

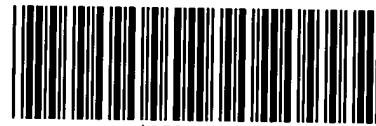
STREETSCENE ADDICTION RECOVERY
COMPANY LIMITED BY GUARANTEE

REPORT OF THE DIRECTORS AND

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2023

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STREETSCENE ADDICTION RECOVERY
COMPANY LIMITED BY GUARANTEE

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For the Year Ended 30 June 2023

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STREETSCENE ADDICTION RECOVERY
COMPANY LIMITED BY GUARANTEE

COMPANY INFORMATION
For the Year Ended 30 June 2023

DIRECTORS:	D Phillips A Rodgers H Corner J Dorrington
SECRETARY:	Lord T Howson-Green
CHIEF EXECUTIVE:	T Corner
REGISTERED OFFICE:	108 Cobham Road Ferndown Dorset BH21 7PQ
REGISTERED NUMBER:	05841338 (England and Wales)
CHARITY NO:	1118773
SENIOR STATUTORY AUDITOR:	Chris Osmond
AUDITORS:	Stone Osmond Limited Accountants and Registered Auditors 75 Bournemouth Road Chandlers Ford Eastleigh Hampshire SO53 3AP
SOLICITORS:	Laceys 3 Poole Road Bournemouth BH2 5QL
PRINCIPAL BANKERS:	HSBC 165-176 High Street Poole BH15 1AV CAF 25 Kinghill Avenue Kings Hill West Malling ME19 4JQ

STREETSCENE ADDICTION RECOVERY
COMPANY LIMITED BY GUARANTEE

REPORT OF THE DIRECTORS
For the Year Ended 30 June 2023

The directors present their report with the financial statements of the company for the year ended 30 June 2023.

GOVERNANCE

StreetScene Addiction Recovery is a charitable company governed by Memorandum and Articles of Association incorporated on 8 June 2006. It represents the incorporation of the earlier charitable trust, StreetScene, originally declared in 1989, registration number 802521. It has two objectives:

To relieve and rehabilitate persons who are suffering or have suffered from past or present drug addiction or other forms of addiction.

To advance public educations particularly, amongst young people, about all matter relating to drug abuse.

OBJECTIVES AND ACTIVITIES FOR THE PUBLIC BENEFIT

The principal activity of the company in the period under review was to relieve and rehabilitate those who are suffering or have suffered from past or present drug addiction or other forms of addiction, together with the advancement of public education, particularly amongst young people, about all matters relating to drug abuse. The directors confirm that they have complied with the duty in Section 4 of the 2011 Charities Act having due regard to the guidance published by the Charity Commission, including public benefit guidance.

The company carried out its activities at the following addresses:

Allington House, 46 Dean Park Road, Bournemouth, Dorset, BH1 1QA – primary and secondary care unit.

Cornerways, 20 Braidley Road, Bournemouth, Dorset, BH2 6JX – primary and secondary care unit.

Francis House, 2 Hulse Road, Southampton, Hants, SO15 2WG – primary and secondary care unit.

Unity House, 77-79 West Hill Road, West Cliff, Bournemouth, BH2 5PQ – supported accommodation

108 Cobham Road, Ferndown, Dorset, BH21 7PQ – Administration offices

51 Churchfield Road, Poole, Dorset, BH15 2QL – Development office

DIRECTORS AND TRUSTEES

The directors of the charitable company are its trustees for the purposes of Charity Law and throughout this report are collectively referred to as the directors.

The directors who have held office during the year of review and to the date of this report were:

D Phillips
A Rogers
J Dorrington
H Corner (deceased December 2023)
R Pullen

The company provides Directors Indemnity Insurance, this is provided free of charge under the current policy.

