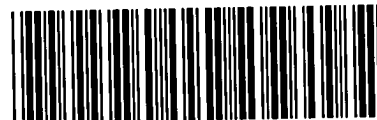


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COMPANIES HOUSE



ADFERIAD
RECOVERY

Our Impact

Annual Review
2021 - 2022



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Our Values

Working Together **Commitment to Quality Care and Support** **Learning and Reflection** **Dignity and Respect**

Adferiad Recovery combines the skills and expertise of its leading founding charities to provide outstanding and flexible service for people in Wales with mental health problems, substance misuse issues, and those with co-occurring and complex needs. We are a user and carer-led organisation providing a broad range of individualised services to our beneficiaries. We aim to make positive changes in the lives of people affected by drugs, alcohol, mental health problems, and other life challenges, through a range of services and support delivered by skilled and experienced staff, in the belief that people can and do change. Adferiad Recovery delivers a new, flexible and co-ordinated response to the exceptional circumstances faced by people with co-occurring mental health and substance

misuse conditions and related issues.

Vulnerable people facing complex life challenges need consistent and seamless support to ensure they remain engaged with vital health and wellbeing services – and to prevent them becoming disenfranchised and isolated.

Adferiad Recovery harnesses the talents and experience of long-established and leading Welsh charities CAIS, Hafal and WCADA. Our combined expertise in the fields of substance misuse, mental health, housing, criminal justice and employment support enables Adferiad Recovery to meet the needs of our most vulnerable with a single, unified and comprehensive approach.



Our Impact - Annual Report 2021 - 2022

Our Aims

Our comprehensive and coordinated therapeutic model employs the very best practice from mental health, substance misuse, criminal justice and related services. Adferiad's combined team works holistically to address the needs of each client, creating the best conditions for effective treatment for co-occurring conditions and dual diagnoses.

We work with our clients to engage and support them throughout their recovery. We use proven mutual aid, peer mentoring and social prescribing approaches to help people take control of their lives, create their own plan for recovery and work towards independence and prosperity.

We work across barriers to the benefit of our clients. We develop partnerships with commissioners, fellow providers, practitioners and researchers who share our ambition to transform the lives and prospects of some of Wales' most vulnerable people.

Our Mission

To provide support, relief and treatment to people suffering directly or indirectly from problems associated with mental health and emotional well-being, illness, age, social exclusion or economic inactivity.

To provide treatment, care and support to people suffering directly or indirectly from problems associated with alcohol or drug misuse and other dependencies.

To support the prevention of alcohol and drug misuse through the provision of services for those suffering from substance misuse, addiction or other dependencies.

To provide education and training for professionals and volunteers in the field.

To raise public awareness of the effects of substance dependency and misuse, mental health complexities, and co-occurring issues.

To advise and advocate for people suffering disadvantages from problems caused by alcohol, drug misuse and other dependencies, disability, illness, age or social exclusion.

Our Mission Statement

"Adferiad Recovery responds to the needs of people facing a range of co-occurring health conditions and complex social circumstances – people who are seldom seen and seldom heard."

A Message from the Chair of Trustees

Clive Wolfendale

This first Adferiad Recovery Impact Report sets out the remarkable work the Charity has carried out in its initial year of operation. Adferiad Recovery provides vital, lifesaving, and life enriching services to our many beneficiaries based upon their needs, preferences and priorities. We are led by the people who access our services and their families and carers, and I am accordingly proud to lead a volunteer Board of Trustees who both represent organisationally, and advocate strongly in public for people experiencing complex life challenges. The journey the organisation has travelled over the last year has been a challenging one, both in bringing together the four founding charities and overcoming the complexities of the global Covid-19 pandemic. But as you will see from this report, we have had great success in our mission.

While many services elsewhere were closed during the pandemic, or delivered in much more restricted ways, our team persevered and delivered face-to-face support throughout. A range of innovative and flexible approaches developed by staff and volunteers ensured our beneficiaries received the support they needed, and Trustees, through senior staff, did their best to see that the staff were well supported, resourced, and appreciated for all their efforts.

As restrictions eased - and in welcome relief from video meetings - we held 25 events across Wales and in Lancashire to meet with our clients, stakeholders, and the public, to celebrate the new organisation. It was a great experience to meet so many people at these events and at our physical wellbeing days. I very much appreciated the time I had to talk to clients, families, and staff about their experiences in those unprecedented times.

In 2021-2022 our beneficiaries, staff, and stakeholders developed a strategy for the next three years, setting out the priorities for the organisation. Our key aims are to ensure our beneficiaries are heard and respected, are at the centre of service innovation, research and evaluation, and that we strive for quality in all that we do. This strategy is available to view on our website.

"While many services elsewhere were closed during the pandemic (...), our team persevered"

Adferiad Recovery has made an impact too in our engagement with Ministers, Senedd Members, Members of Parliament, Councillors, and stakeholders at our events, and also with visits to projects, briefings, and our social media and publications. We anticipate even greater engagement over the next few years and will continue to play our part in raising aspirations, providing opportunities, and leading on co-produced, client focused, outcome-based services.

While we are proud of our achievements in this last year, we are also acutely aware of the challenges that the cost-of-living crisis pose for the whole country. We are particularly concerned for our beneficiaries over the next year, and will be seeking to put our energies and resources into assisting those at greatest need through this difficult time.

I would like to close by thanking the outstanding Adferiad Recovery team of staff and volunteers, my fellow Trustees, our partner agencies, and those organisations who have provided us with the resources to achieve so very much.





A Message from the CEO

Alun Thomas

A Year in Review

This was the first full year of operation of Adferiad Recovery as a newly merged Charity and followed on from the unprecedented global impact of Covid-19. Adferiad Recovery's constituent Charities had performed outstanding work during the most challenging times of the pandemic, delivering more diverse and higher intensity services to those who unfortunately were receiving less support than usual as other agencies closed their doors. We were proud to be an organisation where we continued almost all our operations, though in different ways, and this approach I believe saved many lives.

The merger was in motion when the pandemic struck and following significant risk reviews and assessments, the decision was taken to continue with the journey, and this has stood us in good stead to support our beneficiaries as we all recover from the impact of the pandemic. Our beneficiaries were some of the most impacted during this period but some of the national solutions, such as the concerted effort to stop street homelessness have demonstrated that we can as a society address such challenges should we put our minds to the matter. During the last year, Adferiad Recovery has continued to expand our services and much of our development has been linked to the provision of safe, supported accommodation – generally the first step towards a sustainable recovery.

The impact of the pandemic though is still being felt by our beneficiaries and the challenges faced by the NHS and social care services in restarting many of their services post pandemic means that our services are still often the only ones that our clients can engage with without long waiting times. We recognise that this is likely to remain the case for the next two years or more and are campaigning with local and national statutory sector partners for service improvements.

The merger could not have happened so successfully had it not been for three groups of people. The first, the Trustees of the four originating Charities for recognising the vision, benefits, and importance of working together. Trustees put beneficiaries ahead of organisational parochialism and committed to creating an organisation that sought to assist with the person as a whole rather than the 'hole' in the person. Too often people can be turned away from services because they have more than one issue: Adferiad Recovery is there for people, not just their diagnosis. The Trustees of all four organisations represented the views and desires of the beneficiaries of the Charities and ensured that the outcome was focused on delivering more for our clients.

The second group is the leadership teams of the Charities who worked tirelessly and without expectation, to deliver the wishes of the Trustees. This was achieved whilst continuing to deliver on the mission, and I personally thank the team for all the support they gave me.

The third group was the team at Allen and Overy LLP who provided a remarkable level of legal advice, guidance, and support at no cost to the Charity and their contribution cannot be overstated.

As you can see from this report, the work of Adferiad Recovery over the last twelve months has been remarkable, and this Impact Report is the first of many such publications we intend to develop to both share and promote our models of service and the effectiveness and social value of working with the Third Sector.

That the new Adferiad Recovery is successfully delivering high quality services, expanding rapidly, and is such a strong organisation is down to our team of skilled staff and volunteers. It is a privilege to lead such people and I know that the organisation will go from strength to strength.

Becoming a Rights Affirming Organisation

- Q. What does it mean to be a rights affirming organisation?**
- A. A rights affirming organisation aims to protect individuals by;**
- encouraging equality and diversity,
 - eliminating unlawful discrimination, and
 - defending and promoting peoples' human rights

As a people-focused organisation, we must ensure the rights of individuals are foremost in our minds in all that we do. But this is not enough: as a campaigning organisation, a conduit for the views of our beneficiaries, and as a large employer, we have a moral duty. As a charity, we have a public benefit duty to do far more than comply with the minimum.

In December 2021, Adferiad Recovery published our Anti-Racism Statement, and we continue to work towards achieving the Diverse Cymru Cultural Competence Certification.

More recently, we hosted a conference for all Adferiad staff on how we could become a rights affirming organisation. We were joined by a number of excellent guest speakers, including registered nurse Nesta Williams, Geraint Rees and Nathan Owen from the EHRC, Suzanne Duval and Dr. Charles Willie from Diverse Cymru, and Dr. Rhian Croak from Children's Legal Centre Wales, all of whom delivered presentations on a range of interesting topics relating to equality and human rights.

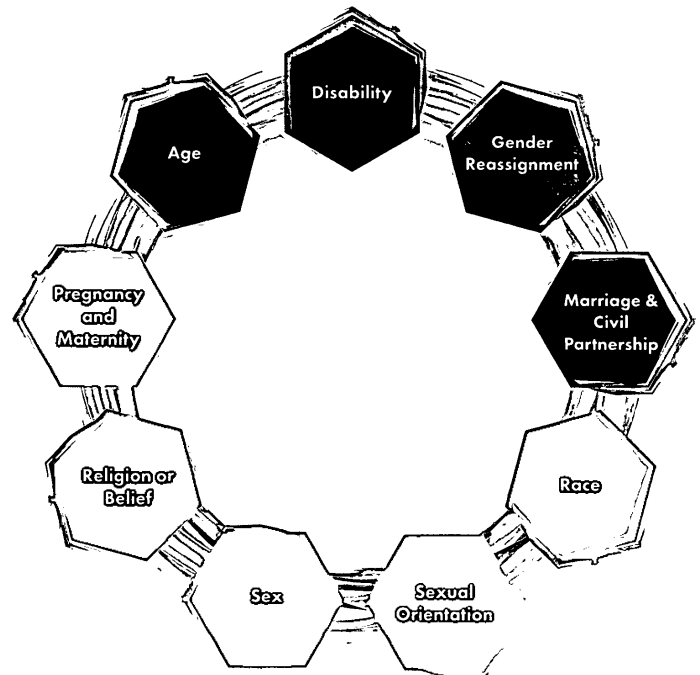
We are currently developing plans with the Equality and Human Rights Commission, the Royal College of Nursing, Diverse Cymru, and

the Wales Observatory on Human Rights of Children at the Hilary Rodham Clinton School of Law at Swansea University. In addition, we have also begun to deliver Diversity and Inclusion Training in partnership with Diverse Cymru.

In September 2021, Trustees committed Adferiad Recovery to becoming a Rights Affirming Organisation. This programme will be delivered over the next three years and seeks to:

- Develop an organisation wide values and behaviour base
- Educate and support staff and volunteers
- Engage with other organisations in this arena to ensure that Adferiad Recovery is seen as an organisation for everyone
- Advocate, speak out, and challenge discrimination or disadvantage of any type in all that we do.

In 2010, the Equality Act was established to tackle disadvantage and discrimination both in the workplace and in wider society. The Equality Act made it illegal to discriminate a person based on the following nine protected characteristics;



Our Members

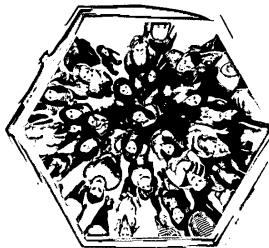
We are a members led organisation, and our members are incredibly important to us. It is the views and the wishes of our members that inform our Trustees, who in turn instruct our board of directors on our direction as a charity.

Why become a member?

Being a member of Adferiad Recovery means that you can take part in shaping the future of services locally, Wales-wide and UK-wide. For example, Adferiad is represented on a number of Welsh and UK wide strategic groups representing the voices of service users and carers. The Welsh Government and UK Government both listen to Adferiad Recovery, but more members mean more authority and more influence.

What does it cost?

There is no charge for membership but we would welcome any contribution you are able to make to the ambition of the charity, whether as a one off or as a regular payment.



What will I get?

