

Registered number: 06876508
Charity number: 1129267

THE WEST ESSEX ALCOHOL AND DRUGS SERVICE T/A ADAS
(A Company Limited by Guarantee)

UNAUDITED

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2018

THE WEST ESSEX ALCOHOL AND DRUGS SERVICE T/A ADAS
(A Company Limited by Guarantee)

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THE WEST ESSEX ALCOHOL AND DRUGS SERVICE T/A ADAS
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REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2018

Trustees

S Cross, Chair (resigned 11 April 2018)
C Leach, Chair (appointed Chair 9 April 2018)
B Adesina
D Ridley (appointed 8 May 2017, resigned 16 October 2018)
M Preston (appointed 26 June 2017)
C Strudwick (appointed 26 June 2017)
P Bradbury (appointed 18 November 2017, resigned 27 September 2018)
P Harvey (appointed 18 November 2017)
D Bladon, Treasurer (appointed 18 November 2017)
R Scharf (appointed 8 May 2017, resigned 26 February 2018)
P French (resigned 18 November 2017)
T Griffiths (resigned 18 November 2017)
M Simpson (resigned 19 October 2017)
P Lee (resigned 19 October 2017)
C Jacob (resigned 18 May 2017)

Company registered number

06876508

Charity registered number

1129267

Registered office

118-124 The Stow, Harlow, Essex, CM20 3AS

Principal operating office

118-124 The Stow, Harlow, Essex, CM20 3AS

Company secretary

A Lee

Chief executive officer

S Cross (resigned 18 October 2018)

Accountants

Haslers, Old Station Road, Loughton, Essex, IG10 4PL

THE WEST ESSEX ALCOHOL AND DRUGS SERVICE T/A ADAS
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2018

The Trustees present their annual report together with the financial statements of the company for the year 1 April 2017 to 31 March 2018. The Trustees confirm that the Annual Report and financial statements of the company comply with the current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) as amended by Update Bulletin 1 (effective 1 January 2015).

Since the company qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

Objectives and Activities

a. Strategies for achieving objectives

The prior year comparatives disclosed in the accounts have been restated to reflect the correct treatment of income recognition. Deferred grant income of £61,835 has been removed from the balance sheet for the 2017 year end and has been released into income for that year. This has resulted in the prior year figures changing which previously showed a deficit of £24,825 and which now show a surplus of £37,009. There is one significant amount of income that was received in the prior year of £45,000 which was in relation to the refurbishment carried out in the current year. This has resulted in the current year therefore showing a deficit of £27,474 as the income in relation to this expenditure has been recognised in 2017.

The period to March 2018 was a year of celebration and also a period that saw ADAS face much change.

In November 2017, we celebrated the 30th anniversary of the formation of ADAS and made this the focus on our Annual General Meeting held at The Harlow Study Centre. Trustee, Carol Leach, spoke about the history of ADAS and the importance of our values:

- We value people and treat them with respect and dignity;
- We value people's strengths and capabilities to engage in the process of recovery; and
- We value our clients' views as these are vital in helping us to improve our service.

These values continue to form the foundations of ADAS today and are integral to everything we do.

Our strategy continues to focus the agency on working towards the following aims:

1. Helping clients to make lasting positive change and progress into recovery;
2. Ensuring the services we provide are always client-centred and innovative;
3. Working effectively with partnering agencies to provide the most appropriate support;
4. Evidencing our impact;
5. Maintaining our active involvement with the local and regional community, ascertaining and reacting to local needs; and
6. Developing our workforce to support the delivery of effective services and interventions

During 2017, the Board of Trustees, staff and volunteers worked tirelessly, adhering to our values, to deliver value-for-money services to help the many people in West Essex who have been impacted by alcohol misuse. The Board of ADAS has also been working hard to address the changes ahead.

Alcohol is the most widely misused drug, and the effects of dependency can be devastating.

- In 2016, there were 7,327 deaths directly due to alcohol;
- UK liver disease rates have increased by around 250% in the last 40 years;

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2018

- About 1.4% of the population is dependent on alcohol and in need of specialist support; and
- Around 80% of dependent drinkers are not in contact with services.

Around 200,000 children live in a household with a dependent carer. These are startling facts. We also know that skillfully delivered alcohol treatment can play a decisive role in reducing alcohol harms. According to Public Health England (PHE) estimates, every £1 invested in effective alcohol treatment brings a social return of £3.

