

Cocoon Support Ltd

England & Wales · Charity number 295384

Details

Other names	DRUGLINK LIMITED
Status	Registered
Legal form	Charitable company
Company number	02057706
Registered	1986-10-10
Register	View on the Charity Commission register

Contact

Address	Trefoil Red Lion Lane Hemel Hempstead HP3 9TE
Phone	01923260727
Email	druglink@druglink.ltd.uk
Website	www.druglink.co.uk

Activities

Objects: 1. TO ADVANCE THE EDUCATION OF THE PUBLIC IN THE DANGERS ARISING FROM THE HABITUAL OR OCCASIONAL CONSUMPTION OF NARCOTIC, STIMULANT AND HALLUCINOGENIC DRUGS OR SIMILAR SUBSTANCES. 2. TO ADVANCE EDUCATION AND TRAINING AMONG PERSONS WHO ARE IN THE FIELD OF DRUG MISUSE. 3. TO RELIEVE THE POVERTY, SICKNESS AND DISTRESS OF PERSONS RESULTING FROM THE MISUSE OF DRUGS. 4. TO PROMOTE EITHER ALONE OR WITH OTHERS, RESEARCH INTO DRUG MISUSE AND TO PUBLISH THE RESULTS OF SUCH RESEARCH.

Activities: Residential Detox and Rehabilitation Resettlement and Supported HousingCounsellingCommunity OutreachSchool education programmesHealth and Wellbeing education

Classification

- **How:** Provides Services, Provides Advocacy/advice/information, Sponsors Or Undertakes Research
- **What:** Education/training, The Advancement Of Health Or Saving Of Lives, The Prevention Or Relief Of Poverty, Accommodation/housing
- **Who:** Children/young People, People With Disabilities, Other Defined Groups, The General Public/mankind

Geography

- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£3,596,609	£3,293,432	£428,886	80
2024-03-31	£2,890,185	£2,833,906	£125,709	70
2023-03-31	£2,050,616	£2,067,111	£69,430	43
2022-03-31	£1,547,335	£1,557,844	£85,925	34
2021-03-31	£1,484,659	£1,301,192	£97,184	33

Trustees

Name	Role	Appointed
David Gill		2024-07-16
James Conolly		2020-09-09
Kevin Cohen		2017-08-11
Nicholas Pedrithes		2022-06-22
Rachel Busse-Reid		2020-09-09
Ray Knowles		2018-05-08

Cocoon Support Ltd

England & Wales - Charity number 295384

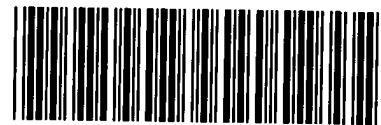
Accounts

REGISTERED COMPANY NUMBER: 02057706 (England and Wales)
REGISTERED CHARITY NUMBER: 295384

Report of the Trustees and
Financial Statements for the Year Ended 31 March 2025
for
Druglink
(A Company Limited by Guarantee)

Dux Advisory Limited
Kennel Club House
Gatehouse Way
Aylesbury
Buckinghamshire
HP19 8DB

WEDNESDAY



A33 *AEHMLI4A* #28
17/12/2025
COMPANIES HOUSE

Druglink

**Contents of the Financial Statements
for the Year Ended 31 March 2025**

	Page
Reference and Administrative Details	1
Report of the Trustees	2 to 16
Report of the Independent Auditors	17 to 20
Statement of Financial Activities	21
Balance Sheet	22
Cash Flow Statement	23
Notes to the Cash Flow Statement	24
Notes to the Financial Statements	25 to 36

Druglink

**Reference and Administrative Details
for the Year Ended 31 March 2025**

TRUSTEES	K Cohen J R P Conolly R Busse-Reid (Chair from 19.9.23) R Knowles N Pedrithes J Sharpe (resigned 5.11.25) S Cutts K Laventure C Hicks (resigned 11.9.25) D R Gill (appointed 30.7.24)
COMPANY SECRETARY	D Heath
REGISTERED OFFICE	Trefoil House Red Lion Lane Hemel Hempstead Hertfordshire HP3 9TE
REGISTERED COMPANY NUMBER	02057706 (England and Wales)
REGISTERED CHARITY NUMBER	295384
SENIOR STATUTORY AUDITOR	Bianca Permal FCA
AUDITORS	Dux Advisory Limited Kennel Club House Gatehouse Way Aylesbury Buckinghamshire HP19 8DB

Druglink (Registered number: 02057706)

**Report of the Trustees
for the Year Ended 31 March 2025**

The Trustees, who also serve as the charity's directors under the Companies Act 2006, present their report together with the financial statements for the year ending 31 March 2025. The Trustees continue to adopt the provisions of the Charities SORP (FRS 102) in preparing these accounts.

OBJECTIVES AND ACTIVITIES

About Druglink & Our Purpose

Founded in 1984, Druglink exists to change futures for individuals affected by problematic drug and alcohol use, and its related harms - including homelessness, social exclusion, and mental health challenges. Our approach is holistic: prevention, treatment, supported housing, education, training, and reintegration, all guided by our values of **changing futures, supporting one another, doing our best, and doing the right thing.**

Through our continuum of care, Druglink offers benefit to the community by helping prevent substance-related harms, supporting people in recovery, and enabling individuals to rebuild their lives. Our strategy continues to align with the Charity Commission's public benefit guidance, ensuring our work remains accessible and impactful.

Strategic Focus & Developments in 2024-25

In 2024-25 we entered a phase of growth, consolidation, and renewal, building upon the foundations laid in prior years and responding to greater demand in our community. Key themes of the year included:

- Service Expansion & Refinement

We have continued to refine and expand our service offerings to ensure deeper impact. In our Diversion and Education arm, we delivered drug and alcohol awareness sessions to individuals, into schools, colleges, and community groups - helping to reach hundreds of community members and students. On the treatment side, our existing services - Detox, Rehab, and housing support - have been under review to improve outcomes, cost-effectiveness, and sustainability.

- Community Outreach & Engagement

We have strengthened our presence in local communities, engaging supporters, volunteers, and local partners. For example, our Facebook page highlights ongoing fundraising, awareness campaigns, and volunteer-led projects.

- Organisational Growth & Infrastructure

As demand has increased, so has our staffing and operational capacity. We focused on internal processes, strengthening governance and staff training, to ensure we can manage scale without compromising care. Strategic planning sessions were held across teams and with stakeholders to revisit our mission, refine our values in action, and align our roadmap for the coming years.

- Financial Resilience & Planning

The year has not been without financial challenges. Services like Detox often carry high fixed costs and variable occupancy; as such, we have continued to review cost structures, revenue models, staffing, and partnerships to ensure each service remains viable in the long term. We ended the year with a cautious but hopeful outlook, mindful of maintaining reserves, managing risk, and ensuring sustainability of core services.

Impact & Reach

While full quantitative impact metrics will follow in the report, early highlights include:

- Hundreds of people reached through prevention, awareness and diversion programmes.
- Continued provision of housing to individuals in recovery, with wrap-around support (training, mentoring, community integration).
- Active fundraising and community engagement events, galvanising supporters and raising awareness beyond traditional audiences.

**Report of the Trustees
for the Year Ended 31 March 2025**

OBJECTIVES AND ACTIVITIES

People & Culture

Our people - staff, volunteers, trustees - are at the heart of what we do. In 2024-25, we placed extra focus on:

- Staff training and support, particularly in trauma-informed care, mental health awareness, and best practice in substance use services.
- Internal culture strengthening, fostering cross-team communication, learning, and reflection sessions.
- Recruitment with an emphasis on diversity, lived experience, and retention strategies to reduce turnover.

ACHIEVEMENTS AND PERFORMANCE

Druglink Services Review 2024/2025

Oxygen Detox

Oxygen Detox remains a vital part of Druglink's pathway of care, enabling us to offer a complete journey from homelessness housing, detoxification and rehabilitation, through to supported accommodation and reintegration into the community.

Our medically assisted detoxification service in Hertfordshire expanded in 2024/25 from seven to eight rooms, increasing our capacity to meet demand. The service provides round-the-clock support, with a team of medically trained nurses on site 24 hours a day, alongside a full-time chef ensuring nutritious, balanced meals. Oxygen Detox continues to operate as a stand-alone service, separate from our rehabilitation and supported housing sites, allowing clients to focus on the first, critical step in their recovery journey.

During 2024/25, 209 clients accessed Oxygen Detox. We are proud to report a 91% successful completion rate, reflecting the commitment of our staff and the determination of the individuals we support. In addition, **we provided 52 bursary nights** to ensure that financial barriers did not prevent people from accessing life-changing treatment.

Clients enter Oxygen Detox following referral from community teams, with preparation undertaken prior to admission to ensure readiness. Each client leaves with a robust aftercare plan, linking them into further rehabilitation, supported housing or community services so their recovery journey can continue.

- "I was sceptical at first, but the results speak for themselves. It's become one of the most valuable parts of my weekly routine here."
- "The staff were fantastic. Great food, warm and welcoming atmosphere - I felt like I fitted in right away."
- "The staff were excellent at communicating and assisted me with all of my needs."
- "Druglink's Detox was excellent. It was amazing to build a family with people who understand problematic drug and alcohol use. I never felt alone at the Detox."

Despite these successes, Oxygen Detox remains financially challenging. In 2024/25, the service recorded a loss of £56,321, primarily due to high staffing costs - with nurses and doctors essential on site 24/7 regardless of occupancy - and an average occupancy rate of 77%. While this represented a reduced loss compared to the previous year, it continues to pose a significant risk to the charity's long-term financial sustainability.

The Board recognises the importance of Oxygen Detox within Druglink's pathway, but also acknowledges that, in its current form, the service is not financially viable. The first half of 2025/26 has therefore focused on intensive work to increase referrals, reduce costs, and explore options for ensuring viability. This work remains ongoing, and we are committed to finding a solution that balances the clear impact of the service with the financial health of the charity.

**Report of the Trustees
for the Year Ended 31 March 2025**

ACHIEVEMENTS AND PERFORMANCE

Oxygen Recovery

Oxygen Recovery is Druglink's residential rehabilitation service, offering a holistic and integrative programme for people recovering from problematic drug and alcohol use. As a therapeutic community, Oxygen Recovery provides not only accommodation but also psychoeducational workshops, relapse prevention sessions, group therapy, and opportunities for personal growth. Clients typically stay for up to 16 weeks, with the option of a second-stage programme to support their transition back into independent living.

Activity and Outcomes

In 2024/25, 57 clients attended Oxygen Recovery: 31 male, 23 female, 1 non-binary and 2 transgender. Treatment outcomes included 26 detoxifications and 4 GP-assisted withdrawals, with a **100% completion rate for these medical interventions.** Of the 57 clients who began treatment, **35 successfully completed their programme, giving an overall completion rate of 61.5%.** While completions are a key metric, we continue to recognise that every engagement represents an important step forward in a client's recovery journey.

Therapeutic Interventions and Holistic Care

Our focus on holistic care has grown this year. We now have three qualified acupuncture practitioners on staff, enabling greater access to this valued therapy. Clients also benefited from new Zentangle drawing sessions, designed to promote relaxation and mindfulness, which have become a popular fixture of the weekly timetable.

Partnerships continued to enrich the programme. The charity Child Of once again provided subsidised therapeutic art sessions, with clients' work exhibited locally and at the Saatchi Gallery in London. Weekly Wild Luna yoga sessions, delivered with a trauma-informed approach, offered clients both psychological and physical benefits. Together, these interventions have helped clients to reconnect with themselves, build resilience, and explore creative expression as part of their recovery.

- "I came to Druglink's Rehab after my detox. I was scared and an emotional wreck... I didn't know who I was anymore. But here, I began to reconnect with myself."
- "The relaxation after acupuncture brought me peace... it's become an important part of my weekly routine."
- "If anyone is thinking about attending rehab, do it - for yourself - and make sure to listen."

Operational Developments

The year brought both progress and challenges. Staffing structures evolved, with some staff taking split roles across services, at times creating additional pressures. The second-stage programme has now been more fully reintegrated into the main rehabilitation service, stabilised through recruitment of a new recovery worker. Demand for this element of the programme remains strong.

Oxygen Recovery typically operates at over 95% capacity, but there were periods this year when occupancy fell to 60-80%. Even short-term dips have a significant impact on financial performance, and work is underway to maintain consistently high occupancy levels.

Following feedback from the CQC, we have continued to strengthen medication management. The appointment of a pharmaceutical technician has been beneficial, though further investment is required, including a planned £5,500 upgrade to the medication room and approximately £5,000 for new flooring across the centre.

Looking Ahead

Oxygen Recovery continues to demonstrate the transformative power of rehabilitation, combining evidence-based treatment with creative, holistic approaches. With strong partnerships, dedicated staff, and committed clients, the service remains central to Druglink's pathway of care. Our focus for 2025/26 will be on maintaining high-quality therapeutic interventions, ensuring consistent occupancy, and securing the resources needed to further strengthen the service environment.

**Report of the Trustees
for the Year Ended 31 March 2025**

ACHIEVEMENTS AND PERFORMANCE

Breathe

Oxygen Breathe is Druglink's affordable counselling service. In a time of rising demand for mental health support, Breathe provides accessible, affordable counselling that can make a real difference.

Between April 2024 and March 2025, 54 clients were referred for counselling, with 36 clients receiving support. Each client received an average of 12 one-hour sessions, amounting to over 430 hours of counselling delivered during the year. For many, this consistent support has been a lifeline, giving them space to talk, process, and begin to rebuild resilience.

Breathe continues to play an important role in developing the next generation of counsellors. Over the year, **11 trainee counsellors undertook placements** with us. **Six trainees who began with us in April 2024 went on to successfully qualify with their Level 4 Diplomas**, with two choosing to remain as volunteers. By offering placements and structured mentoring, we are both strengthening our own service and contributing to a more skilled counselling workforce in Hertfordshire.

Our trainee counsellors benefit from monthly mentoring with qualified volunteer counsellors, alongside quarterly in-person sessions with Druglink's Counselling Management Team. These sessions not only provide professional development but also include CPD training, ethical discussions, and opportunities to hear directly from clients about their lived experiences. This year, trainees also received a specialist CPD session on Working with Experience of Domestic Abuse, equipping them with vital skills to support survivors.

Through this dual focus - supporting clients in distress today while equipping student counsellors with the skills to help tomorrow - Breathe is creating lasting impact for individuals and for the wider community.

Choices

Our Choices programme offers supported housing for people in recovery. As a non-abstinent service, Choices provides a vital bridge towards greater independence, giving clients the time and space to develop their skills, build resilience, and make their own decisions about their recovery journey.

Choices clients are supported through the Choices group programme, which includes relapse prevention, tenancy skills, process groups and complementary services. The programme also educates people on substances and their effects, driving prevention and reducing the risk of relapse. Weekly key work sessions focus on support plans and risk management, and housing-related support is provided to build independence. Where possible, families and other external stakeholders are involved, as this has been shown to strengthen recovery.

This year has brought challenges in terms of staffing and recording systems, but improvements have been made, including centralising Housing Benefit claims and licence agreements, which will strengthen how the service is managed going forward.

Between March 2024 and March 2025, Choices **supported over 40 clients.**

Outcomes achieved this year include:

- Two clients moved on successfully to independent living, while remaining connected to our extended support network.
- Three clients transitioned from our pod service, including one into higher-level supported accommodation.
- Two former clients are now employed by Druglink, and one is volunteering with us.
- Three clients moved on positively with their families.
- Several clients completed peer mentoring training, building confidence and enabling them to support others in recovery.

**Report of the Trustees
for the Year Ended 31 March 2025**

ACHIEVEMENTS AND PERFORMANCE

Why it matters

Choices provides the stability of a safe home alongside the flexibility of a person-centred approach. While each journey looks different, clients are supported to take meaningful steps forward - whether that means moving into independent housing, reconnecting with family, or building skills through training and employment. These day-to-day successes demonstrate the long-term value of Choices in helping people sustain recovery and independence.

Safer Places

Safer Places is Druglink's specialist refuge for women who have experienced domestic abuse and are also facing challenges related to problematic drug or alcohol use. Delivered in partnership with Safer Places, the project continues to be the first of its kind in the area, offering safe, structured and therapeutic accommodation where women can focus on recovery while rebuilding their lives.

The service supports up to four women at a time, typically for four to six months, through our Quasi-Living model of recovery - a community-based approach that mirrors supported rehabilitation while encouraging independence.

During 2024/25, 22 women came through the service. Since opening in March 2022, we have supported 51 women in total, with 31 completing the full programme and leaving abstinent from all substances. Of these, 20 women are now living independently, with the majority maintaining abstinence and continuing to progress well. A further four women are in temporary accommodation awaiting long-term housing, and seven women are currently in residence. Notably, only one woman has returned to a former partner, and just one client relapsed after exit - underlining both the success of the programme and the importance of continued community support.

Therapeutic Support and Safety

Residents participate in a wide range of structured groups and activities designed to strengthen recovery, resilience and personal development, including:

- Relapse prevention and group therapy
- Art workshops and creative sessions with a resident artist
- Confidence and self-esteem building groups
- Gardening and goal-setting activities
- Psychoeducational programmes on setting healthy boundaries and keeping safe

A dedicated Independent Domestic Violence Advisor (IDVA) works alongside the team three days a week, helping women assess risk and create personalised safety plans. This integrated approach ensures recovery support is combined with practical safety planning and empowerment.

Positive Engagement and Life Experiences

To support abstinence and encourage a meaningful life beyond dependency, residents are offered a variety of enriching experiences, such as:

- Visits to spiritual and cultural spaces including the Hare Krishna temple and a Buddhist centre
- Outdoor activities like paddle boarding, countryside walks and picnics
- Opportunities to connect with local community groups, educational courses, and volunteering placements

Personalised Keywork and Practical Support

Weekly keywork sessions provide tailored support, covering:

- Emotional wellbeing and recovery planning
- Accessing identification and essential documents
- Budgeting and managing debt
- Navigating local authority housing applications and transitions into temporary or permanent accommodation

**Report of the Trustees
for the Year Ended 31 March 2025**

ACHIEVEMENTS AND PERFORMANCE

Triple R Domestic Abuse Programme

Alongside recovery-focused work, Safer Places delivers the Triple R Programme, which supports women to:

- Understand the dynamics of domestic abuse
- Recognise the cycle of abuse and why it can be difficult to leave
- Explore the impact of abuse on children
- Identify red flags in relationships
- Build an understanding of what constitutes a healthy relationship

Impact and Outcomes

Client progress is tracked using Recovery Star assessments. **In the past 12 months, 100% of clients showed improvement in at least one area, with average progress recorded in nine out of ten domains, demonstrating significant overall gains in stability, wellbeing and resilience.**

Women leave Safer Places:

- With improved emotional resilience
- Connected to local and peer-led support
- Equipped with essential life skills
- Feeling more confident and hopeful about the future

Gateway

Gateway is Druglink's structured housing and support initiative, designed to help male offenders transition to independent living following their release from custody. Originally funded through the Police and Crime Commissioner's Criminal Justice Innovation Fund, and delivered in partnership with BeNCH Community Rehabilitation Company (CRC) and HACRO, Gateway offers a safe, supportive environment where residents can stabilise their lives and build the skills needed for independence.

Clients are accommodated for a minimum of 12 weeks and up to 52 weeks. Each resident is assigned a dedicated Criminal Justice Support Worker who develops a personalised support plan, combining one-to-one key work sessions with access to structured weekly groups. These include cooking, gardening, therapeutic art, and workshops on building healthy relationships. Gateway also links clients into vocational training, educational courses, and employment opportunities, as well as local services such as CGL, JobCentre Plus, GPs, dental services, and housing authorities. Clients can also access Breathe, Druglink's in-house counselling service, for emotional and psychological support.

Impact in 2024/25

- 86 clients were supported to prevent homelessness, both short and long term.
- 8 residents remain at Gateway.
- 13 residents stayed the full duration of their tenancy.
- 6 residents moved to abstinence housing.
- 8 residents moved into their own properties and have sustained their tenancies for 3+ months.
- 3 residents moved on to rehabilitation services.
- 24 people on probation were supported at probation offices through partnership working.

These outcomes demonstrate Gateway's effectiveness in providing stability, reducing reoffending, and creating pathways into secure housing and recovery.

A Resident's Voice

**Report of the Trustees
for the Year Ended 31 March 2025**

ACHIEVEMENTS AND PERFORMANCE

"When I arrived at Druglink I was very unstable mentally and physically, using drugs and alcohol to ease my depression. For the first three months I isolated myself and didn't engage with staff, but they were there to support me. When I had one-to-ones with staff my whole world changed and I realised it wasn't over - life was still worth living. With their support I remained clean and sober in supported housing for 40 days. Once clean and sober and able to stand on my own two feet, I secured a property and can now say I am over five months clean - in no small part thanks to the help Druglink provided."

Gateway continues to demonstrate the power of housing and tailored support to break cycles of offending, substance use, and homelessness, giving residents the tools they need to build safer and more stable futures.

Probation Pilot Project

In January 2024, Druglink was commissioned to deliver a two-year pilot project, placing two Drug and Alcohol Recovery Workers in probation offices across Hertfordshire. The project aims to bridge the gap between the criminal justice system and housing support services, ensuring that people on probation who are struggling with problematic drug or alcohol use receive timely, person-centred support.

The presence of our recovery workers has already made a measurable difference. By being based directly within probation settings, they provide immediate access to support, advocacy, and guidance. Their lived experience has been particularly valued by clients, who describe the approach as more person-centred and relatable than other support services.

Impact in 2024/25

- 3 probation clients with housing needs were supported into Gateway housing.
- Recovery workers have provided consistent positive engagement, with clients highlighting the value of speaking to someone with lived experience.
- Probation officers are increasingly aware of Druglink's role and regularly seek advice and guidance for their caseloads.
- Staff have actively built relationships with housing referrers, ensuring better joined-up working and smoother referral pathways.
- Clients are being effectively signposted to wider support services, helping them access the right resources at the right time.

This pilot has strengthened collaboration between Druglink, probation services, and housing providers, helping to reduce reoffending risks and improve housing outcomes for people leaving the criminal justice system. As the project moves into its second year, we will continue to evaluate its impact and build the case for making this innovative approach a permanent part of local service provision.

Housing First

Our Housing First services continue to provide a lifeline for some of the most vulnerable people in Welwyn/ Hatfield - those experiencing street homelessness and facing multiple disadvantages.

23 clients have been supported through the service this year. All arrive directly from the streets, and the longer licence agreements provide the stability they need to begin rebuilding their lives. As a non-abstinent service, clients to make their own choices about if and when to engage with recovery programmes, ensuring support is led by the individual rather than imposed.

So far, we have seen three successful move-ons from our Housing First services. However, the impact of Housing First cannot be measured by move-ons alone. Progress is seen every day in the small but significant changes clients make - from keeping their rooms tidy and cooking meals for themselves, to reducing their alcohol or drug use.

Housing First provides stability and dignity as a foundation for change. **By offering people a safe home without preconditions, clients are able to focus on their own goals at their own pace.** This approach not only prevents repeated cycles of homelessness but also fosters lasting, positive change in people's lives.

**Report of the Trustees
for the Year Ended 31 March 2025**

ACHIEVEMENTS AND PERFORMANCE

Oxygen Routes

Now in its second year, Oxygen Routes continues as a two-year pilot service funded by Hertfordshire County Council. The service supports Hertfordshire residents struggling with alcohol and other drugs to maintain a tenancy by navigating them along a person-centred support pathway.

Between April 2024 and March 2025, Oxygen Routes supported 113 individuals across the county. Referrals came consistently from a wide network of partners - a total of 23 different organisations - with strong representation from Hemel Hempstead, Watford, Stevenage, St Albans and East Herts, demonstrating both the reach and breadth of the service.

Clients accessing Oxygen Routes presented with a wide range of needs, including substance misuse, housing instability, mental health concerns, support with benefits, employment and training, and physical health issues.

Over the past year, the team has:

- Attended medical appointments alongside clients, ensuring access to healthcare.
- Supported 89 clients with applications for benefits, housing, or treatment services.

"Without Oxygen Routes, I would have lost my flat. My worker helped me deal with my landlord and now I feel stable enough to focus on my recovery."

By helping people sustain tenancies and access the right support at the right time, **Oxygen Routes prevents homelessness, reduces pressure on health and social care systems, and creates the stability people need to focus on recovery.** This not only changes individual lives but also delivers long-term benefits for local communities and services.

Connect

Oxygen Connect is Druglink's out-of-hours service, designed to provide support every weekday evening, weekend, and Bank Holiday - times when many other services are unavailable. Launched softly in October 2023 and fully operational by June 2024, Connect is funded as an 18-month pilot through a Government suicide prevention grant. Its aim is to tackle loneliness, support mental health, and strengthen community connections for those most at risk.

The service had a remarkable impact in its first full year. By asking clients why they attended Connect and what the consequences might have been had they not, we calculated that the project saved an estimated 6,652 hours from other services such as the NHS, Probation, Adult Social Care, CGL, Safer Places, and local authorities.

In 2024, a total of 2,377 people attended 726 groups, with an average of 16 people per session. Of these, 182 groups were peer-led, and 16 facilitators were trained, helping to embed lived experience and sustainability into the service.

Measurable impact on wellbeing was significant:

- **Self-esteem increased by 42%** (Rosenberg Self Esteem scale)
 - **Anxiety reduced by 58%** (GAD-7 scale)
 - **Depression severity decreased by 57%** (PHQ-9 scale)
- Together, these outcomes **reflect an overall 52% improvement in client wellbeing across the year.**

Regular groups included: Art Class, Women's Sharing Circle, Narcotics Anonymous, Men's Group, Social Evenings, Gardening Club, Craft and Chat, Relapse Prevention, Suicide Awareness, and Alcoholics Anonymous. Clients also benefited from a wide range of events such as Haircuts4Homeless, Gambling Awareness sessions, safeguarding training, community fundraising events, film nights, yoga, breath work, acupuncture, and outreach evenings.

**Report of the Trustees
for the Year Ended 31 March 2025**

ACHIEVEMENTS AND PERFORMANCE

- "I don't feel lonely anymore. It helps to know there is somewhere I can drop in to and see friendly faces and have a cuppa."
- "I was a wreck when I first came to the Men's Night. Due to the support of the group my life has turned around and I am free of drugs and alcohol and back with my fiancé."
- "Connect has got me out of the house and now I've got my love of gardening back. I've been able to help others by sharing my own experiences."
- "The art class has helped me find my creative side and express myself. Now I use art regularly to bring colour into my life and to keep me away from dark places."

Connect has already established itself as a safe, vibrant, and transformative service. Looking ahead, we will continue to strengthen its programme, build partnerships, and evaluate its long-term sustainability as we move beyond the pilot phase.

Coffee Ethic

On 1 May 2024, we made the difficult decision to close Coffee Ethic, our social enterprise at St Albans Civic Centre. Since opening in 2011, Coffee Ethic provided training and volunteering opportunities for people in recovery, helping many to build skills and confidence on their journey back into work and community life.

In recent years, fewer clients were coming through the project to volunteer, meaning we had to employ staff to run the service. Combined with low revenue, the project was no longer financially viable or meeting its original purpose.

While this was a hard decision, closing Coffee Ethic allows us to focus resources on services that more effectively support recovery. We are proud of the impact it made over 13 years and grateful to all who supported it.

Diversion

Druglink's Diversion service continues to play a vital role in preventing substance misuse and supporting individuals at an early stage of their journey. Working in partnership with local police and community services, Diversion offers structured, educational courses as an alternative to prosecution, helping participants to recognise the risks of drugs and alcohol and make more informed decisions.

In 2024/25, the service received 12,381 referrals, representing a 23% increase on the previous year. Of these, 9,839 Conditional Requirement (CR) referrals were made, with 4,588 completions (49% compliance). A further 2,541 Conditional Caution (CC) referrals were received, with 1,649 completions (67% compliance).

- "I could have stayed on for hours - the trainer was a great listener as well as a great trainer."
- "I was so nervous about the course but the trainer was a breath of fresh air - knowledgeable, respectful and supportive."

Satisfaction levels remain extremely high, with **94% of alcohol course participants agreeing the course was a valuable experience**, 97% agreeing it was easy to follow (cannabis course), and 96% saying their knowledge of the harms of drugs had increased.

Developments in 2024/25

- **Women-Only Courses:** In response to participant feedback, we are introducing tailored women-only sessions, designed in collaboration with women's services. These will provide a safe, supportive and empowering space to explore substance use, relationships, and wellbeing.
- **Neurodiversity-Inclusive Training:** Courses have been adapted to better meet the needs of neurodiverse participants, including the option to split three-hour sessions into two shorter ones, and revised learning materials for accessibility.
- **New Courses:** Development is underway on new Cocaine-Only and Club Drug courses, as well as tailored provision for those in early recovery.

**Report of the Trustees
for the Year Ended 31 March 2025**

ACHIEVEMENTS AND PERFORMANCE

- **Team Growth:** Two new trainers joined the team, bringing lived experience and professional expertise that are already enriching the delivery of our courses.

Through Diversion, we continue to see the power of education, empathy and early intervention in preventing problematic alcohol and drug use and offering people the tools to make lasting change.

Communications and Marketing

In 2024/25, our communications and marketing activity focused on celebrating milestones, raising Druglink's profile, and strengthening connections with our community.

Brand and Profile

We continued to increase awareness of Druglink across Hertfordshire and beyond through social media, our website, and community engagement. Client stories, service updates and awareness campaigns remained at the heart of our communications, helping to break down stigma and highlight the impact of our work.

Highlights of the Year

This year brought a wealth of activity to mark Druglink's 40th year and strengthen community ties:

- **40th Anniversary:** We launched celebrations with a Valentine raffle hosted by actor Mark Wingett, who also formally joined us as a Patron in 2024/25. A celebration party in September 2024 brought together staff, clients, and supporters to mark four decades of changing futures.

- **Fundraising:** The Valentine raffle raised £1,338. Chapter 82 of ARM (Addiction Recovery Movement) the 1000 Miles for Addiction challenge, raising £1,190 for Druglink. Our Connect staff team also raised £300 at a Christmas Fete.

- **Events and Exhibitions:** The LINK art exhibition at Hemel Old Town Hall showcased powerful client artwork, with artists sharing their personal recovery journeys and the meaning behind their creations. We also celebrated International Women's Day, highlighting the resilience and strength of women supported across our services.

- **Community Partnerships:** Two local Howdens chose to donate a brand new staff kitchen for our head office. All Saints Church in Oxhey selected Druglink as one of their four chosen charities for the year. We received generous trainer donations from One Impossible Thing, regular food donations from Aldi UK and Neighbourly, and continued our valued partnership with Haircuts4Homeless, who provided free haircuts to clients.

- **Collaboration and Outreach:** We co-hosted a parent/carer webinar on "Preparing and Supporting Young People Going to University" with Mind in Mid Herts and Carers in Herts. Our head office, Trefoil, became a designated Warm Space, supporting the wider community through the winter months.

- **Innovation:** We launched The Pods - an innovative new project funded by OHID (Office for Health Improvement and Disparities). Operating within our Choices model, the Pods provide high-quality, self-contained accommodation for people transitioning towards independence. With private showers, kitchenettes, and living space, they offer a training tenancy model where clients develop the skills and confidence needed to move successfully into their own homes.

- **Recognition:** We were proud to welcome the High Sheriff of Hertfordshire to visit our services and celebrate the dedication of our teams. The Safer Places team won the 'Contribution to Care' Award at the 2024 HCPA Herts Care Awards - an outstanding achievement that recognised the innovation and impact of this unique service.

For 2025/26, we will build on this momentum by delivering new campaigns, strengthening corporate partnerships, and engaging more supporters. Highlight will be our first programme of fundraising events, which will bring together businesses, schools and individuals to raise awareness and vital funds.

**Report of the Trustees
for the Year Ended 31 March 2025**

ACHIEVEMENTS AND PERFORMANCE

Our Charity

During 2024/25, Druglink has continued to focus on meeting the needs of our clients, strengthening our internal systems, and supporting our dedicated staff team. Alongside the daily hard work and commitment of colleagues across all services, we have made important organisational developments to help us grow sustainably and effectively.

This year we:

- **Expanded our finance team** by employing dedicated support to manage housing benefits, ensuring accurate and efficiency in this critical area.
- **Grew our communications function** with the recruitment of a Marketing and Communications Officer to enhance daily communications, raise awareness, and build engagement with our work.
- **Reviewed and updated HR policies**, laying the foundations for further improvements to support our growing staff team.
- **Promoted our Office Manager to HR Manager**, strengthening our capacity to meet increasing staffing needs and pressures.
- **Expanded our workforce**, with 68 employed staff plus additional bank workers supporting delivery.