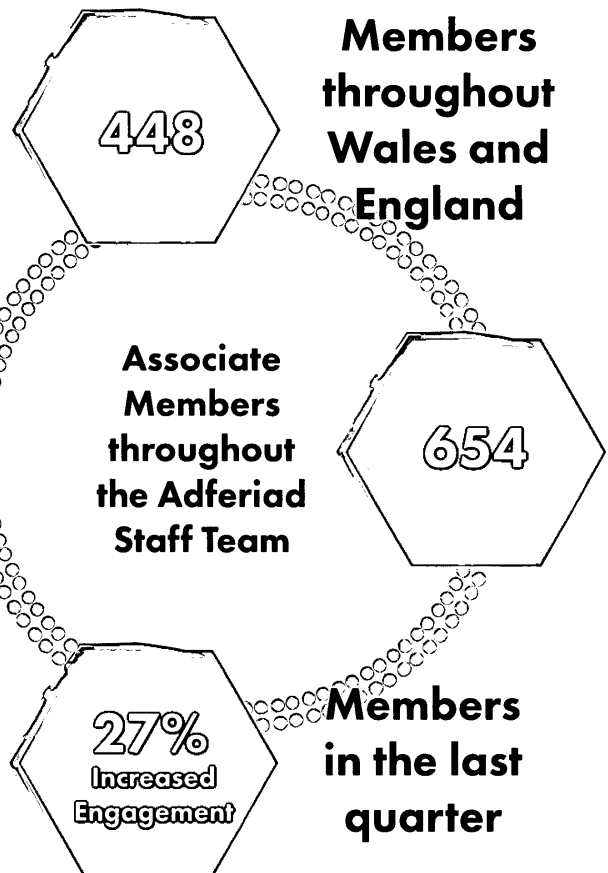
Mutual support
Throughout Wales Adferiad Recovery's local networks offer support, practical help, and the opportunity to share experiences, make new friends and campaign. Membership holds the networks together and gives participants a voice in how we move forward.

Practical help
Adferiad Recovery offers a wide range of services to those who have problems with mental health, addiction, co-occurring/complex issues and physical needs, and to their families and carers.

Training and conference days
Adferiad Recovery offers a range of training days and conferences which are often free to members.

Information
We provide a range of quality fact sheets, leaflets and booklets on a number of different subjects, including the latest treatments, rights, benefits, housing issues and so on. We also keep members informed through our regular communications.

A voice
Members have the chance to increase awareness of our mission – and to raise Adferiad's profile; for example, each year we have a stand at the Royal Welsh Show and National Eisteddfod. Beneficiary Members can also elect Trustees under Adferiad Recovery's constitution which means that the people who receive our services govern the staff team who deliver them.



Our Staff

Adferiad Recovery's greatest asset is its staff, which is recognised as integral to both internal functions of the organisation and its operational services.

Successful service delivery is largely attributed to a level of internal factors such as appropriate training, personnel management, quality, information systems, safeguarding and health & safety within Adferiad Recovery. Adferiad Recovery staff have received both Safeguarding training and Domestic Violence and Abuse training during the year and are supported by the Safeguarding team to identify and manage safeguarding concerns appropriately and effectively.

Workforce Development

The first year has been an exciting one for the workforce development provision within Adferiad. The merger has been particularly exciting for this branch of the organisation as it has brought together such a range of expertise from a range of trainers from a variety of backgrounds. During our first year, we have looked to maintain the good working relationships that we have had with our external partners and to offer a much more robust range of courses for staff and volunteers. It is clear that Adferiad Recovery has a huge range of talent within its teams who are specialists in their field and it has been a pleasure to harness some of this talent to offer a more comprehensive training provision.

"a new workforce development strategy was developed with the view of it going live within the next year."

We have maximised the opportunity to learn in a variety of environments such as offering face-to-face based learning events, college qualifications, online learning which can be completed flexibly and specialist training through platforms such as Zoom and Teams.

One of Adferiad Recovery's training achievements this year has been working with individuals who have been or are accessing the service and co-delivering training based on

their knowledge and lived experience. For example, one training session was co-delivered by a former steroid user and needle exchange worker to co-produce Image and Performance Enhancing Drug (IPED) training, which has been offered to staff across the organisation. The feedback from this training was so positive that the model will be replicated across other topics.

"Adferiad Recovery are working towards becoming a recognised learning centre with Agored Cymru"

As well as staff having access to a more varied training programme, a new workforce development strategy was developed with the aim to go live within the next year. The purpose of which will enable staff to further develop skills, refresh knowledge and develop professionally with a view to delivering a more robust service to the individuals who access the service.

What's next for Adferiad Recovery's Workforce Development?

During the next year Adferiad Recovery's workforce development team will continue to increase the number of specialist courses delivered in-house with a view to develop more 'champions' and in-house specialists, and increasing the bank of trainers who can share their own experience and knowledge. Adferiad Recovery are working towards becoming a recognised learning centre with Agored Cymru which will enhance the quality assurance of the training and offer learners the opportunity to gather qualifications as they learn. The workforce development team is going to be starting work on a new 'all staff induction' which will give newly recruited staff an opportunity to learn from the moment they start their journey within the organisation.

Testimonials

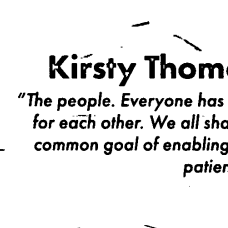
Genuine people, genuine feedback

What do you most enjoy about working for Adferiad?



Andi James

"Working as part of a great team, seeing the difference our work can make to a client's health and wellbeing was very satisfying"



Kirsty Thomas

"The people. Everyone has time, for each other. We all share a common goal of enabling our patients."



Alexis Thorne

"Worked with fabulous colleagues, who have become good friends. Meeting the patients when they are admitted, seeing the difference in their appearance and plans for the future when they are leaving."

*In some instances, pictures and names have been changed to protect individuals identities

1939

New Courses Completed via iHosco

1176

New Courses Completed via Social Care TV

90%

Would Definitely Recommend Training

100%

Of staff offered training for their role

Our Volunteers

Good volunteers are instrumental to our success, and we currently have dozens of people helping our organisation with everything from frontline work to those crucial jobs behind the scenes. Many of our services rely on the effort and generosity of volunteers in a number of roles including administration, catering, driving, event support, fundraising, gardening, and peer mentoring to name a few. Support from volunteers has continued to grow over the past year and is increasing again post pandemic.

Over the past year our volunteers have had a significant impact on the delivery of our services. Over 70 people have volunteered to work us, with 20 of our services across Adferiad benefitting from their support. The most popular volunteering scheme has been the Appropriate Adult service, which supports vulnerable people who have been arrested through police interviews and other formal procedures. In addition to this, we have also formed good relationships with universities across Wales, providing students with the opportunity to gain valuable experience in their fields of study. One such agreement with Cardiff University Law school has been received very well with tutors and the student body alike. As such this scheme has been renewed for the 2022 - 2023 academic year.

We are extremely grateful for our volunteers' contributions, and we will continue our investment in this invaluable resource in the future.

Adferiad Recovery is pleased to hold Investors in Volunteers status. This prestigious kitemark demonstrates that our approach to volunteers and volunteering is backed by high-quality processes and makes Adferiad Recovery one of only a few dozen organisations in Wales entitled to use the Investors in Volunteers badge.



One Year in Numbers

From April 1st 2021 CAIS, Hafal & WCADA joined together to become Adferiad Recovery. It's been a busy year for us, so here's an overview of how we did!



15,916

Clients supported
this year alone

Twitter visits



258,300

WEBSITE HITS



32,000
social media
followers



Have had over
100,000
engagements
with clients



That's an
engagement
every
5 minutes!



1,847,600+
people reached via
social media



New Members of
Staff



£2,700,000
worth of new
services



Over the past year,
volunteers have dedicated
4,467
hours of their time to
Adferiad

people signposted
to services last year!



9.6
new referrals per day

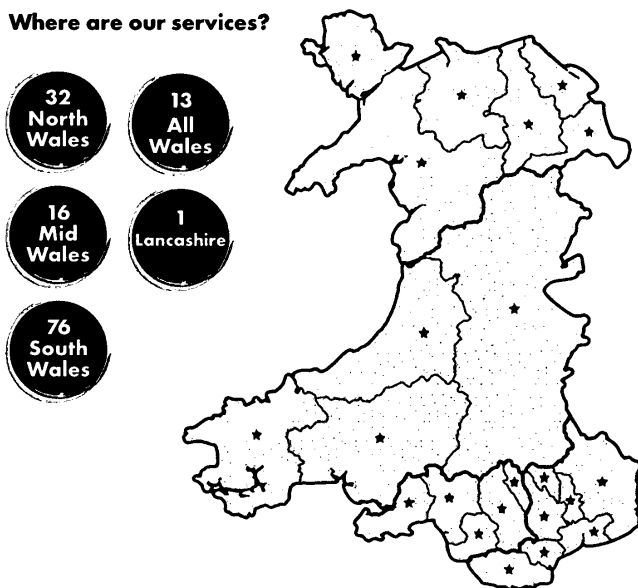


Our Services

Over the course of the year, Adferiad Recovery delivered 138 contracts for commissioners in government, health, local authorities and elsewhere, and provided a wide and diverse range of interventions for individuals in need, including:

- Mental Health support
- Substance Misuse support
- Help with unemployment
- Support for children and young people
- Support for carers, and much more!

Where are our services?



I Can Work

I Can Work is a service originally commissioned by the Betsi Cadwaladr University Health Board for those who have mild to moderate mental health conditions who are looking to gain employment. Originally the service was commissioned up to the 31st of March 2020, and has been extended through into 2022/2023.

In 2021/2022 we had 312 referrals, delivered almost 2,000 hours of support, and achieved 287 employment outcomes, and this work further demonstrates both Adferiad's expertise in this area but also the need for people to find a productive and rewarding way to contribute to society where they are able.



"Since getting into contact with I Can Work, I have accepted a job offer. My outlook is brighter, and I am feeling optimistic about my capabilities and potential."

15

Housing Support Contracts delivered this year

Support delivered to over

400 clients

Housing Support Grant

During the year, Adferiad Recovery delivered 15 Housing Support Grant contracts in Ynys Môn, Gwynedd, Conwy, Denbighshire, Flintshire, Wrexham, Cardiff, Powys, Carmarthenshire, Bridgend, Neath Port-Talbot, and Pembrokeshire. Over 70 clients accessed the supported accommodation service from more than 40 move-on properties. We also delivered several floating support contracts to over 400 clients in their own homes.

Violence Against Women Domestic Abuse and Sexual Violence (VAWDASV)

Adferiad Recovery were successful during 2021/2022 in gaining capital funding from the Office of the Police and Crime Commissioner to purchase and renovate a property for the support of individuals who have been affected by VAWDASV. Alongside the purchase of the property, Conwy County Borough Council agreed to fund revenue support costs via the HSG. The project is delivered in partnership with Hafan Cymru.



Gwent Violence Against Women, Domestic Abuse and Sexual Violence
Trais yn Erbyn Henywod, Cam-drin Domestig a Thrais Rhywiol Gwent

Our Services

Cyfle Cymru

Cyfle Cymru is a service which helps people with substance misuse issues and/or mental health conditions into work, education or training. Cyfle is delivered by members of the DACW (Developing A Caring Wales) Consortium: Adferiad Recovery, Barod, Kaleidoscope & Safer Wales.

Supported by the European Social Fund through the Welsh Government's Out of Work Service, the programme builds on our considerable success in the delivery of effective peer mentoring interventions. Through mentoring, training, employment support and volunteering, Cyfle Cymru aims to help people with experience of substance misuse and mental health difficulties get into or closer to work.

1,272 supported into employment

Peer mentorship is also a cost-effective approach. Cyfle Cymru's most recent SROI (Social Return on Investment) results indicated that for each £1 of value invested into the service, more than £6 is invested back into the Welsh economy. Since launch, Cyfle Cymru peer mentoring service has created over £6,174,000 in value!

2,495 gaining work or volunteering experience

From the commencement of the project in August 2016 to the end of March 2021, Cyfle Cymru has attracted 13,000 registrations across the five lot areas. Over 268,570 hours of support have been delivered, nearly 15,000 accredited and non-accredited qualifications have been awarded since the programme began and 1,272 people have been supported into employment, with 2,495 gaining work or volunteering experience.

Over 268,570 hours of support delivered

We were successful in securing an extension to the service until August 2022. This service will be recommissioned, and it is a priority for Adferiad Recovery to continue this work both from a mission perspective and for the future of the staff team, many of whom have been on the journey with us through the project.

Young Persons' Services

Adferiad Recovery delivers a range of young persons' services to clients with experience of the criminal justice system, mental health and substance misuse throughout Wales. Our Powys Young Persons' Substance Misuse Service (YPSMS) is available to young people, typically under 18 years old, who are experiencing problems with substance misuse, and our Early Intervention in Psychosis services across Wales support young people and their siblings through what can be frightening times for the whole family.

Through our partnership with Mental Health UK, we have delivered 419 sessions of support through our Bloom and Your Resilience programme to both young people and the schools and colleges they attend. We also developed a programme in 2020/2021 to support young people referred to specialist mental health services and were delighted to continue that into 2021/2022.

Military Veteran Programmes

Our work with veterans continues across Wales with both delivery of direct support and peer mentoring through Change Step and by supporting local groups and new organisations as a Strategic Partner in the Armed Forces Covenant Fund Trust's 'Positive Pathways Programme'. Part of the Veterans' Mental Health and Wellbeing Fund, the Positive Pathways programme funds projects that develop and run activities supporting the mental health and wellbeing of ex-forces, encouraging veterans to get out and get active. As part of this programme, Adferiad Recovery supports smaller organisations to apply for project funding and supports successful applicants to deliver on their objectives.

Criminal Justice Services

Adferiad Recovery continues to work in this challenging space both through local services such as Ty'n Rodyn, Ty Adferiad, and our work with the St. Giles Trust, and through our Appropriate Adult Service to South Wales, Dyfed Powys, Gwent Police Force areas.

Inpatient and Residential Services

Hafan Wen, our purpose-built detoxification and treatment centre, is located on the campus of the Wrexham Maelor Hospital and provides services for patients from north Wales through a long-term agreement with Betsi Cadwaladr University Health Board. Hafan Wen as a specialist medically managed unit also provides high intensity support to patients from across the UK and beyond.