STREETSCENE ADDICTION RECOVERY
COMPANY LIMITED BY GUARANTEE

REPORT OF THE DIRECTORS
For the Year Ended 30 June 2023

Any member of the above body of directors is able to nominate further directors to the board. If the person is willing to be considered, after various checks have been undertaken, including CRB checks, the board can vote a new member onto the board by means of a majority vote.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with the Companies Act 2006 relating to Small Companies, with the Financial Reporting Standard for Smaller Entities and the Charities Act 2011. The financial statements are required by law to give a true and fair view of the state of affairs of the company and of the surplus or deficit of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- 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 company will continue in business.
- observe the method and principles in The Charities Statement of Recommended Practice SORP 2015 (FRS102).
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 2006 and the Charities Act 2011, the Charity (Accounts and Reports) Regulations. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that ought to have been taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

DIRECTORS' REVIEW

STRUCTURE

The company has a structure based on five tiers.

Tier 1: The Board of Directors, who have overall control of the charity and meet at least 3 times each year to discuss the performance to date and future plans. A rotation of directors aims to visit every unit each month to observe the work first hand and speak to clients and staff about their experiences with StreetScene Addiction Recovery. Their report is presented at the next Directors meeting.

Tier 2: The operational responsibility is delegated to the five chiefs of staff, who make up a team of people who work together with particular areas of responsibility, which are:

- CEO – Developments, statistics, client advocacy, political and strategic developments.
- COM – The upkeep and occupancy of units, relations with purchasers, expanding client base.
- CFO – Finance and legal matters.
- CHR – Ensuring adherence to legislation, policy and procedure within the units regarding HR.
- COT – Ensuring the treatment provided to clients is both consistent and of the highest standard.

STREETSCENE ADDICTION RECOVERY
COMPANY LIMITED BY GUARANTEE

REPORT OF THE DIRECTORS
For the Year Ended 30 June 2023

Tier 2 meet on a regular basis to discuss the overall strategic planning for the organisation.

Tier 3: The Managers of each unit, the treatment units being Allington House, Cornerways, Francis House and the Resettlement unit, based at Unity.

The Administration Managers providing support to all units are: Finance, IT, Purchasing and Maintenance.

Tier 2 and 3 representatives comprise the Steering Committee, which, depending on input required works on immediate issues such as amending policies and procedures, training events, staff recruitment, refurbishment needs.

Tier 4: The staff with external responsibilities, including the finance team, DSS Liaison, the in-house purchaser, the counsellors and project staff who have external responsibilities to our service purchasers.

Tier 5: The staff are those who work within the units but whose external responsibilities are generally through the unit manager, this includes weekend project staff, night staff, maintenance staff and volunteers.

Each staff member has their own role within the charity, covered by job descriptions, generally the roles are:

- Manager
- Team leader
- Counsellor/key worker
- Project worker
- Night care officer
- Administrator
- Maintenance

These staff members also have a voice in weekly meetings held in each unit, line management meetings, supervision and regular training events.

Assets

All the fixed assets have all been utilised for the work of the charitable company. All deeds are retained by the Solicitors, Laceys. The company retains the reserves from the operations of the company, operating profits and prepaid accounts in the reserves account.

Operating during 2022-2023

With the release of the Dame Carol Black report more funds become available for addiction treatment, to be disbursed during the coming five years, including funding for residential treatment. The increased levels of funding became apparent almost immediately, with local authorities allowing increases in the prices charged due to the financial crisis, and the increased number of clients referred to treatment. This year, as demonstrated below, we had an increase of 4%.

We have felt the effect of the financial crisis, we had to restrict the temperature of the heating system to 19 degrees during the day, which is still 1 degree above that required for living. Despite that our bill for gas did greatly increase during the year as care homes received no government support. We did secure a relatively good deal on electricity for one year, however this was only good in the face of the price increases at the time and still resulted in a large increase in costs. Food bills also increased extensively.

STREETSCENE ADDICTION RECOVERY
COMPANY LIMITED BY GUARANTEE

REPORT OF THE DIRECTORS
For the Year Ended 30 June 2023

We have had more assisted withdrawal clients', and this has helped increase business and helped those clients who cannot afford to go to a detoxification centre. We did increase the price to cover using extra staff whilst people were detoxing.