These developments sit alongside the unwavering commitment of our staff and volunteers. From frontline workers providing life-changing support, to administrative and back-office teams ensuring seamless operations, every member of the organisation plays a vital role in delivering our mission.

Despite the challenges faced across the sector, our team continues to show resilience, professionalism, and compassion. Together, their dedication is helping us expand our reach, strengthen our services, and, most importantly, continue to change futures across our community.

Looking ahead to 2025/26, we will continue to build on these foundations - further developing our people, systems and services so that Druglink remains a strong, sustainable organisation delivering the best possible outcomes for the people we support.

Druglink (Registered number: 02057706)

**Report of the Trustees
for the Year Ended 31 March 2025**

FINANCIAL REVIEW

Financial and Operations Review

The Financial Statements for the year ended 31 March 2025 show a net income for the year of £303,177 (2024: net income £56,279) with positive reserves at the year-end of £428,886 (2024: positive reserves of £125,709).

Income

Druglink receives income from a number of different sources and the total income for the year was £3,596,609 (2024: £2,890,185). Druglink continues to receive funding in return for delivering and managing a number of contracted services including:

- Herts County Council - Supporting Herts, Druglink Housing, Workforce Recruitment & Retention, Infection Control, Next Steps project;
- Welwyn and Hatfield Council - Next Steps project;
- Luton Borough Council - towards the ResoLUTIONs HUB;
- Hertfordshire City Council - Oxygen Recovery; Routes
- Thames Valley Police - Diversion project; and
- North Herts Council - Women's Service
- Department of Health & Social Care - Suicide Prevention project

Druglink generated income through its other activities and sources, of which the key ones were:

- Oxygen Residential fees - £1,450,506 (2024: 1,275,329)
- Rental Income (Supported Housing) - £1,386,976 (2024: £755,318)
- Diversion Scheme - £281,319 (2024: £229,766)
- Donations and legacies - £5,078 (2024: £6,029)
- Coffee Ethic (Social Enterprise) - £712 (2024: £9,545) Service was closed in May 2025

Expenditure

Expenditure for the year was £3,293,432 (2024: £2,833,906). The largest expenditure item for the organisation is staff costs which accounted for 60% (2024: 55%) of total expenditure. These staff provide essential services to our clients and are experienced individuals from a variety of backgrounds enabling Druglink to offer a rounded service to its clients.

Investment policy

Druglink had no financial investments at the year end. The Trustees keep any surplus cash in deposit accounts while being mindful of the financial services compensation scheme limits. There are no current plans to invest beyond this approach.

Reserves

The Trustees have reviewed the reserves policy and decided that £500,000 of general reserves is appropriate for approximately 3 to 6 months of committed operating expenditure. Currently the charity has a low level of reserves and endeavours to continue to build on these existing reserves to this level through our activities.

Druglink (Registered number: 02057706)

**Report of the Trustees
for the Year Ended 31 March 2025**

Bounce Back Loan

The charity availed of a Bounce Back loan during the prior year to support its liquidity position following two years of negative results and to ensure that it continued to provide its various services, This loan is planned to be repaid over five year in accordance with the UK Government terms commencing during May 2021.

FUTURE PLANS

As we move into 2025-26, our priorities include:

1. Consolidating services to ensure strong outcomes, financial viability, and client-centred care.
2. Improving measurement & evaluation, strengthening our data systems so we can track long-term impact more effectively.
3. Focusing on staff wellbeing and morale, building a supportive culture where colleagues feel valued, motivated, and equipped to deliver their best.
4. Expanding fundraising and social impact partnerships, to diversify income and engage community support.
5. Growing prevention & education programmes, to reduce future harm.

This past year has been one of momentum, careful reflection, and resilient action. While challenges remain, we believe the steps we've taken position Druglink to enter the next phase with confidence - and to continue truly changing futures for people in our community.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Charity's aims and objectives are regulated by its Memorandum and Articles of Association dated 28 September 1986 incorporating the Charity (Registered Number 295384) as a Company Limited by Guarantee and updated and approved by the Trustees on 17 November 2006 and approved by the Charity Commission on 24 May 2009.

Its main objectives are to:

- advance the education of the public in the dangers arising from the habitual or occasional consumption of narcotic, stimulant and hallucinogenic drugs or similar substances including alcohol;
- advance the education and training of persons who operate in the field of substance misuse;
- relieve the poverty, sickness and distress of persons resulting from either their misuse of drugs or from such misuse by others;
- promote either alone or with others, research into drug misuse and publish the result of such research; and
- advance the promotion and preservation of public law and order through the reduction of crimes arising directly and indirectly from the misuse of drugs.

The main activities for the year continued to focus on the promotion, education and prevention of the misuse of drugs and the rehabilitation of those misusing substances. Strategies employed to achieve these aims included:

- Providing a range of services which are reflective of relevant quality standards and address the potential problems experienced by substance misuse;
- Focusing on limiting the harm that arises from substance misuse, not only for the individual but also for families and the wider community; and
- Working in the partnership with other agencies to secure the widest range of services that best match the needs of our clients.

**Report of the Trustees
for the Year Ended 31 March 2025**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Recruitment and Appointment of New Trustees

When the management committee recognise that the recruitment of a new staff member is required, a job description is completed. This is circulated where the management committee considers it necessary to attract someone with the necessary skills for the particular job. Applicants submit their details which are scrutinised by the appropriate committee members and a short list is selected for interview. Such candidates are interviewed and if appropriate an offer is made to the most suitable candidate on an equal opportunities basis.

Pay and Remuneration

Annual reviews of pay and remuneration for key members of staff are undertaken. Different factors are taken into account when considering pay and remuneration for key staff and these include:

- Changes in role and responsibilities;
- Length of service and experience; and
- Current market rates of pay and remuneration.

Any changes to pay and remuneration for the key staff of the charity are approved by the Board as part of the budget setting exercise. Should there be changes during the financial year, then approvals are made at the appropriate Board meetings and recorded in the minutes.

Appointment

The Trustees are mindful of the need to have balanced group of Trustees who can provide a wide range of skills. If they consider that new trustee is required, they investigate potential individuals they consider suitable for the role and if there is agreement amongst them make an approach to that individual. If they accept, they will be appointed a new trustee.

Induction and training of new trustees

Upon appointment as a trustee, the individual is given details of the Charity and encouraged to attend courses applicable for trustees.

Risk management

The Trustees take an active role in assessing the risks associated with the operations of the charity together with financial risks associated with the running of the charity and investments made. Action is taken to minimise risks with appropriate training of staff members and internal policies and procedures.

Druglink (Registered number: 02057706)

**Report of the Trustees
for the Year Ended 31 March 2025**

TRUSTEES' RESPONSIBILITY STATEMENT

The Trustees (who are also the directors of Druglink for the purposes of company law) are responsible for preparing the Report of the Trustees and the Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the 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 Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.


The Trustees are responsible for keeping proper 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 Trustees are aware, there is no relevant audit information of which the charitable company's auditors are unaware, and the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

The auditors, Dux Advisory Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.
04/12/2025

Approved by order of the board of Trustees on ~~03/10/2025~~ and signed on its behalf by:



.....
R Busse-Reid - Trustee

Report of the Independent Auditors to the Members of Druglink

Opinion

We have audited the financial statements of Druglink (the 'charitable company') for the year ended 31 March 2025 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 (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 2025 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 Auditors' 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 trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

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.

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 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 Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

**Report of the Independent Auditors to the Members of
Druglink**

Matters on which we are required to report by exception

In the light of the 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 Report of the Trustees.

We have nothing to report in respect of the following matters where 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 trustees' 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 take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement, 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 trustees 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 trustees 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 trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Report of the Independent Auditors to the Members of Druglink

Our 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 a Report of the Independent Auditors 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. 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We obtained an understanding of the legal and regulatory frameworks applicable to the company and the sector in which it operates. We determined that the following laws and regulations were most significant: Companies Act 2006, UK GAAP, the UK Corporate Governance Code and the Data Protection Act.
- We obtained an understanding of how the company is complying with those legal and regulatory frameworks and made enquiries to the management of known or suspected instances of fraud and non-compliance with laws and regulations.
- We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur. Audit procedures performed by the audit team included:
 - Identifying and assessing the controls management has in place to prevent and detect fraud;
 - Understanding how those charged with governance considered and addressed the potential for override of controls or other inappropriate influence over the financial reporting process;
 - Challenging assumptions and judgments made by management in its significant accounting estimates and judgments.
 - Identifying and testing journal entries, in particular journal entries posted with unusual account combinations; and
 - Assessing the extent of compliance with the relevant laws and regulations.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations are from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusions.

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 Report of the Independent Auditors.

**Report of the Independent Auditors to the Members of
Druglink**

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 auditors' 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.



Bianca Permal FCA (Senior Statutory Auditor)
for and on behalf of Dux Advisory Limited
Kennel Club House
Gatehouse Way
Aylesbury
Buckinghamshire
HP19 8DB

11/12/2025

Date:

Druglink

**Statement of Financial Activities
for the Year Ended 31 March 2025**

	Notes	Unrestricted funds £	Restricted funds £	31.3.25 Total funds £	31.3.24 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	3	75,056	228,752	303,808	216,561
Charitable activities					
Diversion	5	281,319	-	281,319	229,766
Central		13,370	-	13,370	21,447
Services		-	12,680	12,680	120,004
Housing		1,266,206	-	1,266,206	714,222
Oxygen		1,450,506	267,622	1,718,128	1,578,460
Coffee Ethics		712	-	712	9,545
Investment income	4	386	-	386	180
Total		<u>3,087,555</u>	<u>509,054</u>	<u>3,596,609</u>	<u>2,890,185</u>
EXPENDITURE ON					
Funds	6	385	107	492	1,535
Charitable activities					
Diversion	7	225,707	-	225,707	236,411
Central		54,063	-	54,063	137,172
Services		-	127,104	127,104	22,059
Housing		1,207,279	-	1,207,279	833,814
Oxygen		1,445,890	228,388	1,674,278	1,586,968
Coffee Ethics		4,509	-	4,509	15,947
Total		<u>2,937,833</u>	<u>355,599</u>	<u>3,293,432</u>	<u>2,833,906</u>
NET INCOME		149,722	153,455	303,177	56,279
RECONCILIATION OF FUNDS					
Total funds brought forward		10,084	115,625	125,709	69,430
TOTAL FUNDS CARRIED FORWARD		<u><u>159,806</u></u>	<u><u>269,080</u></u>	<u><u>428,886</u></u>	<u><u>125,709</u></u>

The notes form part of these financial statements

Druglink (Registered number: 02057706)

Balance Sheet
31 March 2025

	Notes	31.3.25 £	31.3.24 £
FIXED ASSETS			
Tangible assets	13	9,100	10,400
CURRENT ASSETS			
Debtors	14	556,113	491,962
Cash at bank and in hand		296,778	34,770
		<u>852,891</u>	<u>526,732</u>
CREDITORS			
Amounts falling due within one year	15	(443,167)	(450,899)
		<u>409,724</u>	<u>75,833</u>
NET CURRENT ASSETS			
		<u>418,824</u>	<u>86,233</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			
CREDITORS			
Amounts falling due after more than one year	16	(1,735)	(11,735)
PROVISIONS FOR LIABILITIES			
	20	11,797	51,211
		<u>428,886</u>	<u>125,709</u>
NET ASSETS/(LIABILITIES)			
FUNDS			
Unrestricted funds	22	159,806	10,084
Restricted funds		269,080	115,625
		<u>428,886</u>	<u>125,709</u>
TOTAL FUNDS			

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

04/12/2025

The financial statements were approved by the Board of Trustees and authorised for issue on
and were signed on its behalf by:

Rachel Busse-Reid

.....
R Busse-Reid - Trustee

The notes form part of these financial statements

Druglink

**Cash Flow Statement
for the Year Ended 31 March 2025**

	Notes	31.3.25 £	31.3.24 £
Cash flows from operating activities			
Cash generated from operations	1	272,114	(112,472)
Interest paid		(492)	(694)
		<u>271,622</u>	<u>(113,166)</u>
Net cash provided by/(used in) operating activities			
Cash flows from investing activities			
Purchase of tangible fixed assets		-	(10,400)
Interest received		386	180
		<u>386</u>	<u>(10,220)</u>
Net cash provided by/(used in) investing activities			
Cash flows from financing activities			
Loan repayments in year		(10,000)	(10,000)
		<u>(10,000)</u>	<u>(10,000)</u>
Net cash used in financing activities			
Change in cash and cash equivalents in the reporting period		<u>262,008</u>	<u>(133,386)</u>
Cash and cash equivalents at the beginning of the reporting period		<u>34,770</u>	<u>168,156</u>
Cash and cash equivalents at the end of the reporting period		<u><u>296,778</u></u>	<u><u>34,770</u></u>

The notes form part of these financial statements

Druglink

**Notes to the Cash Flow Statement
for the Year Ended 31 March 2025**

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	31.3.25	31.3.24
	£	£
Net income for the reporting period (as per the Statement of Financial Activities)	303,177	56,279
Adjustments for:		
Depreciation charges	1,300	-
Interest received	(386)	(180)
Interest paid	492	694
Provisions	39,414	(51,211)
Increase in debtors	(64,151)	(77,873)
Decrease in creditors	(7,732)	(40,181)
	<u>272,114</u>	<u>(112,472)</u>
Net cash provided by/(used in) operations	<u>272,114</u>	<u>(112,472)</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.24	Cash flow	At 31.3.25
	£	£	£
Net cash			
Cash at bank and in hand	34,770	262,008	296,778
	<u>34,770</u>	<u>262,008</u>	<u>296,778</u>
Debt			
Debts falling due within 1 year	(10,000)	-	(10,000)
Debts falling due after 1 year	(11,735)	10,000	(1,735)
	<u>(21,735)</u>	<u>10,000</u>	<u>(11,735)</u>
Total	<u>13,035</u>	<u>272,008</u>	<u>285,043</u>

The notes form part of these financial statements

Druglink

Notes to the Financial Statements for the Year Ended 31 March 2025

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention. The presentation currency of these financial statements is in pounds sterling.

Going concern

The financial statements have been prepared on a going concern basis. The trustees have reviewed and considered relevant information, including the annual budget and future cash flows in making their assessment. The trustees have tested their cash flow analysis to take into account the impact on their charity of possible scenarios, alongside the measures that they can take to mitigate the impact. Based on these assessments, given the measures that could be undertaken to mitigate the current adverse conditions, and the current resources available, the trustees have concluded that they can continue to adopt the going concern basis in preparing the annual report and accounts.

Income

Income is recognised when the Charity has entitlement to the funds, any performance indicators attached to the item(s) of income have been met, it is probable that the income will be received, and the amount can be measured reliably.

Donations are recognised in full in the Statement of Financial Activities when entitled, receipt is probable and when the amount can be quantified with reasonable accuracy. Gift aid receivable is included when claimable.

Grant income is credited to the Statement of Financial Activities when received or receivable whichever is earlier, unless the grant relates to a future year, in which case it is deferred. Income from charitable activities is credited to the Statement of Financial Activities when received or receivable whichever is earlier, unless it relates to a specific future year or event, in which case it is deferred.

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.

All expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities.

Indirect costs, including governance costs, which cannot be directly attributed to activities, are allocated proportionate to direct costs allocated to each project area.

Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their residual value, over their useful life, on a straight-line basis. The useful life used is:

Plant & Machinery - 3 years
Motor Vehicle - 8 years

Druglink

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2025**

1. ACCOUNTING POLICIES - continued

Taxation

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

Fund accounting

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

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

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

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

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

Debtors

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

Cash at bank & in hand

Cash at bank and in hand include cash held as petty cash and other current accounts with instant access.

Creditors

Short-term creditors are measured at the transactions price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transactions costs, and are measured subsequently at amortised cost using the effective interest method.

Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost.

Druglink

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2025**

2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In preparing the financial statements it is necessary to make certain judgements, estimates and assumptions that affect the amounts recognised in the financial statements. These assumptions are reassessed annually as part of the accounts preparation process.

The critical judgments that the trustees have made in the process of applying the charity's accounting policies that have the most significant effect on the statutory financial statements are discussed below:

(i) Recoverability of debtors

The charity establishes a provision for debtors that are estimated not to be recoverable. When assessing recoverability, the trustees have considered factors such as the ageing of debtors, past experience of recoverability and the credit profile of individual or groups of customers.

(ii) Depreciation and amortisation

The charity establishes depreciation and amortisation policies to write off assets over their useful economic life.

3. DONATIONS AND LEGACIES

	31.3.25	31.3.24
	£	£
Donations	5,078	6,029
Grants	298,730	210,532
	<u>303,808</u>	<u>216,561</u>

4. INVESTMENT INCOME

	31.3.25	31.3.24
	£	£
Deposit account interest	386	180
	<u>386</u>	<u>180</u>

5. INCOME FROM CHARITABLE ACTIVITIES

	Activity	31.3.25	31.3.24
		£	£
Other income	Diversion	281,319	229,766
Other income	Central	13,370	21,447
Other income	Services	12,680	120,004
Other income	Housing	1,266,206	714,222
Other income	Oxygen	1,718,128	1,578,460
Other income	Coffee Ethics	712	9,545
		<u>3,292,415</u>	<u>2,673,444</u>

Druglink

Notes to the Financial Statements - continued
for the Year Ended 31 March 2025

6. FUNDS

Other trading activities

	31.3.25	31.3.24
	£	£
Bad debts	-	841
Interest payable and similar charges	492	694
	<u>492</u>	<u>1,535</u>

7. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 8) £	Totals £
Diversion	224,878	829	225,707
Central	53,021	1,042	54,063
Services	124,822	2,282	127,104
Housing	828,991	378,288	1,207,279
Oxygen	1,600,920	73,358	1,674,278
Coffee Ethics	4,509	-	4,509
	<u>2,837,141</u>	<u>455,799</u>	<u>3,292,940</u>

8. SUPPORT COSTS

	Finance £	Governance costs £	Totals £
Diversion	-	829	829
Central	-	1,042	1,042
Services	-	2,282	2,282
Housing	374,967	3,321	378,288
Oxygen	70,867	2,491	73,358
	<u>445,834</u>	<u>9,965</u>	<u>455,799</u>

Druglink

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2025**

8. SUPPORT COSTS - continued

Support costs, included in the above, are as follows:

	Diversion £	Central £	Services £
Rent	-	-	-
Auditors' remuneration	829	(1,363)	2,282
Accountancy fees	-	2,405	-
	<u>829</u>	<u>1,042</u>	<u>2,282</u>
		31.3.25	31.3.24
		Total	Total
		activities	activities
		£	£
Housing	374,967	445,834	291,252
Oxygen	70,867	7,560	7,200
Rent	3,321	2,405	5,368
Auditors' remuneration	-	-	-
Accountancy fees	-	-	-
	<u>378,288</u>	<u>455,799</u>	<u>303,820</u>

9. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	31.3.25 £	31.3.24 £
Auditors' remuneration	7,560	7,200
Depreciation - owned assets	1,300	-
Hire of plant and machinery	1,297	2,320
Other operating leases	<u>117,105</u>	<u>120,000</u>

10. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2025 nor for the year ended 31 March 2024.

Druglink

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2025**

10. TRUSTEES' REMUNERATION AND BENEFITS - continued

Trustees' expenses

There were no trustees expenses paid for the year ended 31 March 2025 nor for the year ended 31 March 2024.

11. STAFF COSTS

	31.3.25	31.3.24
	£	£
Wages and salaries	1,778,271	1,585,604
Social security costs	160,697	128,574
Other pension costs	23,530	19,612
	<u>1,962,498</u>	<u>1,733,790</u>

The average monthly number of employees during the year was as follows:

	31.3.25	31.3.24
Average number of staff	80	63
	<u>80</u>	<u>63</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	31.3.25	31.3.24
£60,001 - £70,000	1	1
	<u>1</u>	<u>1</u>

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds	Restricted funds	Total funds
	£	£	£
INCOME AND ENDOWMENTS FROM			
Donations and legacies	185,227	31,334	216,561
Charitable activities			
Diversions	229,766	-	229,766
Central	21,447	-	21,447
Services	119,929	75	120,004
Housing	714,222	-	714,222
Oxygen	1,578,460	-	1,578,460
Coffee Ethics	9,545	-	9,545
Investment income	180	-	180
Total	<u>2,858,776</u>	<u>31,409</u>	<u>2,890,185</u>
EXPENDITURE ON			
Funds	1,535	-	1,535

Druglink

Notes to the Financial Statements - continued
for the Year Ended 31 March 2025

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted funds £	Restricted funds £	Total funds £
Charitable activities			
Diversion	236,411	-	236,411
Central	137,172	-	137,172
Services	11,612	10,447	22,059
Housing	833,814	-	833,814
Oxygen	1,586,968	-	1,586,968
Coffee Ethics	15,947	-	15,947
Total	2,823,459	10,447	2,833,906
NET INCOME	35,317	20,962	56,279
RECONCILIATION OF FUNDS			
Total funds brought forward	(25,233)	94,663	69,430
TOTAL FUNDS CARRIED FORWARD	10,084	115,625	125,709

13. TANGIBLE FIXED ASSETS

	Plant and machinery £	Motor vehicles £	Totals £
COST			
At 1 April 2024 and 31 March 2025	264,998	10,400	275,398
DEPRECIATION			
At 1 April 2024	264,998	-	264,998
Charge for year	-	1,300	1,300
At 31 March 2025	264,998	1,300	266,298
NET BOOK VALUE			
At 31 March 2025	-	9,100	9,100
At 31 March 2024	-	10,400	10,400

Druglink

Notes to the Financial Statements - continued
for the Year Ended 31 March 2025

14. DEBTORS

	31.3.25	31.3.24
	£	£
Amounts falling due within one year:		
Trade debtors	168,983	235,838
Other debtors	37,221	28,116
Accrued income	199,913	106,991
Prepayments	124,496	95,517
	<u>530,613</u>	<u>466,462</u>
Amounts falling due after more than one year:		
Other debtors	<u>25,500</u>	<u>25,500</u>
Aggregate amounts	<u>556,113</u>	<u>491,962</u>

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.25	31.3.24
	£	£
Bank loans and overdrafts (see note 17)	10,000	10,000
Trade creditors	224,321	175,420
Social security and other taxes	39,331	37,243
Other creditors	10,738	8,171
Accruals and deferred income	158,777	220,065
	<u>443,167</u>	<u>450,899</u>

16. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31.3.25	31.3.24
	£	£
Bank loans (see note 17)	<u>1,735</u>	<u>11,735</u>

17. LOANS

An analysis of the maturity of loans is given below:

	31.3.25	31.3.24
	£	£
Amounts falling due within one year on demand:		
Bank loan	<u>10,000</u>	<u>10,000</u>
Amounts falling between one and two years:		
Bank loans - 1-2 years	1,735	-
Bank Loan	-	10,000
	<u>1,735</u>	<u>10,000</u>

Druglink

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2025**

17. LOANS - continued

	31.3.25	31.3.24
	£	£
Amounts falling due between two and five years:		
Bank loan - 2-5 years	-	1,735
	<u> </u>	<u> </u>

This is the analysis of the maturity of Yorkshire Bank Bounce Back loan at an interest of 2.5%.

18. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	31.3.25	31.3.24
	£	£
Within one year	120,000	120,000
Between one and five years	354,000	390,000
In more than five years	18,750	102,750
	<u>492,750</u>	<u>612,750</u>

The operating lease relates to the sale and lease back of Nascent House, 18 Dart and the lease of 89 Castle Street.

19. SECURED DEBTS

The following secured debts are included within creditors:

	31.3.25	31.3.24
	£	£
Bank loans	11,735	21,735
	<u> </u>	<u> </u>

There is a fixed and floating charge with Clydesdale Bank PLC & CAF Bank Limited over the undertaking and all property and assets.

20. PROVISIONS FOR LIABILITIES

	31.3.25	31.3.24
	£	£
Provisions	(11,797)	(51,211)
	<u> </u>	<u> </u>

This provision relates to Housing Benefit.

Druglink

Notes to the Financial Statements - continued
for the Year Ended 31 March 2025

21. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds £	Restricted funds £	31.3.25 Total funds £	31.3.24 Total funds £
Fixed assets	9,100	-	9,100	10,400
Current assets	583,811	269,080	852,891	526,732
Current liabilities	(443,167)	-	(443,167)	(450,899)
Long term liabilities	(1,735)	-	(1,735)	(11,735)
Provision for liabilities	11,797	-	11,797	51,211
	<u>159,806</u>	<u>269,080</u>	<u>428,886</u>	<u>125,709</u>

22. MOVEMENT IN FUNDS

	At 1.4.24 £	Net movement in funds £	At 31.3.25 £
Unrestricted funds			
General fund	10,084	(42,029)	(31,945)
Diversion	-	55,556	55,556
Coffee Ethic	-	(3,797)	(3,797)
Housing	-	139,992	139,992
	<u>10,084</u>	<u>149,722</u>	<u>159,806</u>
Restricted funds			
Services	49,297	114,273	163,570
Oxygen	66,328	39,182	105,510
	<u>115,625</u>	<u>153,455</u>	<u>269,080</u>
TOTAL FUNDS	<u>125,709</u>	<u>303,177</u>	<u>428,886</u>

Druglink

Notes to the Financial Statements - continued
for the Year Ended 31 March 2025

22. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,458,032	(1,500,061)	(42,029)
Diversion	281,318	(225,762)	55,556
Coffee Ethic	712	(4,509)	(3,797)
Housing	1,347,493	(1,207,501)	139,992
	<u>3,087,555</u>	<u>(2,937,833)</u>	<u>149,722</u>
Restricted funds			
Services	241,432	(127,159)	114,273
Oxygen	267,622	(228,440)	39,182
	<u>509,054</u>	<u>(355,599)</u>	<u>153,455</u>
TOTAL FUNDS	<u><u>3,596,609</u></u>	<u><u>(3,293,432)</u></u>	<u><u>303,177</u></u>

Comparatives for movement in funds

	At 1.4.23 £	Net movement in funds £	At 31.3.24 £
Unrestricted funds			
General fund	(25,233)	(183,651)	(208,884)
Diversion	-	3,435	3,435
Coffee Ethic	-	(6,402)	(6,402)
Housing	-	(91,474)	(91,474)
Oxygen	-	95,441	95,441
Services	-	217,968	217,968
	<u>(25,233)</u>	<u>35,317</u>	<u>10,084</u>
Restricted funds			
Services	28,335	20,962	49,297
Oxygen	66,328	-	66,328
	<u>94,663</u>	<u>20,962</u>	<u>115,625</u>
TOTAL FUNDS	<u><u>69,430</u></u>	<u><u>56,279</u></u>	<u><u>125,709</u></u>

Druglink

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2025**

22. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,378,001	(1,561,652)	(183,651)
Diversion	229,766	(226,331)	3,435
Coffee Ethic	9,545	(15,947)	(6,402)
Housing	752,419	(843,893)	(91,474)
Oxygen	259,465	(164,024)	95,441
Services	229,580	(11,612)	217,968
	<u>2,858,776</u>	<u>(2,823,459)</u>	<u>35,317</u>
Restricted funds			
Services	31,409	(10,447)	20,962
	<u>31,409</u>	<u>(10,447)</u>	<u>20,962</u>
TOTAL FUNDS	<u><u>2,890,185</u></u>	<u><u>(2,833,906)</u></u>	<u><u>56,279</u></u>

Oxygen & Services fund relates income residential fees received by the charity for providing supported accommodation for anyone with a history of offending, substance misuse or homelessness.

Diversion fund receives income to provide preventive programs aimed at diverting at-risk individuals away from crime, substance abuse, and antisocial behavior.

Housing fund relates income to provide safe, supportive accommodations for vulnerable individuals, including those recovering from addiction, the homeless, or those in crisis.

The Coffee Ethics program receives income from selling coffee at the civic centre location.

23. RELATED PARTY DISCLOSURES

During this and the previous year, Druglink rented seven properties from a Trustee, Ray Knowles. The total rent paid was £143,730 (2024: £110,340).

During the year, Druglink rented three properties from a Trustee, Nick Pedrithes. The total rent paid was £255,647 (2024: £158,125).

During the year, other expenses relating to repairs & maintenance and broadband were paid to a Trustee, Nick Pedrithes. The total other expenses paid was £117,279 (2024 : Nil).

Cocoon Support Ltd

England & Wales - Charity number 295384

Accounts

REGISTERED COMPANY NUMBER: 02057706 (England and Wales)
REGISTERED CHARITY NUMBER: 295384

Report of the Trustees and
Financial Statements for the Year Ended 31 March 2024
for
Druglink
(A Company Limited by Guarantee)

Dux Advisory Limited
Kennel Club House
Gatehouse Way
Aylesbury
Buckinghamshire
HP19 8DB

**Contents of the Financial Statements
for the Year Ended 31 March 2024**

	Page
Reference and Administrative Details	1
Chairman's Statement	2 to 3
Report of the Trustees	4 to 16
Report of the Independent Auditors	17 to 20
Statement of Financial Activities	21
Balance Sheet	22
Cash Flow Statement	23
Notes to the Cash Flow Statement	24
Notes to the Financial Statements	25 to 36
Detailed Statement of Financial Activities	37 to 38

Druglink

Reference and Administrative Details for the Year Ended 31 March 2024

TRUSTEES	D J Swarbrick (Chair) (resigned 19.9.23) P M Dowd (resigned 19.9.23) K Cohen J R P Conolly R Busse-Reid (Chair from 19.9.23) R Knowles N Pedrithes J Sharpe S Cutts (appointed 1.4.23) K Laventure (appointed 18.7.23) C Hicks (appointed 19.9.23)
COMPANY SECRETARY	D Heath
REGISTERED OFFICE	Trefoil House Red Lion Lane Hemel Hempstead Hertfordshire HP3 9TE
REGISTERED COMPANY NUMBER	02057706 (England and Wales)
REGISTERED CHARITY NUMBER	295384
SENIOR STATUTORY AUDITOR	Bianca Permal FCA
AUDITORS	Dux Advisory Limited Kennel Club House Gatehouse Way Aylesbury Buckinghamshire HP19 8DB

Druglink

Chairman's Statement for the Year Ended 31 March 2024

It gives me great pleasure to present the Annual Report and Financial Statements for Druglink for the year ending March 2024. As an organisation dedicated to changing the future for people who are, or could be, affected by substance misuse, we achieve this through Addiction Treatment, Housing Solutions, Training and Education. This past year has been one of both challenge and opportunity.

Achievements and Impact

Throughout the year, Druglink has continued to pursue its mission with determination and commitment, despite the ongoing economic and social pressures facing the charitable sector. We have successfully delivered key programmes and initiatives, reaching more beneficiaries than ever before. Notable highlights of the year include:

Oxygen Detox: A significant milestone in our journey to provide a medically assisted Detoxification service, enabling the individual to start their journey to recovery in a safe environment, they can continue along the pathway of recovery with Druglink. Whilst we recognise that the Detox service made a significant loss in its first year of operation, We are very mindful that in conclusion, it's not uncommon for a detox service to make a loss in the first year. The loss was due to a combination of high upfront costs, high agency nursing staff salaries, slower-than-expected client intake, marketing expenses, and the natural learning curve associated with running a new part of the charity. However, these are often short-term challenges, and as the detox grows, builds a client base, and optimises its operations, profitability will continue to improve in subsequent years. Oxygen Detox is a key service that embodies all the objectives of the charity.

Safer Places Project : Through partnerships and community engagement, we have empowered many women who have experienced Domestic Violence.

Oxygen Connect: Our latest offering, supporting the public in open access services, groups at Druglink's Head Office, the service is open 7 days a week up to 10pm, offering individuals support around their mental health, alcohol and drug and housing issues, this service has been able to develop further with the support of funding from the Department of Health and Social Care

I am particularly proud of the way our team adapted to the changing environment, embracing innovation to ensure our services remained accessible and impactful.

Financial Review

The financial results for the year reflect the challenging economic conditions but also the resilience and adaptability of Druglink. The total income for the year was £2,889,867 which represents a 40.93% increase compared to the previous year. While this has been a difficult year for fundraising, we are fortunate to have strong support from our local and national authorities and partners.

Our expenditure was £2,833,588, directed primarily towards our charitable activities, ensuring that the maximum possible proportion of our income is spent on delivering vital services. We also invested in our Human Resources systems and our IT and Client Data Monitoring systems, ensuring the charity's long-term sustainability and growth.

