



New Chapters
Annual Report and Accounts to 31st March 2025

Registered Charity 1198531
A Charitable Incorporated Organisation

26 MAY 2025

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Report of the Trustees

In presenting this report the trustees would like to express their sincere thanks to all those whose vision, commitment and hard work have achieved so much in a short time.

Summary of the main purposes of the charity

New Chapters provides much-needed affordable drug and alcohol recovery for people in Coventry, Warwickshire and the surrounding area. The core aims of New Chapters are to:

- Empower clients in achieving and sustaining abstinence from drugs and/or alcohol
- Enable residents to build the foundations of independent living.
- Repair relationships and build stronger family bonds.
- Support vulnerable adults to return to work by developing their employability skills.

Additional benefits to the local community will be to:

- Reduce the number of clients on benefits.
- Reduce the rate of drug-related crime.
- Reduce the number of NHS A&E bed-days used by those with drug and alcohol-related trauma or illness.

Summary of main activities in pursuit of these objects

We aim to provide affordable, long-term residential support for recovery from drug and alcohol addiction. Our three-stage programme supports people to overcome addiction and build a fulfilling life.

Stage 1: becoming substance free

Residents focus on becoming drug and alcohol-free through a community detox overseen by external medical professionals. They live in our Stage 1 care facility, supported by trained staff. Through our daily, timetabled programme, residents explore their addiction and develop tools to guide them in recovery, from managing finances to forming healthy relationships, life skills and social skills. The property has on-site staff and/or volunteers 24 hours each day.

New Chapters adopts "The 12 Steps" internally through group work and externally by attending fellowship meetings in the community.

Stage 2: independence and maintenance

When residents are ready, they move into our Stage 2 property where they gain more responsibility for themselves and others. They continue to engage in part of the Stage 1 timetable, focusing on becoming more independent. As part of this, residents in the Stage 2 are encouraged to provide peer support for those in Stage 1.

Stage 3: aftercare and peer support

In Stage 3, residents will move into independent living. New Chapters will work with individuals who have completed Stages 1 and 2 to secure privately rented accommodation or social housing.

New Chapters will provide ongoing support to live in the community and move into training, volunteering and employment. We believe it is crucial for those in recovery to share their experience, and we will provide volunteering opportunities at New Chapters for those entering Stage 3.

As part of our Aftercare Programme, individuals will be invited to engage in a monthly therapeutic group to share their experiences, emotions and any struggles they face in recovery. We believe this connection is vital for their ongoing recovery.

Statement on public benefit

What is the need?

- Over 6,000 people are drug or alcohol dependent in Warwickshire
- The service receives over 2,000 referrals a year across Coventry and Warwickshire.
- Over 200 people in Leamington Spa alone are registered with Council commissioned drug and alcohol services.

Drug and alcohol Addiction destroys families, deprives children of parents and increases crime. One chaotic individual in addiction can cause huge harm in our towns.

Sadly, there is limited public budget for supporting people in addiction. Private beds often cost £ thousands per week for the individual, which is completely out-of-reach for those living in homelessness and poverty.

Our work saves the police, NHS and social services around £4 for every £1 spent (Public Health England, 2018)

Our work also helps rebuild families. We provide a safe space for individuals to get together with our trained counsellor to talk about the impact addiction has had on them and the family as a whole. We explore healthy boundaries and help them learn how to rebuild trust again.

Achievements and performance

Residential Program

New Chapters opened the first Stage 1 house on 8 July 2024, and then the first Stage 2 house on 25 November 2024. Since opening the first Recovery House in July, there have been 19 individuals who have started the program. The status and outcomes to 15th May 2025 are:

| | |
|--|---------------------------|
| ○ Residents in Stage 1 | 6 – all still in recovery |
| ○ Residents in Stage 2 | 5 – all still in recovery |
| ○ Completed Stages 1&2, returning to family/home | 9 |
| ○ Self-discharged – did not complete program | <u>6</u> |
| ○ Total | <u>26</u> |

Six persons who started the program self-discharged and did not complete the program. Commercial rehab programs typically have a success rate of between 25% and 50%. The relative success of the New Chapters program is testament to the strong culture and peer-support which has been established within the charity.

