

ALLIANCE HOUSE FOUNDATION

Company Number: 372490

Charity Number: 208554

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

Kingston Burrowes Audit Ltd

308 Ewell Road

Surbiton

Surrey

KT6 7AL

ALLIANCE HOUSE FOUNDATION

Company Number: 372490

Charity Number: 208554

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

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ALLIANCE HOUSE FOUNDATION

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2024

Introduction

The Directors of Alliance House Foundation present their annual report and the audited financial statements for the year ended 31 March 2024 which are also prepared to meet the requirements for a Directors' report and accounts for the purposes of the Companies Act 2006.

The financial statements have been prepared in compliance with the Charities Act 2011, Companies Act 2006, UK Generally Accepted Accounting Practice, the Memorandum and Articles of Association and the accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective October 2019).

Our Objectives and Activities

Objectives

The objectives of the Charity are:

- *to spread the principles of total abstinence from alcoholic drinks*
- *to promote the moral and physical welfare of the community*
- *to promote the scientific study of the properties of alcohol and the effects of its use upon the human system, the social and moral consequences and the distribution of information on the subject*

In pursuing these objectives, the Charity is committed to promoting education on the subject of alcohol use and making information available to encourage a reduction in alcohol related harm to individuals, families and in society in general.

The Charity pursues activities that aim to contribute to the improvement in the quality of life for the general public and to this end the Directors have taken into consideration the Charity Commission's guidance on public benefit, including the guidance "Public Benefit: running a Charity (PB2)".

The activities of the Charity primarily focus on grant making in support of its charitable aims to promote the dissemination of information, education and the offering of advice on alcohol strategies to minimise individual and societal harm arising from alcohol consumption. The Charity seeks to make this information as widely available as possible in order that individuals and decision makers are able to make informed choices.

Activities

The Charity reviews its objectives and activities on an annual basis with reference to an agreed strategic plan developed by the Directors. The activities undertaken by the Charity are considered in relation to the benefit the Charity seeks to bring to the general public.

The Charity seeks to influence relevant bodies at a national, regional and international level identifying where the general public are affected by legislation or transnational health strategies. In addition, it seeks to provide information on the ways to reduce the harmful use of alcohol and to offer encouragement to those who seek to abstain from the use of alcohol.

ALLIANCE HOUSE FOUNDATION

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2024

/contd...

Since 1938, the Charity has owned and maintained its Westminster Office Building – Alliance House, as a base for its own work and as an investment property to generate income to finance its charitable activities. In December 2022 the Directors agreed to begin a process to evaluate the viability of continued ownership of the property in the face of mounting logistical and economic challenges. During the year under review the directors commissioned and received reports on the feasibility of retaining Alliance House. On receipt of those reports, directors took the difficult decision to proceed with a sale of Alliance House and invest the proceeds of the property sale to ensure the Charity can continue to generate sufficient income to finance future activities. Contracts for the sale of Alliance House were exchanged in February of 2024 and completion was achieved in April of 2024.

The activities of the Alliance House Foundation are conducted through the projects which it finances and supports.

During 2023/24 this was principally the Institute of Alcohol Studies.

Operational activities included maintaining the Alliance House Foundation website, together with an account on the social media platform X (formerly Twitter) which continued to promote an alcohol-free lifestyle.

During the year investigations were made into identifying a suitable new home for AHF library and historical Temperance archive. In December 2023, arrangements were concluded and the collection was donated to the Livesey Collection, an internationally significant resource of the study of the Temperance Movement held at the University of Central Lancashire.

Specific Projects and Significant Activities

Grant Making

Alliance House Foundation continues to pursue UK educational and charitable activities primarily through its grant to the work of the Institute of Alcohol Studies (IAS).

In supporting the charitable activities of IAS, AHF follows its grant making policy, satisfied that in doing so it is complying with the AHF legal objects with regard to education and disseminating information distribution on alcohol namely:

to promote the scientific study of the properties of alcohol and the effects of its use upon the human system, the social and moral consequences and the distribution of information on the subject.

The Institute of Alcohol Studies was founded as a project of AHF in 1983 and in 2006 it was constituted as a separate charitable company. AHF makes a grant funding commitment to IAS in order for it to pursue its aforementioned objectives.

Temperance Website/Social Media

The Alliance House Foundation website www.alliancehousefoundation.org.uk continued to be maintained. The website includes pages on all aspects of Temperance activity as an aid to the promotion of an alcohol-free lifestyle. The number of visitors and subscribers to the website continued to increase slowly during the year. The AHF X account @AHFTemperance remained active, again promoting temperance and total abstinence, by regular tweets and engagement with other users interested in the subject. The numbers of followers also showed a small increase during the year.

ALLIANCE HOUSE FOUNDATION

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2024

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Achievements against objectives

The AHF Directors pursue a policy of continually reviewing its activities and how these benefit and make a difference to the public. The Directors receive regular and full reports on the work and activities of the Institute of Alcohol Studies and monitor these activities. Directors are satisfied that the achievements match the aims and objectives of AHF in relation to education.