The prudent management of our resources has allowed us to maintain a healthy financial position, with a closing reserve of £125,709. This allows us to be well-prepared for the uncertainties that lie ahead, but we remain vigilant in monitoring our financial outlook.

Governance and Risk Management

At Druglink, we are committed to maintaining the highest standards of governance. This year, we have conducted a comprehensive review of our risk management framework to ensure it remains robust and fit for purpose. Our Board of Trustees continues to play an active role in overseeing the charity's strategic direction and ensuring that our activities are aligned with our charitable objectives.

Druglink

Chairman's Statement for the Year Ended 31 March 2024

We have also strengthened our safeguarding policies and implemented additional training for staff and volunteers to ensure the safety and wellbeing of our beneficiaries remain at the heart of everything we do.

Looking Ahead

As we look forward to the year ahead, we remain acutely aware of the external challenges posed by economic uncertainty, regulatory changes, and possible new government shifts in priorities. However, we are confident that our mission is more relevant than ever, and we will continue to innovate and adapt to ensure that we can meet the growing needs of our beneficiaries.

Our strategy for the coming year focuses on expanding our services, deepening community partnerships, and enhancing digital delivery. These efforts will be underpinned by our ongoing commitment to financial sustainability, transparency, and accountability.

Appreciation

On behalf of the Board of Trustees, I would like to extend my sincere thanks to our incredible staff, volunteers, and supporters. Your unwavering commitment to our cause is the driving force behind our success, and I am immensely proud of all that we have achieved together.

I would also like to thank my fellow Trustees for their dedication and wise counsel throughout the year. We are fortunate to have a strong and experienced Board that provides clear strategic direction and ensures the charity is governed with integrity.

Finally, to our funders, partners, and most importantly, our beneficiaries – thank you. Your support, collaboration, and trust continue to inspire us, and we are more determined than ever to create lasting positive change in the communities we serve.

With your continued support, I am confident that we can rise to the challenges of the future and build an even stronger, more impactful charity.

Yours sincerely,

Rachel Busse-Reid

Druglink

Report of the Trustees for the Year Ended 31 March 2024

The Trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2024. The Trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

In reviewing our aims and objectives and planning our future activities Druglink has referred to the guidance in the Charity Commission's general guidance on public benefit. In particular, the Trustees consider how planned activities will contribute to the aims and objectives they have set in our Strategy. Through our pathway, Druglink offers benefit to the community through the prevention of, and recovery from, substance misuse.

Our objective is to change the future for people who are, or could be, affected by substance misuse. We achieve this through Addiction Treatment, Housing Solutions, Education and Training.

We Change Futures

Prevention - Our Diversion Schemes and educational activities, such as school presentations and community engagements, present risk factors associated with substance misuse. Druglink takes an active role in education to help prevent substance misuse; we believe that by making the realities of substance misuse and addiction more visible we enable people to make better decisions about their substance use. Better education results in greater awareness and understanding of addiction, which enables us to help more people in their recovery journey as well as working towards reducing drug and alcohol related issues in local communities.

Recovery - Druglink's Detox and Oxygen Recovery Services offer a person-centred treatment programme to people with drug and alcohol addictions and dependencies. Our service offers individuals the opportunity to address their addictions in a supportive and therapeutic environment with programmes based on the needs of individuals. Our services work closely with the other agencies and counselling services which are offered to the clients and their partners and families. Our Oxygen Recovery service provides flexible levels of housing support depending on an individual's needs and where they are within their treatment journey.

Re-integration and Independent Living - Our housing service provides secure supported community living to those in recovery from substance misuse issues. We provide structured programmes including volunteering on projects that provide education and training opportunities, build skills, self-confidence and self-esteem and help individuals reintegrate into local communities.

Druglink

Report of the Trustees for the Year Ended 31 March 2024

OBJECTIVES AND ACTIVITIES

Overview

Through 2023/2024 we were deeply focused on laying the foundation for a strong and sustainable future. This has been a period of reflection and strategic planning as we revisited our mission and values to ensure that our work remains aligned with the evolving needs of our clients and the communities we serve. By reaffirming our core commitment to providing compassionate and effective support to individuals facing substance misuse challenges, we aimed to shape a forward-looking plan that positioned us to respond proactively to emerging issues.

A significant part of this year's work involved developing a clear and comprehensive strategic direction. Through collaborative efforts with staff, clients, and stakeholders, we have sought to build a roadmap for the future that honors our past successes while embracing innovation and new approaches to care. With the opening of Oxygen Detox the previous year, we solidified our position in the market as a service provider who could take a client along a full recovery journey, from detox, to rehabilitation, to supported housing, education and training. This service directly impacted Druglink due to unforeseen staff costs and times of low occupancy which resulted in significant financial losses for the charity. Although we ended the year having made a profit, we knew further consideration and financial planning at the Detox was needed to ensure financial viability for the charity as a whole. Future planning was put in place to cut costs, rethink staffing structure and plan to make the service a success.

The strategic planning process for the charity was driven by a commitment to our values of changing futures, supporting each other, doing our best and doing the right thing. By embedding these values into our future strategy, we ensure that our services remain not only effective but also deeply rooted in the human connection and trust that form the cornerstone of our objective.

With the significant rise in staff numbers (54 April 23 to 67 March 24, having risen from 37 in 2022), we have worked to strengthen our internal structures, making sure our teams are equipped with the resources, training, and support they need to continue providing excellent care. This year was one of reflection and preparation, laying the groundwork for growth and transformation in the years to come. As we move forward, we are confident that the plans we've made will help us continue to meet the needs of our clients while evolving to face future challenges.

We believe that our work really does 'Change Futures' for those we connect with and the activity presented in this report shows that during 2023/2024 we have done our best, we have supported each other and we have done the right thing.

Druglink

Report of the Trustees for the Year Ended 31 March 2024

OBJECTIVES AND ACTIVITIES

Druglink Service Review

Oxygen Detox

- 182 clients across the year (April 23 - Mar 24)
- Average 76% detox completion rate across all substances across the year
- Main referrers during the year: Hertfordshire, East Sussex, Luton, Westminster

Oxygen Recovery

- Continued to build and grow positive relationships with Royal Borough of Kensington and Chelsea, London Borough of Hammersmith and Fulham, Westminster Dual Diagnosis Team, Turning Point, CGL, Humankind
- Quality data showed a consistently high level of service
- Continue to invest in staff development and training to provide the best level of care for clients

Housing and support

- Safer Places (domestic violence) project seeing successful client journeys and positive outcomes
- Increased number of beds in Gateway service
- Consistently high occupancy levels in Housing First
- Structural change in Choices and reduction in bed numbers
- Launched Oxygen Routes - a funded service to help prevent homelessness
- Launched Oxygen Connect - a funded out-of-hours service providing seven day a week support for adults struggling with their mental health.

Oxygen Detox

Oxygen Detox enables us to offer a complete pathway from homelessness housing, detoxification, rehabilitation to ongoing supported accommodation within the community. Oxygen Detox is Druglink's medically assisted detoxification service, a seven bed Drug and Alcohol Treatment Service in Hertfordshire for both men and women, providing 24 hour care, seven days a week. Oxygen Detox is a stand-alone service, in a separate location to our residential rehabilitation or supported housing services.

At Oxygen Detox we provide a safe, recovery focused, therapeutic environment in which individuals can be assisted either to become abstinent, or to regain control of their problematic substance misuse. We have a full-time chef providing nutritious meals and there are medically trained nurses on site 24 hours a day.

People hoping to enter Oxygen Detox must be referred by community teams and will have engaged in preparation for admission. A robust aftercare plan will be agreed and in place for discharge, ensuring follow up services are available.

"You made me feel like I can take the next step into rehab and to succeed and progress in my sobriety."

"You made me feel welcome from the day one. I cannot thank you enough for your love and kindness."

"I have had a great stay here. I have been looked after very well."

"All classes and coaching have been amazing. You have motivated me to carry on."

Oxygen Recovery

The number of people who received treatment at Oxygen between April 2023 and the end of March 2024 was 53 - with 46 rehab treatments provided and 7 detox treatments. The majority of clients were in treatment following use of alcohol or Class A drugs. 29 clients were male and 24 were female.

**Report of the Trustees
for the Year Ended 31 March 2024**

OBJECTIVES AND ACTIVITIES

Our quality data showed a consistently high level of service, with 96% of clients responding "Yes Generally" or "Yes, Definitely" when asked "Do you feel you received a high level of overall service at Oxygen Recovery". Information from client's exit questionnaires showed that when asked "How welcome & comfortable we're you made to feel on the day you entered Oxygen Recovery?" 100% responded with either "Good" or "Excellent" (the same result as 22/23).

Oxygen Recovery offers aftercare for up to six months with clients having access to telephone or one-to-one support. If they move onto our supported living facilities, we also offer them the chance to attend the service and all of the available support groups. This ensures that people are leaving their rehabilitation with the knowledge that in their early days of recovery, when they are most likely to relapse, they can continue to access immediate help and support.

Oxygen's dedication to provide the best level of care saw several staff members attend the Level 2 Emotional Freedom Techniques (EFT) Course in 2023 and have since brought these skills to support clients on their treatment journey. Throughout the financial year we built relations with Derby university and supported a Drama Psychotherapist for a six month placement. This was a huge success with weekly Drama therapy groups that the clients enjoyed and also delivered immense therapeutic value. We were able to share the student with other parts of the charity and she also ran sessions at Safer Places and Choices.

Oxygen Recovery now has its own Acupuncture practitioner who qualified in January 2024. Clients are now receiving the benefit from this holistic therapy. During the year they pursued other holistic therapies with some facilitated breathwork sessions which clients reported to really enjoy and find powerful. Our relationship with the charity Child Of continues to go from strength to strength. Clients enjoy art as a form of expression and we have ex-residents now working with and mentoring for the charity. Clients continue to go to the Saatchi Gallery every 12 or so weeks.

At the beginning of 2024 we started revamping our medication process, post an in-depth compliance report from an independent healthcare provider looking at best practice and CQC legislation. We employed a pharmaceutical technician who has been implementing improvements. This is proving successful and remains on-going. Internally in the building we introduced laminate flooring in certain bedrooms, as well as focusing on keeping the environment regularly decorated, bright, welcoming and well-kept. Much of the work to the building was carried out by one of our clients.

We continue to engage with local churches attending brunches at St Mary's (who continue to provide client welcome boxes) and monthly St John's 'Friendship Teas'. We are still building good relations with CGL Cambridge/ Huntingdon through facilitating 'Pre-rehab sessions' with their clients. We continue to have excellent outcomes with local CGL Services (Herts and Waltham Forest), also remaining a predominant pathway for RBKC and LBHF services in the London area.

Oxygen Breathe

Oxygen Breathe is Druglink's affordable counselling service. We help whether someone is struggling with daily pressures, dealing with a crisis, overwhelmed with caring responsibilities, feeling trauma from a past experience, or if they just can't put their finger on the problem. 53 clients received counselling through Breathe during the 23/24 financial year. Through Oxygen Breathe we also provide the opportunity for student placements to gain qualified hours - six student counsellors had active placements at Breathe during 23/24.

Oxygen Choices

In 2023/2024 our Oxygen Choices programme offered 10 beds of supported housing for those in recovery. We had 23 clients in the service who were given floating support and attended our day service at Trefoil House. We partnered with other agencies offering specialist advice for those looking to move on into education, training and employment.

Druglink

Report of the Trustees for the Year Ended 31 March 2024

OBJECTIVES AND ACTIVITIES

Choices is an abstinence based service where we help service users by offering them the 'Choices' group program that consists of relapse prevention, tenancy skills support, process groups and complimentary services. We educate people on substances and their effects in order to drive prevention and stop problems arising in the future. We also offer housing related support, conduct weekly key work sessions that focus on support plans and risk management plans. Choices clients also benefit from the inclusion of external stakeholders in the service, including family members when possible, as this has been shown to be beneficial in a client's recovery.

Safer Places

Safer Places is a first of its kind specialist safe accommodation project through a partnership between Safer Places - a local domestic abuse charity - and Druglink. The service provides a safe and structured place for people who are in recovery from substance misuse and are fleeing domestic abuse. Safer Places supports four female clients in accommodation, where they tend to stay for four to six months. The service is delivered via the Quasi-Living model of recovery, which is similar to a fully supported rehabilitation service based within the community.

20 women came through the service during 23/24 and out of these, 16 women completed between 3 and 4 months with us and left the service clean and sober. 11 of these women are now living in their own properties with the remaining number still waiting in temp accommodation. During the year we moved the service to a different Druglink property offered the programme in house - since doing this the number of women completing their time with us successfully has increased dramatically.

Oxygen Gateway

During 23/24 Oxygen Gateway had 23 beds of supported accommodation (increased from 22/23) for anyone with a history of offending, substance misuse or homelessness. At Gateway, clients are encouraged to move on as soon as they are ready and they can continue to receive informal support after leaving Druglink. During 23/24 70 clients were housed at Oxygen Gateway.

In January 24, we were commissioned for two drug and alcohol recovery workers to be placed in probation offices across the county. It is a two year pilot project to bridge the gap between the criminal justice system and housing support services.

Housing First

Our Housing First project has continued to provide nine beds of support to tenants on their journey away from homelessness in Welwyn Hatfield. The service saw 100% occupancy during the 23/24 time period. The client group included entrenched street drinkers, clients who are actively injecting and clients with problematic sex working histories.

Housing First Real Life Story

"My life was horrendous; with severe illness where I nearly lost my life, had no possible outlook on life, no finances and lost all my family. It got at its lowest, to the point where life was not worth living and I tried to take my own life. No one could trust me and I was dishonest to any person that crossed my path.

I came to Housing First because I had exhausted every option possible to help me with my addiction. I did not believe there was anything else anyone could do to help me and was extremely skeptical. I heard that Housing First had a good reputation with other clients.

Since coming to Housing First I have become more confident, outgoing, stronger and fitter. I have come from a nervous wreck who would curl up in the corner, to someone who will say what I think. I have always felt safe and well looked after here. I have never been treated like an alcoholic, but as a human being who deserves a chance to get a life back.

I have changed in so many ways. I am happy to wake up every day - safe, happy, clean and sober and well. I have a purpose in life now where I once had nothing and no one. I have dreams that I am going to achieve.

Druglink

Report of the Trustees for the Year Ended 31 March 2024

OBJECTIVES AND ACTIVITIES

I am now looking into courses and am training on a laptop, at a place (for now anyway) that I call home. I understand I have a long way to go, but each and every day I can, and do, take pride in who I'm becoming. I enjoy life today and will enjoy life tomorrow and each and every day I breathe. For this I am eternally grateful."

Oxygen Routes

Opened in April 2023 - Oxygen Routes is a two year pilot service funded by Hertfordshire County Council. Routes supports Hertfordshire residents - struggling with alcohol and other drugs - to maintain a tenancy by navigating them along a person-centred support pathway. The Routes service encourages residents to work with local services to help maintain their tenancy. The team provide person-centred intervention support plans, linking clients into other providers. Key areas of intervention support can include; drugs and alcohol, advocacy, mental health, medical, financial help, homelessness and criminal justice. 107 clients were referred into Routes from April 23 - end Mar 24.

Oxygen Connect

In late 2023 we successfully bid for a £135,000 grant from the Department of Health and Social Care (DHSC) Suicide Prevention Grant to launch Oxygen Connect - our out-of-hours service, providing seven day a week support for adults struggling with their mental health with a focus on suicide prevention. We launched the new service in January 2024. Oxygen Connect supports clients and people in the community from 5pm-10pm weekdays, and 10am - 4pm at weekends. Connect runs drop-in sessions and activities, alongside structured support groups. It is a safe haven for people needing help but struggling to find somewhere to go outside working hours.

Coffee Ethic

Coffee Ethic again saw struggles during the 23/24 period. The Civic Centre location remained limiting with low footfall from the COVID fallout with more staff working from home. We continued to train a small number of clients on the cart throughout the year.

Diversion and Training

During the year to 31 March 2024, Druglink have continued to provide our national Diversion education and awareness sessions in partnership with 18 Police forces across the UK. Diversion courses provide an early intervention for people who have committed an alcohol or drug related offence. These 'Out of Court Disposals' (OoCDs) - a Community Resolution or Conditional Caution - provide an intervention which encourages offenders to examine their actions and promotes more responsible behaviour to reduce the chances of future offending.

Our courses give offenders important information that can help them

- Stay safe
- Make better decisions
- Be aware of the law
- Understand the consequences of their actions

Although our courses are aimed at first time offenders they are designed to be hard-hitting; they challenge and confront whilst also informing and educating. Our trainers tailor their approach to each group to ensure that participants are engaged and get the most from their session.

During the year, 10,034 people were referred to courses from our Police partners. 61% of referrals were for Cannabis, 21% for drug courses and 18% for alcohol courses. 76% of referrals were Community Resolutions, 24% Conditional Cautions.

Druglink

Report of the Trustees for the Year Ended 31 March 2024

OBJECTIVES AND ACTIVITIES

During 23/24 we developed a partnership with Greater Manchester Police after initial interest in 22/23. Our partnership with Norfolk expanded and they began to refer to us for both Community Resolutions and Conditional Cautions (previously just Conditional Cautions). Thames Valley Police had previously moved to Redsnapper for Community Resolutions but returned to us in 23/24. During the year we developed our online booking and payment system for Community Resolutions. All our facilitated and eLearning courses were updated and all became accredited - making us the only provider to offer accredited courses.

We maintained our Hardship Fund which provides financial assistance to those who need to undertake the course but who cannot afford the cost. During this year we have supported an increasing number of clients to complete the course using our Hardship Fund to meet the cost. Police forces across the country are now recognising the importance of this fund and several forces are now operating a similar fund.

Communications and Marketing

During 23/24, the marketing team has worked tirelessly to raise awareness of our vital work, increasing engagement across all platforms. Through strategic activity, we have reached new audiences, strengthened partnerships and boosted our fundraising and donations efforts. We launched impactful social media initiatives, produced compelling content and amplified the voices of those we support. In addition to growing our digital presence, we successfully developed several partnerships raising both donations to Druglink and awareness of our cause. The team's dedication has been instrumental in driving Druglink forward and ensuring that our message reaches those who need it most.

Two local Howdens stores made the significant donation of a new staff kitchen at Trefoil House. The kitchen was entirely free of charge and donated in full, including all fixtures and fittings. We received a heavily discounted rate for the kitchen fitting and it was completed early 2024. The whole of the downstairs area at Trefoil was decorated by a client - this full refresh was made the space ready for our new out of hours Oxygen Connect service. We received another significant donation of tech equipment in the head office meeting room. Local smart tech company Indigozest donated a projector, screen and sound system enabling us to create a professional and usable meeting space at Trefoil House. We received a grant for a nine seater minibus which, since arriving, has enabled us to introduce more client activities, taking clients on days out and adding to their holistic recovery journey.

We continued our engagement with local community groups, being charity partners with Kings Langley Football Club for another year, building a connection with a local scout group, working with a local school on a fundraising project and joining the Community Action Dacorum Mental Health Advisory Group. Local accountants Sterling Accounting Solutions chose us to be their annual charity partner, running a number of events including a golf day, and raising over £4000 for the charity. This money was planned to be put towards a second Breathe hut in the garden at Trefoil House.

Our Charity

During 23/24 we have strived to continue to meet our charitable objectives, to meet the needs of our clients and to make Druglink a great place to work.

All Druglink staff carried out and completed online health and safety training programmes. We invested in a new HR provider - Bright HR from Peninsula - moving away from HR Toolkit who we had been with for many years. Bright HR has simplified and transformed our HR and people management, streamlining all our processes into one place. The service delivers incredible levels of staff support on any HR issue and, on an ongoing basis, is assisting us in updating and meeting our compliance and quality objectives.

Our Director team have continued to strategise and plan for the future of the charity, working together to ensure all projects meet our charitable objectives and are in line with our company values. In 23/24 our CEO was voted to sit on the board of national charity Homeless Link, expanding our connections with major charities in the industry.

Druglink

Report of the Trustees for the Year Ended 31 March 2024

OBJECTIVES AND ACTIVITIES

Throughout the year, our dedicated staff team has worked with unwavering passion and commitment to support our clients. From frontline workers providing life-changing services to administrative and support teams ensuring seamless operations, every member of the team has gone above and beyond. Their tireless efforts have enabled us to expand our reach, improve services and deliver vital care to those in need. Despite challenges, the team's resilience and compassion have shone through, helping individuals on their recovery journeys and driving our charity forward. Together, their dedication has, and continues to, truly 'change futures' across the community.

Druglink

Report of the Trustees for the Year Ended 31 March 2024

FINANCIAL REVIEW

Financial and Operations Review

The Financial Statements for the year ended 31 March 2024 show a profit for the year of £56,279 (2023: deficit £16,495) with positive reserves at the year-end of £125,709 (2023: positive reserves of £69,430).

Income

Druglink receives income from a number of different sources and the total income for the year was £2,858,776 (2023: £2,050,616). Druglink continues to receive funding in return for delivering and managing a number of contracted services including:

- Herts County Council - Supporting Herts, Druglink Housing, Workforce Recruitment & Retention, Infection Control, Next Steps project;
- Welwyn and Hatfield Council - Next Steps project;
- Luton Borough Council - towards the ResoLUTiONs HUB;
- Hertfordshire City Council - Oxygen Recovery;
- Essex County Council - Step Down Project and Housing 1st;
- Thames Valley Police - Diversion project; and
- National Lottery Community Fund - IT equipment.

Druglink generated income through its other activities and sources, of which the key ones were:

- Oxygen Residential fees - £1,275,328.99 (2023: £745,388)
- Rental Income (Supported Housing) - £755,318.43 (2023: £566,781)
- Diversion Scheme - £229,766 (2023: £254,670)
- Donations and legacies - £6,029 (2023: £9,445)
- Coffee Ethic (Social Enterprise) - £9,545 (2023: £7,295).

Expenditure

Expenditure for the year was £2,833,906 (2023: £2,067,111). The largest expenditure item for the organisation is staff costs which accounted for 55% (2023: 50%) of total expenditure. These staff provide essential services to our clients and are experienced individuals from a variety of backgrounds enabling Druglink to offer a rounded service to its clients.

Investment policy

Druglink had no financial investments at the year end. The Trustees keep any surplus cash in deposit accounts while being mindful of the financial services compensation scheme limits. There are no current plans to invest beyond this approach.

Reserves

The Trustees have reviewed the reserves policy and decided that £500,000 of general reserves is appropriate for approximately 3 to 6 months of committed operating expenditure. Currently the charity has a low level of reserves and endeavours to continue to build on these existing reserves to this level through our activities.

Bounce Back Loan

Druglink

Report of the Trustees for the Year Ended 31 March 2024

The charity availed of a Bounce Back loan during the prior year to support its liquidity position following two years of negative results and to ensure that it continued to provide its various services, This loan is planned to be repaid over five year in accordance with the UK Government terms commencing during May 2021.

FUTURE PLANS

The charity intends to continue and carefully grow its existing activities subject to adequate funding being available.

Oxygen and Housing

Our focus is to continue to provide high quality services against a background of maintaining high levels of occupancy and thereby ensuring that each activity house is providing a surplus. This is a core focus to enable us to continue to recover from the deficits of the past two years to build up our reserves and ensure financial stability to continue our much needed services.

We will continue to build awareness of our services to more organisations to help ensure those higher levels of occupancy and use.

Diversion Scheme

As with previous years, the Diversion Scheme remains under constant review and development. We aim to bring additional police forces into the Diversion scheme, believing that this level of growth is manageable for the scheme. We will continue to advise forces on their approach to a two-tier Out of Court disposals system for alcohol and other drug offences and use our influence to attract more business across our suite of courses. We will also particularly increase the use of e-learning in our courses which continues to bring a new dimension to our work.

As demand for the service grows, we are identifying the need for additional IT capacity as well as additional functionality and online access beyond developments made during the past year.

Training

We will continue to offer bespoke training and deliver sessions in schools as resources allows. We will explore opportunities for external funding to increase our capabilities in this area. E-learning will continue to be available and we aim to keep the cost of this to a minimum to allow greater access whilst still covering the cost of the system used.

Finance and Operations

Druglink will continue to maintain its quality programmes such as Investors in People. It will continue to hold staff events for the organisation to continue to consider and agree clear organisational values and how these are shared. We will encourage staff involvement in these quality programmes through the creation of quality champions within individual services.

Ongoing reviews of IT contracts for services will continue to ensure the charity receives best value as well as service from its suppliers.

All Druglink marketing materials and websites will continue to be reviewed to ensure Druglink remains relevant in the field of substance misuse and recovery. We want to ensure that we are providing the right information to potential clients as well as to the general public who may want to support the work of the charity. Druglink aspires to be an accessible service removing the stigma and preconceptions associated with addiction or substance misuse. The senior management team continues to be tasked during this current financial year to keep all areas under review for cost savings and efficiencies from staff costs to suppliers.

Druglink

Report of the Trustees for the Year Ended 31 March 2024

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Charity's aims and objectives are regulated by its Memorandum and Articles of Association dated 28 September 1986 incorporating the Charity (Registered Number 295384) as a Company Limited by Guarantee and updated and approved by the Trustees on 17 November 2006 and approved by the Charity Commission on 24 May 2009.

Its main objectives are to:

- advance the education of the public in the dangers arising from the habitual or occasional consumption of narcotic, stimulant and hallucinogenic drugs or similar substances including alcohol;
- advance the education and training of persons who operate in the field of substance misuse;
- relieve the poverty, sickness and distress of persons resulting from either their misuse of drugs or from such misuse by others;
- promote either alone or with others, research into drug misuse and publish the result of such research; and
- advance the promotion and preservation of public law and order through the reduction of crimes arising directly and indirectly from the misuse of drugs.

The main activities for the year continued to focus on the promotion, education and prevention of the misuse of drugs and the rehabilitation of those misusing substances. Strategies employed to achieve these aims included:

- Providing a range of services which are reflective of relevant quality standards and address the potential problems experienced by substance misuse;
- Focusing on limiting the harm that arises from substance misuse, not only for the individual but also for families and the wider community; and
- Working in the partnership with other agencies to secure the widest range of services that best match the needs of our clients.

Druglink

Report of the Trustees for the Year Ended 31 March 2024

STRUCTURE, GOVERNANCE AND MANAGEMENT

Recruitment and Appointment of New Trustees

When the management committee recognise that the recruitment of a new staff member is required, a job description is completed. This is circulated where the management committee considers it necessary to attract someone with the necessary skills for the particular job. Applicants submit their details which are scrutinised by the appropriate committee members and a short list is selected for interview. Such candidates are interviewed and if appropriate an offer is made to the most suitable candidate on an equal opportunities basis.

Pay and Remuneration

Annual reviews of pay and remuneration for key members of staff are undertaken. Different factors are taken into account when considering pay and remuneration for key staff and these include:

- Changes in role and responsibilities;
- Length of service and experience; and
- Current market rates of pay and remuneration.

Any changes to pay and remuneration for the key staff of the charity are approved by the Board as part of the budget setting exercise. Should there be changes during the financial year, then approvals are made at the appropriate Board meetings and recorded in the minutes.

Appointment

The Trustees are mindful of the need to have balanced group of Trustees who can provide a wide range of skills. If they consider that new trustee is required, they investigate potential individuals they consider suitable for the role and if there is agreement amongst them make an approach to that individual. If they accept, they will be appointed a new trustee.

Induction and training of new trustees

Upon appointment as a trustee, the individual is given details of the Charity and encouraged to attend courses applicable for trustees.

Risk management

The Trustees take an active role in assessing the risks associated with the operations of the charity together with financial risks associated with the running of the charity and investments made. Action is taken to minimise risks with appropriate training of staff members and internal policies and procedures.

Druglink

**Report of the Trustees
for the Year Ended 31 March 2024**

TRUSTEES' RESPONSIBILITY STATEMENT

The Trustees (who are also the directors of Druglink for the purposes of company law) are responsible for preparing the Report of the Trustees and the Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the 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 Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping proper 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 Trustees are aware, there is no relevant audit information of which the charitable company's auditors are unaware, and the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

The auditors, Dux Advisory Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Approved by order of the board of Trustees on and signed on its behalf by:

.....
R Busse-Reid - Trustee

Report of the Independent Auditors to the Members of Druglink

Opinion

We have audited the financial statements of Druglink (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 (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 Auditors' 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 trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

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.

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 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 Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Report of the Independent Auditors to the Members of Druglink

Matters on which we are required to report by exception

In the light of the 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 Report of the Trustees.

We have nothing to report in respect of the following matters where 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 trustees' 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 take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement, 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 trustees 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 trustees 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 trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Report of the Independent Auditors to the Members of Druglink

Our 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 a Report of the Independent Auditors 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. 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:
In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We obtained an understanding of the legal and regulatory frameworks applicable to the Company and the sector in which it operates. We determined that the following laws and regulations were most significant: The Companies Act 2006, UK GAAP, the UK Corporate Governance Code, UK corporate tax laws, Occupational Health and Safety regulations, and the Data Protection Act.
- We obtained an understanding of how the Company is complying with those legal and regulatory frameworks and made enquiries to the management of known or suspected instances of fraud and non-compliance with laws and regulations. We corroborated our enquiries through our review of board minutes.
- We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur. Audit procedures performed by the audit team included:
 - Identifying and assessing the controls management has in place to prevent and detect fraud;
 - Understanding how those charged with governance considered and addressed the potential for override of controls or other inappropriate influence over the financial reporting process;
 - Challenging assumptions and judgments made by management in its significant accounting estimates and judgments.
 - Identifying and testing journal entries, in particular journal entries posted with unusual account combinations.
 - Assessing the extent of compliance with the relevant laws and regulations.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations are from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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 Report of the Independent Auditors.

**Report of the Independent Auditors to the Members of
Druglink**

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 auditors' 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.

Bianca Permal FCA (Senior Statutory Auditor)
for and on behalf of Dux Advisory Limited
Kennel Club House
Gatehouse Way
Aylesbury
Buckinghamshire
HP19 8DB

Date:

Druglink

**Statement of Financial Activities
for the Year Ended 31 March 2024**

	Notes	Unrestricted funds £	Restricted funds £	31.3.24 Total funds £	31.3.23 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	3	185,227	31,334	216,561	367,849
Charitable activities					
Diversion	5	229,766	-	229,766	254,670
Central		21,447	-	21,447	52,904
Services		119,929	75	120,004	55,726
Housing		714,222	-	714,222	566,781
Oxygen		1,578,460	-	1,578,460	745,388
Coffee Ethics		9,545	-	9,545	7,295
Investment income	4	180	-	180	3
Total		<u>2,858,776</u>	<u>31,409</u>	<u>2,890,185</u>	<u>2,050,616</u>
EXPENDITURE ON					
Funds	6	1,535	-	1,535	3,867
Charitable activities					
Diversion	7	236,411	-	236,411	258,473
Central		137,172	-	137,172	223,667
Services		11,612	10,447	22,059	163,183
Housing		833,814	-	833,814	609,329
Oxygen		1,586,968	-	1,586,968	793,920
Coffee Ethics		15,947	-	15,947	14,672
Total		<u>2,823,459</u>	<u>10,447</u>	<u>2,833,906</u>	<u>2,067,111</u>
NET INCOME/(EXPENDITURE)		35,317	20,962	56,279	(16,495)
RECONCILIATION OF FUNDS					
Total funds brought forward		(25,233)	94,663	69,430	85,925
TOTAL FUNDS CARRIED FORWARD		<u><u>10,084</u></u>	<u><u>115,625</u></u>	<u><u>125,709</u></u>	<u><u>69,430</u></u>

The notes form part of these financial statements

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**Balance Sheet
31 March 2024**

	Notes	31.3.24 £	31.3.23 £
FIXED ASSETS			
Tangible assets	13	10,400	-
CURRENT ASSETS			
Debtors	14	491,962	414,089
Cash at bank and in hand		34,770	168,156
		526,732	582,245
CREDITORS			
Amounts falling due within one year	15	(450,899)	(491,080)
		75,833	91,165
NET CURRENT ASSETS			
		86,233	91,165
TOTAL ASSETS LESS CURRENT LIABILITIES			
		(11,735)	(21,735)
CREDITORS			
Amounts falling due after more than one year	16	(11,735)	(21,735)
PROVISIONS FOR LIABILITIES	20	51,211	-
		125,709	69,430
NET ASSETS/(LIABILITIES)			
		125,709	69,430
FUNDS	22		
Unrestricted funds		10,084	(25,233)
Restricted funds		115,625	94,663
		125,709	69,430
TOTAL FUNDS			

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on and were signed on its behalf by:

.....
R Busse-Reid - Trustee

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**Cash Flow Statement
for the Year Ended 31 March 2024**

	Notes	31.3.24 £	31.3.23 £
Cash flows from operating activities			
Cash generated from operations	1	(112,472)	50,570
Interest paid		(694)	(1,009)
		<hr/>	<hr/>
Net cash (used in)/provided by operating activities		(113,166)	49,561
		<hr/>	<hr/>
Cash flows from investing activities			
Purchase of tangible fixed assets		(10,400)	-
Interest received		180	3
		<hr/>	<hr/>
Net cash (used in)/provided by investing activities		(10,220)	3
		<hr/>	<hr/>
Cash flows from financing activities			
Loan repayments in year		(10,000)	(9,932)
		<hr/>	<hr/>
Net cash used in financing activities		(10,000)	(9,932)
		<hr/>	<hr/>
Change in cash and cash equivalents in the reporting period		(133,386)	39,632
Cash and cash equivalents at the beginning of the reporting period		168,156	128,524
		<hr/>	<hr/>
Cash and cash equivalents at the end of the reporting period		<u>34,770</u>	<u>168,156</u>

The notes form part of these financial statements

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Notes to the Cash Flow Statement
for the Year Ended 31 March 2024

1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	31.3.24	31.3.23
	£	£
Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)	56,279	(16,495)
Adjustments for:		
Interest received	(180)	(3)
Interest paid	694	1,009
Provisions	(51,211)	(220)
Increase in debtors	(77,873)	(80,111)
(Decrease)/increase in creditors	(40,181)	146,390
	<u>(112,472)</u>	<u>50,570</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.23	Cash flow	At 31.3.24
	£	£	£
Net cash			
Cash at bank and in hand	168,156	(133,386)	34,770
	<u>168,156</u>	<u>(133,386)</u>	<u>34,770</u>
Debt			
Debts falling due within 1 year	(10,000)	-	(10,000)
Debts falling due after 1 year	(21,735)	10,000	(11,735)
	<u>(31,735)</u>	<u>10,000</u>	<u>(21,735)</u>
Total	<u>136,421</u>	<u>(123,386)</u>	<u>13,035</u>

The notes form part of these financial statements

**Notes to the Financial Statements
for the Year Ended 31 March 2024**

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention. The presentation currency of these financial statements is in pounds sterling.