During this year we have installed more computer packages to increase efficiency. We have a medication system, a care plan system, a new staff welfare package and as of the year end we are beginning to implement a new HR package and an updated accounts package. We also have access to Aversure for HR matters and QCS for online policies. These changes will continue to bed in during the coming year but overall this should improve efficiency, reduce paper and waste costs, speed up communication between different parts of the organisation and hopefully free up extra time for staff to be with clients, rather than dealing with paper.

This coming year there are going to be changes to the CQC inspection requirements, all managers have received training however the changes seem to be continuing to come without an actual date for change over being achieved. We are going to lose our current CQC lead person and have to build a relationship with another new person who initially knows nothing of our service. This is proving very stressful as it is impossible to work towards and outstanding rating when firstly it is unclear what that looks like for our type of service and secondly we do not know who is actually going to be doing the assessing as each assessor has their own way of doing things. In our last report we found evidence of text being copied and pasted from the report from a different provider, this was highlighted but never altered. We do want to do the best for our clients and have no problem with being inspected, however at present there is little confidence in the system with regards to addiction rehabilitation.

Plans for 2022-2023

- Reduce fuel use as far as possible, including heating to 18 degrees, checking lighting etc. This has been a very challenging year for everyone. All costs increased and we worked very hard to maximise income and reduce outgoings.
Outcome: Heating was restricted to 19 degrees in all houses and staff were on a constant mission to turn off all unused electrical items. Doors were constantly monitored to ensure they were kept closed. However, our gas and electric bills increased by 64% for electricity and 66% for gas. Considering the times we were living through this is an amazing achievement for both the purchasing department and the houses, however it does amount to an increase of many thousands of pounds that had to be met.
- Reduce house expenditure, senior team to discuss any and all possible cutbacks.
Outcome: everyone tried to limit expenditure as much as possible as all staff were aware of the situation. This enables us to provide reasonable pay increases in April between 3% and 8%, with the lowest paid getting the greater pay increase.
- Increase income from lower paying authorities to a sustainable amount.
Outcome: the admissions team worked hard to increase payments from the lowest paying local authorities. This was because with the rapid inflation we were experiencing some authorities were paying us less than it cost to treat their clients. The prices received have now improved.
- Increase number of private clients where possible.
Outcome: this is an ongoing aim. Inflation in the last year has hit everyone.
- Implement online care package.
Outcome: by the year end the majority of staff are now using the online care package. Like all new computer systems there have been teething problems.
- Look at any and all grant possibilities.

STREETSCENE ADDICTION RECOVERY
COMPANY LIMITED BY GUARANTEE

REPORT OF THE DIRECTORS
For the Year Ended 30 June 2023

Plans for 2023 to 2024

- Update Quickbooks to the latest online version.
- Have time and attendance system/HR working.
- Investigate potential alternative financial plans.
- Look at alternative mortgage lenders.
- Expand and restructure resettlement.
- Cash cards available for house managers and admissions.
- Budget for staff recruitment.
- Budget for staff training.
- Refurbish Unity.
- Paint outside of Allington House.
- Slim down/simplify paperwork.

Review of service provision 2022-2023

2021 to 2022

House	Nos of clients	Nos of days	Percentage % Occupancy
Allington	96	5538	96
Cornerways	110	6029	83
Francis	91	4961	76
TOTAL	297	16528	85