The Directors are actively considering new projects and activities. It is a condition of our grant making policy that information produced by those in receipt of grant funding is freely available to the general public and widely disseminated. The Directors plan to review the Charity's grant making priorities during the forthcoming financial year.

The activities described above are undertaken to seek to meet the Charity's aims and objectives and it is committed to further its charitable purposes for the public benefit. The nature of these activities makes it difficult to assess the impact of particular publications or projects. Specific measurements are made by the IAS of on-line activity and AHF are satisfied that wide public use is made of IAS material.

Financial Review

The year under review once again proved a financially challenging one as ongoing changes and challenges arising from the COVID-19 pandemic continued to adversely affect demand for office accommodation in the London property market and the charity continued to experience difficulties in achieving property lettings and consequent increased costs.

There was an unrealised gain on AHF listed investments which was reflected in the financial statements for this financial year, registering a reduction in net expenditure.

Reserves Policy

AHF follows a policy of continually reviewing its reserves policy. Prior to the sale of the investment property, the Directors were conscious that the charity was vulnerable to sharp falls in income resulting from tenants choosing not to renew leases and vacating the property coupled with reductions in demand in the property market, issues addressed in the AHF Reserves Policy. It was clear that a significant sum must be held in reserve to ensure that the charity was able to react to events that may threaten its main source of income. To this end the Directors considered that the level of reserves should normally be above £1.5 million, to see the charity through any period of severely reduced rental income, but not normally more than £2.5m. Following the sale of Alliance House, the directors adopted an updated Reserves Policy.

The Charity held one restricted fund during the year. This fund represents a legacy from Mrs Ross Phillips for charitable activity in Scotland. The total in this fund at 31 March 2024 was £66,798.

At 31 March 2024 the level of free reserves stood at £2,021,440 which includes listed investments. This is within the target range of £1.5m-£2.5m for the charity's net liquid assets. The Directors have reviewed the level of reserves and are satisfied the target range is appropriate at the present time. The Directors are committed to monitoring the reserves figure relative to the target range throughout the financial year and to maintaining the present level of activity and staffing of the charity's projects.

ALLIANCE HOUSE FOUNDATION
DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2024
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Going Concern

As stated below, the Directors undertake an annual risk assessment, which gives careful consideration to factors that may impact upon the charity's ability to move forward as a going concern, including business critical risks. The most recent assessment gave Directors confidence that any risks had been sufficiently mitigated.

Prior to the exchange of contracts for sale, AHF had held financial Reserves to safeguard its activities in the face of reduced rental income. As predicted in last year's report, reduced rental income and increased expenditure on vacant space in the building had resulted in AHF having to draw on reserves during the financial year.

The Trustees have agreed that AHF will continue to honour all financial commitments made for year ended 31 March 2025 and in particular to continue the grant funding required to sustain the work of the Institute of Alcohol Studies although savings by IAS had enabled the level of grant to be reduced.

Post Balance Sheet Events

Contracts for sale were exchanged on 14th February 2024 and the sale was completed on 30th April 2024. AHF Trustees will endeavour, where possible, to maintain the current level of financial support to IAS activities.

Principal Risks and Uncertainties

The Charity has conducted a review of the major risks to which the Charity is exposed using guidance produced by the Charity Commission. This is an ongoing process of assessing the types of risk facing the Charity and identifying the means of mitigating those risks. The Charity maintains a risk register and internal control risks are minimised by the application of agreed internal financial procedures for the Charity.

The risk register was reviewed and updated during the year and the Charity will continue to follow the policy of undertaking regular reviews and assessments of the risks on a periodic basis and when major change requires them to be conducted.

Principal risks that the Charity is exposed to had centred on the performance and state of the central London property market as the Charity had relied on rental income for a significant proportion of its income. Thus, falling rental value, empty offices generating no income and the necessity to cover empty property rates had all had an adverse effect on the Charity's ability to maintain levels of activity. The Charity's reserve policy had sought to provide for such an eventuality, and should such events had taken place the Charity could continue to fulfil its role. The Directors continued to be aware that there are reputational risks in their area of activity.

The Directors operate an Internal Audit Committee with responsibility to maintain a continual review of the Charity's financial affairs and procedures.

Principal Funding Sources

The principal source of funding for the Charity was from property income which is treated as investment income. Operational expenditure during the year was planned and although income was insufficient to cover these commitments, the Charity drew on reserves during the year.

ALLIANCE HOUSE FOUNDATION

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2024

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Pension Liability

From 1 April 2010 the Charity joined a defined contribution scheme, the Flexible Retirement Plan, administered by The Pensions Trust.

There is also a discretionary pension arrangement with a number of retired employees. Payments to these discretionary pensioners during the year totaled £16,044, one retired employee died during the financial year.