Going concern

The financial statements have been prepared on a going concern basis. The trustees have reviewed and considered relevant information, including the annual budget and future cash flows in making their assessment. The trustees have tested their cash flow analysis to take into account the impact on their charity of possible scenarios, alongside the measures that they can take to mitigate the impact. Based on these assessments, given the measures that could be undertaken to mitigate the current adverse conditions, and the current resources available, the trustees have concluded that they can continue to adopt the going concern basis in preparing the annual report and accounts.

Income

Income is recognised when the Charity has entitlement to the funds, any performance indicators attached to the item(s) of income have been met, it is probable that the income will be received, and the amount can be measured reliably.

Donations are recognised in full in the Statement of Financial Activities when entitled, receipt is probable and when the amount can be quantified with reasonable accuracy. Gift aid receivable is included when claimable.

Grant income is credited to the Statement of Financial Activities when received or receivable whichever is earlier, unless the grant relates to a future year, in which case it is deferred. Income from charitable activities is credited to the Statement of Financial Activities when received or receivable whichever is earlier, unless it relates to a specific future year or event, in which case it is deferred.

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.

All expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities.

Indirect costs, including governance costs, which cannot be directly attributed to activities, are allocated proportionate to direct costs allocated to each project area.

Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their residual value, over their useful life, on a straight-line basis. The useful life used is:

Plant & Machinery - 3 years
Motor Vehicle - 8 years

Taxation

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

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2024**

1. ACCOUNTING POLICIES - continued

Fund accounting

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

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

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

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

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

Debtors

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

Cash at bank & in hand

Cash at bank and in hand include cash held as petty cash and other current accounts with instant access.

Creditors

Short-term creditors are measured at the transactions price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transactions costs, and are measured subsequently at amortised cost using the effective interest method.

Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at amortise cost.

2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In preparing the financial statements it is necessary to make certain judgements, estimates and assumptions that affect the amounts recognised in the financial statements. These assumptions are reassessed annually as part of the accounts preparation process.

The critical judgments that the trustees have made in the process of applying the charity's accounting policies that have the most significant effect on the statutory financial statements are discussed below:

(i) Recoverability of debtors

The charity establishes a provision for debtors that are estimated not to be recoverable. When assessing recoverability, the trustees have considered factors such as the ageing of debtors, past experience of recoverability and the credit profile of individual or groups of customers.

(ii) Depreciation and amortisation

The charity establishes depreciation and amortisation policies to write off assets over their useful economic life.

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Notes to the Financial Statements - continued
for the Year Ended 31 March 2024

3. DONATIONS AND LEGACIES		31.3.24	31.3.23
		£	£
Donations		6,029	9,445
Grants		210,532	358,404
		<u>216,561</u>	<u>367,849</u>
4. INVESTMENT INCOME		31.3.24	31.3.23
		£	£
Deposit account interest		180	3
		<u>180</u>	<u>3</u>
5. INCOME FROM CHARITABLE ACTIVITIES		31.3.24	31.3.23
		£	£
Other income	Activity		
	Diversion	229,766	254,670
Other income	Central	21,447	52,904
Other income	Services	120,004	55,726
Other income	Housing	714,222	566,781
Other income	Oxygen	1,578,460	745,388
Other income	Coffee Ethics	9,545	7,295
		<u>2,673,444</u>	<u>1,682,764</u>
6. FUNDS			
Other trading activities		31.3.24	31.3.23
		£	£
Bad debts		841	2,858
Interest payable and similar charges		694	1,009
		<u>1,535</u>	<u>3,867</u>

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Notes to the Financial Statements - continued
for the Year Ended 31 March 2024

7. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 8) £	Totals £
Diversion	235,198	1,213	236,411
Central	134,306	2,866	137,172
Services	22,059	-	22,059
Housing	605,686	228,128	833,814
Oxygen	1,515,355	71,613	1,586,968
Coffee Ethics	15,947	-	15,947
	<u>2,528,551</u>	<u>303,820</u>	<u>2,832,371</u>

8. SUPPORT COSTS

	Finance £	Governance costs £	Totals £
Diversion	-	1,213	1,213
Central	-	2,866	2,866
Housing	223,277	4,851	228,128
Oxygen	67,975	3,638	71,613
	<u>291,252</u>	<u>12,568</u>	<u>303,820</u>

Support costs, included in the above, are as follows:

	Diversion £	Central £	Housing £
Rent	-	-	223,277
Auditors' remuneration	695	1,642	2,779
Accountancy fees	518	1,224	2,072
	<u>1,213</u>	<u>2,866</u>	<u>228,128</u>
		31.3.24 Total activities	31.3.23 Total activities
	Oxygen £	£	£
Rent	67,975	291,252	267,537
Auditors' remuneration	2,084	7,200	7,278
Accountancy fees	1,554	5,368	1,104
	<u>71,613</u>	<u>303,820</u>	<u>275,919</u>

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Notes to the Financial Statements - continued
for the Year Ended 31 March 2024

9. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	31.3.24	31.3.23
	£	£
Auditors' remuneration	7,200	7,278
Hire of plant and machinery	2,320	1,955
Other operating leases	120,000	84,000
	<u>129,520</u>	<u>93,233</u>

10. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2024 nor for the year ended 31 March 2023.

Trustees' expenses

There were no trustees expenses paid for the year ended 31 March 2024 nor for the year ended 31 March 2023.

11. STAFF COSTS

	31.3.24	31.3.23
	£	£
Wages and salaries	1,585,604	924,572
Social security costs	128,574	80,354
Other pension costs	19,612	13,294
	<u>1,733,790</u>	<u>1,018,220</u>

The average monthly number of employees during the year was as follows:

	31.3.24	31.3.23
Average number of staff	<u>63</u>	<u>43</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	31.3.24	31.3.23
£60,001 - £70,000	<u>1</u>	<u>-</u>

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Notes to the Financial Statements - continued
for the Year Ended 31 March 2024

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	232,297	135,552	367,849
Charitable activities			
Diversion	254,670	-	254,670
Central	52,904	-	52,904
Services	-	55,726	55,726
Housing	566,781	-	566,781
Oxygen	671,449	73,939	745,388
Coffee Ethics	7,295	-	7,295
Investment income	3	-	3
Total	<u>1,785,399</u>	<u>265,217</u>	<u>2,050,616</u>
EXPENDITURE ON			
Funds	3,867	-	3,867
Charitable activities			
Diversion	258,473	-	258,473
Central	223,667	-	223,667
Services	-	163,183	163,183
Housing	609,329	-	609,329
Oxygen	786,309	7,611	793,920
Coffee Ethics	14,672	-	14,672
Total	<u>1,896,317</u>	<u>170,794</u>	<u>2,067,111</u>
NET INCOME/(EXPENDITURE)	(110,918)	94,423	(16,495)
RECONCILIATION OF FUNDS			
Total funds brought forward	85,685	240	85,925
TOTAL FUNDS CARRIED FORWARD	<u>(25,233)</u>	<u>94,663</u>	<u>69,430</u>

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Notes to the Financial Statements - continued
for the Year Ended 31 March 2024

13. TANGIBLE FIXED ASSETS

	Plant and machinery £	Motor vehicles £	Totals £
COST			
At 1 April 2023	264,998	-	264,998
Additions	-	10,400	10,400
	<hr/>	<hr/>	<hr/>
At 31 March 2024	264,998	10,400	275,398
	<hr/>	<hr/>	<hr/>
DEPRECIATION			
At 1 April 2023 and 31 March 2024	264,998	-	264,998
	<hr/>	<hr/>	<hr/>
NET BOOK VALUE			
At 31 March 2024	-	10,400	10,400
	<hr/>	<hr/>	<hr/>
At 31 March 2023	-	-	-
	<hr/>	<hr/>	<hr/>

14. DEBTORS

	31.3.24 £	31.3.23 £
Amounts falling due within one year:		
Trade debtors	235,838	181,867
Other debtors	28,116	32,618
Accrued income	106,991	101,219
Prepayments	95,517	72,885
	<hr/>	<hr/>
	466,462	388,589
	<hr/>	<hr/>
Amounts falling due after more than one year:		
Other debtors	25,500	25,500
	<hr/>	<hr/>
Aggregate amounts	491,962	414,089
	<hr/>	<hr/>

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Notes to the Financial Statements - continued
for the Year Ended 31 March 2024

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.24	31.3.23
	£	£
Bank loans and overdrafts (see note 17)	10,000	10,000
Trade creditors	175,420	115,370
Social security and other taxes	37,243	24,432
Other creditors	8,171	3,674
Accruals and deferred income	220,065	337,604
	<u>450,899</u>	<u>491,080</u>

16. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31.3.24	31.3.23
	£	£
Bank loans (see note 17)	<u>11,735</u>	<u>21,735</u>

17. LOANS

An analysis of the maturity of loans is given below:

	31.3.24	31.3.23
	£	£
Amounts falling due within one year on demand:		
Bank loan	<u>10,000</u>	<u>10,000</u>
Amounts falling between one and two years:		
Bank Loan	<u>10,000</u>	<u>10,000</u>
Amounts falling due between two and five years:		
Bank loan - 2-5 years	<u>1,735</u>	<u>11,735</u>

This is the analysis of the maturity of Yorkshire Bank Bounce Back loan at an interest of 2.5%.

18. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	31.3.24	31.3.23
	£	£
Within one year	120,000	84,000
Between one and five years	390,000	336,000
In more than five years	102,750	186,750
	<u>612,750</u>	<u>606,750</u>

The operating lease relates to the sale and lease back of Nascent House, 18 Dart and the lease of 89 Castle Street.

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Notes to the Financial Statements - continued
for the Year Ended 31 March 2024

19. SECURED DEBTS

The following secured debts are included within creditors:

	31.3.24	31.3.23
	£	£
Bank loans	21,735	31,735
	<u>21,735</u>	<u>31,735</u>

There is a fixed and floating charge with Clydesdale Bank PLC & CAF Bank Limited over the undertaking and all property and assets.

20. PROVISIONS FOR LIABILITIES

	31.3.24	31.3.23
	£	£
Provisions	(51,211)	-
	<u>(51,211)</u>	<u>-</u>

This provision relates to Housing Benefit.

21. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds	Restricted funds	31.3.24 Total funds	31.3.23 Total funds
	£	£	£	£
Fixed assets	10,400	-	10,400	-
Current assets	411,107	115,625	526,732	582,245
Current liabilities	(450,899)	-	(450,899)	(491,080)
Long term liabilities	(11,735)	-	(11,735)	(21,735)
Provision for liabilities	51,211	-	51,211	-
	<u>10,084</u>	<u>115,625</u>	<u>125,709</u>	<u>69,430</u>

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Notes to the Financial Statements - continued
for the Year Ended 31 March 2024

22. MOVEMENT IN FUNDS

	At 1.4.23 £	Net movement in funds £	At 31.3.24 £
Unrestricted funds			
General fund	(25,233)	(183,651)	(208,884)
Diversion	-	3,435	3,435
Coffee Ethic	-	(6,402)	(6,402)
Housing	-	(91,474)	(91,474)
Oxygen	-	95,441	95,441
Services	-	217,968	217,968
	<u>(25,233)</u>	<u>35,317</u>	<u>10,084</u>
Restricted funds			
Services	28,335	20,962	49,297
Oxygen	66,328	-	66,328
	<u>94,663</u>	<u>20,962</u>	<u>115,625</u>
TOTAL FUNDS	<u>69,430</u>	<u>56,279</u>	<u>125,709</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,378,001	(1,561,652)	(183,651)
Diversion	229,766	(226,331)	3,435
Coffee Ethic	9,545	(15,947)	(6,402)
Housing	752,419	(843,893)	(91,474)
Oxygen	259,465	(164,024)	95,441
Services	229,580	(11,612)	217,968
	<u>2,858,776</u>	<u>(2,823,459)</u>	<u>35,317</u>
Restricted funds			
Services	31,409	(10,447)	20,962
	<u>31,409</u>	<u>(10,447)</u>	<u>20,962</u>
TOTAL FUNDS	<u>2,890,185</u>	<u>(2,833,906)</u>	<u>56,279</u>

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Notes to the Financial Statements - continued
for the Year Ended 31 March 2024

22. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.4.22 £	Net movement in funds £	At 31.3.23 £
Unrestricted funds			
General fund	85,685	(240,911)	(155,226)
Diversion	-	(3,192)	(3,192)
Coffee Ethic	-	(7,272)	(7,272)
Housing	-	140,457	140,457
	<u>85,685</u>	<u>(110,918)</u>	<u>(25,233)</u>
Restricted funds			
Services	240	28,095	28,335
Oxygen	-	66,328	66,328
	<u>240</u>	<u>94,423</u>	<u>94,663</u>
TOTAL FUNDS	<u>85,925</u>	<u>(16,495)</u>	<u>69,430</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	739,932	(980,843)	(240,911)
Diversion	255,281	(258,473)	(3,192)
Coffee Ethic	7,400	(14,672)	(7,272)
Housing	782,786	(642,329)	140,457
	<u>1,785,399</u>	<u>(1,896,317)</u>	<u>(110,918)</u>
Restricted funds			
Services	191,278	(163,183)	28,095
Oxygen	73,939	(7,611)	66,328
	<u>265,217</u>	<u>(170,794)</u>	<u>94,423</u>
TOTAL FUNDS	<u>2,050,616</u>	<u>(2,067,111)</u>	<u>(16,495)</u>

Oxygen & Services fund relates income residential fees received by the charity for providing supported accommodation for anyone with a history of offending, substance misuse or homelessness.

Diversion fund receives income to provide preventive programs aimed at diverting at-risk individuals away from crime, substance abuse, and antisocial behavior.

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2024**

22. MOVEMENT IN FUNDS - continued

Housing fund relates income to provide safe, supportive accommodations for vulnerable individuals, including those recovering from addiction, the homeless, or those in crisis.

The Coffee Ethics program receives income from selling coffee at the civic centre location.

23. RELATED PARTY DISCLOSURES

During this and the previous year, Druglink rented seven properties from a Trustee, Ray Knowles. The total rent paid was £110,340 (2023: £109,590).

During the year, Druglink rented three properties from a new Trustee, Nick Pedrithes. The total rent paid was £158,125 (2023: £93,196).

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**Detailed Statement of Financial Activities
for the Year Ended 31 March 2024**

	31.3.24 £	31.3.23 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	6,029	9,445
Grants	210,532	358,404
	216,561	367,849
Investment income		
Deposit account interest	180	3
Charitable activities		
Other income	2,673,444	1,682,764
Total incoming resources	2,890,185	2,050,616
EXPENDITURE		
Other trading activities		
Bad debts	841	2,858
Bank loan interest	694	1,009
	1,535	3,867
Charitable activities		
Wages	1,585,604	924,572
Social security	128,574	80,354
Pensions	19,612	13,294
Hire of plant and machinery	2,320	1,955
Other operating leases	120,000	84,000
Rates and water	35,590	33,248
Insurance	15,926	13,222
Light and heat	111,925	81,818
Telephone	19,883	45,340
Postage and stationery	10,028	25,451
Advertising	1,209	81
Sundries	38,923	16,389
Bank charges	8,409	8,651
Trainer fees	36,053	49,888
Venue hire	5,796	9,139
Travel costs	23,340	20,383
Software	24,968	18,828
Carried forward	2,188,160	1,426,613

This page does not form part of the statutory financial statements

Druglink

**Detailed Statement of Financial Activities
for the Year Ended 31 March 2024**

	31.3.24	31.3.23
	£	£
Charitable activities		
Brought forward	2,188,160	1,426,613
Staff costs	24,821	115,070
Professional fees	27,549	1,233
Repairs and maintenance	77,715	125,162
Bad debts	509	-
Subscriptions	12,083	10,823
Equipment	19,984	31,837
Other establishment costs	29,867	11,154
Clients activities	5,720	5,739
Counsellor fees	2,620	2,370
Supplies for clients	3,971	4,431
Drug testing and doctors' fees	135,552	52,893
	2,528,551	1,787,325
Support costs		
Finance		
Rent	291,252	267,537
Governance costs		
Auditors' remuneration	7,200	7,278
Accountancy fees	5,368	1,104
	12,568	8,382
Total resources expended	2,833,906	2,067,111
Net income/(expenditure)	56,279	(16,495)

This page does not form part of the statutory financial statements

Cocoon Support Ltd

England & Wales - Charity number 295384

Accounts

Report of the Trustees and
Financial Statements for the Year Ended 31 March 2023
for
Druglink
(A Company Limited by Guarantee)

Haines Watts (Berkhamsted) Limited
4 Claridge Court
Lower Kings Road
Berkhamsted
Hertfordshire
HP4 2AF

**Contents of the Financial Statements
for the Year Ended 31 March 2023**

	Page
Reference and Administrative Details	1
Chairman's Statement	2
Report of the Trustees	3 to 14
Report of the Independent Auditors	15 to 18
Statement of Financial Activities	19
Balance Sheet	20
Cash Flow Statement	21
Notes to the Cash Flow Statement	22
Notes to the Financial Statements	23 to 33
Detailed Statement of Financial Activities	34 to 35

Druglink

Reference and Administrative Details for the Year Ended 31 March 2023

TRUSTEES	D J Swarbrick (Chair) P M Dowd K Cohen J R P Conolly R Busse-Reid R Knowles N Pedrithes (appointed 22.6.22) J Sharpe (appointed 22.6.22) S Cutts (appointed 1.4.23) K Laventure (appointed 18.7.23)
COMPANY SECRETARY	D Heath
REGISTERED OFFICE	Trefoil House Red Lion Lane Hemel Hempstead Hertfordshire HP3 9TE
REGISTERED COMPANY NUMBER	02057706 (England and Wales)
REGISTERED CHARITY NUMBER	295384
SENIOR STATUTORY AUDITOR	Bianca Permal FCA
AUDITORS	Haines Watts (Berkhamsted) Limited 4 Claridge Court Lower Kings Road Berkhamsted Hertfordshire HP4 2AF

**Chairman's Statement
for the Year Ended 31 March 2023**

This year has brought disappointments and successes for Druglink. It is disappointing to have recorded a small financial loss £16,495 for the year and this seems to be a result of two factors. Firstly our supported housing had a greater than anticipated number of voids during the year and secondly the commissioning of the detoxification unit resulted in a number of unanticipated expenses towards the end of the financial year. Management have been effectively reminded by the Board that in this coming year the Charity needs to record a financial surplus and has taken steps to ensure that this occurs. These steps include improving the financial reporting and accountability across the organisation and results from first few months of this financial year, although outside the scope of this report indicate that a financial surplus will be achieved.

The major success this year has been the successful opening of the fully functioning and staffed detoxification unit. The unit has been inspected by the CQC and began accepting referrals towards the end of this financial year. The availability of this unit means that Druglink can now support all those recovering from the effects of substance abuse - detoxification, rehabilitation and re-integration in a supported housing environment. At a time when anecdotal reports suggest that substance abuse problems are increasing this offers a valuable and supportive service.

Another success during the year has been the recruitment of three new trustee/ directors. Strengthening the Board has been a priority and as the size and complexity of Druglink's operation increases the Board's capability and capacity also needs to increase.

As always, however on behalf of the Board of Directors I want to extend my thanks and gratitude to all Druglink employees for their efforts and commitment during a year that has seen significant growth and change and to wish them success in the coming year.

**Report of the Trustees
for the Year Ended 31 March 2023**

The Trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2023. The Trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

In reviewing our aims and objectives and planning our future activities Druglink has referred to the guidance in the Charity Commission's general guidance on public benefit. In particular, the Trustees consider how planned activities will contribute to the aims and objectives they have set in our Strategy. Through our pathway, Druglink offers benefit to the community through the prevention of, and recovery from, substance misuse.

Our objective is to change the future for people who are, or could be, affected by substance misuse. We achieve this through Addiction Treatment, Housing Solutions, Education and Training.

We Change Futures

Prevention - Our Diversion Schemes and educational activities, such as school presentations and community engagements, present risk factors associated with substance misuse. Druglink takes an active role in education to help prevent substance misuse; we believe that by making the realities of substance misuse and addiction more visible we enable people to make better decisions about their substance use. Better education results in greater awareness and understanding of addiction, which enables us to help more people in their recovery journey as well as working towards reducing drug and alcohol related issues in local communities.

Recovery - Druglink's Detox and Oxygen Recovery Services offer a person-based treatment programme to people with drug and alcohol addictions and dependencies. Our service offers individuals the opportunity to address their addictions in a supportive and therapeutic environment with programmes based on the needs of individuals. Our services work closely with the other agencies and counselling services which are offered to the clients and their partners and families. Our Oxygen Recovery service provides flexible levels of housing support depending on an individual's needs and where they are within their treatment journey.

Re-integration and Independent Living - Our housing service provides secure supported community living to those in recovery from substance misuse issues. We provide structured programmes including volunteering on projects that provide education and training opportunities, build skills, self-confidence and self-esteem and help individuals reintegrate into local communities.

Druglink

Report of the Trustees for the Year Ended 31 March 2023

OBJECTIVES AND ACTIVITIES

Overview

In 2022/2023 we had always planned to look at the growth and the future of the charity - there were areas of development that we had been hoping to focus on as a business, and this was the year to bring our vision for the charity to life.

We identified that Detox provision across the country was very limited, with large waiting lists of people willing to start their journeys of recovery. It was always one of our aims to provide a clear supported pathway from chaos to independent living for our service users. We had established our residential rehabilitation service 'Oxygen Recovery' over several years and had built an excellent reputation with providers in offering their clients a structured pathway through to recovery. Working with trusted landlords, we identified a building that we could potentially develop into a medically assisted Detox service, a service that we had been asked by numerous providers to offer. Towards the end of Q3 22-23, we opened our 'Oxygen Detox' service where we offer seven beds of medically assisted detox with nurses on site 24/7.

This service impacted on Druglink due to set up costs and a one-month delay in accepting clients (due to staffing and CQC registration) and we accepted our first clients in January 2023. To mitigate the cost of having void (empty) beds, we negotiated several ring-fenced beds with local authorities. Within one month of opening - as forecasted - the Detox service was very well utilized and operating with high occupancy levels, and it has continued to do so since.

Due to increased services, the number of staff employed rose from 37 to 57 from April 2022-March 2023 and we knew we needed to provide a high standard of care and support to our clients and we also knew that our staff had to reflect this.

We believe that our work really does 'Change Futures' for those we connect with and the activity presented in this report shows that during 2022/2023 we have done our best, we have supported each other and we have 'done the right thing'.

**Report of the Trustees
for the Year Ended 31 March 2023**

OBJECTIVES AND ACTIVITIES

Druglink Service Review

Oxygen Detox

-Launched Jan 2023

- 37 clients within the first three months of opening (Jan - March 31st 23)
- 95% detox completion rate in first three months
- Working with 12 local authorities to support people needing access to detox
- 9 new members of staff

Oxygen Recovery

- Flourishing referral relationships with CGL Cambridge/CGL Huntingdon/CGL St Ives, ARCH in Hillingdon and Uxbridge, ARC, Haringey, the CJS and probation
- Our quality data showed a consistently high level of service
- We replaced the kitchen thanks to a generous donation from our local Howdens

Housing

- Safer Places (domestic violence) project went live in July
- Increased number of beds in Gateway service
- Dissolved Gateway Eve
- Launched new Step Down pilot project

Oxygen Detox

This addition to our services ensures that we have the ability to offer a complete pathway from homelessness housing, detoxification, rehabilitation to ongoing supported accommodation within the community. Oxygen Detox is Druglink's medically monitored detoxification service, a seven bed Drug and Alcohol Treatment Service in Hertfordshire for both men and women, providing 24 hour care, seven days a week. Oxygen Detox is a stand-alone service, in a separate location to our residential rehabilitation or supported housing services.

At Oxygen Detox we provide a safe, recovery focused, therapeutic environment in which individuals can be assisted either to become abstinent, or to regain control of their problematic substance misuse. We have a full-time chef providing nutritious meals and there are medically trained nurses on site 24 hours a day.

People hoping to enter Oxygen Detox must be referred by community teams and will have engaged in preparation for admission. A robust aftercare plan will be agreed and in place for discharge, ensuring follow up services are available.

"The best part about my visit and stay at the Detox Service was having "the opportunity to explore things about myself and to learn about recovery."

"At first, when I came, the first two days was hard. But everyone helped me get by. The best bit about my stay at the detox was that I felt comfortable. At the end of my stay I felt much better. Feel like I've been here for weeks."

Oxygen Recovery Service and Oxygen Breathe

The number of people who received treatment at Oxygen between April 2022 and the end of March 2023 was 83 (an increase of 3 on the previous year) with 45 detox treatments and 38 rehab treatments provided. The majority of clients were in treatment following use of alcohol or Class A drugs. 52 clients were male and 31 were female.

Our quality data showed a consistently high level of service, with 97% of clients responding "Yes Generally" or "Yes, Definitely" when asked "Do you feel you received a high level of overall service at Oxygen Recovery". Information from client's exit questionnaires showed that when asked "How welcome & comfortable we're you made to feel on the day you entered Oxygen Recovery?" 100% responded with either "Good" or "Excellent" (the same result as 21/22).

Oxygen Recovery offers aftercare for up to six months with clients having access to telephone or one-to-one support. If they move onto our supported living facilities, we also offer them the chance to attend the service and all of the available support groups. This ensures that people are leaving their rehabilitation with the knowledge that in their early days of recovery, when they are most likely to relapse, they can continue to access immediate help and support.

**Report of the Trustees
for the Year Ended 31 March 2023**

OBJECTIVES AND ACTIVITIES

Oxygen's excellent outcomes and associated reputation has allowed us to see flourishing relationships with a number of local authorities and an ever increasing number of referrals from the CJS and probation.

2022-2023 was a strange year in some ways for Oxygen Rehab as, coming out of the COVID pandemic, we needed to go on a recruitment drive due to staff moving around the charity or on to other avenues. We re-vamped the structure and weekly program for clients and re-wrote client welcome pack and treatment agreements, ensuring a person-centred approach that is aligned to changing best practice (whilst still offering a challenging and therapeutic environment).

Therapeutic art has taken off through the charity Child-Of, using art as an expression and a creative way to help communicate emotion. With their links to the Saatchi Gallery in London, clients have had work exhibited, they have done workshops at the gallery with others and been involved with other charities that support addiction.

Internally in the building we laid new flooring in all the bathrooms, toilets, COSSH cupboard and pantry. Using donations we laid a new floor and carpet in the group therapy room.

Breathe

Oxygen Breathe is Druglink's affordable counselling service. We help whether someone is struggling with daily pressures, dealing with a crisis, overwhelmed with caring responsibilities, feeling trauma from a past experience, or if they just can't put their finger on the problem. 64 clients received counselling through Breathe during the 22/23 financial year. Through Oxygen Breathe we also provide the opportunity for student placements from West Herts College to gain qualified hours - five student counsellors worked at Breathe during this period.

**Report of the Trustees
for the Year Ended 31 March 2023**

OBJECTIVES AND ACTIVITIES

Oxygen Choices, Safer Places and Step Down

In 2022/2023 our Oxygen Choices programme offered 30 beds of supported housing for those in recovery. We had 28 clients in the service who were given floating support and attended our day service at Trefoil House. We partnered with other agencies offering specialist advice for those looking to move on into education, training and employment.

We help service users by offering them the 'Choices' group program that consists of relapse prevention, tenancy skills support, process groups and complimentary services. We educate people on substances and their effects in order to drive prevention and stop problems arising in the future. We also offer housing related support, conduct weekly key work sessions that focus on support plans and risk management plans. Choices clients also benefit from the inclusion of external stakeholders in the service and we have improved and included family members, wherever that is possible, as this has been shown to be beneficial in a client's recovery.

We launched our Safer Places programme in June 2022, a supported housing service joint with local domestic violence service Safer Places. The service offers specialist housing and recovery support for women fleeing domestic violence and suffering with substance misuse. We worked with 13 women during the 22/23 financial year.

Step Down was a 12 month Supported Housing service pilot from June 2022. The service provided four beds for clients who had completed the regional inpatient detox provision. Clients could stay for up to 28 days subject to assessment. We provided rapid access to Step Down beds via a joint assessment protocol agreed with Essex Partnership Trust to assess and refer to Oxygen Step Down. Ten clients accessed the service, with nine successful completions. Two were housed into ongoing supported accommodation and one was supported into a volunteer role.

Oxygen Gateway and Housing First

Oxygen Gateway has 20 beds of supported accommodation for anyone with a history of offending, substance misuse or homelessness. We increased the number of Gateway beds in 22/23 - from 11 to 20 - due to a high demand in the need for safe and secure accommodation for people leaving the criminal justice system who are using substances. At Gateway, clients are encouraged to move on as soon as they are ready and they can continue to receive informal support after leaving Druglink.

We have further developed our partnership with other drug and alcohol services to provide a holistic approach to recovery and to help improve the chances of residents gaining employment.

Our Housing First project has continued to grow and provide support to tenants on their journey away from homelessness. We offer nine places of supported housing to our client group that has included entrenched street drinkers, clients who are actively injecting and clients with problematic sex working histories.

"Initially arriving in Hemel without the help from probation I would've been homeless which would've increased my risk of using drugs and alcohol more and quite possibly returned to crime. Daisy and Mark from Gateway swiftly got me into accommodation. The transition from each move and into Detox was a smooth one and all credit has to go to the wonderful staff at Gateway.

The staff at Gateway and in the Detox facility have been incredibly supportive and enabled me to address and deal with my addiction. I will be going onto stage 2 housing and group with Druglink following Detox."

Gateway Eve

During the 22/23 financial year we dissolved the Gateway Eve project. This complex client group resulted in conflicts that became unable to manage, therefore the decision was made to close the project.

General Activity

Druglink continue to provide floating support to residents who move on to other tenancies. We have continued to work with a group over the past year giving intensive support to clients to:

- Reinstate benefits
- Get GP registered

Druglink

Report of the Trustees for the Year Ended 31 March 2023

OBJECTIVES AND ACTIVITIES

- Reduce Self-harm
- Reduce drug use
- Re-establish family contact
- Gain 'Settled Status'

We will continue to improve our offer to clients introducing 'tenancy maintenance' skills and moving them on to appropriate secure accommodation. Our Housing First project uses the Homelessness Star to prove to partners the value and the success of the service.