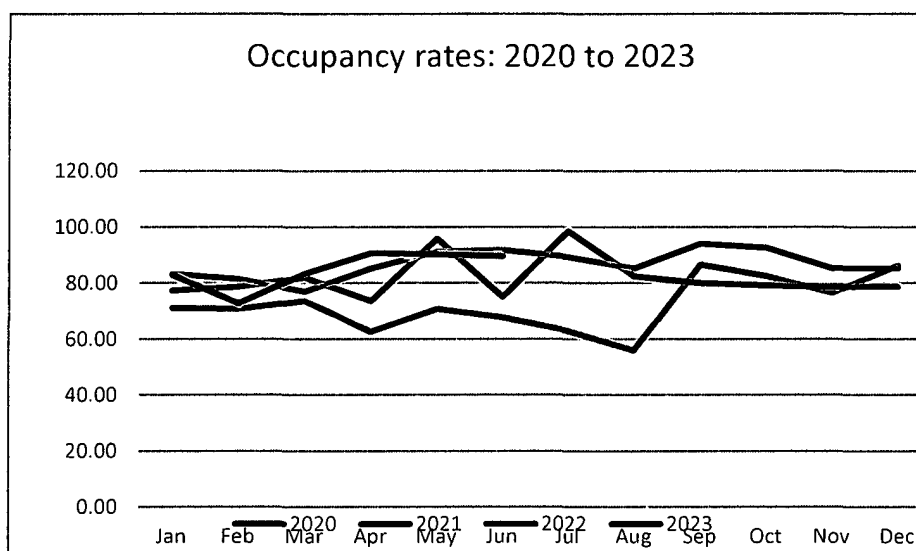
2022 to 2023

House	Nos of clients	Nos of days	Percentage % Occupancy
Allington	89	5466	94
Cornerways	111	6685	92
Francis	106	5227	80
TOTAL	306	17387	89

As can be seen, all three houses improved their occupancy rate this year giving an overall occupancy rate of 89%, this is an increase of 4% from last year.

STREETSCENE ADDICTION RECOVERY
COMPANY LIMITED BY GUARANTEE

REPORT OF THE DIRECTORS
For the Year Ended 30 June 2023



This year we had a total of 285 clients compared with 266 in the previous year. We provided 154 detoxes, including dual detoxes for combined alcohol and drugs providing £156,550, up from £119,670 in the previous year. Of this £65,224 was paid to prescribing services, this left a surplus of £91,326 for us.

Private Clients

Private clients varied from £750 to £1,650 (mean average being £1,47, reduced from last year, the minimum spend was £942.86, the maximum spend was £19,360, with the mean average spend on rehab being £8,583.23 (excluding detox expenses).

We have 30 clients this year, a significant drop on last year where we had 38 (a drop of 21%). But the actual retention and average spend was greatly improved. The drop may have several causes: our website was offline for 12 weeks as it was being renewed, the new funding money came online from the Dame Carol Black report and we were suddenly overrun with statutory clients and we were reluctant to turn them down, the recession began to bite into the finances of everyone in the UK. We do need to find a way to increase the number of private clients if at all possible in the current financial climate – bearing in mind the current financial squeeze is hitting our target private group hard.

Statutory Clients

This year we received clients from a total of 42 different local authorities, plus Transport for London and private clients. Of these, one local authority paid £740,000 and one paid £820 however each only referred one client during the year. The vast majority, 33, paid a weekly fee of £850 with 7 paying around £910 per week.

Bursary Beds

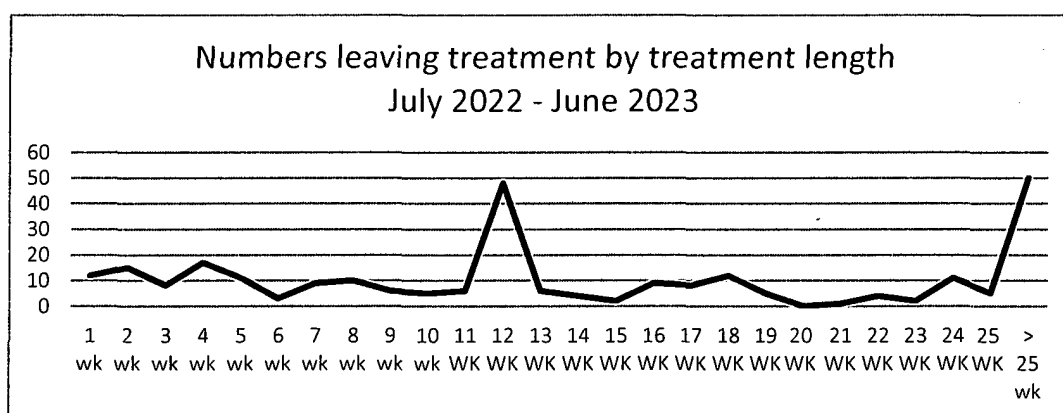
This year we provided bursary treatment for three clients for 48 days, with one in a bursary bed at time of reporting. This includes one detox. We also provided assistance for far more for clients who were only given limited funding but by virtue of the financial crisis and the lack of appropriate housing needed. This support provided free care for approximately 350 days.