Investment Policy

Alliance House Foundation raises funds through its investment activities and up to the 31st March 2024 held three types of investment.

First, the Charity held the property at Alliance House, London SW1 which had been treated as a long-term investment asset. The last property revaluation at 31 March 2022 had registered a valuation of £15,000,000.

The property continued to generate an acceptable return and produced a gross return in the region of 4.53%. (2023: 4.58%).

The investment property had been held to generate the bulk of the income required to fund the Charity's activities. To protect this income the Charity had been required to keep the asset in good repair to ensure maintenance of occupancy rates and rental income.

Secondly, the Charity invests in two long term investment funds:

- the CCLA administered, COIF Charities Ethical Investment Fund, which invests in a diverse portfolio and aims to provide a long-term total return comprising capital growth and income. The gross annualised total return performance over the year was 13.1% (2023: -2%).
- The Epworth Multi-Asset Fund for Charities. Gross annualised total return performance over the year for this fund was 8% (2023 : -4.4%).

These investments are held with the aim of producing a high average real return over a number of years whilst protecting the value of the capital.

Lastly the Charity holds a number of short-term cash investments of working capital which provide easy access to funds not immediately required with an aim of protecting against the effects of inflation.

The Charity has adopted an ethical investment policy to ensure that its investments do not conflict with its aims and therefore will not knowingly invest in companies or funds that derive revenues from beverage alcohol.

Structure, Governance and Management

Governance

AHF is a charitable company limited by guarantee, governed by a Memorandum of Association, which sets out the objects and powers of the charitable company as revised in 2022. The Articles of Association allow for a minimum of three Directors with no upper limit. There are currently six Directors. The Directors plan to meet three times per year. The Directors of the company are also Trustees for the purpose of Charity law. New members of the Board are appointed by the Charity and are confirmed at the next annual general meeting. They are elected for a period of three years after which they retire by rotation and may seek re-election.

ALLIANCE HOUSE FOUNDATION

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2024

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Recruitment of Board of Directors

New Directors have historically been appointed from contacts made through the Charity's activities or by personal recommendation made by existing Directors. Potential Directors with relevant Charity/professional skills and an interest in alcohol issues have traditionally been targeted and selected for their knowledge and interest in the work of the Charity. The board of Directors remains keen to strengthen the diversity of the Trustee body and continues to address this aim through the Nominations Committee which seeks to identify and recruit new members. The Charity periodically conducts a trustees skill audit with an aim to ensure there is an appropriate mix of skills amongst the Board members. The findings of the audit are taken into account in future Director retirement and recruitment. During the year the Directors continued to make efforts to recruit at least two new additional Trustees.

Director Induction and Training

All Directors are conversant with the day-to-day practical work of the Charity and Directors are kept up to date with developments in the charitable sector.

Upon appointment all Directors attend an induction meeting where their obligations under charity and company law are explained. Directors are supplied with the Charity Commission "Welcome Pack", the guide "The Essential Trustee" and details of the Charity Commission guidance on public benefit. Directors also receive a copy of the Memorandum and Articles of Association and the latest copy of the annual report and financial statements. Trustees are invited to attend a periodic strategic planning event, the most recent of which took place in London in December 2022. The next event is planned for December 2025.

All Directors give their time voluntarily and receive no benefits from the Charity. Any expenses reclaimed from the Charity are set out in note 12 to the accounts. The Directors have continued to hold a Charity Trustee Indemnity Insurance policy during the year.

Organisational Structure

The Finance Director is accountable to the Directors for the efficient day-to-day running of Alliance House Foundation and is responsible for the implementation of policies and strategies that have been agreed by the Directors. When urgent decisions are necessary, these are made by the Finance Director in consultation with the Chair and other senior Officers. The next meeting of the Board is then asked to ratify any decisions that have been taken. Management accounts are received at the Directors' meetings and the Officers are regularly updated with financial information between meetings.

The Charity operates three sub-committees, namely a Nominations Committee, a Remuneration Committee and an Internal Audit Committee.

Alliance House Foundation has an agreed range of organisational policies and procedures which reflect its size and the range of activities it pursues. The policies may be consulted at the AHF administrative office.

Remuneration

Three members the Board undertake the duties and responsibilities of a remuneration committee and are not themselves remunerated.

ALLIANCE HOUSE FOUNDATION

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2024

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The Board has adopted a pay scale and benchmarks its pay and performance structure against the nationally agreed academic single pay spine. Within this framework AHF mirrors London institutions 'professional services' scales, such as those adopted by Imperial College London. This currently comprises a scale of 52 spine points encompassed within 6 levels. Employees may be considered for progress to the next salary point in their level by receiving a satisfactory annual appraisal.

Every twelve months the Directors will determine whether the salary points should be adjusted to reflect changes in the cost of living with reference to the published CPI rate of inflation for month of January. The Remuneration Policy establishes a series of criteria that should be used in reaching a decision. With effect from 1st April 2023, a cost of living increase of 4% was awarded.