Diversion Courses

During the year to 31 March 2023, Druglink have continued to provide our national Diversion education and awareness sessions in partnership with 18 Police forces across the UK. Diversion courses provide an early intervention for people who have committed an alcohol-related or drugs-related offence. These 'Out of Court Disposals' (OoCDs) - usually a Community Resolution or a Conditional Caution - provide a Diversionary intervention which encourages offenders to examine their actions and promotes more responsible behaviour to reduce the chances of future offending.

Our courses give offenders important information that can help them:

- Stay safe
- Make better decisions
- Be aware of the law, and
- Understand the consequences of their actions

Although our courses are aimed at first time offenders they are designed to be hard-hitting; they challenge and confront whilst also informing and educating. Our trainers tailor their approach to each group to ensure that participants are engaged and get the most from their session.

During the year, we had 12,062 people referred to courses from our Police partners. 62% of referrals were for our Cannabis courses and 20% for alcohol courses with 78% being Community Resolutions.

During 22/23 we had interest from Greater Manchester Police and City of London police. Both are still in discussion and we hope they become confirmed Police partner soon. Our Drug diversion course with Thames Valley Police (that launched in November 21) was one of three schemes being evaluated by the NIHR National drug diversion evaluation throughout 22/23.

We maintained our Hardship Fund which provides financial assistance to those who need to undertake the course but who cannot afford the cost. During this year we have supported an increasing number of clients to complete the course using our Hardship Fund to meet the cost. Police forces across the country are now recognising the importance of this fund and several forces are now operating a similar fund.

Communications and Marketing

Through the many challenges of 2022/2023 - still recovering from the impact of the COVID pandemic, the increasing cost of living - we were unwavering in our commitment to driving awareness and engagement. We are deeply grateful for the unyielding help of our donors, volunteers, and the individuals and families whose lives we've touched. During 22/23 we took the opportunity to shout about the amazing work Druglink does, and we received huge amounts of support from the industry and community.

We were delighted that our Oxygen Recovery Team won the Hertfordshire Care Awards 'Outstanding Achievement Award'. The award was given for their hard work and dedication over the pandemic and how they managed client care at our residential detox and rehabilitation service.

Druglink

Report of the Trustees for the Year Ended 31 March 2023

OBJECTIVES AND ACTIVITIES

Infinity Home Solutions, a local decorating company, ran a Christmas competition in 2022 to raise money for Druglink. All funds raised from selling tickets was donated to Druglink and the prize was to decorate one room in the winners' home for free. They raised over £600 for us. We carried out numerous fundraising campaigns throughout the year; we raised almost £3500 from The Big Give Christmas Challenge and over £9000 in the Aviva Community Fund. Our Communications Director ran the London Marathon - her first ever marathon - and raised an incredible £2000 for Druglink.

One of Druglink's key aims continues to be acting as good neighbours to our local community. We are particularly proud of our work with Kings Langley Football Club who have continued to be active supporters during the past year. They have raised a considerable sum of money to support us this year and we are partnering with them again in 2023. At the beginning of 2023 we ran a free parent workshop with Kings Langley Football Club, where people could ask for advice or information on any questions, issues of concern they had relating to alcohol and other drugs.

Coffee Ethic

Coffee Ethic saw struggles during the 22/23 period. The Civic Centre location proved to be limiting as many members of staff are still working from home, therefore reducing footfall to the cart. Despite this we continued to train a small number of clients on the cart and are continuing to support the development of this activity.

Our Charity

In order to meet our charitable objectives most effectively we need to be an efficient and effective organisation. During 2022/23 we have continued to invest in making Druglink a good and efficient place to work.

We introduced a brand new Wifi and phone system across the charity. Fibre was installed at all properties. As part of this process we installed a call centre software package as part of our Diversion service to enable us to monitor call rates.

All Druglink staff carried out and completed an online health and safety training programme. The senior management team carried out management training as part of the HCPA Inspire Framework.

We updated and added to our company benefits - we are committed to the health and wellbeing of our staff and ensuring Druglink is a desirable place to work.

Our staff team have, as always, been amazing over the past year. They have coped with the fallout and side effects of the COVID pandemic, and were faced with the challenges of the ever increasing cost of living. Staff had to adapt to tighter budgets in the provision of services and care and they have consistently gone 'above and beyond' what is expected of them because of the personal commitment to our clients that they bring with them into work every day.

Druglink believe that we Change Futures for people. Our activity across all of our services and throughout our organisation during 2022/23 has underlined our determination to Change Futures through our charitable work.

Druglink

Report of the Trustees for the Year Ended 31 March 2023

FINANCIAL REVIEW

Financial and Operations Review

The Financial Statements for the year ended 31 March 2023 show a deficit for the year of £16,495 (2022: deficit £10,509) with positive reserves at the year-end of £69,430 (2022: positive reserves of £85,925).

Income

Druglink receives income from a number of different sources and the total income for the year was £2,050,616 (2022: £1,547,335). Druglink continues to receive funding in return for delivering and managing a number of contracted services including:

- Herts County Council - Supporting Herts, Druglink Housing, Workforce Recruitment & Retention, Infection Control, Next Steps project;
- Welwyn and Hatfield Council - Next Steps project;
- Luton Borough Council - towards the ResoLUTIONs HUB;
- Hertfordshire City Council - Oxygen Recovery;
- Essex County Council - Step Down Project and Housing 1st;
- Thames Valley Police - Diversion project; and
- National Lottery Community Fund - IT equipment.

Druglink generated income through its other activities and sources, of which the key ones were:

- Oxygen Residential fees - £745,388 (2022: £457,639)
- Rental Income (Supported Housing) - £566,781 (2022: £550,715)
- Diversion Scheme - £254,670 (2022: £239,153)
- Donations and legacies - £9,445 (2022: £6,396)
- Coffee Ethic (Social Enterprise) - £7,295 (2022: £5,183)

Expenditure

Expenditure for the year was £2,067,111 (2022: £1,557,844). The largest expenditure item for the organisation is staff costs which accounted for 50% (2022: 50%) of total expenditure. These staff provide essential services to our clients and are experienced individuals from a variety of backgrounds enabling Druglink to offer a rounded service to its clients.

Investment policy

Druglink had no financial investments at the year end. The Trustees keep any surplus cash in deposit accounts while being mindful of the financial services compensation scheme limits. There are no current plans to invest beyond this approach.

Reserves

The Trustees have reviewed the reserves policy and decided that £500,000 of general reserves is appropriate for approximately 3 to 6 months of committed operating expenditure. Currently the charity has a low level of reserves and endeavours to continue to build on these existing reserves to this level through our activities.

Bounce Back Loan

Druglink

Report of the Trustees for the Year Ended 31 March 2023

The charity availed of a Bounce Back loan during the prior year to support its liquidity position following two years of negative results and to ensure that it continued to provide its various services, This loan is planned to be repaid over five year in accordance with the UK Government terms commencing during May 2021.

FUTURE PLANS

The charity intends to continue and carefully grow its existing activities subject to adequate funding being available.

Oxygen and Housing

Our focus is to continue to provide high quality services against a background of maintaining high levels of occupancy and thereby ensuring that each activity house is providing a surplus. This is a core focus to enable us to continue to recover from the deficits of the past two years to build up our reserves and ensure financial stability to continue our much needed services.

We will continue to build awareness of our services to more organisations to help ensure those higher levels of occupancy and use.

Diversion Scheme

As with previous years, the Diversion Scheme remains under constant review and development. We aim to bring additional police forces into the Diversion scheme, believing that this level of growth is manageable for the scheme. We will continue to advise forces on their approach to a two-tier Out of Court disposals system for alcohol and other drug offences and use our influence to attract more business across our suite of courses. We will also particularly increase the use of e-learning in our courses which continues to bring a new dimension to our work.

As demand for the service grows, we are identifying the need for additional IT capacity as well as additional functionality and online access beyond developments made during the past year.

Training

We will continue to offer bespoke training and deliver sessions in schools as resources allows. We will explore opportunities for external funding to increase our capabilities in this area. E-learning will continue to be available and we aim to keep the cost of this to a minimum to allow greater access whilst still covering the cost of the system used.

Finance and Operations

Druglink will continue to maintain its quality programmes such as Investors in People. It will continue to hold staff events for the organisation to continue to consider and agree clear organisational values and how these are shared. We will encourage staff involvement in these quality programmes through the creation of quality champions within individual services.

Ongoing reviews of IT contracts for services will continue to ensure the charity receives best value as well as service from its suppliers.

All Druglink marketing materials and websites will continue to be reviewed to ensure Druglink remains relevant in the field of substance misuse and recovery. We want to ensure that we are providing the right information to potential clients as well as to the general public who may want to support the work of the charity. Druglink aspires to be an accessible service removing the stigma and preconceptions associated with addiction or substance misuse. The senior management team continues to be tasked during this current financial year to keep all areas under review for cost savings and efficiencies from staff costs to suppliers.

**Report of the Trustees
for the Year Ended 31 March 2023**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Charity's aims and objectives are regulated by its Memorandum and Articles of Association dated 28 September 1986 incorporating the Charity (Registered Number 295384) as a Company Limited by Guarantee and updated and approved by the Trustees on 17 November 2006 and approved by the Charity Commission on 24 May 2009.

Its main objectives are to:

- advance the education of the public in the dangers arising from the habitual or occasional consumption of narcotic, stimulant and hallucinogenic drugs or similar substances including alcohol;
- advance the education and training of persons who operate in the field of substance misuse;
- relieve the poverty, sickness and distress of persons resulting from either their misuse of drugs or from such misuse by others;
- promote either alone or with others, research into drug misuse and publish the result of such research; and
- advance the promotion and preservation of public law and order through the reduction of crimes arising directly and indirectly from the misuse of drugs.

The main activities for the year continued to focus on the promotion, education and prevention of the misuse of drugs and the rehabilitation of those misusing substances. Strategies employed to achieve these aims included:

- Providing a range of services which are reflective of relevant quality standards and address the potential problems experienced by substance misuse;
- Focusing on limiting the harm that arises from substance misuse, not only for the individual but also for families and the wider community; and
- Working in the partnership with other agencies to secure the widest range of services that best match the needs of our clients.

**Report of the Trustees
for the Year Ended 31 March 2023**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Recruitment and Appointment of New Trustees

When the management committee recognise that the recruitment of a new staff member is required, a job description is completed. This is circulated where the management committee considers it necessary to attract someone with the necessary skills for the particular job. Applicants submit their details which are scrutinised by the appropriate committee members and a short list is selected for interview. Such candidates are interviewed and if appropriate an offer is made to the most suitable candidate on an equal opportunities basis.

Pay and Remuneration

Annual reviews of pay and remuneration for key members of staff are undertaken. Different factors are taken into account when considering pay and remuneration for key staff and these include:

- Changes in role and responsibilities;
- Length of service and experience; and
- Current market rates of pay and remuneration.

Any changes to pay and remuneration for the key staff of the charity are approved by the Board as part of the budget setting exercise. Should there be changes during the financial year, then approvals are made at the appropriate Board meetings and recorded in the minutes.

Appointment

The Trustees are mindful of the need to have balanced group of Trustees who can provide a wide range of skills. If they consider that new trustee is required, they investigate potential individuals they consider suitable for the role and if there is agreement amongst them make an approach to that individual. If they accept, they will be appointed a new trustee.

Induction and training of new trustees

Upon appointment as a trustee, the individual is given details of the Charity and encouraged to attend courses applicable for trustees.

Risk management

The Trustees take an active role in assessing the risks associated with the operations of the charity together with financial risks associated with the running of the charity and investments made. Action is taken to minimise risks with appropriate training of staff members and internal policies and procedures.

Druglink

Report of the Trustees
for the Year Ended 31 March 2023

TRUSTEES' RESPONSIBILITY STATEMENT

The Trustees (who are also the directors of Druglink for the purposes of company law) are responsible for preparing the Report of the Trustees and the Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the 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 Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping proper 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 Trustees are aware, there is no relevant audit information of which the charitable company's auditors are unaware, and the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

The auditors, Haines Watts (Berkhamsted) Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Approved by order of the board of Trustees on19/09/2023..... and signed on its behalf by:


.....
D J Swarbrick (Chair) - Trustee

Report of the Independent Auditors to the Members of Druglink

Opinion

We have audited the financial statements of Druglink (the 'charitable company') for the year ended 31 March 2023 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 (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 2023 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 Auditors' 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 trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

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.

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 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 Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Report of the Independent Auditors to the Members of Druglink

Matters on which we are required to report by exception

In the light of the 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 Report of the Trustees.

We have nothing to report in respect of the following matters where 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 trustees' 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 take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement, 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 trustees 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 trustees 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 trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Report of the Independent Auditors to the Members of Druglink

Our 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 a Report of the Independent Auditors 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. 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We obtained an understanding of the legal and regulatory frameworks applicable to the Company and the sector in which it operates. We determined that the following laws and regulations were most significant: The Companies Act 2006, UK GAAP, the UK Corporate Governance Code, UK corporate tax laws, Occupational Health and Safety regulations, and the Data Protection Act.
- We obtained an understanding of how the Company are complying with those legal and regulatory frameworks and made enquiries to the management of known or suspected instances of fraud and non-compliance with laws and regulations. We corroborated our enquiries through our review of board minutes, other relevant meeting minutes and review of correspondence with regulatory bodies.
- We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur. Audit procedures performed by the audit team included:
 - Identifying and assessing the controls management has in place to prevent and detect fraud;
 - Understanding how those charged with governance considered and addressed the potential for override of controls or other inappropriate influence over the financial reporting process;
 - Challenging assumptions and judgments made by management in its significant accounting estimates and judgments.
 - Identifying and testing journal entries, in particular journal entries posted with unusual account combinations.
 - Assessing the extent of compliance with the relevant laws and regulations.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations are from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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 Report of the Independent Auditors.

**Report of the Independent Auditors to the Members of
Druglink**

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 auditors' 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.

Haines Watts

Bianca Permal FCA (Senior Statutory Auditor)
for and on behalf of Haines Watts (Berkhamsted) Limited
4 Claridge Court
Lower Kings Road
Berkhamsted
Hertfordshire
HP4 2AF

Date: *20 September 2023*

Druglink

Statement of Financial Activities
for the Year Ended 31 March 2023

	Notes	Unrestricted funds £	Restricted funds £	31.3.23 Total funds £	31.3.22 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	3	232,297	135,552	367,849	293,609
Charitable activities	5				
Diversion		254,670	-	254,670	239,153
Central		52,904	-	52,904	990
Services		-	55,726	55,726	45
Housing		566,781	-	566,781	550,715
Oxygen		671,449	73,939	745,388	457,639
Coffee Ethics		7,295	-	7,295	5,183
Investment income	4	<u>3</u>	<u>-</u>	<u>3</u>	<u>1</u>
Total		<u>1,785,399</u>	<u>265,217</u>	<u>2,050,616</u>	<u>1,547,335</u>
EXPENDITURE ON					
Funds	6	3,867	-	3,867	1,515
Charitable activities	7				
Diversion		258,473	-	258,473	175,332
Central		223,667	-	223,667	143,955
Services		-	163,183	163,183	245,024
Housing		609,329	-	609,329	491,197
Oxygen		786,309	7,611	793,920	487,947
Coffee Ethics		<u>14,672</u>	<u>-</u>	<u>14,672</u>	<u>12,874</u>
Total		<u>1,896,317</u>	<u>170,794</u>	<u>2,067,111</u>	<u>1,557,844</u>
NET INCOME/(EXPENDITURE)		(110,918)	94,423	(16,495)	(10,509)
RECONCILIATION OF FUNDS					
Total funds brought forward		85,685	240	85,925	96,434
TOTAL FUNDS CARRIED FORWARD		<u>(25,233)</u>	<u>94,663</u>	<u>69,430</u>	<u>85,925</u>

The notes form part of these financial statements

Druglink

Balance Sheet
31 March 2023

	Notes	31.3.23 £	31.3.22 £
CURRENT ASSETS			
Debtors			
Cash at bank and in hand	14	414,089	333,978
		<u>168,156</u>	<u>128,524</u>
		582,245	462,502
CREDITORS			
Amounts falling due within one year	15	(491,080)	(344,690)
		<u> </u>	<u> </u>
NET CURRENT ASSETS		<u>91,165</u>	<u>117,812</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		91,165	117,812
CREDITORS			
Amounts falling due after more than one year	16	(21,735)	(31,667)
PROVISIONS FOR LIABILITIES	20	-	(220)
		<u> </u>	<u> </u>
NET ASSETS/(LIABILITIES)		<u>69,430</u>	<u>85,925</u>
FUNDS	22		
Unrestricted funds		(25,233)	85,685
Restricted funds		<u>94,663</u>	<u>240</u>
TOTAL FUNDS		<u>69,430</u>	<u>85,925</u>

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 19/09/2023 and were signed on its behalf by:


.....
D J Swarbrick (Chair) - Trustee

The notes form part of these financial statements

Druglink

**Cash Flow Statement
for the Year Ended 31 March 2023**

	Notes	31.3.23 £	31.3.22 £
Cash flows from operating activities			
Cash generated from operations	1	50,570	(11,119)
Interest paid		(1,009)	(920)
		<u>49,561</u>	<u>(12,039)</u>
Net cash provided by/(used in) operating activities			
		<u>49,561</u>	<u>(12,039)</u>
Cash flows from investing activities			
Interest received		3	1
		<u>3</u>	<u>1</u>
Net cash provided by investing activities			
		<u>3</u>	<u>1</u>
Cash flows from financing activities			
Loan repayments in year		(9,932)	(25,833)
		<u>(9,932)</u>	<u>(25,833)</u>
Net cash used in financing activities			
		<u>(9,932)</u>	<u>(25,833)</u>
Change in cash and cash equivalents in the reporting period			
		39,632	(37,871)
Cash and cash equivalents at the beginning of the reporting period			
		<u>128,524</u>	<u>166,395</u>
Cash and cash equivalents at the end of the reporting period			
		<u><u>168,156</u></u>	<u><u>128,524</u></u>

The notes form part of these financial statements

Druglink

Notes to the Cash Flow Statement
for the Year Ended 31 March 2023

1. RECONCILIATION OF NET EXPENDITURE TO NET CASH FLOW FROM OPERATING ACTIVITIES	31.3.23	31.3.22
	£	£
Net expenditure for the reporting period (as per the Statement of Financial Activities)	(16,495)	(10,509)
Adjustments for:		
Depreciation charges	-	1,262
Interest received	(3)	(1)
Interest paid	1,009	920
Provisions	(220)	(530)
Increase in debtors	(80,111)	(119,065)
Increase in creditors	146,390	116,804
Net cash provided by/(used in) operations	<u>50,570</u>	<u>(11,119)</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.22	Cash flow	At 31.3.23
	£	£	£
Net cash			
Cash at bank and in hand	<u>128,524</u>	<u>39,632</u>	<u>168,156</u>
	128,524	39,632	168,156
Debt			
Debts falling due within 1 year	(10,000)	-	(10,000)
Debts falling due after 1 year	(31,667)	9,932	(21,735)
	<u>(41,667)</u>	<u>9,932</u>	<u>(31,735)</u>
Total	<u>86,857</u>	<u>49,564</u>	<u>136,421</u>

The notes form part of these financial statements

**Notes to the Financial Statements
for the Year Ended 31 March 2023**

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention. The presentation currency of these financial statements is in pounds sterling.

Going concern

The financial statements have been prepared on a going concern basis. The trustees have reviewed and considered relevant information, including the annual budget and future cash flows in making their assessment. The trustees have tested their cash flow analysis to take into account the impact on their charity of possible scenarios, alongside the measures that they can take to mitigate the impact. Based on these assessments, given the measures that could be undertaken to mitigate the current adverse conditions, and the current resources available, the trustees have concluded that they can continue to adopt the going concern basis in preparing the annual report and accounts.

Income

Income is recognised when the Charity has entitlement to the funds, any performance indicators attached to the item(s) of income have been met, it is probable that the income will be received, and the amount can be measured reliably.

Donations are recognised in full in the Statement of Financial Activities when entitled, receipt is probable and when the amount can be quantified with reasonable accuracy. Gift aid receivable is included when claimable.

Grant income is credited to the Statement of Financial Activities when received or receivable whichever is earlier, unless the grant relates to a future year, in which case it is deferred. Income from charitable activities is credited to the Statement of Financial Activities when received or receivable whichever is earlier, unless it relates to a specific future year or event, in which case it is deferred.

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.

All expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities.

Indirect costs, including governance costs, which cannot be directly attributed to activities, are allocated proportionate to direct costs allocated to each project area.

Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their residual value, over their useful life, on a straight-line basis. The useful life used is:

Plant and machinery - 3 years

Taxation

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

Fund accounting

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

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2023**

1. ACCOUNTING POLICIES - continued

Fund accounting

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

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

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

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

Debtors

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

Cash at bank & in hand

Cash at bank and in hand include cash held as petty cash and other current accounts with instant access.

Creditors

Short-term creditors are measured at the transactions price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transactions costs, and are measured subsequently at amortised cost using the effective interest method.

Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost.

2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In preparing the financial statements it is necessary to make certain judgements, estimates and assumptions that affect the amounts recognised in the financial statements. These assumptions are reassessed annually as part of the accounts preparation process.

The critical judgments that the trustees have made in the process of applying the charity's accounting policies that have the most significant effect on the statutory financial statements are discussed below:

(i) Recoverability of debtors

The charity establishes a provisions for debtors that are estimated not to be recoverable. When assessing recoverability, the trustees have considered factors such as the ageing of debtors, past experience of recoverability and the credit profile of individual or groups of customers.

(ii) Depreciation and amortisation

The charity establishes depreciation and amortisation policies to write off assets over their useful economic life.

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2023**

3. DONATIONS AND LEGACIES		31.3.23	31.3.22
		£	£
Gifts		-	60
Donations		9,445	6,396
Grants		358,404	287,153
		<u>367,849</u>	<u>293,609</u>
4. INVESTMENT INCOME		31.3.23	31.3.22
		£	£
Deposit account interest		3	1
		<u>3</u>	<u>1</u>
5. INCOME FROM CHARITABLE ACTIVITIES		31.3.23	31.3.22
		£	£
Other income	Activity		
	Diversion	254,670	239,153
Other income	Central	52,904	990
Other income	Services	55,726	45
Other income	Housing	566,781	550,715
Other income	Oxygen	745,388	457,639
Other income	Coffee Ethics	7,295	3,077
Coronavirus Job Retention Scheme	Coffee Ethics	-	2,106
		<u>1,682,764</u>	<u>1,253,725</u>
6. FUNDS			
Other trading activities		31.3.23	31.3.22
		£	£
Bad debts		2,858	595
Interest payable and similar charges		1,009	920
		<u>3,867</u>	<u>1,515</u>

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2023**

7. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 8) £	Totals £
Diversion	258,473	-	258,473
Central	215,285	8,382	223,667
Services	163,183	-	163,183
Housing	430,809	178,520	609,329
Oxygen	704,903	89,017	793,920
Coffee Ethics	14,672	-	14,672
	<u>1,787,325</u>	<u>275,919</u>	<u>2,063,244</u>

8. SUPPORT COSTS

	Finance £	Governance costs £	Totals £
Central	-	8,382	8,382
Housing	178,520	-	178,520
Oxygen	89,017	-	89,017
	<u>267,537</u>	<u>8,382</u>	<u>275,919</u>

Support costs, included in the above, are as follows:

	Central £	Housing £	Oxygen £	31.3.23 Total activities £	31.3.22 Total activities £
Rent	-	178,520	89,017	267,537	239,434
Auditors' remuneration	7,278	-	-	7,278	6,930
Accountancy fees	1,104	-	-	1,104	2,250
Legal fees	-	-	-	-	1,309
	<u>8,382</u>	<u>178,520</u>	<u>89,017</u>	<u>275,919</u>	<u>249,923</u>

9. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	31.3.23 £	31.3.22 £
Auditors' remuneration	7,278	6,930
Depreciation - owned assets	-	1,262
Hire of plant and machinery	1,955	1,338
Other operating leases	<u>84,000</u>	<u>84,000</u>

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2023**

10. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2023 nor for the year ended 31 March 2022.

Trustees' expenses

There were no trustees; expenses paid for the year ended 31 March 2023 nor for the year ended 31 March 2022.

11. STAFF COSTS

	31.3.23	31.3.22
	£	£
Wages and salaries	924,572	713,475
Social security costs	80,354	55,296
Other pension costs	13,294	9,169
	<u>1,018,220</u>	<u>777,940</u>

The average monthly number of employees during the year was as follows:

	31.3.23	31.3.22
Average number of staff	<u>43</u>	<u>34</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	31.3.23	31.3.22
£60,001 - £70,000	<u>-</u>	<u>1</u>

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	48,390	245,219	293,609
Charitable activities			
Diversion	239,153	-	239,153
Central	990	-	990
Services	-	45	45
Housing	550,715	-	550,715
Oxygen	457,639	-	457,639
Coffee Ethics	5,183	-	5,183
Investment income	<u>1</u>	<u>-</u>	<u>1</u>
Total	<u>1,302,071</u>	<u>245,264</u>	<u>1,547,335</u>
EXPENDITURE ON			
Funds	1,515	-	1,515

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2023**

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued	Unrestricted funds £	Restricted funds £	Total funds £
Charitable activities			
Diversion	175,332	-	175,332
Central	143,955	-	143,955
Services	-	245,024	245,024
Housing	491,197	-	491,197
Oxygen	487,947	-	487,947
Coffee Ethics	12,874	-	12,874
Total	<u>1,312,820</u>	<u>245,024</u>	<u>1,557,844</u>
NET INCOME/(EXPENDITURE)	(10,749)	240	(10,509)
RECONCILIATION OF FUNDS			
Total funds brought forward	96,434	-	96,434
TOTAL FUNDS CARRIED FORWARD	<u>85,685</u>	<u>240</u>	<u>85,925</u>
13. TANGIBLE FIXED ASSETS			Plant and machinery £
COST			
At 1 April 2022 and 31 March 2023			<u>264,998</u>
DEPRECIATION			
At 1 April 2022 and 31 March 2023			<u>264,998</u>
NET BOOK VALUE			
At 31 March 2023			<u>-</u>
At 31 March 2022			<u>-</u>
14. DEBTORS			
		31.3.23 £	31.3.22 £
Amounts falling due within one year:			
Trade debtors		181,867	203,491
Other debtors		32,618	14,847
Accrued income		101,219	47,060
Prepayments		72,885	43,080
		<u>388,589</u>	<u>308,478</u>

Druglink

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

14. DEBTORS - continued	31.3.23	31.3.22
	£	£
Amounts falling due after more than one year:		
Other debtors	25,500	25,500
	<u> </u>	<u> </u>
Aggregate amounts	<u>414,089</u>	<u>333,978</u>
15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	31.3.23	31.3.22
	£	£
Bank loans and overdrafts (see note 17)	10,000	10,000
Trade creditors	115,370	107,232
Social security and other taxes	24,432	14,174
Other creditors	3,674	1,957
Accruals and deferred income	337,604	211,327
	<u> </u>	<u> </u>
	<u>491,080</u>	<u>344,690</u>
16. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	31.3.23	31.3.22
	£	£
Bank loans (see note 17)	21,735	31,667
	<u> </u>	<u> </u>
17. LOANS		
An analysis of the maturity of loans is given below:		
	31.3.23	31.3.22
	£	£
Amounts falling due within one year on demand:		
Bank loan	10,000	10,000
	<u> </u>	<u> </u>
Amounts falling between one and two years:		
Bank Loan	10,000	10,000
	<u> </u>	<u> </u>
Amounts falling due between two and five years:		
Bank loan - 2-5 years	11,735	21,667
	<u> </u>	<u> </u>

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2023**

18. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	31.3.23	31.3.22
	£	£
Within one year	84,000	84,000
Between one and five years	336,000	336,000
In more than five years	186,750	270,750
	<u>606,750</u>	<u>690,750</u>

The operating lease relates to the sale and lease back of Nascent House and the lease of 89 Castle Street.

19. SECURED DEBTS

There is a fixed and floating charge with Clydesdale Bank PLC & CAF Bank Limited over the undertaking and all property and assets.

20. PROVISIONS FOR LIABILITIES

	31.3.23	31.3.22
	£	£
Provisions	-	220
	<u>-</u>	<u>220</u>

21. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds	Restricted funds	31.3.23 Total funds	31.3.22 Total funds
	£	£	£	£
Current assets	487,582	94,663	582,245	462,502
Current liabilities	(491,080)	-	(491,080)	(344,690)
Long term liabilities	(21,735)	-	(21,735)	(31,667)
Provision for liabilities	-	-	-	(220)
	<u>(25,233)</u>	<u>94,663</u>	<u>69,430</u>	<u>85,925</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

22. MOVEMENT IN FUNDS

	At 1.4.22 £	Net movement in funds £	At 31.3.23 £
Unrestricted funds			
General fund	85,685	(240,911)	(155,226)
Diversion	-	(3,192)	(3,192)
Coffee Ethic	-	(7,272)	(7,272)
Housing	-	140,457	140,457
	<u>85,685</u>	<u>(110,918)</u>	<u>(25,233)</u>
Restricted funds			
Services	240	28,095	28,335
Oxygen	-	66,328	66,328
	<u>240</u>	<u>94,423</u>	<u>94,663</u>
TOTAL FUNDS	<u>85,925</u>	<u>(16,495)</u>	<u>69,430</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	739,932	(980,843)	(240,911)
Diversion	255,281	(258,473)	(3,192)
Coffee Ethic	7,400	(14,672)	(7,272)
Housing	782,786	(642,329)	140,457
	<u>1,785,399</u>	<u>(1,896,317)</u>	<u>(110,918)</u>
Restricted funds			
Services	191,278	(163,183)	28,095
Oxygen	73,939	(7,611)	66,328
	<u>265,217</u>	<u>(170,794)</u>	<u>94,423</u>
TOTAL FUNDS	<u>2,050,616</u>	<u>(2,067,111)</u>	<u>(16,495)</u>

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2023**

22. MOVEMENT IN FUNDS - continued**Comparatives for movement in funds**

	At 1.4.21 £	Net movement in funds £	Transfers between funds £	At 31.3.22 £
Unrestricted funds				
General fund	96,434	(167,130)	70,696	-
Diversion	-	63,819	-	63,819
Coffee Ethic	-	(7,690)	7,690	-
Housing	-	100,252	(78,386)	21,866
	<u>96,434</u>	<u>(10,749)</u>	<u>-</u>	<u>85,685</u>
Restricted funds				
Services	-	240	-	240
	<u>96,434</u>	<u>(10,509)</u>	<u>-</u>	<u>85,925</u>
TOTAL FUNDS	<u>96,434</u>	<u>(10,509)</u>	<u>-</u>	<u>85,925</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	466,284	(633,414)	(167,130)
Diversion	239,154	(175,335)	63,819
Coffee Ethic	5,184	(12,874)	(7,690)
Housing	591,449	(491,197)	100,252
	<u>1,302,071</u>	<u>(1,312,820)</u>	<u>(10,749)</u>
Restricted funds			
Services	245,264	(245,024)	240
	<u>1,547,335</u>	<u>(1,557,844)</u>	<u>(10,509)</u>
TOTAL FUNDS	<u>1,547,335</u>	<u>(1,557,844)</u>	<u>(10,509)</u>

The restricted funds is to provide high quality services against a background of maintaining high levels of occupancy and thereby ensuring that each activity house is providing a surplus. this is a core focus to enable the charity to continue to recover from the deficits of the past two years to build up its reserves and ensure financial stability to continue much needed services.

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2023**

23. RELATED PARTY DISCLOSURES

During this and the previous year, Druglink rented seven properties from a Trustee, Ray Knowles. The total rent paid was £109,590 (2022: £89,355).

During the year, Druglink rented three properties from a new Trustee, Nick Pedrithes. The total rent paid was £93,196 (2022: £Nil).