Length of treatment

The chart below shows the length of time clients remained in treatment if their entire treatment journey ended before 30 June 2023. This is a total of 272.

STREETSCENE ADDICTION RECOVERY
COMPANY LIMITED BY GUARANTEE

REPORT OF THE DIRECTORS
For the Year Ended 30 June 2023



The main times of departure are:

- Around the four week mark, often selected by private clients as the maximum many of them can withdraw from their lives without it being noticed.
- Around the three month mark, a more traditional time for a completion of treatment funded by local authorities.
- Around the 6 month mark, generally given for clients who are deemed to have more complex needs.
- There are quite a number who leave in the first week to ten days, these are always those who have underestimated detox or the amount of work required in recovering from addiction. Although addiction is eminently treatable and long term recovery is achievable for anyone wanting it, it isn't easy and to begin with can seem impossible.

Finances

Income for the year, fees and donations was £2,910,482 reflecting an increase of £175,778 from the income of 2022 of £2,734,704.

Expenditure was £2,824,071 reflecting an increase of £137,102 from the expenditure of 2022 of £2,686,969.

Included in the above figures is the Valuation of Donations in Kind (for assisted treatment) of £13,280 (2021 £34,149).

Total Reserves amount to £1,408,526 including fixed assets of £1,757,688.

The fixed assets include Land and Buildings of £1,692,572.

STREETSCENE ADDICTION RECOVERY
COMPANY LIMITED BY GUARANTEE

REPORT OF THE DIRECTORS
For the Year Ended 30 June 2023

Policies on Reserves and investments

This year our reserves have been used on occasion to assist short term cash shortfalls. We would like to retain one month's running costs in reserve however this is difficult to achieve but is still our target. It was not possible or prudent to use our reserves to reduce the mortgages due to the very high penalties which would have become due. All reserves are held as cash with HSBC.

Reserves Policy

StreetScene's policy is to establish a reserve fund under the principles of SORP 2015 (FRS 102).

The reserve fund is to:

1. Provide short-term funding to ensure the company can meet its financial and legal obligations in the event of restricted or fluctuating cash flow. (FINANCIAL)
2. To meet the costs of any future legislation; such as the requirements of extra training, equipment or professional advice or to finance any exceptional unforeseen costs or repairs. (CONTINGENCIES AND RISKS)
3. To take advantage of market opportunities to expand or improve the service provided within the remit of the charities governing documents, including the funding of new projects, central development of management, the funding of furniture and equipment, the training and development needs of its staff and volunteers and the acquisition of suitable premises. (OPPORTUNITIES)

While no figure can be put on the level of the reserve needed as they are beyond the charities control the directors have agreed it would be prudent that a policy that aims to achieve a level of reserves equivalent to one month's unrestricted expenditure is an ideal target.

Risk Register and Management

Our risk register this year is based on the NCVO template.

Likelihood of risk occurring

- 1 Rare: not likely to happen or will only happen in exception circumstances.
- 2 Unlikely: not expected to happen, but there is a remote possibility that it will occur.
- 3 Possible: may occur on some occasions, but not frequently
- 4 Likely: is likely to occur or will happen on more occasions than not.
- 5 Certain: likely to occur in the majority of cases.

STREETSCENE ADDICTION RECOVERY
COMPANY LIMITED BY GUARANTEE

REPORT OF THE DIRECTORS
For the Year Ended 30 June 2023

Level of impact		Possible consequents if risk occurs
1	Insignificant	No impact on service No impact on reputation Complaint unlikely Litigation risk remote
2	Minor	Slight impact on service Slight impact on reputation Complaint possible Litigation possible
3	Moderate	Some service disruption Potential for adverse publicity – avoidable with careful handling Complaint probable Litigation probable
4	Significant	Service disrupted Adverse publicity not avoidable (local media) Complaint probable Litigation probable
5	Major	Service interrupted for significant time Major adverse publicity not avoidable (national media) Major litigation expected Resignation of senior management and board Widespread loss of beneficiary confidence

The calculation for the total risk score is likelihood score multiplied by double the impact score.