Salus, our detoxification and treatment centre with beautiful grounds in Lancashire, continues to provide high quality support and we plan to further develop this site in 2022/2023 to provide greater capacity having been successful with a number of tenders to provide inpatient care for authorities across England.

Parkland Place opened its doors in 2018 and is performing well with both statutory contracts and private paying clients.

Gellinudd Recovery Centre, our mental health hospital in Pontardawe, changed focus in 2021/2022 to become a service for women with complex and multiple needs. The occupancy rate remains low but we anticipate this will improve into 2022/2023 as the Centre offers a quite unique service.

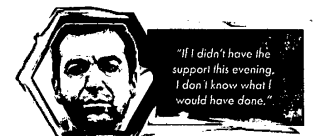
Across our Inpatient and Residential Services, we have supported over 960 clients and provided 13,478 bed nights.

Ty Adferiad

Ty Adferiad is a six bed, supported accommodation project for women with complex needs. Based in Porthmadog, it operates 24 hours a day, 7 days a week and is the only service of its type in Wales. The service aims to support its occupants through a variety of issues such as housing, employment, training, education, offending behaviour and social isolation. Support is identified and provided through utilising an integrative, person-centred approach, with coordination from local housing providers and specialist agencies to complement this.

Crisis Sanctuaries

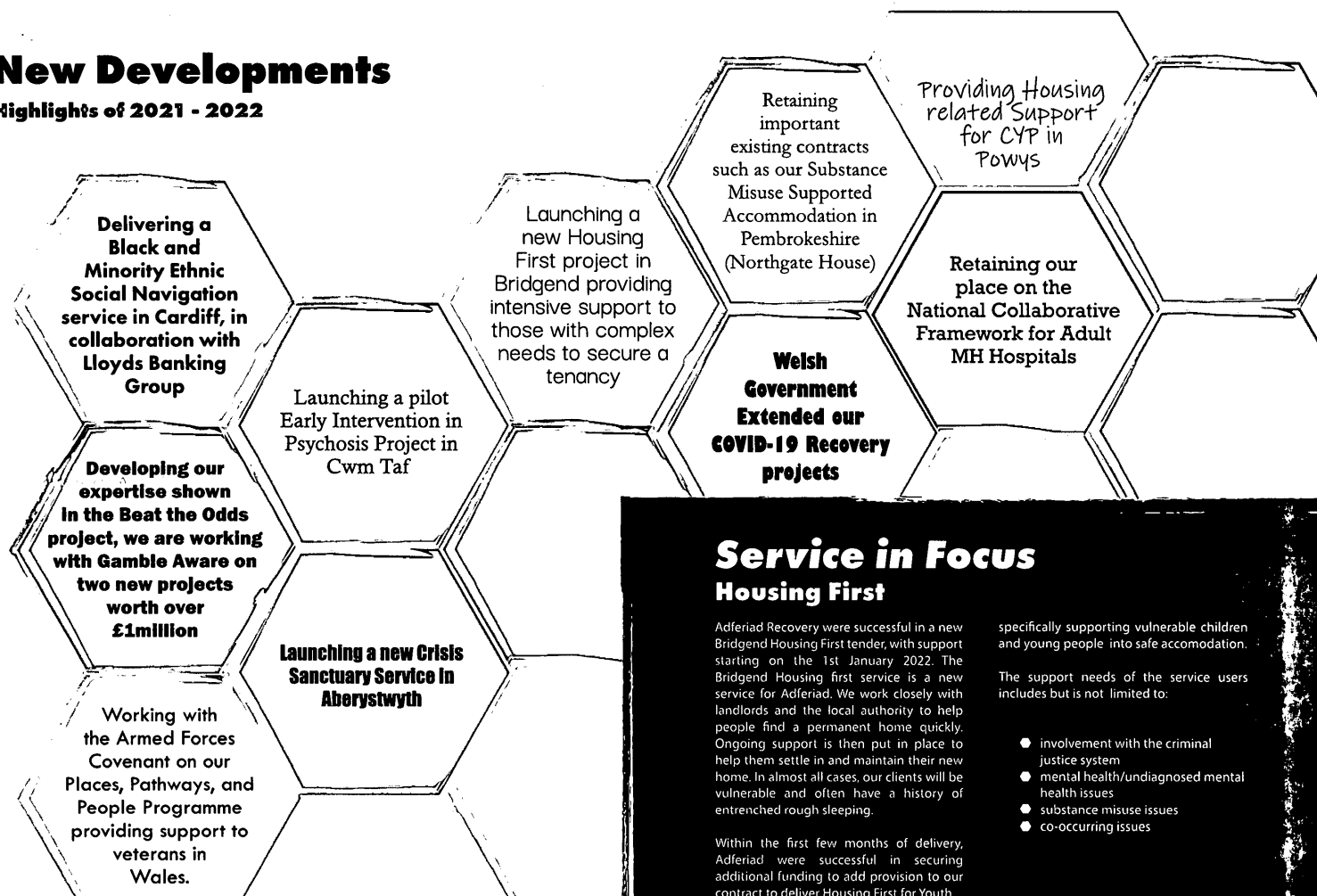
Adferiad Recovery provides a number of such services including those in Aberystwyth and Swansea, and in partnership with Llanelli Mind in Llanelli. The Swansea Sanctuary provides support for those people in a crisis from 6pm to 3am seven nights per week, and the Aberystwyth Sanctuary also provides a crisis bed for people who may need additional support overnight.



The Deputy Minister for Mental Health and Wellbeing visited the Swansea Sanctuary in summer 2021 and spoke with people who had used the service, hearing how the service had been of huge benefit to them and also helped reduce their dependence on statutory emergency services. The Swansea Sanctuary being the most intense such service in Wales has received 1,287 referrals to date, staff have made 1,023 support calls, and over 100 clients in acute crisis have received a direct face-to-face service with universally positive feedback.

New Developments

Highlights of 2021 - 2022



Service in Focus Housing First

Adferiad Recovery were successful in a new Bridgend Housing First tender, with support starting on the 1st January 2022. The Bridgend Housing first service is a new service for Adferiad. We work closely with landlords and the local authority to help people find a permanent home quickly. Ongoing support is then put in place to help them settle in and maintain their new home. In almost all cases, our clients will be vulnerable and often have a history of entrenched rough sleeping.

Within the first few months of delivery, Adferiad were successful in securing additional funding to add provision to our contract to deliver Housing First for Youth,

specifically supporting vulnerable children and young people into safe accommodation.

The support needs of the service users includes but is not limited to:

- involvement with the criminal justice system
- mental health/undiagnosed mental health issues
- substance misuse issues
- co-occurring issues

Our Campaigns

Talk to Adferiad

Our campaign activity for the first year of operation focused on ensuring the new organisation was fully informed by our beneficiaries as to the direction for the coming years. Our patron, Michael Sheen kindly led the process, "Talk to Adferiad", where we held both a national online conversation plus 24 local events involving all our stakeholders across Wales and beyond. This campaign provided us with the ambitions, values, and campaigning challenges that we continue to develop into 2022/2023. Work on developing an organisational strategy commenced following the campaign with a three-year strategy for 2022-2025 to be approved by Trustees in 2022.

The "Talk to Adferiad" campaign engaged thousands of stakeholders including over 1000 members, 5000 service users and carers using Adferiad Recovery's services. When asked what priorities Adferiad Recovery should adopt in the coming years, participants said the charity should;

- Develop holistic services
- Be a workplace of choice
- Be the voice of people affected by mental illness and addiction

When asked what specific services Adferiad Recovery should be developing, participants said priorities should include;

- Befriending services and social groups
- Information and advice
- Services for people with co-occurring diagnoses

The overall message from stakeholders was clear, highlighting that;

- All services for people with mental health, addiction or co-occurring problems need to be integrated, in order to be able to provide optimum support
- There is a need for improved rights to timely, well-resourced and patient centred services for the charity's client group
- The stigma surrounding addiction, mental health and co-occurring diagnoses urgently needs to be addressed

Our Impact - Annual Report 2021 - 2022



**Our Patron -
Michael Sheen**

Our Campaigns

Only Human

Last year, we ran our "Only Human" campaign which aimed to tackle the stigma associated with substance-use (such as alcohol, cigarettes, or drugs) and behavioural addictions (such as gambling, gaming, or shopping). Led by individuals with lived experience of addiction, the campaign aimed to raise awareness about the harmful consequences of addiction-related stigma and encourage people to question their beliefs about addiction and the people who experience it.

People suffering from addiction are often unfairly labelled or stereotyped which creates division between them and non-stigmatised people in the community. This division leads to discrimination or harmful stigma and can become internalised, resulting in feelings of shame, low self-esteem, or worthlessness. Unfortunately, self-stigma presents a major barrier to seeking treatment, and individuals often feel they are left with no other choice than to retreat further into their addiction where the cycle continues. Adferiad Recovery is committed to challenging the way that society views addiction by creating a dialogue, breaking down addiction-related stigma, and supporting individuals in overcoming their conditions.

Throughout the summer, Adferiad Recovery's local teams hosted 23 campaign events across Wales and in Lancashire, providing people with opportunities to engage with the campaign. As part of the campaign, we developed our Only Human survey to provide insight into people's lived experience of addiction-related stigma and gathered suggestions on how we could best overcome stigma and support people struggling with addictions. The Only Human campaign was launched in Neath Port Talbot on May 11th of 2022 and concluded with Adferiad Recovery's annual Mental Health Day event at the Senedd on October 13th.



Our Partners

The Charity has extensive relationships with various partners and stakeholders in the pursuance of its charitable goals and for the benefit of its client group. Adferiad Recovery actively and collaboratively works with the Welsh Government, Local Health Boards, Local Authorities, Community Drug and Alcohol Services, Area Planning Boards, Department for Work and Pensions, young person's commissioners, offender management providers, housing associations, universities, colleges and various independent charities and voluntary councils including other agencies providing services for veterans.

Adferiad Recovery works closely with the Wales Alliance for Mental Health in Wales and with Rethink, Mindwest (Northern Ireland) and Support in Mind Scotland as part of Mental Health UK (Adferiad Recovery's Chief Executive is a Trustee of MHUK) and with other similar charities across the British Isles on both a bespoke basis and also as a member of the Mental Health Alliance. Adferiad Recovery is a member of the Global Alliance for Mental Illness Advocacy Networks (GAMIAN) and is represented at Board level.

Adferiad Recovery is a member of Developing a Caring Wales (DACW), a Welsh Consortium providing a complete range of services for people affected by alcohol and drug misuse and mental health difficulties.

Adferiad Recovery also continued our partnership with Mind Cymru in the delivery of the Time to Change Wales programme which challenges, educates, and addresses stigma and discrimination in mental health. The success of this programme will be developed further in 2022/2023 as part of our campaign to challenge the stigma surrounding addictions.





Looking Forward

Post pandemic there are clear indications that the current system of health and social care provision in the UK is under severe pressure. While there are additional funds and resources flowing into the system, the ability to recruit staff, address the financial pressures of inflation, poverty, and fuel price rises, and encourage people to return to face-to-face contact pose significant challenges for us all. In addition, the impact of Brexit is being felt both from an employment perspective and now, more specifically to Adferiad Recovery, with the ending of the Wales European Structural Funds (ESF). This funding has provided significant support for our beneficiaries through Cylle Cymru and Active inclusion programmes and has led to many people gaining work experience, education and training, whilst empowering clients to change their lives and gain economic independence.

We are hopeful that the Welsh Government will continue to support such programmes but recognise that we must be agile and seek alternative sources of funding to ensure that our mission continues.

Adferiad Recovery remains committed to partnership working within the statutory and voluntary sector in pursuance of the best possible service to our client group. Partnerships allow Adferiad Recovery to:

- **Form joint working relationships to develop shared approaches**
- **Increase awareness of Adferiad Recovery**
- **Share resources and expertise with other third sector organisations**

We will also continue to invest in our partnership with Mental Health UK, Gamian, and other alliances to ensure the voice of our beneficiaries is heard.

Overall, Adferiad Recovery seeks to consolidate its position through prudent financial and operational management. We will continue to provide an effective, caring and dedicated enhanced service to those people seeking the charity's help.

To strengthen its independence from a relatively small group of funders, the charity is also seeking to develop services which are not directly commissioned, but which fall within its mission. Initiatives include the acquisition of dwellings for rent by disadvantaged individuals, the expansion of CAIS Social Enterprises and the development of a property renovation programme.

The cost of living crisis and the increasing energy price burden will impact heavily on both our beneficiaries and our staff. We are committed to becoming registered as a Living Wage Foundation employer across our services and in 2022/2023 we will take this forward. We will also engage with partners who share our concern in respect of those in poverty and we will build upon Adferiad Recovery's Promise that no-one in our beneficiary group need be alone.

During the pandemic, Adferiad Recovery demonstrated our ability to flourish in adversity and we believe wholeheartedly that this is now a key time for the Charity to develop, engage with the under pressure statutory sector and government to offer a beneficiary centred, cost effective and outcome focused approach.