Employees also received pension contributions equivalent to 14.5% of gross salary with employees contributing 7.5%.

There were no staff sickness or absence issues to report.

Plans for the future

The Directors will continue to promote the aims and objects of Alliance House Foundation through its grant funding of the Institute of Alcohol Studies and developing the Charity's social media strategy to promote its aims and objectives. The Charity will review its grant making policy during the year.

ALLIANCE HOUSE FOUNDATION

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2024

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Reference and Administration Information

Alliance House Foundation is a charitable company, number 372490, limited by guarantee, incorporated on 23 February 1942 and registered with the Charity Commission for England and Wales under number 208554 in 1962.

Directors

Who served during the period 1 April 2023 to date:

Reverend Dr Stephen F. Skuce	Chair, NC
John G. Ellis	Vice Chair, IAC & RC
Michael D. Carr	IAC, RC & NC.
Dr Jon P. Curtis	
Reverend Professor Stephen C. Orchard	
Reverend Dr Janet E. Tollington	IAC, RC & NC

IAC = Internal Audit Committee, RC = Remuneration Committee & NC = Nominations Committee

Registered Office

Canopi Building, 82 Tanner Street, London, SE1 3GN

Senior Management

Paul R. Whitaker - Finance Director

Auditors

Kingston Burrowes Audit Ltd, 308 Ewell Road, Surbiton, Surrey, KT6 7AL

Bankers

National Westminster Bank PLC, 57 Victoria Street, London, SW1H 9NH

Solicitors

Farrer LLP, 66 Lincoln's Inn Fields, London, WC2R 0QS

Gordons LLP, Edgeborough House, Upper Edgeborough Road, Guildford, Surrey, GU1 2BJ

Property Advisers

Fisher German LLP, 21 Ironmonger Lane, London EC2V 8EY

Knight Frank, 55 Baker Street, London, W1U 8AN

Board of Directors

The following Director retires by rotation and offers himself for re-election at the Annual General Meeting :

Reverend Dr Stephen F. Skuce

ALLIANCE HOUSE FOUNDATION

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2024

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Directors' Responsibilities

The Directors (who are also Trustees of Alliance House Foundation for the purposes of Charity Law) are responsible for preparing the Directors' Annual Report and financial statements in accordance with applicable law and United Kingdom Accounting standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Directors to prepare Financial Statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure of the charitable company for that period. In preparing those Financial Statements, the Directors are required to:

- Select suitable accounting policies and apply them consistently
- Observe the methods and principles in the Charities SORP 2019 (FRS 102)
- Make judgements and estimates that are reasonable and prudent
- Prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the charitable Company will continue in operation.

The Directors are responsible for keeping adequate accounting records, which disclose with reasonable accuracy at any time the financial position of the Charitable Company, and to enable them to ensure that the Financial Statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Charitable Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Directors are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware: and
- The Directors have taken all steps that they ought to have to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditors

A resolution to re-appoint Kingston Burrowes Ltd as Auditors of the Company will be put to the Annual General Meeting.

Exemption Statement

The Directors' Report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved and signed on behalf of the Board:



Reverend Dr Stephen F. Skuce
Chair

15 November 2024

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF:
ALLIANCE HOUSE FOUNDATION

Opinion

We have audited the financial statements of Alliance House Foundation (the 'charitable company') for the year ended 31 March 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement, and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2024 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the Directors' report, other than the financial statements and our auditor's report thereon. The Directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF:

ALLIANCE HOUSE FOUNDATION

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In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report, which includes the Directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the Directors' report and from the requirement to prepare a strategic report.

Responsibilities of Directors

As explained more fully in the Directors' responsibilities statement set out on page 9, the trustees (who are also the Directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF:

ALLIANCE HOUSE FOUNDATION

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Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Enquiry of management and those charged with governance about actual and potential litigation or claims and the identification of non-compliance with laws and regulations.
- Reviewing minutes of meetings of those charged with governance.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Auditing the risk of management override of controls, including testing journal entries and other adjustments for appropriateness; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- Professional scepticism in course of the audit and with audit sampling in material audit areas.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission, or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Kevin Fisher BA FCA CTA (Senior Statutory Auditor)
For and on behalf of Kingston Burrowes Audit Ltd
Statutory Auditors
308 Ewell Road
Surbiton
Surrey
KT6 7AL

15 November 2024

ALLIANCE HOUSE FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES

(Incorporating Income and Expenditure Account)