The Recovery Hub

New Chapters also operates the Recovery Hub - a weekly drop-in for people with addiction. Not everyone who comes into the group wants to do residential treatment. That is ok, we work with anyone looking for recovery and support them in the community with each step they take and at what pace suits them. Since opening in November 2023 there have been more than 100 individuals who have benefited from this service. It is a service highly valued by the participants. Attendees to the program have also self-referred to become residents in the New Chapters Recovery House.

Financial Review

New Chapters received total income for the year of £297,495 (£68,242 in 2023/24) and had expenses of £206,258 (£29,480 in 2023/24), resulting in an increase to reserves of £91,237 (£38,762 in 2023/24). Income sources were:

- New Chapters started receiving Enhanced Housing Benefit (EHB) in the year, for the period that individuals are resident. £143,259 was received (£Nil 2023/24).
- Other fundraising has been primarily through donations from individuals and through fund-raising events (£74,575 in 2024/25 compared to £67,216 in 2023/24).
- New Chapters had generally not been eligible for grants from most funding charities prior to the Supported Accommodation service being started. With positive outcomes now being demonstrated, New Chapters hopes to increase the amount of future fundraising from institutional grants. £35,600 was received (£Nil 2023/24).
- New Chapters also received an affordable service charge from residents primarily to cover food and to go towards other costs which are non-eligible for EHB. £41,321 was received (£Nil 2023/24).

Reserves Policy

Reserves are needed to:

1. Meet the working capital requirements of the charity in the event of not meeting fund-raising targets over a short- or medium-range period of time, and
2. In the event that the Trustees decide that the Charity needs to close, and therefore to enable the charity to close well and meet its commitments to employees, its vulnerable clients and to its creditors.

New Chapters has established a reserves policy whereby the unrestricted funds not committed or invested in tangible fixed assets held by the charity should ideally be at least 6 months of planned expenditure. Projected expenditure for 2025/26 is £450,000 and therefore reserves of £225,000 should be targeted. Current reserves (£226,965 at 31 March 2025) have reached this minimum level.

The Trustees will look to increase the level of reserves in the next financial year to enable the modest expansion of activities which are planned and to provide a stable and resilient base such that the primary focus can continue to be on providing the best support to service users.

Structure, Governance and Management

New Chapters is a Charitable Incorporated Organisation (CIO)

The charity is managed by its Trustees. As at 31st March 2025 there were seven trustees. The Trustees meet monthly, or more often if considered appropriate.

New trustees are recruited from people known by the existing trustees or those who have registered their interest and applied through contacting the charity. New trustees are referred to the Charity Commission guidance for their duties as a trustee.

There were 7 (part-time) employees during the year to 31st March 2025.

The charity is also reliant on a number of volunteers in various roles to support the charity in service and administrative roles.

Reference and Administrative details

| | |
|---------------------------|--|
| Charity name | New Chapters |
| Registered charity number | 1198531 |
| Address | 12 The Close Leamington Spa Warwickshire CV31 2BL |
| Bank | Lloyds Bank |

Independent examiners – TC Ollis Limited, 2 Hamilton Terrace, Leamington Spa CV32 4LY

Names of the trustees

The trustees during the year and since the year end were:

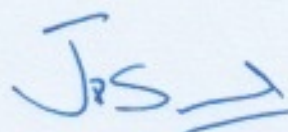
| Name | Date Appointed | Date resigned |
|-----------------------|----------------|---------------|
| Susan Rutherford | 6 Apr 2022 | - |
| Yvonne McKinnon | 6 Apr 2022 | - |
| Emma Fawkes-Underwood | 6 Apr 2022 | 7 Apr 2025 |
| Jonathan Chilvers | 6 Apr 2022 | - |
| Tom Foulerton | 19 Dec 2022 | 22 May 2024 |
| Jeremy Snoad | 19 Dec 2022 | - |
| Jonathan Selby | 6 Jan 2025 | - |
| Matthew Over | 6 Jan 2025 | - |

This annual report is set out in compliance with the requirements of the Charity Commission and the Companies Act.