Financial Review and Statements

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2022

INCOME AND ENDOWMENTS FROM	NOTES	UNRESTRICTED FUNDS £	RESTRICTED FUNDS £	2022 TOTAL FUNDS £	2021 TOTAL FUNDS £
Donations & Legacies	2	169,895	-	169,895	6,626
Charitable Activities					
Community Services		14,991,117	4,750	14,995,867	6,387,084
Residential Services		7,135,576	65,365	7,200,941	3,391,480
Investment Outcome	3	(7,684)	-	(7,684)	(9,268)
Other Income		5,094,487	1,092,540	6,187,027	184,332
Total		27,383,391	1,162,655	28,546,046	9,960,254

EXPENDITURE ON

Charitable Activities	6				
General		-	-	-	-
Community Services		13,379,058	10,817	13,389,875	5,662,794
Residential Services		7,817,881	264,209	8,082,090	4,016,582
Governance		520,404	-	520,404	170,038
Total		21,717,343	275,026	21,992,369	9,849,414

NET INCOME		5,666,048	887,629	6,553,677	110,840
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Other recognised gains/ (losses)

Actuarial gains on benefit schemes		549,000	-	549,000	49,000
Net movement in funds		6,215,048	887,629	7,102,677	159,840

RECONCILIATION OF FUNDS

Total funds brought forward		1,055,431	335,989	1,391,420	1,231,580
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TOTAL FUNDS CARRIED FORWARD		7,270,479	1,223,618	8,494,097	1,391,420
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	NOTES	UNRESTRICTED FUNDS £	RESTRICTED FUNDS £	2022 TOTAL FUNDS £	2021 TOTAL FUNDS £
Fixed Assets					
Tangible assets	12	7,797,545	191,728	7,989,273	2,288,381
Investments	13	2	-	2	2
Total		7,797,547	191,728	7,989,275	2,288,383

Current Assets

Debtors	14	3,666,260	-	3,666,260	1,627,511
Cash at bank		4,187,860	1,031,899	5,219,749	2,514,754
Total		7,854,120	1,031,899	8,886,009	4,142,265

Creditors

Amounts falling due within one year	15	(5,701,445)	1	(5,701,444)	(3,371,216)
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NET CURRENT ASSETS		2,152,675	1,031,890	3,184,565	771,049
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TOTAL ASSETS LESS		9,950,222	1,223,168	11,173,840	3,059,432
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CURRENT LIABILITIES

Creditors

Amounts falling due after more than one year	16	(1,806,049)	-	(1,806,049)	867,012
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Provisions for liabilities	19	(925,694)	-	(925,694)	334,000
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Pension asset/(liability)	21	52,000	-	52,000	467,000
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NET CURRENT ASSETS		7,270,479	1,223,618	8,494,097	1,391,420
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Funds	20				
Unrestricted funds				7,270,479	1,055,431
Restricted funds				1,223,618	335,989
Total funds				8,494,097	1,391,420

REGISTERED COMPANY NUMBER: 02751104 (England and Wales)
REGISTERED CHARITY NUMBER: 1039386

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022
FOR
ADFERIAD RECOVERY LIMITED**

**Williams Denton Cyf
Chartered Certified Accountants
Statutory Auditors
13 Trinity Square
Llandudno
United Kingdom
CONWY
LL30 2RB**

ADFERIAD RECOVERY LIMITED

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FOR THE YEAR ENDED 31 MARCH 2022**

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ADFERIAD RECOVERY LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022

The trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report and financial statements of the charity for the year ended 31 March 2020. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' as revised in March 2005.

OBJECTIVES AND ACTIVITIES

Objectives and Aims

ADFERIAD RECOVERY aims to make positive changes in the lives of people affected by drugs, alcohol, and other life challenges, through a range of services and support delivered by skilled and experienced staff, in the belief that people can and do change.

The following objects are listed within the Charity's governing document:

1. The treatment, care and support of persons suffering directly or indirectly from problems associated with alcohol or drug misuse and other dependencies
2. The prevention of alcohol and drug misuse through the provision of services for those suffering from or likely to suffer from substance misuse, addiction or other dependencies
3. Education and training for professionals and volunteers in the field and raising the awareness of the public through the media and through education about the incidence and effects on society of substance dependency and misuse affecting Wales and the Marches
4. The support, relief and treatment of persons suffering directly or indirectly from problems associated with mental health psychological and emotional well-being, illness, age, social exclusion or economic inactivity
5. The promotion and provision of advice and advocacy for persons suffering disadvantage either directly or indirectly from the problems caused by and the consequences of alcohol and drug misuse and other dependencies, disability, illness, age or social exclusion.

We achieve this through the following aims and objectives:

- a) Safety will be at the heart of all we do. We will do our utmost to ensure the security, well-being and comfort of our clients. We will take all reasonable steps to protect and safeguard all who work for and with Adferiad Recovery.
- b) We will assist each other in reaching personal goals, in realising creative potential and in striving for excellence. We will aspire for everyone in Adferiad Recovery to have a positive regard for their work and colleagues.
- c) We will preserve the core values and mission of Adferiad Recovery, always subordinating personal and commercial advantage to our charitable goals. We will be reliable and trustworthy in all our dealings.
- d) We will seek to meet and surpass the expectations of commissioners and clients. We will develop and maintain systems and processes that do not fail. We will address short-comings quickly and with good grace.
- e) We will incorporate the needs and views of service users in the planning and delivery of all our provision. We will value and support those who volunteer to assist us. We will strive to understand and meet the needs of different communities who seek our services. We will operate through the medium of both Welsh and English.
- f) We will maximise the use of our assets and minimise the cost of our overheads. We will actively seek partnership and collaboration in the interests of service improvement. We will assess and monitor the environmental consequences of our work, reducing the impact wherever possible.

These aims are based on the organisation's original Objects, and Trustees in 2022/2023 will develop an updated set of Objects for submission to the Charity Commission to better reflect the needs of our beneficiaries and the ambition, mission, and future of Adferiad Recovery.

ADFERIAD RECOVERY LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022

OBJECTIVES AND ACTIVITIES

Significant activities

Adferiad Recovery's activities continue to focus on enhancing the quality of existing service provision whilst seeking to develop both geographically and by offering new service models. Our services are diverse and we operate in every local authority area in Wales whilst providing services for people from across the UK and beyond in our residential services. Our hospital and residential schemes deliver mental health care, in-patient detoxification, and rehabilitation. Our community services include housing related support, therapeutic interventions, counselling, support, advice, family and carer services and training. We operate in the publicly managed prisons in Wales, provide national financial advice through the Mental Health and Money Advice Service delivered within our role as Mental Health UK partners in Wales and with the very generous support of the Lloyds Banking Group.

The Charity has extensive relationships with various partners and stakeholders in the pursuance of its charitable goals and for the benefit of its client group. Adferiad Recovery actively and collaboratively works with the Welsh Government, Local Health Boards, Local Authorities, Community Drug and Alcohol Services, Area Planning Boards, Department of Work and Pensions primes, young person's commissioners, offender management providers, housing associations, universities, colleges and various independent charities and voluntary councils including other agencies providing services for veterans.

Public benefit

To further its objects, the Charity will:

- o Provide information, advice, support and services of the highest standard to those experiencing mental health problems, substance misuse problems, and those with co-occurring and complex needs, or illness or disability of any kind, and their families and carers.
- o Challenge discrimination through education and training.
- o Campaign nationally and locally for high quality care, including both acute and long-stay services.

The Charity provides a wide range of services through a number of local projects and groups, supported by members and volunteers together with staff employed in operational and functional departments at local and national level. Adferiad Recovery's charitable activities are all undertaken to further its charitable purposes for the public benefit. The guidance contained in the Charity Commission's general guidance on public benefit has been referred to when reviewing Adferiad Recovery's aims and objectives and in planning future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives they have set.

Specific activities are detailed within the following 'Achievements and Performance' section, which are provided free of charge at the point of delivery.

OBJECTIVES AND ACTIVITIES

Chief Executive's Reflections on Adferiad Recovery Post Merger

This was the first full year of operation of Adferiad Recovery as a newly merged Charity and followed on from the unprecedented global impact of Covid-19. Adferiad Recovery's constituent Charities had performed outstanding work during the most challenging times of the pandemic, delivering more diverse and higher intensity services to those who unfortunately were receiving less support than usual as other agencies closed their doors. We were proud to be an organisation where we continued almost all our operations, though in different ways, and this approach I believe saved many lives.

The merger was in motion when the pandemic struck and following significant risk reviews and assessments, the decision was taken to continue with the journey, and this has stood us in good stead to support our beneficiaries as we all recover from the impact of the pandemic. Our beneficiaries were some of the most impacted during this period but some of the national solutions, such as the concerted effort to stop street homelessness have demonstrated that we can as a society address such challenges should we put our minds to the matter. During the last year Adferiad Recovery has continued to expand our services and much of our development has been linked to the provision of safe, supported accommodation - generally the first step towards a sustainable recovery.

The impact of the pandemic though is still being felt by our beneficiaries and the challenges faced by the NHS and social care services in restarting many of their services post pandemic means that our services are still often the only ones that our clients can engage with without long waiting times. We recognise that this is likely to remain the case for the next two years or more and are campaigning with local and national statutory sector partners for service improvements.

The merger could not have happened so successfully had it not been for three groups of people. The first, the Trustees of the four originating Charities for recognising the vision, benefits, and importance of working together. Trustees put beneficiaries ahead of organisational parochialism and committed to creating an organisation that sought to assist with the person as a whole rather than the 'hole' in the person. Too often people can be turned away from services because they have more than one issue: Adferiad Recovery is there for people, not just their diagnosis. The Trustees of all four organisations represented the views and desires of the beneficiaries of the Charities and ensured that the outcome was focussed on delivering more for our clients.

The second group is the leadership teams of the Charities who worked tirelessly and without expectation, to deliver the wishes of the Trustees. This was achieved whilst continuing to deliver on the mission, and I personally thank the team for all the support they gave me.

The third group was the team at Allen and Overy LLP who provided a remarkable level of legal advice, guidance, and support at no cost to the Charity and their contribution cannot be overstated.

That the new Adferiad Recovery is successfully delivering high quality services, expanding rapidly, and is such a strong organisation is down to our team of skilled staff and volunteers. It is a privilege to lead such people and I know that the organisation will go from strength to strength.

ADFERIAD RECOVERY LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022

OBJECTIVES AND ACTIVITIES

Extraordinary Matters Post Merger

As the first year of operation of Adferiad Recovery developed, there were a number of major infrastructure and organisational management issues to address in the transition from small / medium organisations to a Charity of this scale. These included the retirement of a number of long-standing Trustees and senior staff, the alignment of financial systems, the combination of banking arrangements, and the integration of over 600 staff into payroll and personnel systems. This has been integrally supported by the updating of information technology systems and data processes, and whilst this has been a challenge for all involved, the organisation can be confident going forward that there are robust, secure, and reliable systems in place.

During this first year the organisation also addressed a number of property related matters including the disposal of redundant assets, termination of leases where the sites were duplicated following the merger, and the relocation of a number of staff. This again has provided greater security for the organisation.

Our campaign activity for the first year of operation focussed on ensuring the new organisation was fully informed by our beneficiaries as to the direction for the coming years. Our patron, Michael Sheen kindly led the process, "Talk to Adferiad", where we held both a national online conversation plus 24 local events involving all our stakeholders across Wales and beyond.

This campaign provided us with the ambitions, values, and campaigning challenges that we continue to develop into 2022/2023. Work on developing an organisational strategy commenced following the campaign with a three-year strategy for 2022-2025 to be approved by Trustees in 2022.

STRATEGIC REPORT

Achievement and performance

Charitable Activities

During the first year of operation as the merged Charity to 31st March 2022, Adferiad Recovery received 15,916 referrals to core services - including substance misuse, mental health, veterans, supported housing and homelessness, recovery, volunteering, criminal justice, training, and employment programmes.

Over the course of the year, Adferiad Recovery delivered 139 contracts for commissioners in government, health, local authorities and elsewhere, and provided a wide and diverse range of interventions for individuals in need. In addition, we were successful in developing a further 20 new services or expansion projects. Services were delivered throughout Wales as well as in Lancashire, by Adferiad Recovery and its subsidiaries. Through Cyfle Cymru, Adferiad Recovery leads the delivery of the Welsh Government's EU-funded "Out of Work" Service in five of the seven Welsh health board areas.

Adferiad Recovery measures the success of its activities through contract monitoring and management arrangements to ensure achievement and compliance which includes service feedback from service users and carers receiving Adferiad Recovery services. Adferiad Recovery's internal Quality Standards audits are applied to all Adferiad Recovery services and external validation provided through achievement of ISO 9001:2015 accreditation, Investors in People (IIP) accreditation and Agored Cymru Centre recognition. Adferiad Recovery is also subject to inspection by the Care Inspectorate for Wales for registered domiciliary care services and Parkland Place as a residential unit, Healthcare Inspectorate Wales which routinely audits and inspects the services in Pontardawe and Wrexham, and Care Quality Commission for our service in Lancashire and inspection reports are available on their websites.

During 2021/2022 Adferiad Recovery further developed the expertise first demonstrated in the Beat the Odds project to expand and intensify our services for those with gambling addictions and sadly we expect this work to continue to grow as people experience the impact of the cost-of-living crisis.

Adferiad Recovery also continued our partnership with Mind Cymru in the delivery of the Time to Change Wales programme which challenges, educates, and addresses stigma and discrimination in mental health. The success of this programme will be developed further in 2022/2023 as part of our campaign to challenge the stigma surrounding addictions.

A range of high-quality publications and information was produced during 2021/2022. The Adferiad Recovery brand development continued, and new websites and social media campaigns will follow in 2022/2023.