Resultant scores indicate the following:

Initial risk score	Level	Action level
1-8	Low risk	Accept risk. To be managed at the activity level
9-16	Medium risk	Management action required to reduce risk level to low
17-25	High risk	Significant risk. Board action/awareness required.

Risks are calculated both before and after our current level of controls.

In summary

These are challenging times for everyone. We need to remain vigilant to ensure we can continue to help and support people in need. We need to continually strive to do the best we possibly can for our clients within the financial constraints we face, to help them move on from their addiction to become valuable members of society, contributing to the community, whilst at the same time continuing to support all our staff and volunteers.

STREETSCENE ADDICTION RECOVERY
COMPANY LIMITED BY GUARANTEE

REPORT OF THE DIRECTORS
For the Year Ended 30 June 2023

AUDITORS

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

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

Signed (D Phillips)

Dated 29/04/24

Signed (A Rogers)

Dated

Signed (J Dorrington)

Dated

Signed (R Pullen)

Dated 29/04/24

**STREETSCENE ADDICTION RECOVERY
COMPANY LIMITED BY GUARANTEE**

STATEMENT OF FINANCIAL ACTIVITIES
For the Year ended 30 June 2023

	Note	Unrestricted Funds	Restricted Funds	Total	2022 Total Funds
		£	£	£	£
INCOME AND EXPENDITURE					
Incoming Resources					
Fees		2,894,980	-	2,894,980	2,705,928
Donations and grants	10	14,402	1,100	15,502	28,776
Donations in Kind	11	13,280	-	13,280	34,149
TOTAL INCOMING RESOURCES		2,922,662	1,100	2,923,762	2,768,853
Resources Expended					
Direct Charitable Expenditure	12	2,820,022	4,049	2,824,071	2,686,969
Donations in Kind	11	13,280	-	13,280	34,149
Fundraising and publicity		-	-	-	-
TOTAL RESOURCES EXPENDED		2,833,302	4,049	2,837,351	2,721,118
Net Incoming/(Outgoing) Resources Before Transfers		89,359	(2,949)	86,410	47,735
Transfers between funds		-	-	-	-
Net Incoming/(Outgoing) Resources For The Year		89,359	(2,949)	86,410	47,735
Gains/(Losses) on Investments		-	-	-	-
BALANCES BROUGHT FORWARD AS AT 1 JULY 2022		1,317,838	4,278	1,322,116	1,274,381
TRANSFER FROM STREETSCENE CHARITABLE TRUST					
		-	-	-	-
BALANCES CARRIED FORWARD AS AT 30 JUNE 2023		1,407,197	1,329	1,408,526	1,322,116

The notes form part of these financial statements

**STREETSCENE ADDICTION RECOVERY
COMPANY LIMITED BY GUARANTEE**

INCOME AND EXPENDITURE ACCOUNT
For the Year Ended 30 June 2023

	<u>Notes</u>	<u>2023</u> <u>£</u>	<u>2022</u> <u>£</u>
TURNOVER		2,922,581	2,734,679
Administrative expenses		<u>2,788,016</u>	<u>2,658,002</u>
OPERATING (DEFICIT) SURPLUS	3	134,565	76,677
Interest receivable and similar income		<u>1,180</u>	<u>25</u>
		135,745	76,702
Interest payable and similar charges		<u>49,335</u>	<u>28,967</u>
SURPLUS/(DEFICIT) ON ORDINARY ACTIVITIES BEFORE TAXATION		86,410	47,735
Tax on surplus on ordinary activities	4	<u>-</u>	<u>-</u>
SURPLUS/(DEFICIT)/FOR THE FINANCIAL YEAR AFTER TAXATION		<u>86,410</u>	<u>47,735</u>