With ongoing pressure on public sector finances, there is the real danger that alcohol treatment services could be viewed as non-essential and their critical role in helping to address wider social problems associated with alcohol misuse could be overlooked. In a report commissioned by the Department of Health as part of the work of the Recovery Partnership (State of the Sector 2017: Beyond the Tipping Point), it was noted that the capacity for the drug and alcohol sector to respond to further cuts in public sector funding has been seriously eroded and that on-going, annual reductions for such services are expected to result in a significant loss of benefits currently delivered for service users, their families and communities.

Patterns of commissioning services are changing and we are observing a process of consolidation of contracts such that larger, integrated contracts are becoming the norm. The use of volunteers and peer support, which has always been a strength of ADAS, is increasing, driven both by positive outcomes and cost pressures. Sub-contracting continues to evolve in parallel with the development of new service models. Smaller organisations, such as ADAS, are seen to bring valuable local and specialist knowledge, but there is a wide variation in views as to whether smaller organisations are valued and able to win contracts – or are effectively excluded.

In March 2019, our current contract with Essex County Council to provide Adult Structured Intervention Services will come to an end and notice has been served on the Charity in this respect. In preparation for this change, we continued to build our organisational structure and staff skills, engaged further with our service users and local community, maintained our quality standards and managed our cost base. We increased our activities in developing relationships with other Essex Drug and Alcohol Partnership (EDAP) Services by strengthening inter-agency collaboration, being transparent, inclusive and sharing lessons learned across the system, establishing joint protocols with other providers and exploring opportunities for joint-bidding, where appropriate.

We have a strong and committed team and will maintain our focus on delivering a quality service to our clients in the West Essex community, whilst seeking opportunities to grow our reach.

Our heart-felt thanks must go to our dedicated team of staff and volunteers who have continued to deliver excellent service during the year. We would also like to thank the many clients who have experienced positive change from engaging with ADAS and who have gone on to provide peer support to others who are starting their journey into recovery.

Managing change

ADAS supports individuals and families affected by alcohol and drug misuse enabling them to make positive lasting changes to improve the quality of their lives. 'Change' is something we face in all aspects of our service as well, and we can certainly learn much from our clients in the way they address change and create better outcomes.

Adult Services

Over the last year, ADAS provided direct support for change to over 330 people struggling with alcohol misuse problems. Central to ADAS is our counselling service, which in 2017/18 was delivered by a team of dedicated volunteer counsellors. We provide Structured Interventions to assist people to make healthy change to deal with their alcohol misuse and support positive recovery outcomes. During the year, we achieved strong outcome figures, with 89% of clients maintaining their recovery for periods of at least 6 months.

Our outreach work continues to provide valuable support to individuals in the wider West Essex community. ADAS is present on a weekly basis in five locations. During the year, we took the decision to move out of our Dunmow location and moved to Stansted, due to local demand. We have also increased our capacity to provide

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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2018**

counselling in Loughton by placing an additional volunteer counsellor at our current location.

Our A&E Alcohol Health workers provided invaluable services to patients at Princess Alexandra Hospital, with more than 1,000 screenings and brief interventions. Our A&E workers have also taken the initiative to visit neighbouring hospitals, to see how other areas work and also to develop links and encourage referrals. We have been aware for some time that we were not seeing many clients successfully transition from our local hospital into service. Our A&E workers have made positive changes to the referral pathway to ADAS. This has already generated an improvement in attendance from hospital referrals in individual sessions and group work.

We have also worked with other EDAP agencies to help individuals who have recognised the need to address substance misuse issues and want to make changes to their lives. We have been instrumental in developing the Preparation for Change group at ADAS, which is designed to support clients who are drinking alcohol to physically dependent levels. We introduce clients to practical tools and techniques they can use to safely reduce their alcohol intake. This year, we changed the structure from a fixed six week group to a rolling group and this new format is proving successful with clients, with an increase in numbers attending. Facilitators are reporting that although it has taken a little effort to adapt to the new system, they are seeing the benefits to the clients.

Following a meeting with our Essex Commissioner and the criminal justice agency in Essex, we now provide services to Alcohol Treatment Requirement (ATR) clients in West Essex. We have been working closely with Probation to ensure these services are delivered efficiently. This has required us to develop new processes that work for both agencies and, most importantly, fulfil the criteria for the court orders relevant to each individual. It is fortunate that we have the skills within the ADAS team to take on new activities such as these, so that we can continue to expand availability of our services to those in need.