Adferiad Recovery's existing websites continued to be regularly updated with news and information; Adferiad Recovery's on-line service, Clic continues to grow across the UK as part of our work with Mental Health UK.

Adferiad Recovery continued to update and develop the Mental Health Wales website and produced a quarterly journal which was circulated widely throughout Wales and which included issues focusing on physical health, young people, carers, co-occurring disorders, and the Mental Health Act. Adferiad Recovery's social media sites continued to develop and increase in popularity in 2021/2022, highlighting the latest news and events, and now have over 32,000 followers. Visits to our website were over 258,000, Twitter visits over 415,000, and our total social media reach exceeded 1,847,600.

Adferiad Recovery's Public Affairs work during 2021/2022 continued to be both influential and far-reaching. Extensive media and campaigning work during the year responded to current affairs and included in-depth features and interviews on both television and radio, and in the local and national press. Coverage included features on BBC Wales Today; ITV Wales news; Newyddion 9 (S4C); BBC Radio Wales; BBC Radio Cymru, local press and social media, and a regular column in the Western Mail. Our approach to this work is to ensure that as much as possible the voices of those with lived experience should be heard above those of professional commentators and we continue to support our clients who wish to share their experiences.

2021/2022 also saw the return post Covid-19 of our much-appreciated physical wellbeing days in Swansea and Colwyn Bay where beneficiaries and staff join together in fun physical activities designed to promote the benefits of physical wellbeing, exercise, social contact, and healthy eating. The events are often highly contested and enjoyed by all.

ADFERIAD RECOVERY LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022

Although not every service is detailed, a review of the most significant achievements and performance is summarised below.

Employment Programmes:

I Can Work

I Can Work is a service originally commissioned by the Betsi Cadwaladr University Health Board for those who have mild to moderate mental health conditions who are looking to gain employment. Originally the service was commissioned up to the 31st of March 2020, and has been extended through into 2022/2023.

In 2021/2022 we had 312 referrals, delivered almost 2,000 hours of support, and achieved 287 employment outcomes, and this work further demonstrates both Adferiad's expertise in this area but also the need for people to find a productive and rewarding way to contribute to society where they are able.

Cyfle Cymru

Adferiad Recovery leads the delivery of the large-scale project by fellow DACW members across all five lot areas throughout Wales and directly delivers the Cyfle Cymru programme in North Wales, with Kaleidoscope in Powys, with Barod and Kaleidoscope in Gwent, and with Barod in Western Bay and Dyfed. It marks the largest service ever delivered by Adferiad Recovery - in terms of both value and geographical spread.

Supported by the European Social Fund through the Welsh Government's Out of Work Service, the programme builds on our considerable success in the delivery of effective peer mentoring interventions. Through mentoring, training, employment support and volunteering, Cyfle Cymru aims to help people with experience of substance misuse and mental health difficulties get into or closer to work.

From the commencement of the project in August 2016 to the end of March 2021, Cyfle Cymru has attracted 13,000 registrations across the five lot areas. Over 268,570 hours of support delivered, nearly 15,000 accredited and non-accredited qualifications have been awarded since the programme began and 1,272 people have been supported into employment, with 2,495 gaining work or volunteering experience.

Cyfle Cymru was successful in securing an extension to August 2022. This service will be recommissioned, and it is a priority for Adferiad Recovery to continue this work both from a mission perspective and for the future of the staff team, many of whom have been on the journey with us through the project.

Housing Support Grant

During the year, Adferiad Recovery delivered 15 Housing Support Grant contracts in Ynys Môn, Gwynedd, Conwy, Denbighshire, Flintshire, Wrexham, Cardiff, Powys, Carmarthenshire, Bridgend, Neath Port-Talbot, and Pembrokeshire. Over 70 clients accessed the supported accommodation service from more than 40 move-on properties. We also delivered several floating support contracts to over 400 clients in their own homes.

Violence Against Women Domestic Abuse and Sexual Violence (VAWDASV)

Adferiad Recovery were successful during 2021/2022 in gaining capital funding from the Office of the Police and Crime Commissioner to purchase and renovate a property for the support of individuals who have been affected by VAWDASV, alongside the purchase of the property, Conwy County Borough Council agreed to fund revenue support costs via the HSG. The project is delivered in partnership with Hafan Cymru.

ADFERIAD RECOVERY LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022

Housing First

Adferiad Recovery were successful in a new Bridgend Housing First tender, with support starting on the 1st January 2022. The Bridgend Housing first service is a new service for Adferiad. We work closely with landlords and the local authority to help people find a permanent home quickly. Ongoing support is then put in place to help them settle in and maintain their new home. In almost all cases, our clients will be vulnerable and chaotic and often have a history of entrenched rough sleeping. The support needs of the service users includes but will not be limited to

- o involvement with the criminal justice system
- o mental health/undiagnosed mental health issues
- o substance misuse issues
- o co-occurring issues

Within the first few months of delivery, Adferiad were successfully in securing additional funding to add provision to our contract to deliver Housing First for Youth, specifically supporting children and young people who are vulnerable into safe accommodation.

Young Persons' Services

Adferiad Recovery delivers a range of young persons' services to clients with experience of the criminal justice system, mental health and substance misuse throughout Wales. Our Powys Young Persons' Substance Misuse Service (YPSMS) is available to young people, typically under 18 years old, who are experiencing problems with substance misuse, and our Early Intervention in Psychosis services across Wales support young people and their siblings through what can be frightening times for the whole family.

Through our partnership with Mental Health UK we have delivered 419 sessions of support through our Bloom and Your Resilience programme to both young people and the schools and colleges they attend. We also developed a programme in 2020/2021 to support young people referred to specialist mental health services and were delighted to continue that into 2021/2022.

Inpatient and Residential Services

Hafan Wen - our purpose-built detoxification and treatment centre - is located on the campus of the Wrexham Maelor Hospital and provides services for patients from north Wales through a long-term agreement with Betsi Cadwaladr University Health Board. Hafan Wen as a specialist medically managed unit also provides high intensity support to patients from across the UK and beyond.

Salus - our detoxification and treatment centre in beautiful grounds in Lancashire continues to provide high quality support and we plan to further develop this site in 2022/2023 to provide greater capacity having been successful with a number of tenders to provide inpatient care for authorities across England.

Parkland Place opened its doors in 2018 and is performing well with both statutory contracts and private paying clients.

Gellinudd Recovery Centre - our mental health hospital in Pontardawe changed focus in 2021/2022 to become a service for women with complex and multiple needs. The occupancy rate remains low but we anticipate this will improve into 2022/2023 as the Centre offers a quite unique service.

Across our Inpatient and Residential Services, we have supported over 960 clients and provided 13,478 bed nights.

Crisis Sanctuaries

Adferiad Recovery provides a number of such services including those in Aberystwyth and Swansea, and in partnership with Llanelli Mind in Llanelli. The Swansea Sanctuary provides support for those people in a crisis from 6pm to 3am seven nights per week, and the Aberystwyth Sanctuary also provides a crisis bed for people who may need additional support overnight. The Deputy Minister for Mental Health and Wellbeing visited the Swansea Sanctuary in summer 2021 and spoke with people who had used the service, hearing how the service had been of huge benefit to them and also helped reduce their dependence on statutory emergency services. The Swansea Sanctuary being the most intense such service in Wales has received 1,287 referrals to date, staff have made 1,023 support calls, and over 100 clients in acute crisis have received a direct face-to-face service with universally positive feedback.

Volunteering

Adferiad Recovery is pleased to hold Investors in Volunteers status. This prestigious kitemark demonstrates that our approach to volunteers and volunteering is backed by high-quality processes and makes Adferiad Recovery one of only a few dozen organisations in Wales entitled to use the Investors in Volunteers badge.

Many of our services rely on the effort and generosity of volunteers. Around 76 volunteers committed 4,469 volunteering hours last year, a contribution for which we continue to be very thankful.

Our volunteering support is increasing again post Covid-19 and we will continue our investment in this invaluable resource.

Military Veteran Programmes

Our work with veterans continues across Wales with both delivery of direct support and peer mentoring through Change Step and by supporting local groups and new organisations as a Strategic Partner in the Armed Forces Covenant Fund Trust's 'Positive Pathways Programme'. Part of the Veterans' Mental Health and Wellbeing Fund, the Positive Pathways programme funds projects that develop and run activities supporting the mental health and wellbeing of ex-Forces, encouraging veterans to get out and active. As part of this programme, Adferiad Recovery supports smaller organisations to apply for project funding and supports successful applicants to deliver on their objectives.

Ty Adferiad

This year also saw us develop a much-needed service for women with complex needs who are engaged with the criminal justice service. The development of Ty Adferiad, a six-bed high quality house in Gwynedd provides 24-hour recovery focussed support, building on the highly successful model developed at Ty'n Rodyn for men.

Criminal Justice Services

Adferiad Recovery continues to work in this challenging space both through local services such as Ty'n Rodyn, Ty Adferiad, and our work with the St. Giles Trust, and through our Appropriate Adult Service to South Wales, Dyfed Powys, Gwent Police Force areas.

ADFERIAD RECOVERY LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022

STRATEGIC REPORT

Achievement and performance

Subsidiary Undertakings

Activities and achievements are summarised as follows:

CAIS Social Enterprises

Coming out of the Covid-19 restrictions has been a challenge for the café operations, and a decision was made during the pandemic to permanently close cafés in Cardiff and Rhyl. The remaining sites in Colwyn Bay have reopened and trade is building but is still not at the pre-pandemic levels. The Board of CAIS Social Enterprises is grateful to the Adferiad Recovery Board for continuing the financial support for the company and believes that development is the way we shall come through the challenges of the pandemic. 2022/2023 will see further investment in CAIS Social Enterprises.

The current At Your Service Training Programme which began in February 2020 was put on hold while the cafes were closed. This has since re-started and has been extended from June 2022 to September 2022, with revised outcomes agreed

STRATEGIC REPORT

Achievement and performance

Internal and External Factors

Adferiad Recovery's greatest asset is its staff, which is recognised as integral to both internal functions of the organisation and its operational services. Successful service delivery is largely attributed to a level of internal factors such as appropriate training, personnel management, quality, information systems, safeguarding and health & safety within Adferiad Recovery. Adferiad Recovery staff have received both Safeguarding training and Domestic Violence and Abuse training during the year and are supported by the Safeguarding team to identify and manage safeguarding concerns appropriately and effectively.

During 2021/2022 Adferiad Recovery employed approximately 654 full and part-time staff across Wales and in Lancashire and had staff located in all 22 counties of Wales. Consistent policies and procedures on pay and conditions apply to all staff. During the year the Charity communicated and consulted regularly with its employees through monthly webinars; regular staff meetings; staff newsletters and mailings; and a range of meetings which cascade information both up and down the organisational structure. Much of this information is shared externally with project partners and stakeholders through similar methods.

Adferiad Recovery's Trustees see their employees as key stakeholders in the Charity and consult staff both formally and informally on the policies and direction of the Charity. The Charity has a recognised trade union (UNISON) to represent staff and staff have free, non-voting, associate membership of the Charity.

Adferiad Recovery has worked hard to ensure that all employees are paid the Living Wage Foundation pay rate and will continue to work with funders to ensure that contract arrangements reflect the value of Adferiad Recovery staff. Austerity and inflationary pressures combined with minimal or zero uplifts on contract values makes it increasingly difficult to maintain this position, but Adferiad Recovery continues to work with UNISON, and to lobby Welsh Government to ensure that no public services contracts are issued at less than Living Wage Foundation rates. We continue to seek ways to support our team through Cadw'n Iach (Keeping Well) - a programme providing staff benefits, counselling support, wellbeing benefits, and a helping hand where needed. Adferiad Recovery is seeking to become the employer of choice.

The founding Charities developed a model where managers and future managers met for shared learning and peer support. This programme also informed and supported the transition in the merger. Within this programme a number of managers undertook ILM Leadership and Management awards and it is pleasing to note that of the current team of Directors and Associate Directors, almost two thirds of the team have developed through this approach. We support a number of staff undertaking post graduate learning including MBA programmes, and we are currently developing a future leaders programme and career pathways so that we retain and build on the talent within.

A process of dynamic and informative internal communication underpins the company ethos, which is delivered through a range of media such as the quarterly newsletter, staff away days, intranet updates and Plans are in place for a new Sharepoint system which will provide a single point of access for staff.

Staff awards are made to those individuals and teams who are nominated by their peers as providing outstanding support to beneficiaries or colleagues. Adferiad Recovery staff are also recognised with awards for long service with significant numbers of staff exceeding fifteen years working for the organisation, and some approaching thirty years.

External factors influencing performance and achievement are largely influenced by public sector commissioners such as the Welsh Government, Local Authorities and the Health Boards. Through its diverse range of services, Adferiad Recovery has been able to maintain its core position during the year whilst increasing other areas in delivering programmes to the highest standards.

Becoming a Rights Affirming Organisation

Adferiad Recovery is an organisation that must ensure the rights of individuals are foremost in our minds in all that we do. But this is not enough: as a campaigning organisation, a conduit for the views of our beneficiaries, and as a large employer we have a moral duty. As a charity we have a public benefit duty to do far more than comply with the minimum.

