u>
Total income		<u>118,599</u>	<u>118,599</u>
<b>Expenditure on:</b>			
Raising funds		(20,105)	(20,105)
Charitable activities		(130,341)	(130,341)
Other expenditure	7	<u>(3,845)</u>	<u>(3,845)</u>
Total expenditure		<u>(154,291)</u>	<u>(154,291)</u>
Net expenditure		<u>(35,692)</u>	<u>(35,692)</u>
Net movement in funds		(35,692)	(35,692)
<b>Reconciliation of funds</b>			
Total funds brought forward		<u>(31,772)</u>	<u>(31,772)</u>
Total funds carried forward	18	<u><u>(67,464)</u></u>	<u><u>(67,464)</u></u>
		<b>Unrestricted funds £</b>	<b>Total 31 December 2022 £</b>
<b>Income and Endowments from:</b>			
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>
<b>Expenditure on:</b>			
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)

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 £
<b>Reconciliation of funds</b>			
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>

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

<b>Asset class</b>	<b>Depreciation method and rate</b>
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
<b>Total for period ended 28 February 2024</b>	<b>44,055</b>	<b>44,055</b>
<b>Total for period ended 31 December 2022</b>	<b>1,150</b>	<b>1,150</b>

#### 3 Income from other trading activities

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

#### 4 Investment income

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

## 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
<b>Total for period ended 28 February 2024</b>		<u>20,105</u>	<u>20,105</u>
<b>Total for period ended 31 December 2022</b>		<u>11,363</u>	<u>11,363</u>
			<b>Total costs £</b>

#### 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
<b>Total for period ended 28 February 2024</b>		<u>130,341</u>	<u>130,341</u>
<b>Total for period ended 31 December 2022</b>		<u>152,291</u>	<u>152,291</u>

#### 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
<b>Total for period ended 28 February 2024</b>		<b>3,845</b>	<b>3,845</b>
<b>Total for period ended 31 December 2022</b>		<b>4,142</b>	<b>4,142</b>

#### 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
<b>Total for period ended 28 February 2024</b>	<b>9,504</b>	<b>9,504</b>
<b>Total for period ended 31 December 2022</b>	<b>3,900</b>	<b>3,900</b>

#### 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 £
<b>Staff costs during the period were:</b>		
Wages and allowances	19,403	37,703
Social security costs	232	937
Pension costs	37	116
	<u>19,672</u>	<u>38,756</u>

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	<u>5</u>	<u>7</u>

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 £
<b>Cost</b>		
At 1 January 2023	<u>8,352</u>	<u>8,352</u>
At 28 February 2024	<u>8,352</u>	<u>8,352</u>
<b>Depreciation</b>		
At 1 January 2023	6,417	6,417
Charge for the year	<u>566</u>	<u>566</u>
At 28 February 2024	<u>6,983</u>	<u>6,983</u>
<b>Net book value</b>		
At 28 February 2024	<u>1,369</u>	<u>1,369</u>
At 31 December 2022	<u>1,935</u>	<u>1,935</u>

## 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 £
<b>Unrestricted funds</b>				
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 £
<b>Unrestricted funds</b>				
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>
	<b>At 1 January 2022 £</b>	<b>At 31 December 2022 £</b>
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><u>(31,772)</u></u>	<u><u>(31,772)</u></u>