Recovery Support

ADAS provides Recovery Support through a range of groups designed to address the varying needs to our clients. As well as recruiting from our own client base, we link with other agencies within the Essex Drug and Alcohol Partnership to help other service users access recovery support.

We were successful in securing funding from Public Health England and Morrisons Foundation in 2016 to renovate our building and create a new 'Recovery Suite'. This project would also not have been possible without the dedication and support of a number of volunteers and service users. The Board of ADAS would like to extend their thanks to all those involved.

We appointed a Group Project Worker to support the launch of the groups, and to develop the range of groups that should benefit clients in recovery. Groups to be launched over the next quarter will include: Men's Group, Women's Group, Computer Skills Drop in, Parenting Class, Motivational Group, Cooking on a Budget, Work Skills (including interviewing and application writing) and Parenting Skills.

Our Group Work has expanded significantly with the opening of the new facilities, and we are pleased to report that over 140 individuals took part in group courses and sessions during the year and this is set to rise during 2018, as we make full use of the new facilities and innovations.

Child and Family Service

We are very proud of the support that our Child and Family team provides. Over the year, we helped more than 80 children and adults who have been affected by someone else's alcohol misuse. Families come to trust ADAS and to feel part of the organisation. We foster a sense of safety and openness to facilitate change, and provide a listening ear and a supportive response. When they leave our service, they take with them a sense that help is available and that asking for help is positive.

This year, we have expanded our focus on Systemic Family Therapy, which has been proven to be effective for adults affected by drug and alcohol misuse. The sessions are delivered by specially trained staff and are designed to help families who are in difficulty. The focus of the sessions is to create a safe environment that allows family members to hear each other's views, understand each other's needs and look for solutions

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2018

together, based on the strengths in their family. Family-focused services improve outcomes for alcohol misusers as well as children,

Human Resources

ADAS is fortunate in that it attracts a remarkably talented group of individuals. During the year, we appointed our first Clinical Manager to underline our commitment to best practice in the delivery of structured interventions. Following on from this, we have introduced some changes to our volunteer counsellor recruitment policy, raising the level to only accepting students on BACP accredited courses.

We are committed to providing clients with the best possible care and are continuing to look at developments in evidence-based practice and also learning and sharing with other providers.

We have recently been joined by a new A&E worker and this is having a positive impact on the number of people we can reach at a time when they may be feeling very vulnerable and in need of support and advice. We also recruited two BACP accredited supervisors to ensure that we maintain the quality of clinical skills and foster best practice amongst our staff of counsellors. We also welcomed a new member of our Child and Family Service in the role of a Therapeutic Family Worker and this has helped increase our skills in the area of Family Systemic Therapy.

'Having only worked at ADAS for six months, I have observed the care and consideration given to each person that accesses the service either by phone or in person. There is a real warmth within the team.'
- New Employee May 2017

Our volunteers continue to astound us with their commitment and we continue to receive a high level of applications for counselling and social work placements, and other volunteer posts. Notably, our volunteers often move into new roles within ADAS and, consequently, develop their skills and experience. This also helps to maintain the strong culture of the organisation.

The Board of Trustees would like to place on record their thanks to the retiring trustees and outgoing staff for all their contributions and commitment to the charity. In particular, we would like to thank Peter French for his outstanding commitment to ADAS, having served as a Trustee for many years, and are delighted that he has accepted the role as our first Patron.

b. Activities for achieving objectives

ADAS aims to work in partnership to support individuals and families affected by alcohol and drug misuse. We help people make lasting positive changes which will improve the quality of their lives. The charitable objectives of ADAS are:

- The relief of persons suffering from problems caused by substance misuse and, in particular, the development of counselling and complementary therapies for all people in need of health care; and
- To advance the health education of the general public on all matters relating to substance misuse and, in particular, developing health education to prevent substance misuse amongst young people.

The ADAS vision is to work towards achieving a healthy society that is free from the harmful effects of alcohol and drug misuse. In order to achieve this, ADAS aims to:

- Enable and empower people to move on from substance misuse;
- Support clients to realise their own self-worth and become active and contributing members of society; and;
- Deliver innovative and client-centred services to individuals, families and children.