ADFERIAD RECOVERY LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022

STRATEGIC REPORT

Achievement and performance

In September 2021 Trustees committed Adferiad Recovery to becoming a Rights Affirming Organisation. This is a programme which will be delivered over the next three years and seeks to develop an organisation wide values and behaviour base, educate and support staff and volunteers, and engage with other organisations in this arena to ensure that Adferiad Recovery is seen as an organisation for everyone, and that we advocate, speak out, and challenge discrimination or disadvantage of any type in all that we do. We are developing plans with the Equality and Human Rights Commission, the Royal College of Nursing, Diverse Cymru, and the Wales Observatory on Human Rights of Children at the Hilary Rodham Clinton School of Law at Swansea University.

In December 2021 Adferiad Recovery published our Anti-Racism Statement and we continue to work towards achievement of the Diverse Cymru Cultural Competence Certification Scheme.

Financial review

Financial position

The 2021/22 financial statements represent the first annual set of accounts for the newly merged organisation and include the donation of net assets relating to the individual entities (Hafal, WCADA and Adferiad Recovery CIO) which merged with CAIS on 1st April 2021, to form Adferiad Recovery. Previous year figures (2020/21) would usually be used as a comparison, but in this instance relate only to CAIS i.e. per-merger position.

There was an overall increase in Total Funds for 2021/22 of £7,102,677 - taking the cumulative figure to £8,494,097. The significant increase during this period was predominantly due to the donations of net assets received, which totalled £6,187,027 as listed below:

- o Hafal - £4,928,637
- o WCADA - £979,924 (of which £1,092,540 related to a Restricted Capital Grant)
- o Adferiad Recovery CIO - £278,466

The second material factor affecting the year's result was the movement in funds affected by the Gwynedd Pension Fund actuarial valuation. The previous year's recorded liability of £467,000 (2021/22) was revalued, resulting in the fund being recorded as an asset of £52,000 in 2021/22. This exceptional gain was as a result of positive fund investment returns and market conditions as at 31st March 2022.

Investment policy and objectives

In accordance with the Adferiad Recovery Financial Regulations, the charitable company has an investment policy of investing liquid funds on short-term deposits, which can be accessed readily. The charity's finance department monitors the return on investment, ensuring income is maximised whilst remaining at low risk.

Reserves policy

Adferiad Recovery held an un-restricted reserve fund of £7,218,476 (pre-Pension) on 31st March 2022, which is invested in both tangible fixed assets and current assets. Based on the annual cost of funding the organisation's staff and accommodation, the trustees consider that the afore mentioned level of reserves would be adequate to cover Adferiad Recovery's committed expenditure for three months. This is in line with Adferiad Recovery's Financial Regulations.

Adferiad Recovery has adequate reserves to provide financial flexibility in meeting any forthcoming challenges. This includes temporary delays in cash receipts, changes to staffing levels (eg due to maternity leave), working capital fluctuations and responding to emergencies.

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

STRATEGIC REPORT

Principal risks and uncertainties

Adferiad Recovery's Trustees have agreed an updated General Statement of Policy under the Health & Safety at Work Act 1974. Adferiad Recovery has also assessed risk in relation to business and financial management and incorporated safeguards in the Financial Regulations and Delegated Authorities and Financial Standing Orders which were reviewed and updated in 2021/22 by the Trustees. During the year Trustees reviewed Adferiad Recovery's corporate risk assessment which addressed the major risks to which the Charity could be exposed and a Corporate Risk Register was reviewed by Trustees on a quarterly basis. This Risk Register identifies and addresses the following:

- Probability of the risk
- Performance impact
- Mitigating actions
- Contingency plans
- Stakeholders affected
- Associated internal / external risks
- Risk owner

Adferiad Recovery's Health & Safety Committee convened as necessary during the year to monitor and review the safety of activities. Adferiad Recovery continues to engage Health and Safety specialist Amanda Trimble to provide specialist support and advice on Health & Safety processes and procedures with the aim of continuing to work in line with the Health and Safety Executive's model for "Successful Health and Safety Management". Recruitment and appointment of new trustees.

Service resourcing is assessed and careful financial planning occurs at regular meetings between senior managers and the finance team. Each new project is assessed on its own merits and funding is procured before any new services commence.

STRATEGIC REPORT

Future plans

Post pandemic there are clear indications that the current system of health and social care provision in the UK is under severe pressure. While there are additional funds and resources flowing into the system, the ability to recruit staff, address the financial pressures of inflation, poverty, and fuel price rises, and encourage people to return to face-to-face contact pose significant challenges for us all. In addition, the impact of Brexit is being felt both from an employment perspective and now, more specifically to Adferiad Recovery, with the ending of the Wales European Structural Funds (ESF). This funding has provided significant support for our beneficiaries through Cyfle Cymru and Active inclusion programmes and has led to many people gaining work experience, education and training, whilst empowering clients to change their lives and gain economic independence.

We are hopeful that the Welsh Government will continue to support such programmes but recognise that we must be agile and seek alternative sources of funding to ensure that our mission continues.

Adferiad Recovery remains committed to partnership working within the statutory and voluntary sector in pursuance of the best possible service to our client group. Partnerships allow Adferiad Recovery to respond in the following ways:

Seek joint working relationships with providers based elsewhere in the UK to develop shared approaches, increase awareness of Adferiad Recovery, and to share best practice. We will also continue to invest in our partnership with Mental Health UK, Gamian, and other alliances to ensure the voice of our beneficiaries is heard.

Overall, Adferiad Recovery seeks to consolidate its position through prudent financial and operational management. We will continue to provide an effective, caring and dedicated enhanced service to those people seeking the charity's help.

To strengthen its independence from a relatively small group of funders, the charity is also seeking to develop services which are not directly commissioned, but which fall within its mission. Initiatives include the acquisition of dwellings for rent by disadvantaged individuals, the expansion of CAIS Social Enterprises and the development of a property renovation programme.

The cost of living crisis and the increasing energy price burden will impact heavily on both our beneficiaries and our staff. We are committed to becoming registered as a Living Wage Foundation employer across our services and in 2022/2023 we will take this forward. We will also engage with partners who share our concern in respect of those in poverty and we will build upon Adferiad Recovery's Promise that no-one in our beneficiary group need be alone.

During the pandemic, Adferiad Recovery demonstrated our ability to flourish in adversity and we believe wholeheartedly that this is now a key time for the Charity to develop, engage with the under pressure statutory sector and government to offer a beneficiary centred, cost effective and outcome focussed approach.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

Adferiad Recovery is a charity having been formed in 1976 when it was called Clwyd and Gwynedd Council on Alcoholism, later becoming CAIS. It became a charitable company incorporated on 28 September 1992 and registered with the Charity Commissioners of England and Wales (number 1039386). It is also a company limited by guarantee (number 02751104) and is governed by its Memorandum and Articles of Association amended on 1 April 2021.

Adferiad Recovery took on its current structure, name, and mission on 1st April 2021 following a merger between three corporate charities, CAIS, Hafal, WCADA, and Adferiad Recovery CIC (a special purpose vehicle jointly owned by the three corporate charities).

Adferiad Recovery's Mission Statement is as follows:

"Adferiad Recovery responds to the needs of people facing a range of co-occurring health conditions and complex social circumstances - people who are seldom seen and seldom heard."

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

STRUCTURE, GOVERNANCE AND MANAGEMENT

Charity constitution

Adferiad Recovery operates as a single company with up to twenty Trustees serving as Directors. The Trustees of Adferiad Recovery constitute its Board of Directors, are the subscribers to the Memorandum, and serve for terms of up to three years following either appointment by the Board, election through a ballot of associate Members, or co-option. Adferiad Recovery is managed by its Trustees who meet four times a year for that purpose. A Finance and Performance sub-committee and a People and Compliance sub-committee with ratified terms of reference and delegated authorities meet quarterly. Trustees are collectively responsible for reviewing and agreeing senior staff benefits and achieve this by means of reference to recommendations received from the Finance and Performance sub-committee.

Training for Trustees is provided both internally by Adferiad Recovery and externally through accessing information from Blake Morgan LLP, the Charity Commission, Companies House and other relevant organisations. Trustees receive an Induction Pack which includes Adferiad Recovery's Articles of Association, Adferiad Recovery's latest statutory accounts, minutes of most recent meetings, relevant policies and procedures, and Charity Commission publications relating to Trustees' roles and responsibilities. Trustees meet with the senior management team when they commence their term of office, and during the year Trustees visit local services, shadow staff and attend local events to gain first-hand knowledge of service delivery. Information from training events is circulated and discussed by all Trustees.

A formal system of delegation of authority is in place enabling the day-to-day running of the Charity by executive officers with reference as required to the Chair, Vice Chairs and Honorary Treasurer. In 2021/2022 the Charity's leadership structure was modified twice: once to accommodate all those senior staff transferring into the new organisation then latterly following a review to restructure to meet the needs of the organisation going forward. Details of the team have been included earlier in this report.

In addition to the Head Office in Colwyn Bay, Adferiad Recovery has offices in Swansea, bases in all counties of Wales along with a National Resource Centre in Cardiff and a residential treatment centre in Lancashire. Adferiad Recovery works closely with the Wales Alliance for Mental Health in Wales and with Rethink, Mindwise (Northern Ireland) and Support in Mind Scotland as part of Mental Health UK (Adferiad Recovery's Chief Executive is a Trustee of MHUK) and with other similar charities across the British Isles on both a bespoke basis and also as a member of the Mental Health Alliance. Adferiad Recovery is a member of the Global Alliance for Mental Illness Advocacy Networks (GAMIAN) and is represented at Board level.

Adferiad Recovery is a member of Developing a Caring Wales (DACW), a Welsh Consortium providing a complete range of services for people affected by alcohol and drug misuse and mental health difficulties. Adferiad Recovery's Chief Executive is a Trustee of DACW. The registered office of DACW is at Adferiad Recovery's registered address in Colwyn Bay.

Recruitment and appointment of new trustees

Recruitment is carried out on a needs basis with the emphasis on maintaining a balanced membership. Candidates are identified and interviewed to confirm their key skills and contribution to both the board and the organisation. Applications for membership shall be submitted in writing to the Company and are considered and voted upon by the Directors at the next board meeting. Membership of the Company is open to any individual or organisation resident within Wales. One third of the Directors retire from office annually by rotation, in order of those serving the longest in office. Those Directors can offer themselves up for re-election at the meeting.

Organisational governance

The governance structure is that of a Board of Trustees, who together with the Executive Directors manage the Charity's strategic direction and policies. Board attendance comprises the Chairperson, Company Secretary and the Member/Trustees, which are elected/re-elected at Annual General Meetings. Day to day affairs of the Charity are delegated to the Chief Executive and Deputy Chief Executive.

Induction and training of new trustees

Trustees are invited to receive the same level of induction and training as an employee, which allows them to carry out their duties with the benefit of understanding. In execution of their duties every Trustee is entitled to be indemnified against relevant costs incurred.

ADFERIAD RECOVERY LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022

STRUCTURE, GOVERNANCE AND MANAGEMENT

Key management remuneration

Directors are appointed as part of a recruitment process led and implemented by the board; their salaries are benchmarked by industry levels.

Related parties

Adferiad Recovery has a controlling interest in the following subsidiaries:

CAIS Social Enterprises Limited

Wholly owned. Operating as a trading company

The Jigsaw Organisation Limited

Wholly owned. Whilst the legal entity is dormant, Jigsaw operates as part of Adferiad Recovery within restricted reserves.

These subsidiary undertakings operate for the benefit of Adferiad Recovery's objects. Further details are disclosed in Note 8 - Investments and Note 17 - Related Party Transactions.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

02751104 (England and Wales)

Registered Charity number

1039386

Registered office

36 Princes Drive
Colwyn Bay
North Wales
LL29 8LA

ADFERIAD RECOVERY LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022

Trustees

Dr Dyfrig Morgan Ap Dafydd
Mr Geoffrey Peter Simpson
Mr Robert Cledwyn Williams
Mr Simon Paul Green
Mrs Carys Roberts
Mr Clive Edmund Wolfendale
Ms Mair Elliott (appointed 1.4.21)
Ms Suzanne Duval (appointed 1.4.21)
Prof Euan Jonathan Hails (appointed 1.4.21) (resigned 7.5.21)
Rev Susan Northcott (appointed 1.4.21)
Prof Richard Owen (appointed 1.4.21)
Ms Maggie Dix (appointed 1.4.21)
Ms Anne Craven (appointed 1.4.21) (resigned 31.1.22)
Mr Howard Jones (appointed 1.4.21)
Ms Cathy Nowell (appointed 1.4.21) (resigned 4.10.21)
Cllr Mary Sherwood (appointed 1.4.21)
Mr Dean Pulling (appointed 1.4.21)

Key Management

Alun Thomas - Chief Executive
Lynn Bennoch - Deputy Chief Executive
Nicola Thomas: Company Secretary (to 30th September 2021)
Marian Williams - Company Secretary (from 30th September 2021)
Sharon Jones - Lead Director of Operations
Naomii Oakley - Director of Operations (North)
Leon Marsh - Director of Hospital and Residential Services
Nia Murphy - Director of People, Planning and Performance
Karen Ozzati - Director of Business Development and Fundraising (to 30th December 2021)
Lisa Williams - Director of Business Development and Fundraising (from 30th December 2021)
Geraint Jones - Director of Clinical and Therapeutic Services (to 31st July 2021)
Becky Hancock - Director of Intervention and Treatment Services (to 31st August 2021)
Lisa Shipton - Director of Specialist Services (to 31st October 2021)
Euan Hails - Director of Clinical and Therapeutic Governance

Auditors

Williams Denton Cyf
Chartered Certified Accountants
Statutory Auditors
13 Trinity Square
Llandudno
United Kingdom
CONWY
LL30 2RB

Bankers

Barclays Bank
84 Mostyn Street
Llandudno
LL30 2SH

Company Secretary

Ms Sandra Ackers (resigned 31.3.21)

ADFERIAD RECOVERY LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Adferiad Recovery Limited 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the 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;
- 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:

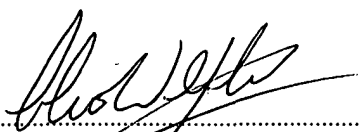
- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

Following a re-tendering exercise held in December 2015, Williams Denton Cyf (the Charity's previous auditor), was successful in their application to be appointed external auditor for 2016 onwards, for the CAIS Group of Companies.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 21/9/2022 and signed on the board's behalf by:


.....
Mr Clive Edmund Wolfendale - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF ADFERIAD RECOVERY LIMITED

Opinion

We have audited the financial statements of Adferiad Recovery Limited (the 'charitable company') for the year ended 31 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 charitable company's affairs as at 31 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.