Druglink

Detailed Statement of Financial Activities
for the Year Ended 31 March 2023

	31.3.23 £	31.3.22 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Gifts	-	60
Donations	9,445	6,396
Grants	358,404	287,153
	<u>367,849</u>	<u>293,609</u>
Investment income		
Deposit account interest	3	1
Charitable activities		
Other income	1,682,764	1,251,619
Coronavirus Job Retention Scheme	-	2,106
	<u>1,682,764</u>	<u>1,253,725</u>
Total incoming resources	2,050,616	1,547,335
EXPENDITURE		
Other trading activities		
Bad debts	2,858	595
Bank loan interest	1,009	920
	<u>3,867</u>	<u>1,515</u>
Charitable activities		
Wages	924,572	713,475
Social security	80,354	55,296
Pensions	13,294	9,169
Hire of plant and machinery	1,955	1,338
Other operating leases	84,000	84,000
Rates and water	33,248	34,383
Insurance	13,222	14,627
Light and heat	81,818	58,861
Telephone	45,340	17,797
Postage and stationery	25,451	26,132
Advertising	81	1,468
Sundries	16,389	20,813
Bank charges	8,651	7,539
Trainer fees	49,888	33,708
Venue hire	9,139	7,839
Travel costs	20,383	11,525
Software	18,828	37,280
Carried forward	1,426,613	1,135,250

This page does not form part of the statutory financial statements

Druglink

**Detailed Statement of Financial Activities
for the Year Ended 31 March 2023**

	31.3.23	31.3.22
	£	£
Charitable activities		
Brought forward	1,426,613	1,135,250
Staff costs	115,070	4,082
Professional fees	1,233	6,805
Repairs and maintenance	125,162	80,664
Subscriptions	10,823	7,955
Equipment	31,837	21,673
Other establishment costs	11,154	16,202
Clients activities	5,739	3,879
Counsellor fees	2,370	1,590
Supplies for clients	4,431	3,146
Drug testing and doctors' fees	52,893	23,898
Plant and machinery	-	1,262
	<u>1,787,325</u>	<u>1,306,406</u>
Support costs		
Finance		
Rent	267,537	239,434
Governance costs		
Auditors' remuneration	7,278	6,930
Accountancy fees	1,104	2,250
Legal fees	-	1,309
	<u>8,382</u>	<u>10,489</u>
Total resources expended	<u>2,067,111</u>	<u>1,557,844</u>
Net expenditure	<u>(16,495)</u>	<u>(10,509)</u>

This page does not form part of the statutory financial statements

Cocoon Support Ltd

England & Wales - Charity number 295384

Accounts

REGISTERED COMPANY NUMBER: 02057706 (England and Wales)
REGISTERED CHARITY NUMBER: 295384

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31ST MARCH 2022**

FOR

**DRUGLINK
(A COMPANY LIMITED BY GUARANTEE)**

Haines Watts (Berkhamsted) Limited
4 Claridge Court
Lower Kings Road
Berkhamsted
Hertfordshire
HP4 2AF

DRUGLINK

CONTENTS OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

	Page
Reference and Administrative Details	1
Chairman's Statement	2
Report of the Trustees	3 to 12
Report of the Independent Auditors	13 to 16
Statement of Financial Activities	17
Balance Sheet	18
Cash Flow Statement	19
Notes to the Cash Flow Statement	20
Notes to the Financial Statements	21 to 30
Detailed Statement of Financial Activities	31 to 32

DRUGLINK

**REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31ST MARCH 2022**

TRUSTEES	D J Swarbrick Chairman P M Dowd K Cohen R Knowles J R P Conolly R Busse-Reid J Sharp (appointed 22/6/2022) N Pedrithes (appointed 22/6/2022) A Welsh (resigned 31/8/2021)
COMPANY SECRETARY	D Heath
REGISTERED OFFICE	Trefoil House Red Lion Lan Hemel Hempstead Hertfordshire HP3 9TE
REGISTERED COMPANY NUMBER	02057706 (England and Wales)
REGISTERED CHARITY NUMBER	295384
SENIOR STATUTORY AUDITOR	Shaun Brownsmith FCA
AUDITORS	Haines Watts (Berkhamsted) Limited 4 Claridge Court Lower Kings Road Berkhamsted Hertfordshire HP4 2AF

DRUGLINK

CHAIRMAN'S STATEMENT FOR THE YEAR ENDED 31ST MARCH 2022

Whilst the financial results for the year ending 31st March 2022 are disappointing, especially compared with the excellent year Druglink enjoyed in the previous year the Charity did make progress during the year. The small deficit (£10,509) this year compared with the marked surplus (£183,467) in the previous year is largely due to two factors. Firstly the 'lockdown' financial support received in 2020 was not repeated in 2021 and secondly the supported housing element of Druglink's operations encountered some financial difficulties, resulting in a small deficit.

During the year, management have taken action to improve the financial performance of our supported housing operation that we believe will have a positive impact on this year's financial performance. In addition much needed investment in our IT provision was made during 21/22. We expect that the improved efficiency resulting from the IT upgrades, together with our extended supported housing offering should allow the Charity to return to a positive financial position in the current year.

Emerging from the pandemic, however it is apparent that significant 'substance abuse' problems exist in society and it is anticipated that public spending associated with reducing the impacts of substance abuse will increase. Druglink is therefore anticipating an increase in demand for its 'recovery' interventions (detox and rehabilitation) and is currently developing plans to increase and extend its capabilities in this area.

Overall, we expect that the next few years will bring an increase in demand for our services together with an increase in funds available to provide those services. We believe that we have a management aligned with the needs of the sector, a workforce equipped and focussed to provide help and support for people affected by such problems and with our planned developments in facilities we are well placed to enjoy success over the medium term.

DRUGLINK

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST MARCH 2022

The Trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2022. The Trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

In reviewing our aims and objectives and planning our future activities Druglink has referred to the guidance in the Charity Commission's general guidance on public benefit. In particular, the Trustees consider how planned activities will contribute to the aims and objectives they have set out in our Strategy. Through our pathway, Druglink offers benefit to the community through the prevention of, and recovery from, substance misuse.

Our objective is to change the future for people who are, or could be, affected by substance misuse. We achieve this through Addiction Treatment, Housing Solutions, Education and Training.

We Change Futures

Prevention - Our Diversion Schemes and educational activities, such as school presentations and community engagements, present risk factors associated with substance misuse. Druglink takes an active role in education to help prevent substance misuse; we believe that by making the realities of substance misuse and addiction more visible we enable people to make better decisions about their substance use. Better education results in greater awareness and understanding of addiction, which enables us to help more people in their recovery journey as well as working towards reducing drug and alcohol related issues in local communities.

Recovery - Druglink's Oxygen Recovery Service offers a person-based treatment programme to people with drug and alcohol addictions and dependencies. Our service offers individuals the opportunity to address their addictions in a supportive and therapeutic environment with programmes based on the needs of individuals. Our service works closely with the other agencies and counselling services which are offered to the clients and their partners and families. Our Oxygen Recovery service provides flexible levels of housing support depending on an individual's needs and where they are within their treatment journey.

Re-integration and Independent Living - Our housing service provides secure supported community living to those in recovery from substance misuse issues. We provide structured programmes including volunteering on projects that provide education and training opportunities, build skills, self-confidence and self-esteem and help individuals reintegrate into local communities.

Activities

2021/22 has been a period of rebuilding for Druglink following the effects of the COVID-19 pandemic. Our education and training services were run completely remotely during 2020/21 and our rehab and detox services required complete redesign to ensure the health and safety of our staff and clients.

2021/22 has allowed us to cautiously re-connect with our clients and students and re-start the process of meeting people 'in person'. This has presented us with some challenges as we have taken this opportunity to rethink and redesign our work, to update and rebuild.

We believe that our work really does 'Change Futures' for those we connect with and the activity presented in this report shows that during 2021 we have done our best, we have supported each other and we have 'done the right thing'.

DRUGLINK

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST MARCH 2022

OBJECTIVES AND ACTIVITIES

Druglink Service Review

Oxygen

- We have been successful with entering 3 new frameworks Turning Point Coventry, Warwickshire and Leicester in the last 12 months
- Our quality data showed an improvement last year (see below)
- We rolled out Inform into Oxygen last year, which is now up and running.

Housing

- Successful with the joint tender bid with Safer Places that goes live on the 01/07/2022
- We have moved Gateway to Hemel Hempstead
- We were successful with a grant bid for one year's mental health funding from HCC
- We implemented a new service / team structures that proving to be a success.
- The housing team are running a domestic abuse program called Triple R starting during June.

Oxygen Recovery Service and Oxygen Breathe

Oxygen Recovery is a nine-bed rehabilitation and detoxification service offering support for those suffering from alcohol and drug addiction in a therapeutic environment. Clients receive one-to-one support as well as group therapy and relapse prevention advice. Groups once again included anger management, assertiveness, yoga, art and group therapy. The average stay is twelve weeks though some clients stay up to six months. The shortest rehab stay offered is 28 days with the client being able to access aftercare with telephone support and weekly visits. We work with clients who have complex needs and offer client-centred holistic support.

The number of people who received treatment at Oxygen between April 2021 and the end of March 2022 was 82 (an increase of 5 on the previous year) with 50 detox treatments and 32 rehab treatments provided. The majority of clients were in treatment following use of Class A drugs or alcohol. The majority of our clients identified as male.

Our quality data showed an improvement last year. In clients' surveys when asked "Do you feel you received a high level of overall service at Oxygen Recovery", the number who responded "Yes Generally" or "Yes, Definitely" was 98% (a 7% increase on the previous year). Information from clients' exit questionnaires showed that when asked, "How well do you feel your needs are being met on an emotional and psychological level", 100% responded with either "Good" or "Excellent" (another 7% increase on 2020).

Oxygen Recovery offers aftercare for up to six months with clients having access to telephone or one-to-one support. If they move onto our supported living facilities, we also offer them the chance to attend the service and all of the available support groups. This ensures that people are leaving their rehabilitation with the knowledge that in their early days of recovery, when they are most likely to relapse, they can continue to access immediate help and support.

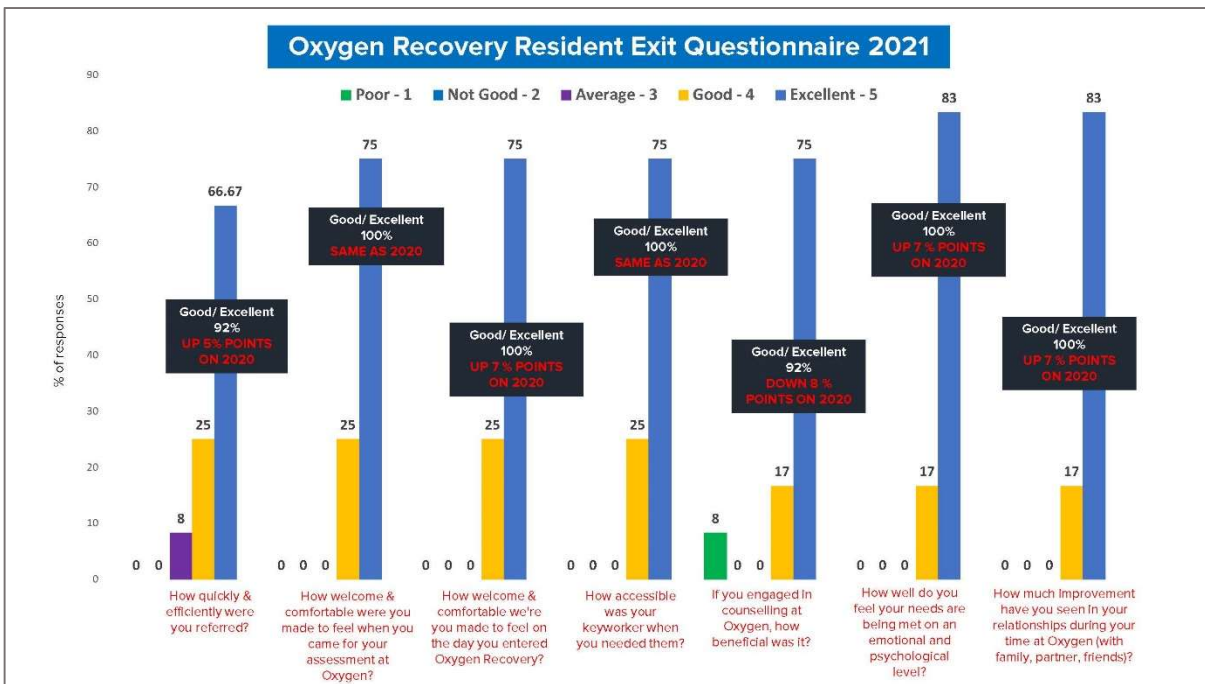
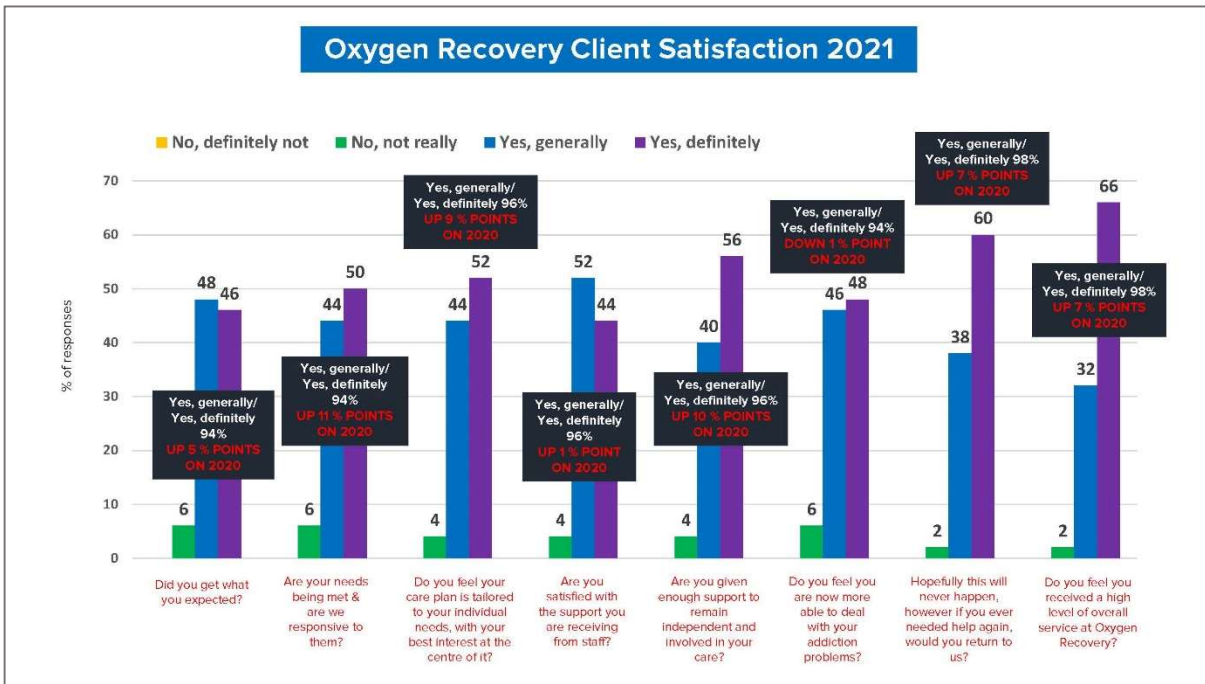
Oxygen's excellent outcomes and associated reputation has allowed us to be included in another three framework arrangements with local authorities during the year. We will now be able to support clients from three more areas in the Midlands.

During 2020/21 we introduced a new software package, 'Inform' into Oxygen. Staff use this software to measure a client's progress and it has greatly improved the record keeping processes. It also allows much better recording and understanding of our clients' and highlights simply and quickly the areas that we need to continue to work at.

"I want to thank you for all your hard work and dedication. You are all one of the main reasons I'm alive, I will be forever grateful and I bet you don't even realise it! I honestly didn't believe I would last a week there never mind graduate and stay sober! You made me feel so welcome from the moment I walked in to the second I walked out. You will always have a special place in my heart."

An Oxygen client

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST MARCH 2022



Oxygen Choices

Our Oxygen Choices programme offers 30 beds of supported housing for those in recovery - an increase of 7 from the previous year. We have had 70 clients in our Oxygen Choices service this year who then are given floating support and attend our day service at Trefoil House. We partner with other agencies offering specialist advice for those looking to move on into education, training and employment.

DRUGLINK

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST MARCH 2022

OBJECTIVES AND ACTIVITIES

We help service users by offering them the 'Choices' group program that consists of relapse prevention, tenancy skills support, process groups and complimentary services. We educate people on substances and their effects in order to drive prevention and stop problems arising in the future. We also offer housing related support, conduct weekly keywork sessions that focus on support plans and risk management plans. Choices' clients also benefit from the inclusion of external stakeholders in the service and we have improved and included family members, wherever that is possible, as this has been shown to be beneficial in a client's recovery.

Oxygen Gateway and Housing First

Oxygen Gateway has eleven beds of supported accommodation for anyone with a history of offending, substance misuse or homelessness. Clients are encouraged to move on as soon as they are ready and they can continue to receive informal support after leaving Druglink. During the past year clients have commented on the importance of this opportunity to have stable accommodation from which to restart their lives.

We have further developed our partnership with other drug and alcohol services to provide a holistic approach to recovery and have worked with the Workability team to help improve the chances of residents gaining employment.

At the end of the year we relocated the entire project from Hatfield to Hemel Hempstead where we can offer an improved quality of housing as well as making it easier for clients to access our day services at Trefoil House. Whilst this proved to be a catalyst for many clients to move on it has been an opportunity for us to introduce new clients into the service with improved structure and support.

Our Housing First project has continued to grow and provide support to tenants on their journey away from homelessness. During 2021/22 we expanded the Housing First service which now offers 9 places of supported housing to our client group that has included entrenched street drinkers, clients who are actively injecting and clients with problematic sex working histories.

Gateway Eve

Gateway Eve offers three bedrooms of supported accommodation for females with a history of offending related to substance misuse. The service is available to low to medium risk offenders with clients able to stay at the property for between 12 and 52 weeks. Gateway Eve continues to operate at high levels of occupancy with a waiting list.

Our specialist Recovery Worker is based on site supporting the clients to make good decisions about their health and welfare and helping them to reintegrate into the local community.

General Activity

Druglink continue to provide floating support to residents who move on to other tenancies. We have continued to work with a group over the past year giving intensive support to clients to:

- reinstate benefits;
- get GP registered;
- reduce Self-harm;
- reduce drug use;
- re-establish family contact; and
- gain 'Settled Status';

We will continue to improve our offer to clients introducing 'tenancy maintenance' skills and moving them on to appropriate secure accommodation. Our Housing First project uses the Homelessness Star to prove to partners the value and the success of the service.

Diversion Courses

During the year to 31 March 2022, Druglink have continued to provide our national Diversion education and awareness sessions in partnership with 18 Police forces across the UK. Diversion courses provide an early intervention for people who have committed an alcohol-related or drugs-related offence. These 'Out of Court Disposals' (OoCDs) - usually a Conditional Caution or a Community Resolution - provide a Diversionary intervention which encourages offenders to examine their actions and promotes more responsible behaviour to reduce the chances of future offending.

Our courses give offenders important information that can help them:

DRUGLINK

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST MARCH 2022

OBJECTIVES AND ACTIVITIES

- stay safe,
- make better decisions
- be aware of the law, and
- understand the consequences of their actions.

Although our courses are aimed at first time offenders they are designed to be hard-hitting; they challenge and confront whilst also informing and educating. Our trainers tailor their approach to each group to ensure that participants are engaged and get the most from their session.

During the year, we have had 14,031 people referred to courses from our Police partners which represents a 65% increase on the previous year. Around 63% of referrals were for our Cannabis courses and 19% for alcohol courses with around 75% being Community Resolutions.

During September we restarted our face to face courses across the country. We received a grant from the National Lottery 'Awards for All' fund to ensure that our IT equipment was suitable for the improved courses that we had devised. We also recruited a new group of Trainers to deliver our courses in each location. We provided all of the trainers with Training Packs and an 'induction day' to ensure that they deliver our courses uniformly across all areas of the country.

In November we launched a 'whole person' pilot project with Thames Valley Police. This consisted of trialling a new approach which saw offenders referred to us having a 'triage' interview with one of our expert staff who could then signpost them most appropriately towards the agency that could help them most. A total of 632 passed through the service to the end of March 2022 with the majority being offered one of our Diversion courses along with a tailored support pathway to help them towards recovery.

We maintained our Hardship Fund which provides financial assistance to those who need to undertake the course but who cannot afford the cost. During this year we have supported an increasing number of clients to complete the course using our Hardship Fund to meet the cost. Police forces across the country are now recognising the importance of this fund and several forces are now operating a similar fund.

Communications and Marketing

Good Neighbours Initiative

One of Druglink's key aims continues to be acting as good neighbours to our local community. We are particularly proud of our work with Kings Langley Football Club who have continued to be active supporters during the past year. They have raised a considerable sum of money to support us this year and we are partnering with them again during 2022. Druglink will be delivering a tailored education programme to the club's members throughout the year with the aim of increasing knowledge and understanding of the dangers of Drugs and Alcohol and enabling them to make informed decisions about their use.

We have also continued our work with Kings Langley School, delivering awareness sessions to staff and pupils. Pupils voted that Druglink should be the recipient of money raised from their annual sponsored walk event which was particularly important to us.

In early 2022 Druglink became the charity partners in a local Hemel Hempstead business network which works to support local businesses in developing their enterprise. Whilst we are still fledgling members of the group we are already benefitting from the extended links this network gives us.

Coffee Ethic

Coffee Ethic has made a gradual return following the pandemic closure. The Civic Centre location has proved to be limiting as many members of staff are still working from home therefore reducing the footfall to the cart. Despite this we have continued to train a small number of clients on the cart and we are continuing to support the development of this activity.

Our Charity

In order to meet our charitable objectives most effectively we need to be an efficient and effective organisation. During 2021/22 we have continued to invest in making the Charity a good and efficient place to work.

DRUGLINK

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST MARCH 2022

OBJECTIVES AND ACTIVITIES

In April we introduced a Spinal Column Point structured pay system. This is designed to see staff appointed and paid in an equitable manner that reflects their experience and qualifications. The SCP system also allows staff to see a pay progression linked to their annual appraisal and incentivises staff to meet their targets and invest in their own development.

During 2021 we finally moved our remaining legacy systems to a cloud-based operating system. We have introduced 'Sharepoint' across the charity which has improved communication and the management of documents.

Our staff team have, as always, been amazing over the past year. Our Staff team have coped with the difficulties faced in running services for clients during a period of intense uncertainty. Staff have consistently gone 'above and beyond' what is expected of them because of the personal commitment to our clients that they bring with them into work every day.

Druglink believes that we Change Futures for people. Our activity across all of our services and throughout our organisation during 2021/22 has underlined our determination to Change Futures through our charitable work.

DRUGLINK

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST MARCH 2022

FINANCIAL REVIEW

Financial and Operations Review

The Financial Statements for the year ended 31 March 2022 show a deficit for the year of £10,509 (2021:surplus £183,467) with positive reserves at the year-end of £85,925 (2021: positive reserves of £96,434).

Income

Druglink receives income from a number of different sources and the total income for the year was £1,547,335 (2021: £1,484,660). Druglink continues to receive funding in return for delivering and managing a number of contracted services including:

- Herts County Council - Supporting Herts, Druglink Housing, Workforce Recruitment & Retention, Infection Control, Next Steps project;
- Welwyn and Hatfield Council - Next Steps project;
- Luton Borough Council - towards the ResoLUTiOns HUB;
- Hertfordshire City Council - Oxygen Recovery;
- Essex County Council - Step Down Project and Housing 1st;
- Thames Valley Police - Diversion project; and
- National Lottery Community Fund - IT equipment.

Druglink generated income through its other activities and sources, of which the key ones were:

- Oxygen Residential fees - £457,639 (2021: £513,823)
- Rental Income (Supported Housing) - £550,715 (2021: £547,380)
- Diversion Scheme - £239,153 (2021: £217,863)
- Donations and legacies - £6,456 (2021: £1,698)
- Coffee Ethic (Social Enterprise) - £5,183 (2021: £5,140)

Expenditure

Expenditure for the year was £1,557,844 (2021: £1,301,193). The largest expenditure item for the organisation is staff costs which accounted for 50% (2021: 46%) of total expenditure. These staff provide essential services to our clients and are experienced individuals from a variety of backgrounds enabling Druglink to offer a rounded service to its clients.

Investment policy

Druglink had no financial investments at the year end. The Trustees keep any surplus cash in deposit accounts while being mindful of the financial services compensation scheme limits. There are no current plans to invest beyond this approach.

Reserves

The Trustees have reviewed the reserves policy and decided that £250,000 of general reserves is appropriate for approximately 3 to 6 months of committed operating expenditure. Currently the charity has a low level of reserves and endeavours to continue to build on these existing reserves to this level through our activities.

DRUGLINK

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST MARCH 2022

Bounce Back Loan

The charity availed of a Bounce Back loan during the prior year to support its liquidity position following two years of negative results and to ensure that it continued to provide its various services, This loan is planned to be repaid over five years in accordance with the UK Government terms commencing during May 2021.

FUTURE PLANS

The charity intends to continue and carefully grow its existing activities subject to adequate funding being available.

Oxygen and Housing

Our focus is to continue to provide high quality services against a background of maintaining high levels of occupancy and thereby ensuring that each activity house is providing a surplus. This is a core focus to enable us to continue to recover from the deficits of the past two years to build up our reserves and ensure financial stability to continue our much needed services.

We will continue to build awareness of our services to more organisations to help ensure those higher levels of occupancy and use.

Diversion Scheme

As with previous years, the Diversion Scheme remains under constant review and development. We aim to bring additional police forces into the Diversion scheme, believing that this level of growth is manageable for the scheme. We will continue to advise forces on their approach to a two-tier Out of Court disposals system for alcohol and other drug offences and use our influence to attract more business across our suite of courses. We will also particularly increase the use of e-learning in our courses which continues to bring a new dimension to our work.

As demand for the service grows, we are identifying the need for additional IT capacity as well as additional functionality and online access beyond developments made during the past year.

Training

We will continue to offer bespoke training and deliver sessions in schools as resources allows. We will explore opportunities for external funding to increase our capabilities in this area. E-learning will continue to be available and we aim to keep the cost of this to a minimum to allow greater access whilst still covering the cost of the system used.

Finance and Operations

Druglink will continue to maintain its quality programmes such as Investors in People. It will continue to hold staff events for the organisation to continue to consider and agree clear organisational values and how these are shared. We will encourage staff involvement in these quality programmes through the creation of quality champions within individual services.

Ongoing reviews of IT contracts for services will continue to ensure the charity receives best value as well as service from its suppliers.

All Druglink marketing materials and websites will continue to be reviewed to ensure Druglink remains relevant in the field of substance misuse and recovery. We want to ensure that we are providing the right information to potential clients as well as to the general public who may want to support the work of the charity. Druglink aspires to be an accessible service removing the stigma and preconceptions associated with addiction or substance misuse. The senior management team continues to be tasked during this current financial year to keep all areas under review for cost savings and efficiencies from staff costs to suppliers.

DRUGLINK

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST MARCH 2022

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Charity's aims and objectives are regulated by its Memorandum and Articles of Association dated 28 September 1986 incorporating the Charity (Registered Number 295384) as a Company Limited by Guarantee and updated and approved by the Trustees on 17 November 2006 and approved by the Charity Commission on 24 May 2009.

Its main objectives are to:

- advance the education of the public in the dangers arising from the habitual or occasional consumption of narcotic, stimulant and hallucinogenic drugs or similar substances including alcohol;
- advance the education and training of persons who operate in the field of substance misuse;
- relieve the poverty, sickness and distress of persons resulting from either their misuse of drugs or from such misuse by others;
- promote either alone or with others, research into drug misuse and publish the result of such research; and
- advance the promotion and preservation of public law and order through the reduction of crimes arising directly and indirectly from the misuse of drugs.

The main activities for the year continued to focus on the promotion, education and prevention of the misuse of drugs and the rehabilitation of those misusing substances. Strategies employed to achieve these aims included:

- Providing a range of services which are reflective of relevant quality standards and address the potential problems experienced by substance misuse.
- Focusing on limiting the harm that arises from substance misuse, not only for the individual but also for families and the wider community; and
- Working in the partnership with other agencies to secure the widest range of services that best match the needs of our clients.

Recruitment and Appointment of New Trustees

When the management committee recognise that the recruitment of a new staff member is required, a job description is completed. This is circulated where the management committee considers it necessary to attract someone with the necessary skills for the particular job. Applicants submit their details which are scrutinised by the appropriate committee members and a short list is selected for interview. Such candidates are interviewed and if appropriate an offer is made to the most suitable candidate on an equal opportunities basis.

Pay and Remuneration

Annual reviews of pay and remuneration for key members of staff are undertaken. Different factors are taken into account when considering pay and remuneration for key staff and these include:

- Changes in role and responsibilities;
- Length of service and experience; and
- Current market rates of pay and remuneration.

Any changes to pay and remuneration for the key staff of the charity are approved by the Board as part of the budget setting exercise. Should there be changes during the financial year, then approvals are made at the appropriate Board meetings and recorded in the minutes.

Appointment

The Trustees are mindful of the need to have balanced group of Trustees who can provide a wide range of skills. If they consider that new trustee is required, they investigate potential individuals they consider suitable for the role and if there is agreement amongst them make an approach to that individual. If they accept, they will be appointed a new trustee.

DRUGLINK

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST MARCH 2022**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Induction and training of new trustees

Upon appointment as a trustee, the individual is given details of the Charity and encouraged to attend courses applicable for trustees.

Risk management

The Trustees take an active role in assessing the risks associated with the operations of the charity together with financial risks associated with the running of the charity and investments made. Action is taken to minimise risks with appropriate training of staff members and internal policies and procedures.

TRUSTEES' RESPONSIBILITY STATEMENT

The Trustees (who are also the directors of Druglink for the purposes of company law) are responsible for preparing the Report of the Trustees and the Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the 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 Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping proper 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 Trustees are aware, there is no relevant audit information of which the charitable company's auditors are unaware, and the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

The auditors, Haines Watts (Berkhamsted) Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Approved by order of the board of Trustees on and signed on its behalf by:

.....
Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF DRUGLINK

Opinion

We have audited the financial statements of Druglink (the 'charitable company') for the year ended 31st March 2022 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 (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2022 and of its deficit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice and Charities SORP; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31st March 2022 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 Auditors' 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 trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

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.

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 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.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF DRUGLINK

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 Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the 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 Report of the Trustees.

We have nothing to report in respect of the following matters where 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 trustees' 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 take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement, 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 trustees 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 trustees 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 trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF DRUGLINK

Our 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 a Report of the Independent Auditors 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. 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. The objectives of our audit are to identify and assess the risks of material misstatement of the financial statements due to fraud and error; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud or error; and to respond appropriately to those risks. Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK).

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We obtained an understanding of the legal and regulatory frameworks applicable to the Company and the sector in which it operates. We determined that the following laws and regulations were most significant: The Companies Act 2006, UK GAAP, the UK Corporate Governance Code, UK corporate tax laws, Occupational Health and Safety regulations, and the Data Protection Act.
- We obtained an understanding of how the Company are complying with those legal and regulatory frameworks and made enquiries to the management of known or suspected instances of fraud and non-compliance with laws and regulations. We corroborated our enquiries through our review of board minutes, other relevant meeting minutes and review of correspondence with regulatory bodies.
- We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur. Audit procedures performed by the audit team included:
 - Identifying and assessing the controls management has in place to prevent and detect fraud;
 - Understanding how those charged with governance considered and addressed the potential for override of controls or other inappropriate influence over the financial reporting process;
 - Challenging assumptions and judgments made by management in its significant accounting estimates and judgments.
 - Identifying and testing journal entries, in particular journal entries posted with unusual account combinations.
 - Assessing the extent of compliance with the relevant laws and regulations.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations are from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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 Report of the Independent Auditors.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
DRUGLINK**

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 auditors' 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.