Declarations


Signed on Behalf of the trustees:
Susan Rutherford

26 MAY 2025



Jeremy Snoad

Independent Examiner's/ Auditor's Report to the Trustees of New Chapters

| | | | |
|----------------------------------|-----------------------------|------------|---------|
| On accounts for the period ended | 31 st March 2025 | Charity no | 1198531 |
|----------------------------------|-----------------------------|------------|---------|

| | |
|------------------|---------|
| Set out on pages | 1 to 13 |
|------------------|---------|

I report to the trustees on my examination of the accounts of the above charity ("the Trust") for the period ended 31/03/2025.

Responsibilities and basis of report As the charity trustees of the Trust, you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ("the Act").

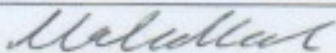
I report in respect of my examination of the Trust's accounts carried out under section 145 of the 2011 Act and in carrying out my examination, I have followed the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

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 which gives me cause to believe that in, any material respect:

- accounting records were not kept in accordance with section 130 of the Act or
- the accounts do not accord with the accounting records

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

Signed:  Date: 20 May 2025

Name: Max Retallack

Relevant professional qualification(s) or body (if any): FCCA

Address: Nelson House, 2 Hamilton Terrace,
Leamington Spa, Warwickshire
CV32 4LY

Statement of Financial Activities Income & Expenditure

For the period ended 31 March 2025

| Account | Notes | 2025 Total | 2024 Total |
|----------------------------------|-------|----------------|----------------|
| Income | | | |
| Enhanced HB | | 143,259 | 0 |
| Service charge | | 41,321 | 0 |
| Donations | | 51,487 | 43,399 |
| Donations - restricted | 9 | 423 | 0 |
| Events | | 10,757 | 4,946 |
| Gift Aid | | 11,908 | 18,871 |
| Grants | | 29,400 | 0 |
| Grants – restricted | 9 | 6,200 | 0 |
| Interest | | 2,740 | 1,026 |
| Total Income | | 297,495 | 68,242 |
| Administrative Costs | | | |
| Staff costs | 2 | 99,939 | 26,696 |
| Rent | | 50,815 | 0 |
| Other property costs | | 32,801 | 482 |
| Resident costs | | 12,805 | 0 |
| Charity costs | | 9,898 | 2,302 |
| Total expenses | | 206,258 | 29,480 |
| Surplus Income | | 91,237 | 38,762 |
| Reserves brought forwards | | 135,728 | 96,966 |
| Reserves carried forwards | | 226,965 | 135,728 |

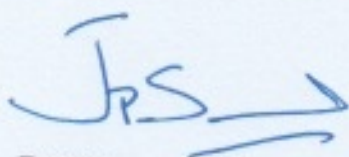
Balance Sheet

As at 31 March 2025

| | Notes | 2025 | 2024 |
|--|-------|----------------|----------------|
| Current Assets | | | |
| Cash at bank and in hand | | | |
| Lloyds bank account & deposit account | | 209,332 | 134,587 |
| Cash | | 206 | 69 |
| Total Current Assets | | 209,538 | 134,656 |
| Other debtors | | 26,367 | 0 |
| Prepayments | | 5,135 | 1,800 |
| Current Liabilities | | (14,075) | (728) |
| Total Assets less Current Liabilities | | 226,965 | 135,728 |
| Net Assets | | 226,965 | 135,728 |
| Reserves | | | |
| Unrestricted reserves | | 226,965 | 135,728 |
| Restricted reserves | 9 | 0 | 0 |
| Total Reserves | | 226,965 | 135,728 |

Approved by the Trustees on Date

and signed on their behalf by:


Trustee

Notes to the accounts for the period ended 31st March 2025**1. Accounting policies****(a) Basis of preparation**

The financial statements have been prepared in accordance with the Charities Act 2011, 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 1st October 2019) (Charity SORP FRS 102) and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

New Chapters 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 note.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £1.