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 ADFERIAD RECOVERY LIMITED

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.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, 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.

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:

We gained an understanding of the legal and regulatory framework applicable to the company and the industry in which it operates, and considered the risk of acts by the company that were contrary to applicable laws and regulations, including fraud.

We designed audit procedures to respond to the risk, recognising that 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.

We focussed on laws and regulations which could give rise to a material misstatement in the financial statements, including, but not limited to, the Companies Act 2006 and UK tax legislation. Our tests included agreeing the financial statement disclosures to underlying supporting documentation, enquiries with management and enquiries of legal counsel. There are inherent limitations in the audit procedures described above and, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it.

We did not identify any key audit matters relating to irregularities, including fraud. As in all our audits, we also addressed the risk of management override of internal controls, including testing journals and evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

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
ADFERIAD RECOVERY LIMITED**

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.



Martin Steven Barrett (Senior Statutory Auditor)
for and on behalf of Williams Denton Cyf
Chartered Certified Accountants
Statutory Auditors
13 Trinity Square
Llandudno
United Kingdom
CONWY
LL30 2RB

Date: 21/9/2022

ADFERIAD RECOVERY LIMITED
**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2022**

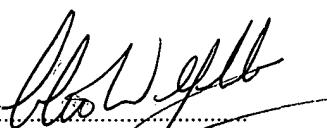
		Unrestricted funds £	Restricted funds £	2022 Total funds £	2021 Total funds £
	Notes				
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	169,895	-	169,895	6,626
Charitable activities					
Community Services		14,991,117	4,750	14,995,867	6,387,084
Residential Services		7,135,576	65,365	7,200,941	3,391,480
Investment income	3	(7,684)	-	(7,684)	(9,268)
Other income		5,094,487	1,092,540	6,187,027	184,332
Total		27,383,391	1,162,655	28,546,046	9,960,254
EXPENDITURE ON					
Charitable activities	6				
General		-	-	-	-
Community Services		13,379,058	10,817	13,389,875	5,662,794
Residential Services		7,817,881	264,209	8,082,090	4,016,582
Governance		520,404	-	520,404	170,038
Total		21,717,343	275,026	21,992,369	9,849,414
NET INCOME		5,666,048	887,629	6,553,677	110,840
Other recognised gains/(losses)					
Actuarial gains on defined benefit schemes		549,000	-	549,000	49,000
Net movement in funds		6,215,048	887,629	7,102,677	159,840
RECONCILIATION OF FUNDS					
Total funds brought forward		1,055,431	335,989	1,391,420	1,231,580
TOTAL FUNDS CARRIED FORWARD		7,270,479	1,223,618	8,494,097	1,391,420

The notes form part of these financial statements

ADFERIAD RECOVERY LIMITED
**BALANCE SHEET
31 MARCH 2022**

	Notes	Unrestricted funds £	Restricted funds £	2022 Total funds £	2021 Total funds £
FIXED ASSETS					
Tangible assets	12	7,797,545	191,728	7,989,273	2,288,381
Investments	13	2	-	2	2
		<u>7,797,547</u>	<u>191,728</u>	<u>7,989,275</u>	<u>2,288,383</u>
CURRENT ASSETS					
Debtors	14	3,666,260	-	3,666,260	1,627,511
Cash at bank		<u>4,187,860</u>	<u>1,031,889</u>	<u>5,219,749</u>	<u>2,514,754</u>
		<u>7,854,120</u>	<u>1,031,889</u>	<u>8,886,009</u>	<u>4,142,265</u>
CREDITORS					
Amounts falling due within one year	15	(5,701,445)	1	(5,701,444)	(3,371,216)
NET CURRENT ASSETS		<u>2,152,675</u>	<u>1,031,890</u>	<u>3,184,565</u>	<u>771,049</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>9,950,222</u>	<u>1,223,618</u>	<u>11,173,840</u>	<u>3,059,432</u>
CREDITORS					
Amounts falling due after more than one year	16	(1,806,049)	-	(1,806,049)	(867,012)
PROVISIONS FOR LIABILITIES	19	(925,694)	-	(925,694)	(334,000)
PENSION ASSET/(LIABILITY)	21	52,000	-	52,000	(467,000)
NET ASSETS		<u>7,270,479</u>	<u>1,223,618</u>	<u>8,494,097</u>	<u>1,391,420</u>
FUNDS	20				
Unrestricted funds				7,270,479	1,055,431
Restricted funds				<u>1,223,618</u>	<u>335,989</u>
TOTAL FUNDS				<u>8,494,097</u>	<u>1,391,420</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 21/9/2022 and were signed on its behalf by:


Mr Clive Edmund Wolfendale - Trustee

The notes form part of these financial statements

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, with the exception of investments which are included at market value.

The financial statements contain information about CAIS Limited as an individual charity and do not contain consolidated financial information as a parent of a group.

Financial reporting standard 102 - reduced disclosure exemptions

The charitable company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland':

- the requirements of Section 7 Statement of Cash Flows.

Income

Income from service level agreements, grants, fees and rents; including capital grants, is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably except for:

When it is specified that income from service level agreements and grants received by the charitable company are to be used in future periods, then the income is deferred until that period.

When conditions are imposed which have to be fulfilled before the charitable company becomes entitled to use such income the income is deferred and not included in incoming resources until the pre-conditions for use have been met.

When specified, income including capital grants, is for a particular restricted purpose, which does not amount to pre-conditions regarding entitlement, this income is included in incoming resources of restricted funds when receivable.

Voluntary income is recognised as it is received unless it has a specific future purpose.

Investment Income

Investment income is included when receivable by the charitable company.

The trustees have considered the most appropriate policy for investing funds and have invested in risk free reserve accounts and other investments designed for the charity sector.

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.

Donations paid are payments made to group members in the furtherance of the charitable objects of the charity.

1. ACCOUNTING POLICIES - continued

Charitable activities

Charitable expenditure comprises costs incurred by the charity in the delivery of its activities and services. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support direct activities.

Governance costs

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.

Expenditure that can be directly attributed to specific activities has been categorised in accordance with their associated cost type.

Allocation and apportionment of costs

Expenditure that can be directly attributed to specific activities has been categorised in accordance with their associated cost type.

Shared costs, which are attributable to more than one activity, are apportioned across charitable categories on the basis of the proportion of time spent by staff on those activities for the whole year.

Operating leases and their related payments are included in the Statement of Financial Activities on a straight line basis over the term of the lease.

Tangible fixed assets

Tangible fixed assets for use by the charity are stated at cost or in cases where fixed assets have been donated at valuation at the time of acquisition, less depreciation.

Depreciation has been provided at the following rates in order to write down the cost or valuation less estimated residual value, of all tangible fixed assets by equal annual instalments over their expected useful lives: -

Freehold Buildings	50 years - Straight line method
Office Equipment	3 years - Straight line method
Fixtures and Fittings	10 years - Straight line method
Motor Vehicles	4 years - Straight line method

Investment Property

Where freehold property is considered a mixed motive property as defined by SORP 2016 the entire property has been accounted for as property within tangible fixed assets.

Taxation

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

Fund accounting

Funds held by the charitable company are either:

Unrestricted general funds - these are funds which can be used in accordance with the charitable objects at the discretion of the trustees.

Designated funds- these are funds set aside by the trustees out of unrestricted general funds for specific future purposes, projects and fixed assets. Future pension commitments are also held as designated funds.

Restricted funds - these are funds that can only be used for particular restricted purposes within the objects of the charitable company. Restrictions arise when donors state the specific purpose of the funds 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 accounts.

ADFERIAD RECOVERY LIMITED**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022****1. ACCOUNTING POLICIES - continued****Going concern**

The charitable company's future is largely dependent on funding from the public sector, such as local authorities and government agencies. The financial statements have been prepared on the basis that it will continue in operational existence for the foreseeable future and therefore the trustees consider it appropriate to publish the financial statements on a going concern basis.

2. DONATIONS AND LEGACIES

	2022	2021
	£	£
Donations	<u>169,895</u>	<u>6,626</u>

3. INVESTMENT INCOME

	2022	2021
	£	£
Investment income	<u>(7,684)</u>	<u>(9,268)</u>

4. INCOME FROM CHARITABLE ACTIVITIES

	Activity	2022	2021
		£	£
Residents Income	Community Services	-	439,157
Other incoming resources	Community Services	151,108	170,820
Grants & Contracts	Community Services	14,844,759	5,777,107
Residents Income	Residential Services	1,183,789	33,370
Other incoming resources	Residential Services	102,555	1,288,033
Grants & Contracts	Residential Services	5,914,597	2,070,077
		<u>22,196,808</u>	<u>9,778,564</u>

Grants received, included in the above, are as follows:

	2022	2021
	£	£
Welsh Government	1,089,183	185,679
Probationary/Prison Services	914,552	159,000
Local/Unitary Authorities	9,667,915	2,535,055
Health Service	3,528,973	1,877,887
WEFO	1,853,318	1,991,055
Other	3,705,415	1,098,508
	<u>20,759,356</u>	<u>7,847,184</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022

5. RAISING FUNDS

Raising donations and legacies

2022	2021
£	£

6. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 7) £	Totals £
Community Services	10,303,749	3,086,126	13,389,875
Residential Services	6,595,807	1,486,283	8,082,090
Governance	-	520,404	520,404
	<u>16,899,556</u>	<u>5,092,813</u>	<u>21,992,369</u>

7. SUPPORT COSTS

	Management £	Governance costs £	Totals £
Community Services	3,070,235	15,891	3,086,126
Residential Services	1,478,630	7,653	1,486,283
Governance	520,404	-	520,404
	<u>5,069,269</u>	<u>23,544</u>	<u>5,092,813</u>

8. NET INCOME/(EXPENDITURE)

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

	2022 £	2021 £
Auditors' remuneration	23,544	6,060
Depreciation - owned assets	260,783	64,938
Surplus on disposal of fixed assets	<u>(38,196)</u>	<u>(184,332)</u>

ADFERIAD RECOVERY LIMITED**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022****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

Trustees received reimbursement for expenses incurred in the year, which amounted to £2,583 (2021 £434).

10. STAFF COSTS

	31.3.22	31.3.21
	£	£
Wages and salaries	13,233,843	4,799,110
Social security costs	1,031,547	380,082
Pension costs	426,947	165,069
IAS19 pension valuation adjustment	20,000	19,000
	<u>14,712,338</u>	<u>5,363,260</u>

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

	2022	2021
Support staff	668	249
Governance (including Chief Officers)	5	2
	<u>673</u>	<u>251</u>

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

	2022	2021
£60,001 - £70,000	2	-
£70,001 - £80,000	-	1
£80,001 - £90,000	1	-
£90,001 - £100,000	1	-
	<u>4</u>	<u>1</u>

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	6,626	-	6,626
Charitable activities			
Community Services	6,387,084	-	6,387,084
Residential Services	3,385,742	5,738	3,391,480
Investment income	(9,268)	-	(9,268)
Other income	184,332	-	184,332
Total	9,954,516	5,738	9,960,254
EXPENDITURE ON			
Charitable activities			
General	-	-	-
Community Services	5,662,794	-	5,662,794
Residential Services	4,006,419	10,163	4,016,582
Governance	170,038	-	170,038
Total	9,839,251	10,163	9,849,414
NET INCOME/(EXPENDITURE)	115,265	(4,425)	110,840
Other recognised gains/(losses)			
Actuarial gains on defined benefit schemes	49,000	-	49,000
Net movement in funds	164,265	(4,425)	159,840
RECONCILIATION OF FUNDS			
Total funds brought forward	891,165	340,415	1,231,580
TOTAL FUNDS CARRIED FORWARD	1,055,430	335,990	1,391,420

ADFERIAD RECOVERY LIMITED
**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022**
12. TANGIBLE FIXED ASSETS

	Freehold property £	Plant and machinery £	Motor vehicles £	Totals £
COST				
At 1 April 2021	2,394,820	193,521	115,683	2,704,024
Additions	5,865,144	63,481	206,174	6,134,799
Disposals	(175,000)	(5,044)	(9,000)	(189,044)
At 31 March 2022	8,084,964	251,958	312,857	8,649,779
DEPRECIATION				
At 1 April 2021	223,173	79,550	112,920	415,643
Charge for year	148,394	49,823	62,566	260,783
Eliminated on disposal	(3,208)	(3,712)	(9,000)	(15,920)
At 31 March 2022	368,359	125,661	166,486	660,506
NET BOOK VALUE				
At 31 March 2022	7,716,605	126,297	146,371	7,989,273
At 31 March 2021	2,171,647	113,971	2,763	2,288,381

13. FIXED ASSET INVESTMENTS

	Shares in group undertakings £
MARKET VALUE	
At 1 April 2021 and 31 March 2022	2
NET BOOK VALUE	
At 31 March 2022	2
At 31 March 2021	2

There were no investment assets outside the UK.