The notes form part of these financial statements

**STREETSCENE ADDICTION RECOVERY
COMPANY LIMITED BY GUARANTEE**

BALANCE SHEET
30 June 2023

	<u>Notes</u>	<u>2023</u>	<u>2022</u>
		<u>£</u>	<u>£</u>
FIXED ASSETS			
Tangible assets	5	1,757,688	1,823,347
CURRENT ASSETS			
Stock		22,980	33,199
Debtors	6	320,561	444,521
Bank balances and funds in hand		<u>320,222</u>	<u>115,111</u>
		663,763	592,831
CREDITORS			
Amounts falling due within one year	7	<u>331,774</u>	<u>326,567</u>
NET CURRENT ASSETS/(LIABILITIES)		<u>331,989</u>	<u>266,264</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		2,089,677	2,089,611
CREDITORS			
Amounts falling due after more than one year	8	<u>681,151</u>	<u>767,495</u>
NET ASSETS		<u>1,408,526</u>	<u>1,322,116</u>
RESERVES			
Unrestricted reserves	9	1,407,197	1,317,838
Restricted reserves	17	<u>1,329</u>	<u>4,278</u>
		<u>1,408,526</u>	<u>1,322,116</u>

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to Small Companies and with the Financial Reporting Standard for Smaller Entities (effective January 2015).

ON BEHALF OF THE BOARD

Director –

Director –

Approved by the Board on 29/4/24

The notes form part of these financial statements

STREETSCENE ADDICTION RECOVERY
COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 30 June 2023

1. STATUTORY INFORMATION

Streetscene Addiction Recovery is a private company, limited by Guarantee, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019) – (Charities SORP (FRS102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

Turnover

Turnover represents provision of services, donations and grants.

INCOMING RESOURCES

Grants, donations and donations in kind

Income from grants, donations and donations in kind are included in the Statement of Financial Activities when these are received.

Fees, contributions and other income

Fees, contributions and other income are included in the Statement of Financial Activities on an accruals basis.

RESOURCES EXPENDED

Resources expended are included in the Statement of Financial Activities on an accruals basis, and allocated to each House and Administration (note 10 and 11).

Tangible fixed assets

Capitalisation Policy – Capital items relating to the administration/office furniture of the company are capitalised, capital items for the benefit of clients are not capitalised as they are subject to heavy usage and have a short life.

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or if held under a finance lease, over the lease term, whichever is the shorter.

Freehold property	- 2% straight line
Fixtures and fittings	- 20% on reducing balance
Motor vehicles	- 25% on reducing balance
Computer equipment	- 20% on reducing balance

Pension

The company has a defined contribution scheme available to all employees.

These notes form part of the financial statements

STREETSCENE ADDICTION RECOVERY
COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 30 June 2023

3. OPERATING (DEFICIT)/SURPLUS

The operating deficit is stated after charging:

	<u>2023</u>	<u>2022</u>
	<u>£</u>	<u>£</u>
Depreciation – owned assets	69,302	78,313
Audit	<u>3,465</u>	<u>3,150</u>
Directors emoluments and other benefits etc. (see note 13)	<u>-</u>	<u>-</u>

4. TAXATION

No liability to UK corporation tax arose on ordinary activities for the year ended 30 June 2023 or for the year to 30 June 2022 due to its charitable status.

5. TANGIBLE FIXED ASSETS

	<u>Freehold Land and Buildings</u>	<u>Fixtures and Fittings</u>	<u>Motor Vehicles</u>	<u>Computer Equipment</u>	<u>Total</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
COST OR VALUATION:					
At 1 July 2022	2,539,976	179,319	27,000	69,952	2,812,556
Additions	-	868	4,500	-	5,368
Disposals	-	-	2,300	-	2,300
At 30 June 2023	<u>2,539,976</u>	<u>180,187</u>	<u>29,200</u>	<u>69,952</u>	<u>2,819,315</u>
DEPRECIATION:					
At 1 July 2022	796,603	115,769	19,304	61,225	992,901
Charge for year	50,799	14,139	2,618	1,745	69,301
Eliminated on disposals	-	-	575	-	575
At 30 June 2023	<u>847,402</u>	<u>129,908</u>	<u>21,347</u>	<u>62,970</u>	<u>1,061,427</u>
NET BOOK VALUE:					
At 30 June 2023	<u>1,692,574</u>	<u>50,279</u>	<u>7,853</u>	<u>6,982</u>	<u>1,757,688</u>
At 30 June 2022	<u>1,743,371</u>	<u>63,553</u>	<u>7,696</u>	<u>8,727</u>	<u>1,823,347</u>