FOR THE YEAR ENDED 31 MARCH 2024

	Notes	Unrestricted Funds £	Restricted Funds £	Total Funds 2024 £	Total Funds 2023 £
Income					
Investments	2	759,934	-	759,934	755,747
Other income	3	70	-	70	281
Total		<u>760,004</u>	<u>-</u>	<u>760,004</u>	<u>756,028</u>
Expenditure					
Raising funds	4	531,498	-	531,498	228,678
Charitable activities	5	596,352	-	596,352	649,253
Total		<u>1,127,850</u>	<u>-</u>	<u>1,127,850</u>	<u>877,931</u>
Net income/(expenditure) before investment gains/(losses)		(367,846)	-	(367,846)	(121,903)
Net gains/(losses) on investment assets	15	192,441	-	192,441	(237,758)
Net income/(expenditure)		(175,405)	-	(175,405)	(359,661)
Transfers between funds	18	-	-	-	-
Net movement in funds		<u>(175,405)</u>	<u>-</u>	<u>(175,405)</u>	<u>(359,661)</u>
Reconciliation of funds					
Total funds brought forward	18	17,649,943	66,798	17,716,741	18,076,402
Total funds carried forward	18	<u>£17,474,538</u>	<u>£66,798</u>	<u>£17,541,336</u>	<u>£17,716,741</u>

All of the above results are derived from continuing activities. All gains and losses recognised during the year are included above.

The notes on pages 16 to 26 form part of these Financial Statements.

ALLIANCE HOUSE FOUNDATION

BALANCE SHEET

AS AT 31 MARCH 2024

	Notes	£	2024	£	2023	£
FIXED ASSETS						
Tangible fixed assets	14			3,098		15,787
Investments	15			17,493,854		17,376,413
				<u>17,496,952</u>		<u>17,392,200</u>
CURRENT ASSETS						
Debtors	16	70,915			104,084	
Cash at bank and in hand		<u>269,846</u>			<u>389,413</u>	
				340,761		493,497
CREDITORS: Amounts falling due within one year	17	<u>296,377</u>			<u>168,956</u>	
NET CURRENT ASSETS				44,384		324,541
NET ASSETS	19			<u>£17,541,336</u>		<u>£17,716,741</u>
FUNDS						
Restricted funds	18			66,798		66,798
Unrestricted funds						
General fund	18			2,021,440		2,184,156
Designated funds	18			<u>15,453,098</u>		<u>15,465,787</u>
				<u>£17,541,336</u>		<u>£17,716,741</u>

The Financial Statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by the Board of Directors on 15 November 2024



 Reverend Dr Stephen F. Skuce
 Chair
 Signed on behalf of the Board

The notes on pages 16 to 26 form part of these Financial Statements.

ALLIANCE HOUSE FOUNDATION
CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2024

	Notes	2024 £	2023 £
Cash flows from operating activities			
Net movement in funds per statement of financial activities		(175,405)	(359,661)
Adjustments for:			
Dividends, interest and, rent and management fee receivable		(759,934)	(755,747)
Net (gains)/losses on investment assets	15	(192,441)	237,758
Depreciation charges	14	13,040	13,427
(Increase) / decrease in debtors		33,169	(67,918)
Increase / (decrease) in creditors		127,421	140,178
Net cash provided by / (used in) operating activities		<u>(954,150)</u>	<u>(791,963)</u>
Cash flows from investing activities			
Dividends, interest and, rent and management fee received	2	759,934	755,747
Purchase of investment assets		-	(735,621)
Sale of investment assets	15	75,000	815,594
Sale of fixed assets		2,873	-
Purchase of tangible fixed assets	14	(3,224)	(3,319)
Net cash provided by / (used in) investing activities		<u>834,583</u>	<u>832,401</u>
Change in cash and cash equivalents in the reporting period		(119,567)	40,438
Cash and cash equivalents brought forward at the beginning of the reporting period		<u>389,413</u>	<u>348,975</u>
Cash and cash equivalents carried forward at the end of the reporting period		<u>£269,846</u>	<u>£389,413</u>
Analysis of cash and cash equivalents		2024	2023
Cash and cash equivalents		<u>£269,846</u>	<u>£389,413</u>

The notes on pages 16 to 26 form part of these Financial Statements.

ALLIANCE HOUSE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

1. ACCOUNTING POLICIES

Basis of accounting and assessment of Going Concern

Alliance House Foundation is a registered charity (no. 208554) and private company (no. 00372490), limited by guarantee, incorporated in Great Britain, and registered in England and Wales. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £10 per member. The registered office is given in the Reference and Administrative Details in the Directors' Report.

The charity constitutes a public benefit entity as defined by FRS 102.

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, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

Income recognition

Items of income are recognised in the financial statements when all of the following criteria are met:

- the charity has entitlement to the funds;
- any performance conditions have been met or are fully within the control of the charity;
- there is sufficient certainty that receipt of the income is considered probable; and
- the amount can be measured reliably.

For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received (if no prior notification was received).

Investment income is earned through holding assets for investment purposes such as listed investments and property. It includes dividends, bank interest and rent. Income is recognised as charity's right to receive payment is established which in case of rent is based on the terms of the lease.