Last year's accounts were prepared on a cash basis, whereas this year's accounts are on an accruals basis.

(b) Preparation of accounts on a going concern basis

The Trustees consider that the principal uncertainty regarding going concern relates to the ability to raise funds. The Trustees monitor fund raising results and expenditure (actual and forecast) to mitigate that risk.

(c) Volunteers

The value of services provided by volunteers has not been included.

(d) Income

Income is included when receivable. Where income has conditions attached to it, that income is recognised when there is certainty of receipt, entitlement and the amount can be measured with sufficient reliability. Income (including grants receivable) is deferred where conditions exist on entitlement such as a specified future time period.

(e) Expenditure

Expenditure is recognised in the period in which it is incurred and includes attributable VAT which cannot be recovered. Expenditure is recognised when a legal or constructive obligation arises. Costs of raising funds are those costs incurred in attracting voluntary income. Governance costs are those costs incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.

(f) Depreciation

Depreciation is provided at rates calculated to write off the cost of each asset over its expected useful life, which in all cases is estimated at 5 years.

(g) Tangible fixed assets

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Notes to the accounts for the period ended 31st March 2025 (continued)**1. Accounting policies (continued)****(h) Funds**

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity.

Restricted funds are where the donor specifies the use to which the funds can be spent.

2. Staff costs

| | 2025 | 2024 |
|-----------------------|---------------|---------------|
| | Total | Total |
| Salaries and wages | 81,806 | 26,070 |
| Social Security Costs | 323 | 0 |
| Pension costs | 1,241 | 626 |
| | 83,370 | 26,696 |
| Consulting costs | 13,669 | 0 |
| Training | 1,765 | 0 |
| Travel costs | 1,135 | 0 |
| | 99,939 | 26,696 |

The average number of employees during the year was 4 (2024: 1)

3. Taxation

The charity is exempt from corporation tax on its charitable activities.

4. Tangible fixed assets

There were £Nil fixed assets as at 31st March 2025.

5. Debtors

There were £26,367 of debtors as at 31 March 2025 (31 March 2024 £Nil)

6. Creditors: amounts falling due within one year

There were £14,075 creditors as at 31st March 2025 (31 March 2024 £728)

Notes to the accounts for the period ended 31st March 2025 (continued)**7. Creditors: amounts falling due over one year**

There were £Nil Creditors falling due over one year as at 31 March 2025 (31 March 2024 £Nil)

8. Prepayments

There were £5,135 of prepayments as at 31 March 2025 (31 March 2024 £1,800)

9. Analysis of net assets of restricted funds

| | Balance at 1 April 24 | 2024/25 Income | 2024/25 Expenditure | Balance at 31 March 25 |
|-----------------------------|--------------------------|-------------------|------------------------|---------------------------|
| Donation for Residents meal | 0 | 423 | 423 | 0 |
| A restricted grant received | 0 | 6,200 | 6,200 | 0 |
| | 0 | 6,223 | 6,223 | 0 |

10. Pensions and other post-retirement benefits

Pension contributions to an approved scheme of £1,231 were made during the period (2024 £626)

11. Related party transactions

- a. Yvonne McKinnon is a Trustee and was also employed during the year in order to be able to focus full-time on setting up the charitable services for launch in 2024. Her compensation took into account her skills, experience and market comparative data, it was determined independently and approved by the Board of Trustees with Yvonne McKinnon recusing herself from the process. The amounts paid to Ms McKinnon during the financial year were £32,587 (2024 £26,070) with pension contributions of £790 (2024 £626).
- b. During the year the charity received donations from trustees with a total value of £40,240 (2024 £30,240).
- c. £Nil expenses were reimbursed to trustees during the year (2024 £130 to one trustee)