To meet these objectives, ADAS has remained committed to delivering health and social care services for substance misusers in the communities of Epping Forest, Harlow and Uttlesford. ADAS has built an excellent reputation for its effective partnership working with Social Care, Probation, Domestic Violence Police, GPs,

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TRUSTEES' REPORT (continued)
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Community Mental Health Teams and members of the Essex Drug and Alcohol Partnership. Furthermore, the agency co-operates with its partners to help people who are homeless and to support people into employment.

Achievements and performance

Financial review

a. Going concern

After making appropriate enquiries, the trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. However, the core funding that the company receives is subject to tender in January 2019 and the company, as others, will be bidding for the new contract. This being said the company continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

b. Reserves policy

The Trustees have decided that the organisation will hold reserves appropriate to its level of activity and to enhance the importance that benefactors may place on the on-going viability of the organisation. To reflect this, the reserves policy has been set giving due consideration to the risks and opportunities that the Charity currently faces or may face in the future. Action relating to the management of the reserves position takes place on a regular basis to ensure compliance with the accounting and reporting regulations and to promote best practice.

The level of reserves which the Trustees believe it is appropriate for the Charity to maintain is now determined following regular risk-based assessments. Having regard to the stability of the organisation's funding base over the next year, these assessments consider potential calls on reserves as a result of:

- unexpected items of expenditure;
- planned investments / projects, the costs of which are not expected to be covered from forecast funding sources; and
- any temporary cash flow needs.

Based on the most recent risk assessment and taking account of forecast financial performance, the Trustees currently believe that an appropriate level of unrestricted funds for the Charity is in the range of £120,000 to £140,000. Such a level is designed to ensure, to the fullest extent possible, that the Charity will be in a position to meet its contractual and statutory expenditure commitments as and when they fall due. As at 31 March 2018, the Charity had unrestricted funds in excess of the indicated range, at £166,097.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2018

c. Principal funding

ADAS is grateful to receive funding from a number of organisations and individual sources. During the period from the 1st April 2017 to 31st March 2018 ADAS received significant funding contributions from the following sources, in addition to continued fundraising by staff and volunteers:

- * Essex Public Health Authority
- * Henry Smith Charitable Trust
- * Lloyds Bank Foundation
- * BBC Children in Need
- * Essex White House Farm
- * Morrisons
- * Public Health Authority

The financial statements for the year end are attached and show a deficit for the year of £27,474 compared to a surplus in 2017 of £37,009. The reasons for this fluctuation have been described at the start of the trustees report and within the prior year adjustment note to the financial statements. During the year, the offices were refurbished thanks to grants from Morrisons and the Public Health Authority. Savings were made in management costs and other administrative costs. Cash at the year end stood at a healthy £190,281.

Structure, governance and management

a. Constitution

The company is registered as a charitable company, number 1129267, limited by guarantee and was set up by a Memorandum and Articles of Association on the 14th April 2009, registered number 06876508.

b. Risk management

The Board oversees the risk management process and compliance with SORP, Companies House, Health & Safety and other statutory requirements. The implementation of these standards is delegated to the Chief Executive. The Board regularly reviews the major financial risks to which the charity is exposed and satisfies itself that all steps to mitigate and control them have been taken.

Robust systems and procedures are in place to mitigate risks. The Board regularly reviews all policies taking into account any changes in legislation. All relevant staff and volunteers are made aware of ADAS' approach to risk management and have the opportunity to provide feedback on risks that affect their area of operation. A culture of risk awareness is encouraged and any new or altered risk areas are notified to the Chief Executive and the risk register is updated accordingly.

This report was approved by the Trustees, on 29 October 2018 and signed on their behalf by:



C Leach, Chair
Trustee



D Bladon, Treasurer
Trustee

**THE WEST ESSEX ALCOHOL AND DRUGS SERVICE T/A ADAS
(A Company Limited by Guarantee)**

**INDEPENDENT EXAMINER'S REPORT
FOR THE YEAR ENDED 31 MARCH 2018**

**Independent Examiner's Report to the Trustees of The West Essex Alcohol and Drugs Service T/A ADAS
(the 'company')**

I report to the charity Trustees on my examination of the accounts of the company for the year ended 31 March 2018.

This report is made solely to the company's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the company's Trustees those matters I am required to state to them in an Independent Examiner's Report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the company and the company's Trustees as a body, for my work or for this report.

Responsibilities and Basis of Report

As the Trustees of the company (and its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the company's accounts carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent Examiner's Statement

Since the company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of (enter body here), which is one of the listed bodies.