The company's investments at the balance sheet date in the share capital of companies include the following:

CAIS Social Enterprises Ltd

Registered office:

Nature of business: Trading subsidiary

Class of share: %
holding
Ordinary 100

	2022 £	2021 £
Aggregate capital and reserves	(80,610)	(90,439)
Profit for the year	9,829	6,543

ADFERIAD RECOVERY LIMITED**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022****13. FIXED ASSET INVESTMENTS - continued****The Jigsaw Organisation Ltd**

Registered office:

Nature of business: Dormant Company

Class of share:	%
Ordinary	holding 100

14. DEBTORS

	2022 £	2021 £
Amounts falling due within one year:		
Operating debtors	2,749,714	566,625
Amounts owed by intercompany subsidiary	70,018	70,018
Other debtors	2,200	256,073
Accrued income	728,297	564,043
Prepayments and other debtors	116,031	95,752
	<u>3,666,260</u>	<u>1,552,511</u>
Amounts falling due after more than one year:		
Amounts owed by group undertakings	-	75,000
	<u>-</u>	<u>75,000</u>
Aggregate amounts	<u>3,666,260</u>	<u>1,627,511</u>

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Operating creditors	294,001	265,799
Social security and other taxes	255,441	96,122
Other creditors	227,863	119,806
Accruals and deferred income	4,924,139	2,889,489
	<u>5,701,444</u>	<u>3,371,216</u>

ADFERIAD RECOVERY LIMITED
**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022**
16. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2022	2021
	£	£
Other loans (see note 17)	1,390,200	583,212
Deferred income- capital grant	415,849	283,800
	<u>1,806,049</u>	<u>867,012</u>

Deferred income from Wrexham County Borough Council for the purchase of Champions House plus additional deferred income in 21/22 from the Police and Crime Commissioner for the purchase of 4 Nant Y Glyn Road.

17. LOANS

An analysis of the maturity of loans is given below:

	2022	2021
	£	£
Amounts falling due in more than five years:		
Repayable by instalments:		
Other loans more 5yrs instal	1,390,200	583,212

18. LEASING AGREEMENTS

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

	2022	2021
	£	£
Within one year	255,540	227,496
Between one and five years	479,417	481,276
	<u>734,957</u>	<u>708,772</u>

The following operating lease payments are committed to be paid within one year:

	Land & Buildings		Other Operating Leases	
	31.3.21	31.3.20	31.3.22	31.3.21
	£	£	£	£
Expiring:				
Within one year	255,540	219,987	-	7,509
Between one and five years	479,917	479,917	-	1,359
	<u>734,957</u>	<u>699,904</u>	<u>-</u>	<u>8,868</u>

ADFERIAD RECOVERY LIMITED
**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022**
19. PROVISIONS FOR LIABILITIES

	2022 £	2021 £
Provisions	<u>925,694</u>	<u>334,000</u>

20. MOVEMENT IN FUNDS

	At 1.4.21 £	Net movement in funds £	At 31.3.22 £
Unrestricted funds			
General fund	1,522,431	5,696,048	7,218,479
Pension Fund	(467,000)	519,000	52,000
	<u>1,055,431</u>	<u>6,215,048</u>	<u>7,270,479</u>
Restricted funds			
SMAT Funded Dawn Centre	45,283	(1,153)	44,130
Community Funded Dawn Centre	146,445	(4,811)	141,634
CAMRE Bursary Fund / APB	144,261	(101)	144,160
WCADA Capital Grants	-	893,694	893,694
	<u>335,989</u>	<u>887,629</u>	<u>1,223,618</u>
TOTAL FUNDS	<u>1,391,420</u>	<u>7,102,677</u>	<u>8,494,097</u>

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	27,413,391	(21,717,343)	-	5,696,048
Pension Fund	(30,000)	-	549,000	519,000
	<u>27,383,391</u>	<u>(21,717,343)</u>	<u>549,000</u>	<u>6,215,048</u>
Restricted funds				
Restricted	(2)	2	-	-
SMAT Funded Dawn Centre	1	(1,154)	-	(1,153)
Community Funded Dawn Centre	-	(4,811)	-	(4,811)
CAMRE Bursary Fund / APB	4,751	(4,852)	-	(101)
Gamble Aware Residentials Units	65,365	(65,365)	-	-
WCADA Capital Grants	1,092,540	(198,846)	-	893,694
	<u>1,162,655</u>	<u>(275,026)</u>	<u>-</u>	<u>887,629</u>
TOTAL FUNDS	<u>28,546,046</u>	<u>(21,992,369)</u>	<u>549,000</u>	<u>7,102,677</u>

ADFERIAD RECOVERY LIMITED
**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022**
20. MOVEMENT IN FUNDS - continued
Comparatives for movement in funds

	At 1.4.20 £	Net movement in funds £	At 31.3.21 £
Unrestricted funds			
General fund	1,388,165	134,266	1,522,431
Pension Fund	(497,000)	30,000	(467,000)
	891,165	164,266	1,055,431
Restricted funds			
Restricted	1	(1)	-
SMAT Funded Dawn Centre	46,437	(1,154)	45,283
Community Funded Dawn Centre	151,256	(4,811)	146,445
CAMRE Bursary Fund / APB	142,721	1,540	144,261
	340,415	(4,426)	335,989
TOTAL FUNDS	1,231,580	159,840	1,391,420

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	9,973,516	(9,839,250)	-	134,266
Pension Fund	(19,000)	-	49,000	30,000
	9,954,516	(9,839,250)	49,000	164,266
Restricted funds				
Restricted	-	(1)	-	(1)
SMAT Funded Dawn Centre	-	(1,154)	-	(1,154)
Community Funded Dawn Centre	-	(4,811)	-	(4,811)
CAMRE Bursary Fund / APB	5,738	(4,198)	-	1,540
	5,738	(10,164)	-	(4,426)
TOTAL FUNDS	9,960,254	(9,849,414)	49,000	159,840

Purposes of the Restricted Fund
Community Funded Dawn Centre

The Big Lottery's Community Fund, financed the refurbishment of the DAWN Centre, Colwyn Bay during 2001/02. The 10 year evaluation has been completed. The fund is being reduced by an annual depreciation charge on the refurbishment cost.

SMAT Funded Dawn Centre

Conwy SMAT funded an extension to the Dawn Centre and much needed repair work to the basement - which was completed in June 2010. This fund is being reduced by an annual depreciation charge.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022

20. MOVEMENT IN FUNDS - continued

Camre Bursary Fund

The North Wales Probation fund was set aside in March 2003 for the future benefit of Probation clients. From this, a bursary scheme for ex-offender clients was created in 2009. The scheme aims to provide funding for accessing training and education. Since commencement the fund has disbursed approximately £210,000 to clients seeking assistance.

WCADA Capital Grant

Funds received from Welsh Government to WCADA for purchase of charity premises and property lease. Depreciation is charged against this fund on an annual basis.

Purposes of the Designated FundResearch Work

This was a grant received from Lloyds TSB Foundation in 2006, which was to assist with research work alongside the Community Link Project.

During 2017/18 a proportion of this fund (£7,103) was used towards the costs of the Aged Veteran Co-ordinator who was engaging with and supporting veterans in the local community.

21. EMPLOYEE BENEFIT OBLIGATIONS

The charity operates a funded defined benefit scheme providing benefits based on final remuneration and membership period. The assets of the scheme are held separately from those of the charity. CAIS staff are members of the Gwynedd Pension Fund. Contributions are charged to the SOFA so as to spread the cost of pensions over the employees' working lives whilst with the fund.

Hymans Robertson who are a qualified independent actuary have carried out the annual interim valuation as at 31 March 2022.

The amounts recognised in the Balance Sheet are as follows:

	Defined benefit pension plans	
	2022	2021
	£	£
Present value of funded obligations	52,000	(467,000)
Fair value of plan assets	-	-
	52,000	(467,000)
Present value of unfunded obligations	-	-
Surplus/(Deficit)	52,000	(467,000)
Net asset/(liability)	52,000	(467,000)

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022**21. EMPLOYEE BENEFIT OBLIGATIONS - continued**

The amounts recognised in the Statement of Financial Activities are as follows:

	Defined benefit pension plans	
	2022	2021
	£	£
Current service cost	20,000	8,000
Net interest from net defined benefit asset/liability	10,000	11,000
Past service cost	-	-
	<u>30,000</u>	<u>19,000</u>
Actual return on plan assets	<u>-</u>	<u>-</u>

Changes in the present value of the defined benefit obligation are as follows:

	Defined benefit pension plans	
	2022	2021
	£	£
Opening defined benefit obligation	467,000	497,000
Current service cost	20,000	8,000
Interest cost	10,000	11,000
Actuarial losses/(gains)	(549,000)	(49,000)
	<u>(52,000)</u>	<u>467,000</u>

Changes in the fair value of scheme assets are as follows:

	Defined benefit pension plans	
	2022	2021
	£	£
	<u>-</u>	<u>-</u>

The amounts recognised in other recognised gains and losses are as follows:

	Defined benefit pension plans	
	2022	2021
	£	£
Actuarial gains/(losses)	549,000	49,000
	<u>549,000</u>	<u>49,000</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022**21. EMPLOYEE BENEFIT OBLIGATIONS - continued**

The major categories of scheme assets as a percentage of total scheme assets are as follows:

	Defined benefit pension plans	
	2022	2021
Private Equity	6%	6%
Real Estate	9%	8%
Investment Funds & Unit Trusts	84%	85%
Cash and Cash Equivalents	1%	1%
	<u>100%</u>	<u>100%</u>

Principal actuarial assumptions at the Balance Sheet date (expressed as weighted averages):

	2022	2021
Discount rate	2.70%	2.00%
Pension Increase Rate	3.20%	2.85%
Salary Increase Rate	3.50%	3.15%

22. RELATED PARTY DISCLOSURES

Due to the nature of the charity's operations and the composition of the board of trustees it is probable that transactions could take place with organisations in which a member may have an interest. Transactions involving organisations in which a trustee may have an interest are conducted at arm's length. The Charity has a policy that all trustees and directors must declare an interest if a related party transaction occurs.

During the year, the following related party transactions took place:

	Sales to related party	Purchases from related party	Amounts owed from related party	Amount owed to related party
Entities over which the group has joint control or significant influence				
CAIS Social Enterprises (06354260)				
2021	62,601	19,467	38,729	-
2022	120,779	38,510	17,536	8,547

Companies connected by Virtue of family Relationship to Nicola Thomas, Company Secretary between 1st April 2021 and 30th September 2021:

Ward Electrical Services Ltd (Husband of a Director)

2022	-	3,421	-	-
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ADFERIAD RECOVERY LIMITED**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2022**

	2022 £	2021 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	169,895	6,626
Investment income		
Investment income	(7,684)	(9,268)
Charitable activities		
Residents Income	1,183,789	472,527
Other incoming resources	253,663	1,458,853
Grants & Contracts	20,759,356	7,847,184
	<u>22,196,808</u>	<u>9,778,564</u>
Other income		
Gain on sale of tangible fixed assets	-	184,332
Exceptional items	6,187,027	-
	<u>6,187,027</u>	<u>184,332</u>
Total incoming resources	28,546,046	9,960,254
EXPENDITURE		
Charitable activities		
Wages	12,391,046	4,392,259
Telephone & mobiles	211,323	44,537
Recruitment advertising	54,861	202,881
Accommodation and property	1,857,224	1,236,161
Client costs & treatment	339,855	272,861
Subcontract services	1,214,911	1,954,716
Other direct costs	75,361	119,203
Staff training	50,683	18,382
Travel & subsistence	553,955	89,324
Staff clothing	9,559	1,868
Depreciation of tangible fixed assets	178,974	39,487
Loss on sale of tangible fixed assets	(38,196)	-
	<u>16,899,556</u>	<u>8,371,679</u>
Support costs		
Management		
Wages	2,900,209	861,966
Telephone & mobiles	119,042	5,524
Carried forward	3,019,251	867,490

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ADFERIAD RECOVERY LIMITED**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2022**

	2022 £	2021 £
Management		
Brought forward	3,019,251	867,490
Advertising	63,502	46,157
Legal and professional	381,814	125,614
Accommodation & property	1,321,623	361,057
Outsourced HR services	1,887	25,468
Staff training	49,991	24,080
Travel & subsistence	78,195	2,703
Recruitment advertising	27,797	-
Donation	50,000	-
Depreciation of tangible and heritage assets	75,209	19,106
	<u>5,069,269</u>	<u>1,471,675</u>
Governance costs		
Auditors' remuneration	23,544	6,060
	<u>21,992,369</u>	<u>9,849,414</u>
Total resources expended		
	<u>6,553,677</u>	<u>110,840</u>
Net income		

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