Expenditure recognition

Expenditure is recognised once there is a legal or constructive obligation to make payment to a third party, it is probable that settlement will be required, and the amount can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds comprise those costs associated with managing the charity's investment assets.
- Expenditure on charitable activities which comprises mainly of the costs associated with supporting the work of the Institute of Alcohol Studies and other alcohol research bodies.

Expenditure includes those costs of a direct nature which can be allocated to a specific activity. It also includes indirect costs, including governance costs that do not relate to a specific activity but are necessary to support those activities. Support costs are apportioned to each activity on the basis of staff time.

ALLIANCE HOUSE FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

/contd...

1. ACCOUNTING POLICIES (Contd)

Fund accounting

Unrestricted general funds are freely available for use in furtherance of the objects of the charity and which have not been designated for specific purposes. Designated funds are unrestricted funds set aside by the Directors for particular purposes.

Restricted funds are funds which can only be used in accordance with specific restrictions imposed by the donor, or which have been raised for a particular purpose.

Tangible fixed assets and depreciation

Tangible assets costing more than £500 are capitalised.

Depreciation is provided so as to write off the cost of each asset over its estimated useful life at the following annual rates:

Fixture and fittings	20% straight line
Computer equipment	33% straight line

Investment property

Investment property is initially recognised at cost and subsequently restated at fair value based on market value at the end of each accounting period. Revaluation gains and losses are recognised in the Statement of Financial Activities. Given the cost and time involved in obtaining a full formal valuation, this process is done approximately every five years. Valuations in the interim are based on the Directors' opinion.

The charity occupies several offices for its own use at its investment property, Alliance House. The Directors are of the view that this represents an insignificant portion of the building and the whole property is therefore accounted for as an investment property.

Investments

Listed investments are initially recognised at cost and subsequently restated at market value based on published stock exchange valuations at the end of each accounting period. Revaluation gains and losses are recognised in the Statement of Financial Activities.

Debtors and creditors

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

Leases

Operating lease rentals are charged to the Statement of Financial Activities on a straight-line basis over the period of the lease.

Pensions

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

ALLIANCE HOUSE FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

/contd...

2. INVESTMENT INCOME	Unrestricted Funds £	Restricted Funds £	Total 2024 £	Total 2023 £
Rent receivable	679,039	-	679,039	686,826
Bank interest and dividends	80,895	-	80,895	68,921
	<u>£759,934</u>	<u>£Nil</u>	<u>£759,934</u>	<u>£755,747</u>

All of the £755,747 recognised in 2023 related to unrestricted funds.

3. OTHER INCOME	Unrestricted Funds	Restricted Funds	Total 2024	Total 2023
Sundry income	<u>£70</u>	<u>£Nil</u>	<u>£70</u>	<u>£281</u>

All of the £281 recognised in 2023 related to unrestricted funds.

4. COST OF RAISING FUNDS	Direct costs	Support costs	Total 2024	Total 2023
Investment management costs	<u>£483,144</u>	<u>£48,354</u>	<u>£531,498</u>	<u>£228,678</u>

£243,545 of these costs related to the sale of the investment property.

All of the £228,678 expenditure recognised in 2023 was charged to unrestricted funds.

5. EXPENDITURE ON CHARITABLE ACTIVITIES

	Grant funding	Direct costs	Support costs	Total 2024	Total 2023
Research and dissemination	<u>£468,101</u>	<u>£66,710</u>	<u>£61,541</u>	<u>£596,352</u>	<u>£649,253</u>

All of the £649,253 expenditure recognised in 2023, was charged to unrestricted funds.

ALLIANCE HOUSE FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

/contd...

6. ANALYSIS OF GRANTS PAYABLE			2024 £	2023 £
Grants to institutions				
Institute of Alcohol Studies			£468,101	£539,364
			<u>£468,101</u>	<u>£539,364</u>
7. ANALYSIS OF DIRECT COSTS				
	Raising funds £	Charitable activities £	Total 2024 £	Total 2023 £
Staff costs (note 11)	52,305	66,570	118,875	112,040
Building and service charge	174,306	-	174,306	142,694
Legal and professional fees	256,533	-	256,533	1,750
Other direct costs	-	140	140	456
	<u>£483,144</u>	<u>£66,710</u>	<u>£549,854</u>	<u>£256,940</u>
8. ANALYSIS OF SUPPORT COSTS				
	Raising funds £	Charitable activities £	Total 2024 £	Total 2023 £
Office expenses	34,469	43,868	78,337	50,913
Premises expenses	5,527	7,034	12,561	10,967
Governance costs (note 9)	2,621	3,336	5,957	6,320
Depreciation	5,737	7,303	13,040	13,427
	<u>£48,354</u>	<u>£61,541</u>	<u>£109,895</u>	<u>£81,627</u>
9. GOVERNANCE COSTS				
			2024 £	2023 £
Audit fee			3,960	4,320
Directors' meetings			1,685	1,170
Insurance			312	830
			<u>£5,957</u>	<u>£6,320</u>

ALLIANCE HOUSE FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024
/contd...