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

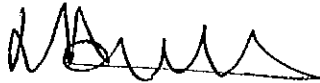
1. accounting records were not kept in respect of the company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

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INDEPENDENT EXAMINER'S REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2018

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

Signed:



Dated: 29 October 2018

Laura A Ambrose FCA

Haslers
Chartered Accountants
Old Station Road
Loughton
Essex
IG10 4PL

THE WEST ESSEX ALCOHOL AND DRUGS SERVICE T/A ADAS
(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2018**

	Note	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	<i>Restated Total funds 2017 £</i>
Income from:					
Donations and legacies	2	7,579	9,937	17,516	57,648
Charitable activities	3	207,420	80,044	287,464	288,410
Investments	4	71	-	71	101
Total income		215,070	89,981	305,051	346,159
Expenditure on:					
Charitable activities		205,609	126,916	332,525	309,150
Total expenditure	7	205,609	126,916	332,525	309,150
Net income / (expenditure) before other recognised gains and losses		9,461	(36,935)	(27,474)	37,009
Net movement in funds		9,461	(36,935)	(27,474)	37,009
Reconciliation of funds:					
Total funds brought forward		156,636	61,835	218,471	181,462
Total funds carried forward		166,097	24,900	190,997	218,471

The notes on pages 12 to 22 form part of these financial statements.

THE WEST ESSEX ALCOHOL AND DRUGS SERVICE T/A ADAS
(A Company Limited by Guarantee)
REGISTERED NUMBER: 06876508

BALANCE SHEET
AS AT 31 MARCH 2018

	Note	£	2018 £	£	<i>Restated</i> 2017 £
Current assets					
Debtors	12	6,973		58,685	
Cash at bank and in hand		240,506		218,192	
		<u>247,479</u>		<u>276,877</u>	
Creditors: amounts falling due within one year	13	<u>(56,482)</u>		<u>(58,406)</u>	
Net current assets			<u>190,997</u>		<u>218,471</u>
Net assets			<u>190,997</u>		<u>218,471</u>
Charity Funds					
Restricted funds	15		24,900		61,835
Unrestricted funds	15		166,097		156,636
Total funds			<u>190,997</u>		<u>218,471</u>

The company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The Trustees consider that the company is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the Act") and members have not required the company to obtain an audit for the year in question in accordance with section 476 of the Act.

The Trustees acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements were approved and authorised for issue by the Trustees on 29 October 2018 and signed on their behalf, by:



C Leach, Chair



D Bladon, Treasurer

The notes on pages 12 to 22 form part of these financial statements.

THE WEST ESSEX ALCOHOL AND DRUGS SERVICE T/A ADAS
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018

1. Accounting Policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The West Essex Alcohol and Drugs Service T/A ADAS meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

1.2 Reconciliation with previous Generally Accepted Accounting Practice

In preparing these accounts, the Trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 the restatement of comparative items was required.

No restatements were required in respect of the change in accounting framework.

1.3 Company status

The company is a company limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

1.4 Going concern

After making appropriate enquiries, the trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. However, the core funding that the company receives is subject to tender in January 2019 and the company, as others, will be bidding for the new contract. This being said the company continues to adopt the going concern basis in preparing the financial statements.

1.5 Income

All income is recognised once the company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018

1. Accounting Policies (continued)

1.6 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Support costs are those costs incurred directly in support of expenditure on the objects of the company and include project management carried out at Headquarters.

Charitable activities and Governance costs are costs incurred on the company's operations, including support costs and costs relating to the governance of the company apportioned to charitable activities.

1.7 Tangible fixed assets and depreciation

Asset capitalisation is at the discretion of the trustees.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities incorporating Income and Expenditure Account.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	-	Fully depreciated
Office equipment	-	Fully depreciated
Computer equipment	-	Fully depreciated

1.8 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the company; this is normally upon notification of the interest paid or payable by the Bank.