Shaun Brownsmith FCA (Senior Statutory Auditor)
for and on behalf of Haines Watts (Berkhamsted) Limited
4 Claridge Court
Lower Kings Road
Berkhamsted
Hertfordshire
HP4 2AF

Date:

DRUGLINK

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST MARCH 2022**

	Notes	Unrestricted funds £	Restricted funds £	31/3/22 Total funds £	31/3/21 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	48,390	245,219	293,609	182,948
Charitable activities					
Diversion		239,153	-	239,153	217,863
Central		990	-	990	17,503
Services		-	45	45	-
Housing		550,715	-	550,715	547,380
Oxygen		457,639	-	457,639	513,823
Coffee Ethics		5,183	-	5,183	5,140
Investment income	3	<u>1</u>	<u>-</u>	<u>1</u>	<u>3</u>
Total		<u>1,302,071</u>	<u>245,264</u>	<u>1,547,335</u>	<u>1,484,660</u>
EXPENDITURE ON					
Funds	5	1,515	-	1,515	(94)
Charitable activities					
Diversion	6	175,332	-	175,332	106,437
Central		143,955	-	143,955	145,329
Services		-	245,024	245,024	182,633
Housing		491,197	-	491,197	350,509
Oxygen		487,947	-	487,947	490,074
Training		-	-	-	17,038
Coffee Ethics		<u>12,874</u>	<u>-</u>	<u>12,874</u>	<u>9,267</u>
Total		<u>1,312,820</u>	<u>245,024</u>	<u>1,557,844</u>	<u>1,301,193</u>
NET INCOME/(EXPENDITURE)		(10,749)	240	(10,509)	183,467
RECONCILIATION OF FUNDS					
Total funds brought forward		96,434	-	96,434	(87,033)
TOTAL FUNDS CARRIED FORWARD		<u>85,685</u>	<u>240</u>	<u>85,925</u>	<u>96,434</u>

DRUGLINK

**BALANCE SHEET
31ST MARCH 2022**

	Notes	31/3/22 £	31/3/21 £
FIXED ASSETS			
Tangible assets	12	-	1,262
CURRENT ASSETS			
Debtors	13	333,978	214,913
Cash at bank and in hand		<u>128,524</u>	<u>166,395</u>
		462,502	381,308
CREDITORS			
Amounts falling due within one year	14	(344,690)	(243,719)
		<u> </u>	<u> </u>
NET CURRENT ASSETS		<u>117,812</u>	<u>137,589</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		117,812	138,851
CREDITORS			
Amounts falling due after more than one year	15	(31,667)	(41,667)
PROVISIONS FOR LIABILITIES	18	(220)	(750)
		<u> </u>	<u> </u>
NET ASSETS/(LIABILITIES)		<u>85,925</u>	<u>96,434</u>
FUNDS	20		
Unrestricted funds		85,685	96,434
Restricted funds		<u>240</u>	<u>-</u>
TOTAL FUNDS		<u>85,925</u>	<u>96,434</u>

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on
and were signed on its behalf by:

.....
Trustee

DRUGLINK

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST MARCH 2022**

	Notes	31/3/22 £	31/3/21 £
Cash flows from operating activities			
Cash generated from operations	1	(11,119)	136,911
Interest paid		<u>(920)</u>	<u>(6)</u>
Net cash (used in)/provided by operating activities		<u>(12,039)</u>	<u>136,905</u>
Cash flows from investing activities			
Interest received		<u>1</u>	<u>3</u>
Net cash provided by investing activities		<u>1</u>	<u>3</u>
Cash flows from financing activities			
New loans in year		-	50,000
Loan repayments in year		<u>(25,833)</u>	<u>(27,499)</u>
Net cash (used in)/provided by financing activities		<u>(25,833)</u>	<u>22,501</u>
Change in cash and cash equivalents in the reporting period		(37,871)	159,409
Cash and cash equivalents at the beginning of the reporting period		<u>166,395</u>	<u>6,986</u>
Cash and cash equivalents at the end of the reporting period		<u><u>128,524</u></u>	<u><u>166,395</u></u>

DRUGLINK

**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST MARCH 2022**

1. RECONCILIATION OF NET (EXPENDITURE)/INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	31/3/22 £	31/3/21 £
Net (expenditure)/income for the reporting period (as per the Statement of Financial Activities)	(10,509)	183,467
Adjustments for:		
Depreciation charges	1,262	2,697
Interest received	(1)	(3)
Interest paid	920	6
Provisions	(530)	750
Increase in debtors	(119,065)	(60,271)
Increase in creditors	<u>116,804</u>	<u>10,265</u>
Net cash (used in)/provided by operations	<u>(11,119)</u>	<u>136,911</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1/4/21 £	Cash flow £	At 31/3/22 £
Net cash			
Cash at bank and in hand	<u>166,395</u>	<u>(37,871)</u>	<u>128,524</u>
	<u>166,395</u>	<u>(37,871)</u>	<u>128,524</u>
Debt			
Debts falling due within 1 year	(25,833)	15,833	(10,000)
Debts falling due after 1 year	<u>(41,667)</u>	<u>10,000</u>	<u>(31,667)</u>
	<u>(67,500)</u>	<u>25,833</u>	<u>(41,667)</u>
Total	<u>98,895</u>	<u>(12,038)</u>	<u>86,857</u>

DRUGLINK

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention. The presentation currency of these financial statements is in Pounds Sterling.

Going concern

The financial statements have been prepared on a going concern basis. The trustees have reviewed and considered relevant information, including the annual budget and future cash flows in making their assessment. The trustees have tested their cash flow analysis to take into account the impact on their charity of possible scenarios, alongside the measures that they can take to mitigate the impact. Based on these assessments, given the measures that could be undertaken to mitigate the current adverse conditions, and the current resources available, the trustees have concluded that they can continue to adopt the going concern basis in preparing the annual report and accounts.

Income

Income is recognised when the Charity has entitlement to the funds, any performance indicators attached to the item(s) of income have been met, it is probable that the income will be received, and the amount can be measured reliably.

Donations are recognised in full in the Statement of Financial Activities when entitled, receipt is probable and when the amount can be quantified with reasonable accuracy. Gift aid receivable is included when claimable.

Grant income is credited to the Statement of Financial Activities when received or receivable whichever is earlier, unless the grant relates to a future year, in which case it is deferred. Income from charitable activities is credited to the Statement of Financial Activities when received or receivable whichever is earlier, unless it relates to a specific future year or event, in which case it is deferred.

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.

All expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities.

Indirect costs, including governance costs, which cannot be directly attributed to activities, are allocated proportionate to direct costs allocated to each project area.

Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their residual value, over their useful life, on a straight-line basis. The useful life used is:

Plant and machinery	- 3 years
---------------------	-----------

Taxation

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

Fund accounting

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

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

DRUGLINK

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST MARCH 2022**

1. ACCOUNTING POLICIES - continued

Fund accounting

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

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

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

2. DONATIONS AND LEGACIES

	31/3/22	31/3/21
	£	£
Gifts	60	-
Donations	6,396	1,698
Grants	<u>287,153</u>	<u>181,250</u>
	<u>293,609</u>	<u>182,948</u>

3. INVESTMENT INCOME

	31/3/22	31/3/21
	£	£
Deposit account interest	<u>1</u>	<u>3</u>

4. INCOME FROM CHARITABLE ACTIVITIES

		31/3/22	31/3/21
	Activity	£	£
Other income	Diversion	239,153	214,008
Coronavirus Job Retention Scheme	Diversion	-	3,855
Other income	Central	990	562
Coronavirus Job Retention Scheme	Central	-	16,941
Other income	Services	45	-
Other income	Housing	550,715	544,562
Coronavirus Job Retention Scheme	Housing	-	2,818
Other income	Oxygen	457,639	513,823
Other income	Coffee Ethics	3,077	-
Coronavirus Job Retention Scheme	Coffee Ethics	<u>2,106</u>	<u>5,140</u>
		<u>1,253,725</u>	<u>1,301,709</u>

DRUGLINK

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST MARCH 2022**

5. FUNDS

Other trading activities

	31/3/22	31/3/21
	£	£
Bad debts	595	(100)
Interest payable and similar charges	<u>920</u>	<u>6</u>
	<u>1,515</u>	<u>(94)</u>

6. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 7) £	Totals £
Diversion	175,332	-	175,332
Central	133,466	10,489	143,955
Services	240,479	4,545	245,024
Housing	288,648	202,549	491,197
Oxygen	455,607	32,340	487,947
Coffee Ethics	<u>12,874</u>	<u>-</u>	<u>12,874</u>
	<u>1,306,406</u>	<u>249,923</u>	<u>1,556,329</u>

7. SUPPORT COSTS

	Finance £	Governance costs £	Totals £
Central	-	10,489	10,489
Services	4,545	-	4,545
Housing	202,549	-	202,549
Oxygen	<u>32,340</u>	<u>-</u>	<u>32,340</u>
	<u>239,434</u>	<u>10,489</u>	<u>249,923</u>

Support costs, included in the above, are as follows:

	Central £	Services £	Housing £
Rent	-	4,545	202,549
Auditors' remuneration	6,930	-	-
Accountancy fees	2,250	-	-
Legal fees	<u>1,309</u>	<u>-</u>	<u>-</u>
	<u>10,489</u>	<u>4,545</u>	<u>202,549</u>

DRUGLINK

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST MARCH 2022**

7. SUPPORT COSTS - continued

	31/3/22	31/3/21
	Total	Total
	activities	activities
	£	£
Rent	32,340	215,690
Auditors' remuneration	-	6,930
Accountancy fees	-	8,364
Legal fees	-	-
	<u>32,340</u>	<u>230,984</u>
	<u>249,923</u>	<u>230,984</u>

8. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	31/3/22	31/3/21
	£	£
Auditors' remuneration	6,930	6,930
Depreciation - owned assets	1,262	2,698
Hire of plant and machinery	1,338	1,180
Other operating leases	<u>84,000</u>	<u>84,000</u>

9. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2022 nor for the year ended 31 March 2021.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2022 nor for the year ended 31 March 2021.

10. STAFF COSTS

	31/3/22	31/3/21
	£	£
Wages and salaries	713,475	549,140
Social security costs	55,296	42,118
Other pension costs	<u>9,169</u>	<u>7,173</u>
	<u>777,940</u>	<u>598,431</u>

The average monthly number of employees during the year was as follows:

	31/3/22	31/3/21
Average number of staff	<u>34</u>	<u>27</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	31/3/22	31/3/21
£60,001 - £70,000	<u>1</u>	<u>-</u>

DRUGLINK

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST MARCH 2022**

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	949	181,999	182,948
Charitable activities			
Diversion	217,863	-	217,863
Central	17,503	-	17,503
Housing	547,380	-	547,380
Oxygen	513,823	-	513,823
Coffee Ethics	5,140	-	5,140
Investment income	<u>3</u>	<u>-</u>	<u>3</u>
Total	<u>1,302,661</u>	<u>181,999</u>	<u>1,484,660</u>
EXPENDITURE ON			
Funds	(94)	-	(94)
Charitable activities			
Diversion	106,437	-	106,437
Central	145,329	-	145,329
Services	-	182,633	182,633
Housing	324,344	26,165	350,509
Oxygen	490,074	-	490,074
Training	-	17,038	17,038
Coffee Ethics	<u>9,267</u>	<u>-</u>	<u>9,267</u>
Total	<u>1,075,357</u>	<u>225,836</u>	<u>1,301,193</u>
NET INCOME/(EXPENDITURE)	227,304	(43,837)	183,467
RECONCILIATION OF FUNDS			
Total funds brought forward	<u>(130,870)</u>	<u>43,837</u>	<u>(87,033)</u>
TOTAL FUNDS CARRIED FORWARD	<u><u>96,434</u></u>	<u><u>-</u></u>	<u><u>96,434</u></u>

DRUGLINK

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST MARCH 2022**

12. TANGIBLE FIXED ASSETS

		Plant and machinery £
COST		
At 1st April 2021 and 31st March 2022		<u>264,998</u>
DEPRECIATION		
At 1st April 2021		263,736
Charge for year		<u>1,262</u>
At 31st March 2022		<u>264,998</u>
NET BOOK VALUE		
At 31st March 2022		<u><u>-</u></u>
At 31st March 2021		<u><u>1,262</u></u>

13. DEBTORS

	31/3/22 £	31/3/21 £
Amounts falling due within one year:		
Trade debtors	203,491	84,345
Other debtors	14,847	14,009
Accrued income	47,060	45,136
Prepayments	<u>43,080</u>	<u>45,923</u>
	<u>308,478</u>	<u>189,413</u>
Amounts falling due after more than one year:		
Other debtors	<u>25,500</u>	<u>25,500</u>
Aggregate amounts	<u>333,978</u>	<u>214,913</u>

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31/3/22 £	31/3/21 £
Bank loans and overdrafts (see note 16)	10,000	8,333
Other loans (see note 16)	-	17,500
Trade creditors	107,232	122,479
Social security and other taxes	14,174	13,038
Other creditors	1,957	3,872
Accruals and deferred income	<u>211,327</u>	<u>78,497</u>
	<u>344,690</u>	<u>243,719</u>

DRUGLINK

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST MARCH 2022**

15. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31/3/22	31/3/21
	£	£
Bank loans (see note 16)	<u>31,667</u>	<u>41,667</u>

16. LOANS

An analysis of the maturity of loans is given below:

	31/3/22	31/3/21
	£	£
Amounts falling due within one year on demand:		
Bank loan	10,000	8,333
Other loan	<u>-</u>	<u>17,500</u>
	<u>10,000</u>	<u>25,833</u>
Amounts falling between one and two years:		
Bank Loan	<u>10,000</u>	<u>10,000</u>
Amounts falling due between two and five years:		
Bank loan - 2-5 years	<u>21,667</u>	<u>30,000</u>
Amounts falling due in more than five years:		
Repayable by instalments:		
Bank loan more 5 yr by instal	-	1,667

17. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	31/3/22	31/3/21
	£	£
Within one year	84,000	84,000
Between one and five years	336,000	336,000
In more than five years	<u>270,750</u>	<u>354,750</u>
	<u>690,750</u>	<u>774,750</u>

The operating leases relates to the sale and lease back of Nascent House and the lease of 89 Castle Street.

18. PROVISIONS FOR LIABILITIES

	31/3/22	31/3/21
	£	£
Provisions	<u>220</u>	<u>750</u>

DRUGLINK

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST MARCH 2022**

19. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds £	Restricted funds £	31/3/22 Total funds £	31/3/21 Total funds £
Fixed assets	-	-	-	1,262
Current assets	462,262	240	462,502	381,308
Current liabilities	(344,690)	-	(344,690)	(243,719)
Long term liabilities	(31,667)	-	(31,667)	(41,667)
Provision for liabilities	(220)	-	(220)	(750)
	<u>85,685</u>	<u>240</u>	<u>85,925</u>	<u>96,434</u>

20. MOVEMENT IN FUNDS

	At 1/4/21 £	Net movement in funds £	Transfers between funds £	At 31/3/22 £
Unrestricted funds				
General fund	96,434	(167,130)	70,696	-
Diversion	-	63,819	-	63,819
Coffee Ethic	-	(7,690)	7,690	-
Housing	-	<u>100,252</u>	<u>(78,386)</u>	<u>21,866</u>
	96,434	(10,749)	-	85,685
Restricted funds				
Services	-	240	-	240
	<u>96,434</u>	<u>(10,509)</u>	<u>-</u>	<u>85,925</u>
TOTAL FUNDS				

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	466,284	(633,414)	(167,130)
Diversion	239,154	(175,335)	63,819
Coffee Ethic	5,184	(12,874)	(7,690)
Housing	<u>591,449</u>	<u>(491,197)</u>	<u>100,252</u>
	1,302,071	(1,312,820)	(10,749)
Restricted funds			
Services	245,264	(245,024)	240
	<u>1,547,335</u>	<u>(1,557,844)</u>	<u>(10,509)</u>
TOTAL FUNDS			

DRUGLINK

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST MARCH 2022**

20. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1/4/20 £	Net movement in funds £	Transfers between funds £	At 31/3/21 £
Unrestricted funds				
General fund	(202,832)	667,356	(447,468)	17,056
Diversion	12,219	(106,442)	104,867	10,644
Coffee Ethic	(230,119)	(9,267)	239,386	-
Housing	<u>289,862</u>	<u>(324,343)</u>	<u>103,215</u>	<u>68,734</u>
	(130,870)	227,304	-	96,434
Restricted funds				
Services	26,799	(26,799)	-	-
Training	<u>17,038</u>	<u>(17,038)</u>	<u>-</u>	<u>-</u>
	<u>43,837</u>	<u>(43,837)</u>	<u>-</u>	<u>-</u>
TOTAL FUNDS	<u><u>(87,033)</u></u>	<u><u>183,467</u></u>	<u><u>-</u></u>	<u><u>96,434</u></u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,302,662	(635,306)	667,356
Diversion	(1)	(106,441)	(106,442)
Coffee Ethic	-	(9,267)	(9,267)
Housing	<u>-</u>	<u>(324,343)</u>	<u>(324,343)</u>
	1,302,661	(1,075,357)	227,304
Restricted funds			
Housing	26,165	(26,165)	-
Services	155,834	(182,633)	(26,799)
Training	<u>-</u>	<u>(17,038)</u>	<u>(17,038)</u>
	<u>181,999</u>	<u>(225,836)</u>	<u>(43,837)</u>
TOTAL FUNDS	<u><u>1,484,660</u></u>	<u><u>(1,301,193)</u></u>	<u><u>183,467</u></u>

DRUGLINK

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31ST MARCH 2022

21. RELATED PARTY DISCLOSURES

During this and the previous year, Druglink rented six properties from a Trustee, Ray Knowles. The total rent paid was £89,355 (2021: £81,600).

During this and the previous year a Trustee, David Swarbrick, provided Druglink with interest free loans for which there was a loan agreement with a repayment plan. The year end balance was £Nil (2021: £17,500).

DRUGLINK

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST MARCH 2022**

	31/3/22	31/3/21
	£	£
INCOME AND ENDOWMENTS		
Donations and legacies		
Gifts	60	-
Donations	6,396	1,698
Grants	<u>287,153</u>	<u>181,250</u>
	293,609	182,948
Investment income		
Deposit account interest	1	3
Charitable activities		
Other income	1,251,619	1,272,955
Coronavirus Job Retention Scheme	<u>2,106</u>	<u>28,754</u>
	<u>1,253,725</u>	<u>1,301,709</u>
Total incoming resources	1,547,335	1,484,660
EXPENDITURE		
Other trading activities		
Bad debts	595	(100)
Bank loan interest	<u>920</u>	<u>6</u>
	1,515	(94)
Charitable activities		
Wages	713,475	549,140
Social security	55,296	42,118
Pensions	9,169	7,173
Hire of plant and machinery	1,338	1,180
Other operating leases	84,000	84,000
Rates and water	34,383	30,759
Insurance	14,627	13,441
Light and heat	58,861	45,125
Telephone	17,797	15,797
Postage and stationery	26,132	12,635
Advertising	1,468	153
Sundries	20,813	21,418
Bank charges	7,539	6,928
Trainer fees	33,708	5,560
Venue hire	7,839	(645)
Travel costs	11,525	6,915
Software	37,280	12,602
Staff costs	4,082	13,981
Professional fees	6,805	23,200
Repairs and maintenance	80,664	78,033
Carried forward	1,226,801	969,513

DRUGLINK

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST MARCH 2022**

	31/3/22	31/3/21
	£	£
Charitable activities		
Brought forward	1,226,801	969,513
Bad debts	-	(708)
Subscriptions	7,955	14,660
Equipment	21,673	30,181
Other establishment costs	16,202	12,176
Clients activities	3,879	3,033
Counsellor fees	1,590	4,677
Supplies for clients	3,146	171
Drug testing and doctors' fees	23,898	33,903
Plant and machinery	<u>1,262</u>	<u>2,697</u>
	1,306,406	1,070,303
 Support costs		
Finance		
Rent	239,434	215,690
 Governance costs		
Auditors' remuneration	6,930	6,930
Accountancy fees	2,250	8,364
Legal fees	<u>1,309</u>	<u>-</u>
	<u>10,489</u>	<u>15,294</u>
 Total resources expended	<u>1,557,844</u>	<u>1,301,193</u>
 Net (expenditure)/income	<u>(10,509)</u>	<u>183,467</u>

Cocoon Support Ltd

England & Wales - Charity number 295384

Accounts

REGISTERED COMPANY NUMBER: 02057706 (England and Wales)
REGISTERED CHARITY NUMBER: 295384

Report of the Trustees and
Financial Statements for the Year Ended 31 March 2021
for
Druglink
(A Company Limited by Guarantee)

Haines Watts
Chartered Accountants
Registered Auditor
Milton House
Gatehouse Road
Aylesbury
Buckinghamshire
HP19 8EA

Druglink

Contents of the Financial Statements for the Year Ended 31 March 2021

	Page
Reference and Administrative Details	1
Chairman's Statement	2
Report of the Trustees	3 to 15
Report of the Independent Auditors	16 to 18
Statement of Financial Activities	19
Balance Sheet	20
Cash Flow Statement	21
Notes to the Cash Flow Statement	22
Notes to the Financial Statements	23 to 33
Detailed Statement of Financial Activities	34 to 35

Druglink

**Reference and Administrative Details
for the Year Ended 31 March 2021**

TRUSTEES	D J Swarbrick (Chair) P M Dowd R A Farmer (resigned 9.12.20) K Cohen A Welsh (appointed 3.6.20) J R P Conolly (appointed 9.9.20) R Busse-Reid (appointed 9.9.20) R Knowles Property Investor
COMPANY SECRETARY	D Heath
REGISTERED OFFICE	Trefoil House Red Lion Lane Hemel Hempstead Hertfordshire HP3 9TE
REGISTERED COMPANY NUMBER	02057706 (England and Wales)
REGISTERED CHARITY NUMBER	295384
SENIOR STATUTORY AUDITOR	Shaun Brownsmith FCA
AUDITORS	Haines Watts Chartered Accountants Registered Auditor Milton House Gatehouse Road Aylesbury Buckinghamshire HP19 8EA

Druglink

Chairman's Statement for the Year Ended 31 March 2021

The year ending 31 March 2021 has been one of recovery for Druglink. After 2 years of disappointing financial results, it is pleasing to note that the re-structure established by the Chief Executive (Derek Heath) together with the others in the Leadership Team (Dave Gill and Wendy Nee) has achieved the desired financial and organisational result. Much credit is due to them and the rest of the Druglink team for this achievement. It is therefore extremely gratifying to be able to report that in addition to delivering significant social benefits to society by providing care and support to those suffering or at risk of suffering from substance abuse and harm, they can do so in a state of relative financial security.

The past year has been one of uncertainty for most of society with pandemics and lockdowns bringing so much disruption. Druglink has, undoubtedly been able to benefit from some of the initiatives (such as furlough schemes, business support schemes) introduced to deal with this uncertainty. It seems likely that the effect of the lockdowns will be to amplify some of the social problems associated with increased substance abuse and Druglink is working hard to ensure that it can maintain and if necessary, increase its' support as necessary.

This financial year also brought the appointment of three new trustees to Druglink's Board of Directors. We warmly welcome Alex Reid, Rachel Busse-Reid and James Connolly and are sure that they will make a contribution to Druglink's development in the coming years. We also look forward to being able to meet them face-to-face in the very near future!!! We also thank Rosemary Farmer who retired during the year, for her many years of service as a trustee.

So, the year ending 31 March 2021 has been a good one for Druglink during which it has been able to refine and focus its' activities and achieve financial stability. It seems very reasonable to believe that in the next financial year, Druglink will consolidate its financial position, refine its service offering and be in position to meet an unfortunately increasing demand for its services during 2022 and beyond.

David Swarbrick
Chair of Trustees
June 2021

Druglink

Report of the Trustees for the Year Ended 31 March 2021

The Trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2021. The Trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

Druglink has referred to the guidance in the Charity Commission's general guidance on public benefit. In reviewing our aims and objectives and planning our future activities, Druglink has referred to the guidance in the Charity Commission's general guidance on public benefit. In particular, the Trustees consider how planned activities will contribute to the aims and objectives they have set in our Strategy. Through our pathway, Druglink offers benefit to the community through the prevention of, and recovery from substance misuse and assistance with re-integration and independent living.

We Change Futures

Prevention - Our Diversion Schemes and educational activities such as school presentations and community engagements, present the risk factors associated with substance misuse. Druglink takes an active role in education to help prevent substance misuse; we believe that by making the realities of substance misuse and addiction more visible we enable people to make better decisions about their substance use. Better education results in greater awareness and understanding of addiction, which enables us to help more people in their recovery journey as well as working towards reducing drug and alcohol related issues in local communities.

Recovery - Druglink's Oxygen Recovery Service offers a person-based treatment programme to people with drug and alcohol addictions. Our service offers individuals the opportunity to address their addictions in a supportive and therapeutic environment with programmes based on the needs of individuals. Our service works closely with the other agencies such as counselling services which are offered to the clients and their partners and families. Our Oxygen Recovery service provides flexible levels of housing support depending on an individual's needs and where they are within their treatment journey.

Re-integration and Independent Living - Our housing service provides secure supported community living to those in recovery from substance misuse issues. We provide structured programmes including volunteering on projects such as our Independent Coffee Cart at St Albans Civic Centre, which provides education and training opportunities, builds skills, self-confidence and self-esteem and helps individuals reintegrate into local communities.

Druglink

Report of the Trustees for the Year Ended 31 March 2021

OBJECTIVES AND ACTIVITIES

Activities

Having introduced our values in 2019, Druglink refocussed our activities throughout 2020 by ensuring that we 'live' our values. We believe that our work really does 'Change Futures' for those we connect with and our activities presented in this report show that during 2020 'We Have Done Our Best', 'We Supported Each Other' and that our decisions always endeavoured to 'Do the Right Thing'.

Our Covid-19 response

Our business continuity plan outlined our immediate response to the pandemic, giving us time to organise more Coronavirus-specific procedures and processes. These ensured the safety of our staff and clients whilst safeguarding the financial and organisational integrity of the charity.

Druglink adopted an approach prioritising safety. Our Oxygen service locked-down earlier than the national lockdown and initially stayed 'sterile' before reviewing the continuing needs of potential clients. Group activities were curtailed with one to one sessions held at a 2 metre distance and staff provided client medication needs wearing full PPE.

Our Housing tenants were provided with 'smart' IT devices and Zoom meetings became the norm as our Recovery Workers continued to provide an effective support regime.

Coffee Ethic at St Albans took early action and closed a week before the national lockdown. Our volunteers continued to be supported through our network of recovery workers and those at our Gateway House took part in gardening and decorating projects during lockdown.

Our Diversion schemes had adopted Covid-safe protocols a month before lockdown and all of our face to face courses were cancelled early in March. Our Police partners worked with us to offer e-learning courses as an alternative to face to face courses ensuring that we were able to continue to offer a Diversion intervention for those referred to us.

Druglink took part in the Government's furlough scheme for a small number of staff in order to ensure the charity was able to recommence activity as soon as it was safe to do so.

It is to the immense credit of all of our staff that they engaged fully and responded eagerly and positively to these changed, and unsettling, circumstances. Very few staff or clients contracted the Coronavirus during the year because of the co-operation of everyone with the strict regimes we adopted.

Druglink

Report of the Trustees for the Year Ended 31 March 2021

OBJECTIVES AND ACTIVITIES

Druglink Service Review

Oxygen Recovery Service and Oxygen Breathe

Oxygen Recovery is a nine-bed rehabilitation and detoxification service offering support for those suffering from alcohol and drug addiction in a therapeutic environment. Clients receive one-to-one support as well as group therapy and relapse prevention advice. Groups included anger management, assertiveness, yoga, art and group therapy. The average stay is twelve weeks though some clients have previously stayed up to six months. The shortest rehab stay offered is 28 days with the client being able to access aftercare with telephone support and weekly visits. We work with clients who have complex needs and offer client-centred holistic support.

The number of people who received treatment at Oxygen between April 2020 and the end of March 2021 was 77 with 48 detox treatments and 29 rehab treatments. The majority of clients were in treatment following use of Class A drugs or alcohol. The majority of our clients identified as male.

Oxygen Recovery offers aftercare for up to six months with clients having access to telephone or one-to-one support. If they move onto our supported living facilities, we also offer them the chance to attend the service and all of the available support groups. This ensures that people are leaving their rehabilitation with the knowledge that in their early days of recovery, when they are most likely to relapse, they can continue to access immediate help and support.

Our "Breathe Counselling Service" provides a service for local residents to receive counselling from our trained team members on a 'pay what you can afford' basis. This service has run a very limited service during the year because of the Coronavirus pandemic; however, as the service re-establishes itself we are preparing for higher demand.

Oxygen Choices

Our Oxygen Choices programme offers 23 beds of supported housing for those in recovery. We have had 69 clients in our Oxygen Choices service this year where they were given floating support and attended our day service at Oxygen. Our group work programme includes Relapse Prevention advice, tenancy skills and support. We also partner with other agencies offering specialist advice for those looking to move on into education, training and employment.

Oxygen Gateway and Housing First

Oxygen Gateway has eleven beds of supported accommodation for anyone with a history of offending, substance misuse or homelessness. During this year, we had 79 referrals to the service and have supported 31 residents. The referrals we received this year were lower than those last year because of the Government's initiative to house the street homeless in hotels during the pandemic. Many prisoners who would have previously been released on license were also held in custody longer because of the situation. Clients are encouraged to move on as soon as they are ready and they can continue to receive informal support after leaving Druglink. During the past year move-on opportunities were limited so we have seen fewer clients move on, however it still remains that they have commented on the importance of this opportunity to have stable accommodation from which to restart their lives.

Druglink

Report of the Trustees for the Year Ended 31 March 2021

OBJECTIVES AND ACTIVITIES

We have developed a closer partnership with other drug and alcohol services to provide a holistic approach to recovery and have worked with the Workability team to help improve the chances of residents gaining employment. HACRO have provided online fitness and cookery classes and also provided many supportive Zoom calls.

The Gateway Living Well project has resulted in breaking down barriers between residents and building rapport with others through group activities. They have learned how to share and work together as well as having fun and developing a co-operative and supportive environment. Many of our residents don't see themselves as anything but an ex offender, an addict or a failure. Our 'Living Well' project has engaged and empowered people and has helped residents grow in confidence and ability.

Our Housing First project has continued to grow and provide support to tenants on their journey away from homelessness. Our client group has included entrenched street drinkers, clients who are actively injecting and clients with problematic sex working histories.

Oxygen Connect

At the beginning of the financial year we were awarded some funding to open a day service called Oxygen Connect. This had been applied for before the pandemic hit and lockdown was imposed, but during this period our staff team provided Zoom groups from the service to those in our supported living properties. As lockdown eased we could have limited numbers into the service as long as we complied with social distancing regulations. This has proved very popular and as lockdown restrictions are lifted we hope to provide more groups and peer-led opportunities. During the year Oxygen Connect also successfully bid for a separate pot of funding to provide a link worker to reach out to GPs to offer a referral service for those seeking support for low-level but escalating alcohol consumption.

Oxygen Eve

In December 2020, Druglink opened Oxygen Eve, three bedrooms of supported accommodation for females with a history of offending related to substance misuse. The service is available to low to medium risk offenders with clients able to stay at the property for between 12 and 52 weeks. Oxygen Eve has been full from the start with more people waiting to be referred if vacancies arise.

Our specialist Recovery Worker is based on site supporting the clients to make good decisions about their health and welfare and helping them to reintegrate into the local community. Clients organized a Christmas event between themselves - a step towards leading a more normal life.

Supporting Homeless Street Drinkers

Four homeless 'street drinkers' of Eastern European origin were supported with accommodation in a four-bedroom recovery house and provided support through a worker to help them make the transition from years of homelessness to a more settled life.

All have made lifestyle improvements, with three of the four giving up alcohol completely. All four have registered with GPs and dentists and all are now determined that they will not return to a life of homelessness. They have busied themselves with redecorating the house and restyling the garden, the house is 'spotless' and all have shown the positive contribution they can make from a community intervention made by St Albans Council and Druglink.

Druglink

Report of the Trustees for the Year Ended 31 March 2021

OBJECTIVES AND ACTIVITIES

General Activity

Druglink continues to provide floating support to residents who move on to other tenancies. We have worked with another six residents over the past year giving intensive support to clients to:

- reinstate benefits;
- get GP registered;
- reduce self-harm;
- reduce drug use;
- re-establish family contact; and
- gain 'Settled Status';

Our future plans include supporting more clients in 'tenancy maintenance' skills and moving them on to appropriate secure accommodation. Our Housing First project will use the Homelessness Star to prove to partners the value and the success of the service. We are also due to open a second Housing First Property. This will allow us to provide support to a further four or five clients at any one time.

Diversion Courses

During the year to 31 March 2021, Druglink have continued to provide our national Diversion education and awareness sessions in partnership with 16 police forces across the UK. Diversion Courses provide an early intervention for people who have committed an alcohol-related or drugs-related offence. These 'Out of Court Disposals' (OoCDs) - usually a Conditional Caution or a Community Resolution - provide a Diversionary intervention which encourages offenders to examine their actions and promotes more responsible behaviour to reduce the chances of future offending.