10. NET INCOME

	2024	2023
This is stated after charging:		
Auditors' remuneration - audit services	£3,960	£4,320
Depreciation	£13,040	£13,427
Foreign exchange loss/(gain)	£196	£196
Operating lease rentals	£Nil	£Nil
	<u> </u>	<u> </u>

11. STAFF COSTS AND NUMBERS

	2024	2023
	£	£
Salaries	79,049	69,135
Social security costs	1,136	3,697
Pensions to former employees (see note 22)	16,044	16,433
Pension costs	15,611	12,907
Other staff costs	7,035	9,868
	<u> </u>	<u> </u>
	<u>£118,875</u>	<u>£112,040</u>

During 2024, one employee received employee benefits (excluding employer's national insurance and pension costs) falling in the £70,000 - £80,000 band. In 2023, one employee fell within the £70,000 - £80,000 band.

The average number of employees based on full-time equivalents was 2 (2023 : 2).

The average monthly number of employees was 3 (2023 : 3).

Total employee benefits received by key management personnel amounted to £88,549 (2023 : £88,688). Employee benefits includes salary, employer's national insurance, employer's pension, and benefits in kind.

12. DIRECTORS' REMUNERATION AND EXPENSES

The Directors received no remuneration during either year. Expenses of £1,685 (2023: £1,170) were reimbursed to/paid on behalf of the 6 Directors (2023 : 5).

13. TAXATION

The Company has charitable status and is therefore exempt from Corporation Tax on its charitable activities.

ALLIANCE HOUSE FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024
/contd...

14. TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Computer equipment £	Total £
Cost/valuation:			
At 1 April 2023	101,786	22,934	124,720
Additions	638	2,586	3,224
Disposals	(97,442)	(16,142)	(113,584)
	<u>4,982</u>	<u>9,378</u>	<u>14,360</u>
At 31 March 2024			
Depreciation:			
At 1 April 2023	88,342	20,591	108,933
Charge for year	11,112	1,928	13,040
Eliminated on disposal	(94,984)	(15,727)	(110,711)
	<u>4,470</u>	<u>6,792</u>	<u>11,262</u>
At 31 March 2024			
Net Book Value:			
At 31 March 2024	<u>£512</u>	<u>£2,586</u>	<u>£3,098</u>
At 31 March 2023	<u>£13,444</u>	<u>£2,343</u>	<u>£15,787</u>

15. FIXED ASSET INVESTMENTS

	Investment Property (note 23) £	Listed investments £	Total £
Market value at 1 April 2023	15,000,000	2,376,413	17,376,413
Disposals in year	-	(75,000)	(75,000)
Acquisitions in year	-	-	-
Net unrealised gain/(loss) on revaluation	-	192,441	192,441
	<u>£15,000,000</u>	<u>£2,493,854</u>	<u>£17,493,854</u>
Market value at 31 March 2024			
Historic cost at 31 March 2024	<u>£2,063,216</u>	<u>£1,786,389</u>	<u>£3,849,605</u>

The investment property was formally valued on 31st March 2022 by Mr Tom Norfolk Meng PGDip MRICS Registered Valuer of Matthews & Goodman.

	2024	2023
Analysis of investment gains	£	£
Unrealised gains/(losses) on revaluation	192,441	(78,890)
Realised gains/(losses) on disposal	-	(158,868)
	<u>£192,441</u>	<u>£(237,758)</u>

ALLIANCE HOUSE FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
-
FOR THE YEAR ENDED 31 MARCH 2024

/contd...

16. DEBTORS	2024 £	2023 £
Trade debtors	699	8,796
Prepayments	6,563	9,061
Accrued income	1,340	1,118
Amounts owed from related undertakings	40,996	28,290
Other debtors	21,317	56,819
	<u>£70,915</u>	<u>£104,084</u>

17. CREDITORS: Amounts falling due within one year	2024 £	2023 £
Trade creditors	134,923	-
Deferred income	126,752	147,386
Accrued expenses	30,687	11,054
Other creditors	4,015	10,516
	<u>£296,377</u>	<u>£168,956</u>

Analysis of deferred income	Balance brought forward	Additions in year	Released to Income	Balance carried forward
Rents received in advance	<u>£147,386</u>	<u>£126,752</u>	<u>£(147,386)</u>	<u>£126,752</u>

Rents invoiced and received in advance for the following accounting period are recognised as deferred income.

ALLIANCE HOUSE FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

/contd...