1.9 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018

1. Accounting Policies (continued)

1.10 Cash at Bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.11 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

1.12 Financial Instruments

The company 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 their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

1.13 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the company and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

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2. Income from donations and legacies

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	<i>Restated</i> Total funds 2017 £
Donations	7,579	-	7,579	12,649
Grants	-	9,937	9,937	44,999
Total donations and legacies	7,579	9,937	17,516	57,648
<i>Total 2017</i>	<i>12,649</i>	<i>44,999</i>	<i>57,648</i>	

3. Income from charitable activities

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	<i>Restated</i> Total funds 2017 £
Adult Alcohol Services	207,420	34,000	241,420	247,719
Child and Family Service	-	46,044	46,044	40,691
	207,420	80,044	287,464	288,410
<i>Total 2017</i>	<i>205,719</i>	<i>82,691</i>	<i>288,410</i>	

4. Investment Income

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	<i>Restated</i> Total funds 2017 £
Investment income	71	-	71	101
<i>Total 2017</i>	<i>101</i>	<i>-</i>	<i>101</i>	

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5. Direct costs

	Adult Alcohol Services £	Chlld and Family Service £	Total 2018 £	Total 2017 £
Refurbishment costs	53,771	-	53,771	-
Catering	868	-	868	1,242
Travel Expenses	7,015	-	7,015	12,010
Supervision	3,923	-	3,923	3,340
Counselling	-	-	-	2,157
Children's Therapy Equipment	409	-	409	9
Wages and salaries	167,745	39,333	207,078	221,892
	<u>233,731</u>	<u>39,333</u>	<u>273,064</u>	<u>240,650</u>
<i>Total 2017</i>	<u>195,752</u>	<u>44,898</u>	<u>240,650</u>	

6. Support costs

	Adult Alcohol Services £	Total 2018 £	Total 2017 £
Rent & Rates	12,100	12,100	12,000
Utilities	3,958	3,958	6,098
Security & Cleaning	10,309	10,309	7,647
Premises	5,567	5,567	3,049
Training	2,486	2,486	2,762
Affiliations	388	388	886
Publicity	-	-	642
Insurance	3,002	3,002	3,106
Recruitment	1,546	1,546	-
Advertisements	150	150	-
Photocopier, Stationery & IT	4,424	4,424	19,707
Accountancy & Legal Fees	3,822	3,822	2,744
Phones, Fax & Postage	6,852	6,852	6,423
Sundries	3,657	3,657	1,956
Payroll Sundries	1,200	1,200	1,480
	<u>59,461</u>	<u>59,461</u>	<u>68,500</u>
<i>Total 2017</i>	<u>68,500</u>	<u>68,500</u>	

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NOTES TO THE FINANCIAL STATEMENTS
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7. Analysis of Expenditure by expenditure type

	Staff costs 2018 £	Other costs 2018 £	Total 2018 £	<i>Total</i> <i>2017</i> £
Adult Alcohol Services	167,745	125,447	293,192	254,662
Child and Family Service	39,333	-	39,333	54,488
	<u>207,078</u>	<u>125,447</u>	<u>332,525</u>	<u>309,150</u>
<i>Total 2017</i>	<u>221,892</u>	<u>87,258</u>	<u>309,150</u>	

8. Net income/(expenditure)

During the year, no Trustees received any remuneration (2017 - £NIL).

During the year, no Trustees received any benefits in kind (2017 - £NIL).

1 Trustee received reimbursement of expenses amounting to £366 in the current year, (2017 - 0 Trustees - £NIL).

9. Independent Examiner's remuneration

The Independent Examiner's remuneration amounts to an Independent Examination fee of £3,120 (2017 - £2,400).

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NOTES TO THE FINANCIAL STATEMENTS
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10. Staff costs

Staff costs were as follows:

	2018 £	2017 £
Wages and salaries	<u>207,078</u>	<u>221,892</u>

The average number of persons employed by the company during the year was as follows:

	2018 No.	2017 No.
	14	14

No employee received remuneration amounting to more than £60,000 in either year.

11. Tangible fixed assets

	Freehold property £	Office equipment £	Computer equipment £	Total £
Cost				
At 1 April 2017	67,766	36,859	50,322	154,947
Disposals	(67,766)	(34,906)	(47,165)	(149,837)
At 31 March 2018	<u>-</u>	<u>1,953</u>	<u>3,157</u>	<u>5,110</u>
Depreciation				
At 1 April 2017	67,766	36,859	50,322	154,947
On disposals	(67,766)	(34,906)	(47,165)	(149,837)
At 31 March 2018	<u>-</u>	<u>1,953</u>	<u>3,157</u>	<u>5,110</u>
Net book value				
At 31 March 2018	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
At 31 March 2017	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

12. Debtors

	2018 £	2017 £
Trade debtors	1,738	57,830
Prepayments and accrued income	5,235	855
	<u>6,973</u>	<u>58,685</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018

13. Creditors: Amounts falling due within one year

	2018 £	2017 £
Bank loans and overdrafts	50,225	-
Accruals and deferred income	6,257	58,406
	56,482	58,406

The bank overdraft position above is a timing difference due to a cheque being written but not processed through the bank. The balance per the bank at the year end was not in an overdraft position.