Our courses give offenders important information that can help them:

- stay safe;
- make better decisions;
- be aware of the law; and
- understand the consequences of their actions.

Although our courses are aimed at first time offenders, they are designed to be hard-hitting; they challenge and confront whilst also informing and educating. Our trainers tailor their approach to each group to ensure that participants are engaged and get the most from their session.

Druglink

Report of the Trustees for the Year Ended 31 March 2021

OBJECTIVES AND ACTIVITIES

During the year, we have had 8,540 people referred to courses from our Police partners which represents a 61% increase on the previous year. Around 22% of referrals were Conditional Cautions, 75% were Community Resolutions and 3% were PNDs or other disposals. As we have been unable to offer face to face courses during the past year, the majority were offered e-learning courses and around 64% of those referred subsequently attended an Alcohol, Drugs or Cannabis Diversion e-learning course.

During the year we created a 'Virtual' course using the same source material and objectives to the face to face course provided via Zoom. Our three hour course uses one of our experienced trainers to deliver a course 'live' to a group of 10 to 15 attendees. We started to deliver the Virtual course in December 2020 and 340 people were referred to these courses between December and the end of March 2021.

We have launched our work with Thames Valley Police and had discussions with three other forces during the year.

We maintained our Hardship Fund which provides financial assistance to those who need to undertake the course but who cannot afford the cost. During this year we have supported 14 people to complete the course using our Hardship Fund to meet the cost.

Communications and Marketing

Good Neighbours Initiative

One of Druglink's key aims is to be good neighbours to our local community. We want to link closely with local community groups and residents to ensure there is benefit from welcoming our clients and staff in to their community. We had started this work in 2019 with talks to local people and in early 2020 we had arranged to participate in a sponsored walk with our local football club.

"This Could be Us" project

Our main project for 2020 was our link with Kings Langley School on a project to visualise everyday scenarios that represent the increase in alcohol and other drug consumption throughout the pandemic. Called "This could be us", the project aimed to bring knowledge of drug and alcohol misuse to the attention of year 12 pupils and make them aware of how easy it is to develop harmful behaviours using drugs or alcohol. The school ran an extensive arts project which resulted in a photography competition winner providing us with a range of striking images that illustrated the theme. These images will now be used in our communications literature for the future.

During 2020, our Communications team also developed a range of 'aftercare' resources for people who have attended our Diversion courses. Often our courses will provide the impetus people need to make lasting change to their lives and Druglink are keen to ensure that we can provide as much help as possible to enable people to take that step. Containing self-help information, local resources and links to local and national agencies, the 'Aftercare' link is provided at the end of courses and can be accessed using an invitation we provide. Launched early in 2021, the 'Aftercare' resource kit is available to anyone who has completed a virtual or face to face Diversion course.

Druglink

Report of the Trustees for the Year Ended 31 March 2021

OBJECTIVES AND ACTIVITIES

Coffee Ethic

During the year, our Coffee Ethic service has been closed. We remain committed to working with St Albans Council providing a service to Council Officers, visitors and others when the Coronavirus restrictions are relaxed.

Our Charity

In order to meet our charitable objectives most effectively we need to be an efficient and effective organisation. During the year, we have worked on improvements for many aspects of the charity including introducing new IT systems, formalising pay structures and developing stronger governance structures.

Our involvement with Hertfordshire Community Foundation's Building Effectiveness programme has allowed us to develop governance improvements in a systematic manner. During the year, we recruited three new Trustees to our Board of Directors. Bringing a mix of specific skills covering addictions, contracting and health/well-being alongside lived experiences has developed a much stronger and more engaged Trustee board.

We have also introduced a range of new finance procedures headed up by a qualified Finance Team. Our new procedures are all based on our operations and are designed to provide more capacity within operational teams whilst still providing robust financial processes.

Our new IT systems create greater capacity by reducing duplication and speeding up processes. The new systems address our Corporate Risk concerns by providing greater integrity and data protection across our services. The investment we make in these systems allows us to upgrade our business continuity capacity as well as conforming to the highest standards of regulation across our services.

Our staff team have been amazing over the past year. Staff have constantly and consistently 'stepped up' to deliver against the challenges they were set throughout the year. The Management and Trustee Board instituted a range of actions to recognise the goodwill and professional expertise from our staff throughout the year which included:

- one-off vouchers as a 'thank you' for all staff who had worked throughout the pandemic;
- restructured the entire salary scheme introducing a Spinal Column Point system with clear incremental progression and associated appraisal system; and
- re-grading of the staff team to ensure that historical imbalances have been addressed.

During the year, we also have had our three-year Investors in People audit. In 2018, we achieved the Silver IIP award and we were pleased to achieve that again in 2021 with many improvements noted across a range of indices.

Druglink believe that we Change Futures for people. Our activity across all of our services and throughout our organisation during the year ended 31 March 2021 has underlined our determination to Change Futures through our charitable work.

Druglink

Report of the Trustees for the Year Ended 31 March 2021

FINANCIAL REVIEW

Financial and Operations Review

The Financial Statements for the year ended 31 March 2021 show a surplus for this year of £183,467 (2020: deficit £245,343) with positive reserves at the year-end of £96,434 (2020: negative reserves of £87,033).

Income

Druglink receives income from a number of different sources and the total income for the year was £1,484,659 (2020: £1,141,511). Druglink continues to receive funding in return for delivering and managing a number of contracted services including:

- Herts County Council - Supporting Herts, Druglink Housing;
- Welwyn and Hatfield Council - Housing 1st;
- Luton Borough Council - towards the ResoLUTIONs HUB; and
- Hertfordshire City Council - Oxygen Recovery.

Druglink generated income through its other activities and sources, of which the key ones were:

- Oxygen Residential fees - £513,823 (2020: £467,018)
- Rental Income (Supported Housing) - £544,562 (2020: £258,437)
- Diversion Scheme - £214,008 (2020: £143,770)
- Donations and legacies - £211,701 (2020: £130,046)
- Coffee Ethic (Social Enterprise) - £Nil (2020: £12,615)

Expenditure

Expenditure for the year was £1,301,192 (2020: £1,386,854). The largest expenditure item for the organisation is staff costs which accounted for 46% (2020: 57%) of total expenditure. These staff provide essential services to our clients and are experienced individuals from a variety of backgrounds enabling Druglink to offer a rounded service to its clients.

Investment policy

Druglink had no financial investments at the year end. The Trustees keep any surplus cash in deposit accounts while being mindful of the financial services compensation scheme limits. There are no current plans to invest beyond this approach.

Reserves

The Trustees have reviewed the reserves policy and decided that £250,000 of general reserves is appropriate for approximately 3 to 6 months of committed operating expenditure. Currently the charity has a low level of reserves and endeavours to continue to build on these existing reserves to this level through our activities.

Druglink

Report of the Trustees for the Year Ended 31 March 2021

Bounce Back Loan

The charity availed of a Bounce Back loan during the year to support its liquidity position following two years of negative results and to ensure that it continued to provide its various services, This loan is planned to be repaid over five year in accordance with the UK Government terms commencing during May 2021.

Druglink

Report of the Trustees for the Year Ended 31 March 2021

FUTURE PLANS

The charity intends to continue and carefully grow its existing activities subject to adequate funding being available.

Oxygen and Housing

Our focus is to continue to provide high quality services against a background of maintaining high levels of occupancy and thereby ensuring that each activity house is providing a surplus. This is a core focus to enable us to continue to recover from the deficits of the past two years to build up our reserves and ensure financial stability to continue our much needed services.

We will continue to build awareness of our services to more organisations to help ensure those higher levels of occupancy and use.

Diversion Scheme

As with previous years, the Diversion Scheme remains under constant review and development. We aim to bring additional police forces into the Diversion scheme, believing that this level of growth is manageable for the scheme. We will continue to advise forces on their approach to a two-tier Out of Court disposals system for alcohol and other drug offences and use our influence to attract more business across our suite of courses. We will also particularly increase the use of e-learning in our courses which continues to bring a new dimension to our work.

As demand for the service grows, we are identifying the need for additional IT capacity as well as additional functionality and online access beyond developments made during the past year.

Training

We will continue to offer bespoke training and deliver sessions in schools as resources allows. We will explore opportunities for external funding to increase our capabilities in this area. E-learning will continue to be available and we aim to keep the cost of this to a minimum to allow greater access whilst still covering the cost of the system used.

Finance and Operations

Druglink will continue to maintain its quality programmes such as Investors in People. It will continue to hold staff events for the organisation to continue to consider and agree clear organisational values and how these are shared. We will encourage staff involvement in these quality programmes through the creation of quality champions within individual services.

Ongoing reviews of IT contracts for services will continue to ensure the charity receives best value as well as service from its suppliers.

All Druglink marketing materials and websites will continue to be reviewed to ensure Druglink remains relevant in the field of substance misuse and recovery. We want to ensure that we are providing the right information to potential clients as well as to the general public who may want to support the work of the charity. Druglink aspires to be an accessible service removing the stigma and preconceptions associated with addiction or substance misuse.

Druglink

Report of the Trustees for the Year Ended 31 March 2021

The senior management team continues to be tasked during this current financial year to keep all areas under review for cost savings and efficiencies from staff costs to suppliers.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Charity's aims and objectives are regulated by its Memorandum and Articles of Association dated 28 September 1986 incorporating the Charity (Registered Number 295384) as a Company Limited by Guarantee and updated and approved by the Trustees on 17 November 2006 and approved by the Charity Commission on 24 May 2009.

Its main objectives are to:

- advance the education of the public in the dangers arising from the habitual or occasional consumption of narcotic, stimulant and hallucinogenic drugs or similar substances including alcohol;
- advance the education and training of persons who operate in the field of substance misuse;
- relieve the poverty, sickness and distress of persons resulting from either their misuse of drugs or from such misuse by others;
- promote either alone or with others, research into drug misuse and publish the result of such research; and
- advance the promotion and preservation of public law and order through the reduction of crimes arising directly and indirectly from the misuse of drugs.

The main activities for the year continued to focus on the promotion, education and prevention of the misuse of drugs and the rehabilitation of those misusing substances. Strategies employed to achieve these aims included:

- Providing a range of services which are reflective of relevant quality standards and address the potential problems experienced by substance misuse.
- Focusing on limiting the harm that arises from substance misuse, not only for the individual but also for families and the wider community; and
- Working in the partnership with other agencies to secure the widest range of services that best match the needs of our clients.

Druglink

Report of the Trustees for the Year Ended 31 March 2021

STRUCTURE, GOVERNANCE AND MANAGEMENT

Recruitment and Appointment of New Trustees

When the management committee recognise that the recruitment of a new staff member is required, a job description is completed. This is circulated where the management committee considers it necessary to attract someone with the necessary skills for the particular job. Applicants submit their details which are scrutinised by the appropriate committee members and a short list is selected for interview. Such candidates are interviewed and if appropriate an offer is made to the most suitable candidate on an equal opportunities basis.

Pay and Remuneration

Annual reviews of pay and remuneration for key members of staff are undertaken. Different factors are taken into account when considering pay and remuneration for key staff and these include:

- Changes in role and responsibilities;
- Length of service and experience; and
- Current market rates of pay and remuneration.

Any changes to pay and remuneration for the key staff of the charity are approved by the Board as part of the budget setting exercise. Should there be changes during the financial year, then approvals are made at the appropriate Board meetings and recorded in the minutes.

Appointment

The Trustees are mindful of the need to have balanced group of Trustees who can provide a wide range of skills. If they consider that new trustee is required, they investigate potential individuals they consider suitable for the role and if there is agreement amongst them make an approach to that individual. If they accept, they will be appointed a new trustee.

Induction and training of new trustees

Upon appointment as a trustee, the individual is given details of the Charity and encouraged to attend courses applicable for trustees.

Related parties

During this and the previous year, David Swarbrick provided Druglink with interest free loans for which there is a loan agreement with a repayment plan. The year end balance was £17,500 (2020: £45,000).

This has been referenced above in Note 15 'Other Loan.'

Risk management

The Trustees take an active role in assessing the risks associated with the operations of the charity together with financial risks associated with the running of the charity and investments made. Action is taken to minimise risks with appropriate training of staff members and internal policies and procedures.

Druglink

Report of the Trustees for the Year Ended 31 March 2021

TRUSTEES' RESPONSIBILITY STATEMENT

The Trustees (who are also the directors of Druglink for the purposes of company law) are responsible for preparing the Report of the Trustees and the Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the 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 Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

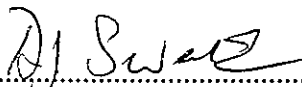
The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding 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 Trustees are aware, there is no relevant audit information of which the charitable company's auditors are unaware, and the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

The auditors, Haines Watts, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Approved by order of the board of Trustees on 23/06/2021 and signed on its behalf by:


.....

D J Swarbrick (Chair) - Trustee

Report of the Independent Auditors to the Members of Druglink

Opinion

We have audited the financial statements of Druglink (the 'charitable company') for the year ended 31 March 2021 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 (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 2021 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 Auditors' 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.

However, not all future events or conditions can be predicted. The COVID-19 viral pandemic is one of the most significant economic events for the UK with unprecedented levels of uncertainty of outcomes. It is therefore difficult to evaluate all of the potential implications on the company's activities, customers, suppliers and wider economy. The Directors' view on the impact of COVID-19 is disclosed in the accounting policies note.

Report of the Independent Auditors to the Members of Druglink

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

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.

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 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 Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the 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 Report of the Trustees.

We have nothing to report in respect of the following matters where 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 trustees' 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 take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement, 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 trustees 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 trustees 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 trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Report of the Independent Auditors to the Members of Druglink

Our 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 a Report of the Independent Auditors 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. 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 extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We have evaluated the industry in which the entity operates, including the legal and regulatory framework
- We have reviewed systems and controls employed by the Company over the assets held
- We have inquired with management as to any known instances of fraud or irregularity, and
- We have devised audit tests to target the areas which may be most susceptible to misstatement, including: income recognition and management override.

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 Report of the Independent Auditors.

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 auditors' 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.

Shaun Brownsmith FCA (Senior Statutory Auditor)
for and on behalf of Haines Watts
Chartered Accountants
Registered Auditor
Milton House
Gatehouse Road
Aylesbury
Buckinghamshire
HP19 8EA

Date: 22 / 6 / 2021

Druglink

Statement of Financial Activities
for the Year Ended 31 March 2021

	Notes	Unrestricted funds £	Restricted funds £	31.3.21 Total funds £	31.3.20 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	29,702	181,999	211,701	130,046
Charitable activities					
Diversion	4	214,008	-	214,008	143,770
Central Services		562	-	562	50,630
Housing		-	-	-	78,790
Oxygen		544,562	-	544,562	258,437
Training		513,823	-	513,823	467,018
Coffee Ethics		-	-	-	200
		-	-	-	12,615
Investment income	3	3	-	3	5
Total		1,302,660	181,999	1,484,659	1,141,511
EXPENDITURE ON					
Funds	5	(94)	-	(94)	27,551
Charitable activities					
Diversion	6	106,437	-	106,437	133,894
Central Services		145,329	-	145,329	145,165
Housing		-	182,633	182,633	73,017
Oxygen		357,344	26,165	383,509	361,052
Training		457,073	-	457,073	554,877
Coffee Ethics		-	17,038	17,038	20,754
		9,267	-	9,267	70,544
Total		1,075,356	225,836	1,301,192	1,386,854
NET INCOME/(EXPENDITURE)		227,304	(43,837)	183,467	(245,343)
RECONCILIATION OF FUNDS					
Total funds brought forward		(130,870)	43,837	(87,033)	158,310
TOTAL FUNDS CARRIED FORWARD		96,434	-	96,434	(87,033)

The notes form part of these financial statements

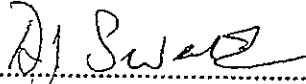
Druglink

Balance Sheet
31 March 2021

	Notes	31.3.21 £	31.3.20 £
FIXED ASSETS			
Tangible assets	12	1,262	3,960
CURRENT ASSETS			
Debtors	13	214,913	154,642
Cash at bank and in hand		166,395	6,986
		<u>381,308</u>	<u>161,628</u>
CREDITORS			
Amounts falling due within one year	14	(243,719)	(252,621)
		<u>137,589</u>	<u>(90,993)</u>
NET CURRENT ASSETS/(LIABILITIES)			
		138,851	(87,033)
CREDITORS			
Amounts falling due after more than one year	15	(41,667)	-
PROVISIONS FOR LIABILITIES	18	(750)	-
		<u>96,434</u>	<u>(87,033)</u>
NET ASSETS/(LIABILITIES)			
FUNDS	20		
Unrestricted funds		96,434	(130,870)
Restricted funds		-	43,837
		<u>96,434</u>	<u>(87,033)</u>
TOTAL FUNDS			

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 23/6/2021 and were signed on its behalf by:


.....
DJ Swarbrick (Chair) - Trustee

The notes form part of these financial statements

Druglink

**Cash Flow Statement
for the Year Ended 31 March 2021**

	Notes	31.3.21 £	31.3.20 £
Cash flows from operating activities			
Cash generated from operations	1	136,911	(242,255)
Interest paid		(6)	(9,118)
		<hr/>	<hr/>
Net cash provided by/(used in) operating activities		136,905	(251,373)
		<hr/>	<hr/>
Cash flows from investing activities			
Purchase of tangible fixed assets		-	(2,200)
Sale of tangible fixed assets		-	542,129
Interest received		3	5
		<hr/>	<hr/>
Net cash provided by investing activities		3	539,934
		<hr/>	<hr/>
Cash flows from financing activities			
New loans in year		50,000	29,000
Loan repayments in year		(27,499)	(260,209)
		<hr/>	<hr/>
Net cash provided by/(used in) financing activities		22,501	(231,209)
		<hr/>	<hr/>
Change in cash and cash equivalents in the reporting period		159,409	57,352
Cash and cash equivalents at the beginning of the reporting period		6,986	(50,366)
		<hr/>	<hr/>
Cash and cash equivalents at the end of the reporting period		166,395	6,986
		<hr/> <hr/>	<hr/> <hr/>

The notes form part of these financial statements

Druglink

Notes to the Cash Flow Statement for the Year Ended 31 March 2021

1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	31.3.21 £	31.3.20 £
Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)	183,467	(245,343)
Adjustments for:		
Depreciation charges	2,697	8,078
Loss on disposal of fixed assets	-	2,137
Interest received	(3)	(5)
Interest paid	6	9,118
Provisions	750	-
Increase in debtors	(60,271)	(40,608)
Increase in creditors	10,265	24,368
Net cash provided by/(used in) operations	<u>136,911</u>	<u>(242,255)</u>

2. ANALYSIS OF CHANGES IN NET (DEBT)/FUNDS

	At 1.4.20 £	Cash flow £	At 31.3.21 £
Net cash			
Cash at bank and in hand	6,986	159,409	166,395
	<u>6,986</u>	<u>159,409</u>	<u>166,395</u>
Debt			
Debts falling due within 1 year	(45,000)	19,167	(25,833)
Debts falling due after 1 year	-	(41,667)	(41,667)
	<u>(45,000)</u>	<u>(22,500)</u>	<u>(67,500)</u>
Total	<u>(38,014)</u>	<u>136,909</u>	<u>98,895</u>

The notes form part of these financial statements

Druglink

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

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Going Concern

The financial statements have been prepared on a going concern basis.

In making their assessment, the Trustees have reviewed and considered relevant information that includes Druglink's balance sheet at 31 March 2021 and its negative reserves position at that date, progress on its actions to restore its ability to generate surpluses, its projections for the current year to 31 March 2022 and monthly performance achieved to date, actions taken to manage working capital including its liquidity position, its projections under different, uncertain scenarios.

The Trustees have additionally assessed possible impacts of COVID-19 including its operational responses to date and risk assessments of future pandemic scenarios which included measures that they can take to mitigate its impacts.

Having noted the available current resources and the measures that could be undertaken to mitigate COVID-19 conditions in particular, the Trustees have concluded that they can continue to adopt the going concern basis in preparing the financial statements.

Income

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.

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.

Tangible fixed assets

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

Plant and machinery - 33% on cost

Taxation

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

Druglink

Notes to the Financial Statements - continued for the Year Ended 31 March 2021

1. ACCOUNTING POLICIES - continued

Fund accounting

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

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

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

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

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

2. DONATIONS AND LEGACIES

	31.3.21	31.3.20
	£	£
Donations	1,697	343
Grants	210,004	129,703
	<u>211,701</u>	<u>130,046</u>

Grants received, included in the above, are as follows:

	31.3.21	31.3.20
	£	£
Grants	<u>210,004</u>	<u>129,703</u>

Druglink

Notes to the Financial Statements - continued
for the Year Ended 31 March 2021

3. INVESTMENT INCOME

	31.3.21	31.3.20
	£	£
Deposit account interest	3	5
	<u>3</u>	<u>5</u>

4. INCOME FROM CHARITABLE ACTIVITIES

	Activity	31.3.21	31.3.20
		£	£
Other income	Diversion	214,008	143,770
Other income	Central	562	50,630
Other income	Services	-	78,790
Other income	Housing	544,562	258,437
Other income	Oxygen	513,823	467,018
Other income	Training	-	200
Other income	Coffee Ethics	-	12,615
		<u>1,272,955</u>	<u>1,011,460</u>

5. FUNDS

Raising donations and legacies

31.3.21	31.3.20
£	£
<u> </u>	<u> </u>

Other trading activities

	31.3.21	31.3.20
	£	£
Bad debts	(100)	18,433
Interest payable and similar charges	6	9,118
	<u>(94)</u>	<u>27,551</u>

Aggregate amounts

<u>(94)</u>	<u>27,551</u>
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Druglink

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2021**

6. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 7) £	Totals £
Diversion	106,437	-	106,437
Central	130,035	15,294	145,329
Services	182,633	-	182,633
Housing	383,509	-	383,509
Oxygen	457,073	-	457,073
Training	17,038	-	17,038
Coffee Ethics	9,267	-	9,267
	<u>1,285,992</u>	<u>15,294</u>	<u>1,301,286</u>

7. SUPPORT COSTS

	Governance costs £
Central	<u>15,294</u>

8. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	31.3.21 £	31.3.20 £
Auditors' remuneration	6,930	6,000
Depreciation - owned assets	2,698	8,078
Hire of plant and machinery	1,180	1,199
Other operating leases	300,191	256,824
Deficit on disposal of fixed assets	-	2,137
	<u> </u>	<u> </u>

Druglink

Notes to the Financial Statements - continued
for the Year Ended 31 March 2021

9. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2021 nor for the year ended 31 March 2020.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2021 nor for the year ended 31 March 2020.

10. STAFF COSTS

	31.3.21	31.3.20
	£	£
Wages and salaries	549,140	608,840
Social security costs	42,118	49,706
Other pension costs	7,173	9,484
	<u>598,431</u>	<u>668,030</u>

The average monthly number of employees during the year was as follows:

	31.3.21	31.3.20
Average number of staff	<u>27</u>	<u>28</u>

No employees received emoluments in excess of £60,000.

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	111,904	18,142	130,046
Charitable activities			
Diversion	143,770	-	143,770
Central	50,630	-	50,630
Services	-	78,790	78,790
Housing	258,437	-	258,437
Oxygen	467,018	-	467,018
Training	-	200	200
Coffee Ethics	12,615	-	12,615
Investment income	<u>5</u>	<u>-</u>	<u>5</u>
Total	1,044,379	97,132	1,141,511

EXPENDITURE ON

Druglink

Notes to the Financial Statements - continued
for the Year Ended 31 March 2021

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted funds £	Restricted funds £	Total funds £
Funds	27,551	-	27,551
Charitable activities			
Diversions	133,894	-	133,894
Central	145,165	-	145,165
Services	-	73,017	73,017
Housing	124,141	236,911	361,052
Oxygen	554,877	-	554,877
Training	-	20,754	20,754
Coffee Ethics	70,544	-	70,544
Total	1,056,172	330,682	1,386,854
NET INCOME/(EXPENDITURE)	(11,793)	(233,550)	(245,343)
RECONCILIATION OF FUNDS			
Total funds brought forward	(119,077)	277,387	158,310
TOTAL FUNDS CARRIED FORWARD	(130,870)	43,837	(87,033)

12. TANGIBLE FIXED ASSETS

	Plant and machinery £
COST	
At 1 April 2020 and 31 March 2021	264,998
DEPRECIATION	
At 1 April 2020	261,038
Charge for year	2,698
At 31 March 2021	263,736
NET BOOK VALUE	
At 31 March 2021	1,262
At 31 March 2020	3,960

Druglink

Notes to the Financial Statements - continued
for the Year Ended 31 March 2021

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR		
	31.3.21	31.3.20
	£	£
Trade debtors	84,345	136,257
Bad Debt Provision	-	(81,251)
Other debtors	39,509	38,118
Prepayments and accrued income	45,136	61,518
Prepayments	45,923	-
	<u>214,913</u>	<u>154,642</u>
14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR		
	31.3.21	31.3.20
	£	£
Bank loans and overdrafts (see note 16)	8,333	-
Other loans (see note 16)	17,500	45,000
Trade creditors	122,479	148,110
Social security and other taxes	13,038	12,816
Other creditors	3,872	1,431
Accruals and deferred income	78,497	45,264
	<u>243,719</u>	<u>252,621</u>
15. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR		
	31.3.21	31.3.20
	£	£
Bank loans (see note 16)	41,667	-
	<u>41,667</u>	<u>-</u>
16. LOANS		
An analysis of the maturity of loans is given below:		
	31.3.21	31.3.20
	£	£
Amounts falling due within one year on demand:		
Bank loans	8,333	-
Other loan	17,500	45,000
	<u>25,833</u>	<u>45,000</u>
Amounts falling between one and two years:		
Bank Loan	10,000	-
	<u>10,000</u>	<u>-</u>
Amounts falling due between two and five years:		
Bank loans - 2-5 years	30,000	-
	<u>30,000</u>	<u>-</u>

Druglink

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2021**

16. LOANS - continued

	31.3.21	31.3.20
	£	£
Amounts falling due in more than five years:		
Repayable by instalments:		
Bank loans more 5 yr by instal	1,667	-

17. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	31.3.21	31.3.20
	£	£
Within one year	33,000	33,000
Between one and five years	132,000	132,000
In more than five years	121,000	137,500
	<u>286,000</u>	<u>302,500</u>

The operating lease relates to the sale and lease back of Nascent House.

18. PROVISIONS FOR LIABILITIES

	31.3.21	31.3.20
	£	£
Provisions	750	-
	<u>750</u>	<u>-</u>

19. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds	Restricted funds	31.3.21 Total funds	31.3.20 Total funds
	£	£	£	£
Fixed assets	1,262	-	1,262	3,960
Current assets	381,308	-	381,308	161,628
Current liabilities	(243,719)	-	(243,719)	(252,621)
Long term liabilities	(41,667)	-	(41,667)	-
Provision for liabilities	(750)	-	(750)	-
	<u>96,434</u>	<u>-</u>	<u>96,434</u>	<u>(87,033)</u>

Druglink

Notes to the Financial Statements - continued
for the Year Ended 31 March 2021

20. MOVEMENT IN FUNDS

	At 1.4.20 £	Net movement in funds £	At 31.3.21 £
Unrestricted funds			
General fund	(202,832)	(70,277)	(273,109)
Diversion	12,219	111,421	123,640
Coffee Ethic	(230,119)	(4,127)	(234,246)
Housing	289,862	190,287	480,149
	<u>(130,870)</u>	<u>227,304</u>	<u>96,434</u>
Restricted funds			
Services	26,799	(26,799)	-
Training	17,038	(17,038)	-
	<u>43,837</u>	<u>(43,837)</u>	<u>-</u>
TOTAL FUNDS	<u>(87,033)</u>	<u>183,467</u>	<u>96,434</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	532,028	(602,305)	(70,277)
Diversion	217,862	(106,441)	111,421
Coffee Ethic	5,140	(9,267)	(4,127)
Housing	547,630	(357,343)	190,287
	<u>1,302,660</u>	<u>(1,075,356)</u>	<u>227,304</u>
Restricted funds			
Housing	26,165	(26,165)	-
Services	155,834	(182,633)	(26,799)
Training	-	(17,038)	(17,038)
	<u>181,999</u>	<u>(225,836)</u>	<u>(43,837)</u>
TOTAL FUNDS	<u>1,484,659</u>	<u>(1,301,192)</u>	<u>183,467</u>

Druglink

Notes to the Financial Statements - continued
for the Year Ended 31 March 2021

20. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.4.19 £	Net movement in funds £	At 31.3.20 £
Unrestricted funds			
General fund	14,424	(217,256)	(202,832)
Diversion	(15,114)	27,333	12,219
Coffee Ethic	(172,191)	(57,928)	(230,119)
Housing	53,804	236,058	289,862
	<u>(119,077)</u>	<u>(11,793)</u>	<u>(130,870)</u>
Restricted funds			
Housing	236,911	(236,911)	-
Services	21,027	5,772	26,799
Training	19,449	(2,411)	17,038
	<u>277,387</u>	<u>(233,550)</u>	<u>43,837</u>
TOTAL FUNDS	<u>158,310</u>	<u>(245,343)</u>	<u>(87,033)</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	510,340	(727,596)	(217,256)
Diversion	161,220	(133,887)	27,333
Coffee Ethic	12,616	(70,544)	(57,928)
Housing	360,203	(124,145)	236,058
	<u>1,044,379</u>	<u>(1,056,172)</u>	<u>(11,793)</u>
Restricted funds			
Housing	-	(236,911)	(236,911)
Services	78,789	(73,017)	5,772
Training	18,343	(20,754)	(2,411)
	<u>97,132</u>	<u>(330,682)</u>	<u>(233,550)</u>
TOTAL FUNDS	<u>1,141,511</u>	<u>(1,386,854)</u>	<u>(245,343)</u>

Management decided after the year-ended 31 March 2019 to substantially reduce the Coffee Ethic activity as this was the main factor in causing a deficit in unrestricted reserves.

Druglink

Notes to the Financial Statements - continued for the Year Ended 31 March 2021

21. RELATED PARTY DISCLOSURES

During this and the previous year David Swarbrick provided Druglink with interest free loans for which there is a loan agreement with a repayment plan. The year end balance was £45,000 (2019: £15,000).

This has been referenced above in Note 16 'Other Loan'.

Druglink

Detailed Statement of Financial Activities for the Year Ended 31 March 2021

	31.3.21 £	31.3.20 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	1,697	343
Grants	210,004	129,703
	211,701	130,046
Investment income		
Deposit account interest	3	5
Charitable activities		
Other income	1,272,955	1,011,460
Total incoming resources	1,484,659	1,141,511
EXPENDITURE		
Other trading activities		
Bad debts	(100)	18,433
Bank loan interest	6	9,118
	(94)	27,551
Charitable activities		
Wages	549,140	608,840
Social security	42,118	49,706
Pensions	7,173	9,484
Hire of plant and machinery	1,180	1,199
Other operating leases	300,191	256,824
Rates and water	30,759	10,718
Insurance	13,441	13,798
Light and heat	45,125	72,380
Telephone	15,797	22,553
Postage and stationery	12,635	9,312
Advertising	153	404
Sundries	21,418	22,258
Bank charges	6,928	9,082
Trainer fees	5,560	37,042
Room hire	-	12,821
Carried forward	1,051,618	1,136,421

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Druglink

Detailed Statement of Financial Activities for the Year Ended 31 March 2021

	31.3.21	31.3.20
	£	£
Charitable activities		
Brought forward	1,051,618	1,136,421
Travel costs	6,270	22,711
Set-up fees	-	1,614
software	12,602	17,078
Staff costs	13,981	11,014
Professional fees	23,200	35,676
Repairs and maintenance	77,531	37,219
Bad debts	(708)	(7,341)
Subscriptions	14,660	16,809
Equipment	30,181	23,575
Training	-	331
Other establishment costs	12,176	8,839
Clients activities	3,033	4,233
Counsellor fees	4,677	1,960
Supplies for clients	171	287
Drug testing and doctors' fees	33,903	13,203
Purchases	-	5,368
Fund raising costs	-	181
Plant and machinery	2,697	8,078
Loss on sale of tangible fixed assets	-	2,137
	1,285,992	1,339,393
Support costs		
Management		
Penalties and Fines	-	2,620
Governance costs		
Auditors' remuneration	6,930	6,000
Accountancy fees	8,364	9,090
Legal fees	-	2,200
	15,294	17,290
Total resources expended	1,301,192	1,386,854
Net income/(expenditure)	183,467	(245,343)

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