18. MOVEMENT IN FUNDS	Balance 1 April 2023 £	Income £	Expenditure £	Transfers £	Gains/ (losses)	Balance 31 March 2024 £
2024						
Unrestricted funds						
General funds	2,184,156	760,004	(1,114,809)	(352)	192,441	2,021,440
Designated funds						
Future refurbishment	450,000	-	-	-	-	450,000
Property and other fixed assets	2,079,003	-	(13,041)	352	-	2,066,314
Revaluation reserve	12,936,784	-	-	-	-	12,936,784
	15,465,787	-	(13,041)	352	-	15,453,098
Restricted funds						
Mrs Janet (Jessie) Ross Phillips' Trust	66,798	-	-	-	-	66,798
Total funds	£17,716,741	£760,004	£(1,127,850)	£Nil	£192,441	£17,541,336

Purpose of funds

Restricted Funds

Mrs. Janet (Jessie) Ross Phillips' Trust is a legacy to be used to fund the Charity's activities in Scotland.

Designated Funds

The future refurbishment fund represents funds set aside towards the cost of maintenance and repairs at Alliance House.

The property and other fixed assets fund represents the level of unrestricted funds which are related to the cost of investment property and fixed assets, and which are not therefore freely available to spend.

The revaluation reserve represents the amount by which the market value of the investment property (Alliance House) exceeds cost.

ALLIANCE HOUSE FOUNDATION

(Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

/contd...

18. MOVEMENT IN FUNDS/cont'd

Comparative information for the previous financial year is as follows:

	Balance 1 April 2022 £	Income £	Expenditure £	Transfers £	Gains/ (losses)	Balance 31 March 2023 £
2023						
Unrestricted funds						
General funds	2,533,709	756,028	(864,504)	(3,319)	(237,758)	2,184,156
Designated funds						
Future refurbishment	450,000	-	-	-	-	450,000
Property and other fixed assets	2,089,111	-	(13,427)	3,319	-	2,079,003
Revaluation reserve	12,936,784	-	-	-	-	12,936,784
	15,475,895	-	(13,427)	3,319	-	15,465,787
Restricted funds						
Mrs Janet (Jessie) Ross Phillips' Trust	66,798	-	-	-	-	66,798
Total funds	£18,076,402	£756,028	£(877,931)	£Nil	£(237,758)	£17,716,741

ALLIANCE HOUSE FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

/contd...

19. ANALYSIS OF NET ASSETS BETWEEN FUNDS

2024	Tangible fixed assets £	Fixed asset investments £	Other net assets/ (liabilities) £	Total 2024 £
Unrestricted general funds	-	2,493,854	(472,414)	2,021,440
Unrestricted designated funds	3,098	15,000,000	450,000	15,453,098
Restricted funds	-	-	66,798	66,798
	<u>£3,098</u>	<u>£17,493,854</u>	<u>£44,384</u>	<u>£17,541,336</u>
As of 31 March 2024				

Comparative information for the previous financial year is as follows

2023	Tangible fixed assets £	Fixed asset investments £	Other net assets/ (liabilities) £	Total 2023 £
Unrestricted general funds	-	2,376,413	(192,257)	2,184,156
Unrestricted designated funds	15,787	15,000,000	450,000	15,465,787
Restricted funds	-	-	66,798	66,798
	<u>£15,787</u>	<u>£17,376,413</u>	<u>£324,541</u>	<u>£17,716,741</u>
As of 31 March 2023				

20. RELATED PARTY TRANSACTIONS

Details of related party transactions during the year are as follows:

Name of related Party	Nature of relationship	Transaction details	Amount £	Balance £
2024				
The Institute of Alcohol Studies	Trustees in common	Grant funding	468,102	40,996
The Institute of Alcohol Studies	Trustees in common	Rent receivable	63,500	-
2023			£	£
The Institute of Alcohol Studies	Trustees in common	Grant funding	539,364	28,290
The Institute of Alcohol Studies	Trustees in common	Rent receivable	63,500	-

The Institute of Alcohol Studies started operating on 1 April 2006 and Alliance House Foundation had initially agreed to fund the charity for 3 years. Funding is now reviewed on an annual basis.

ALLIANCE HOUSE FOUNDATION

(Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

/contd...

21. OPERATING LEASE COMMITMENTS

The total future minimum lease payments falling due under non-cancellable operating lease agreements are as follows:

	2024 £	2023 £
Within one year	5,206	22,579
Between one and five years	-	90,317
More than five years	-	30,105
	<u>£5,206</u>	<u>£143,001</u>

22. CONTINGENT LIABILITIES

Pensions to former employees

The Charity has committed to make annuity payments to former members of staff. These payments are reported as "Pensions to former employees" in the accounts (see note 11). The Directors have not been able to obtain a reliable estimate of the Charity's liability in respect of these annuities and therefore no provision has been made in the accounts.

23. POST BALANCE SHEET EVENT

On 30th April 2024, the charitable company disposed of its investment property, Alliance House, for a consideration of £12.6m with a realised loss of £2.4m on the value.

There was a termination fee on the boiler contract of £154,504 which was due on 30th April 2024 as the buyer of the investment property had refused the contract.