14. Prior year adjustment

The prior year comparatives disclosed in the accounts have been restated to reflect the correct treatment of income recognition. Deferred grant income of £61,835 has been removed from the balance sheet for the 2017 year end and has been released into income for that year. This has resulted in the prior year figures changing which previously showed a deficit of £24,825 and which now show a surplus of £37,009. There is one significant amount of income that was received in the prior year of £45,000 which was in relation to the refurbishment carried out in the current year. This has resulted in the current year therefore showing a deficit of £27,474 as the income in relation to this expenditure has been recognised in 2017.

15. Statement of funds

Statement of funds - current year

	Restated Balance at 1 April 2017 £	Income £	Expenditure £	Balance at 31 March 2018 £
Unrestricted funds				
General Funds - all funds	156,636	215,070	(205,609)	166,097
Restricted funds				
Refurbishment Grant	43,834	9,937	(53,771)	-
Adult Alcohol Services	18,001	34,000	(32,101)	19,900
Child and Family Service	-	46,044	(41,044)	5,000
	61,835	89,981	(126,916)	24,900
Total of funds	218,471	305,051	(332,525)	190,997

Restricted Funds represent the following:

Refurbishment Grant - this relates to transactions in relation to the refurbishment project.

Adult Alcohol Services - this relates to money donated for the purpose of support services for individuals with

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NOTES TO THE FINANCIAL STATEMENTS
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15. Statement of funds (continued)

alcohol addiction.

Child and Family Service - this relates to money donated for the purpose of support services to children and families of those with addiction.

Statement of funds - prior year

	<i>Balance at 1 April 2016</i>	<i>Income</i>	<i>Expenditure</i>	<i>Balance at 31 March 2017</i>
	£	£	£	£
General funds				
General Funds - all funds	181,461	218,467	(243,292)	156,636
Restricted funds				
Refurbishment Grant	-	45,000	(1,166)	43,834
Adult Alcohol Services	-	42,001	(24,000)	18,001
Child and Family Service	-	40,691	(40,691)	-
	-	127,692	(65,857)	61,835
Total of funds	181,461	346,159	(309,149)	218,471

Summary of funds - current year

	Restated Balance at 1 April 2017	Income	Expenditure	Balance at 31 March 2018
	£	£	£	£
General funds	156,636	215,070	(205,609)	166,097
Restricted funds	61,835	89,981	(126,916)	24,900
	218,471	305,051	(332,525)	190,997

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NOTES TO THE FINANCIAL STATEMENTS
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15. Statement of funds (continued)

Summary of funds - prior year

	<i>Balance at 1 April 2016</i>	<i>Income</i>	<i>Expenditure</i>	<i>Balance at 31 March 2017</i>
	£	£	£	£
General funds	181,461	218,467	(243,292)	156,636
Restricted funds	-	127,692	(65,857)	61,835
	<u>181,461</u>	<u>346,159</u>	<u>(309,149)</u>	<u>218,471</u>

16. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2018	Restricted funds 2018	Total funds 2018
	£	£	£
Current assets	222,579	24,900	247,479
Creditors due within one year	(56,482)	-	(56,482)
	<u>166,097</u>	<u>24,900</u>	<u>190,997</u>

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2017</i>	<i>Restricted funds 2017</i>	<i>Total funds 2017</i>
	£	£	£
Current assets	215,042	61,835	276,877
Creditors due within one year	(58,406)	-	(58,406)
	<u>156,636</u>	<u>61,835</u>	<u>218,471</u>

17. Reconciliation of net movement in funds to net cash flow from operating activities

	2018	2017
	£	£
Net (expenditure)/income for the year (as per Statement of Financial Activities)	(27,474)	37,009
Net cash (used in)/provided by operating activities	<u>(27,474)</u>	<u>37,009</u>

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18. Analysis of cash and cash equivalents

	2018	2017
	£	£
Cash in hand	240,506	218,192
Total	240,506	218,192

19. Operating lease commitments

At 31 March 2018 the total of the Charity's future minimum lease payments under non-cancellable operating leases was:

	2018	2017
	£	£
Amounts payable:		
Within 1 year	716	716
Between 1 and 5 years	2,506	2,864
Total	3,222	3,580