Land and buildings comprise Freehold properties purchased in StreetScene Addiction Recovery at £1,416,886 and Freehold properties transferred from StreetScene Charitable Trust on the winding down of that charity's activities. The properties transferred from the latter were revalued in 2005 at £1,500,000 and were transferred in 2008 at £1,322,640, being the valuation less depreciation to date of transfer.

6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	<u>2023</u>	<u>2022</u>
	<u>£</u>	<u>£</u>
Fees receivable	296,201	425,312
Other debtors	<u>24,360</u>	<u>19,209</u>
	<u>320,561</u>	<u>444,521</u>

These notes form part of the financial statements

**STREETSCENE ADDICTION RECOVERY
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 30 June 2023

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	<u>2023</u>	<u>2022</u>
	<u>£</u>	<u>£</u>
Social Security and other taxes	24,004	27,912
Payments in advance	95,358	106,205
Other and accruals	81,288	72,525
Loan - re properties	<u>131,124</u>	<u>119,925</u>
	<u>331,774</u>	<u>326,567</u>

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

	<u>2023</u>	<u>2022</u>
	<u>£</u>	<u>£</u>
Loan repayable by instalments:		
Loan - re properties – one to two years	131,124	119,924
Loan - re properties – two to five years	393,372	359,772
Loan - re properties – over five years	<u>156,655</u>	<u>287,799</u>
	<u>681,151</u>	<u>767,495</u>

The loan is secured by a legal charge over the freehold properties 20 Bradley Road, Bournemouth, 46 Dean Park Road, Bournemouth and 2 Hulse Road, Southampton dated 2 September 2016. The loan is for a period of 15 years ending in September 2031.

9. RESERVES

	<u>Income and Expenditure Account 2023 £</u>	<u>Income and Expenditure Account 2022 £</u>
At 1 July 2022	1,322,116	1,274,381
Retained surplus/deficit for year	86,410	47,735
Transfer Streetscene Charitable Trust	-	-
	<u>1,408,526</u>	<u>1,322,116</u>

These notes form part of the financial statements

STREETSCENE ADDICTION RECOVERY
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For the Year Ended 30 June 2023

Analysis of Total Net Asset by Fund

	<u>Unrestricted</u> <u>Funds</u> <u>£</u>	<u>Restricted</u> <u>Funds</u> <u>£</u>	<u>Total</u> <u>Funds</u> <u>£</u>
Fixed assets	1,757,688	-	1,757,688
Cash at bank and in hand	318,893	1,329	320,222
Other net current assets/liabilities	11,767	-	11,767
Other long term liabilities	(681,151)	-	(681,151)
	<u>1,407,197</u>	<u>1,329</u>	<u>1,408,526</u>

10. DONATIONS AND GRANTS

Grants have been received from the Coronavirus Job Retention Scheme amounting to £Nil (2022 - £7,091)

Donations and grants of £15,502 have been received from other sources who wish to remain anonymous (2022 - £21,685).

11. DONATIONS IN KIND

The company in line with its charitable objectives offers assistance and treatment to ex clients at below market cost in circumstances deemed to be appropriate to all concerned. During the year the company provided the equivalent of 48 (2022 - 288) days of such assistance at a valuation of £13,280 (2022-£34,149).

12. DIRECT CHARITABLE EXPENDITURE

	<u>2023</u> <u>£</u>	<u>2022</u> <u>£</u>
Allington House	490,610	464,652
Francis House	546,266	511,473
Cornerways	529,254	559,357
Resettlement	615,040	592,250
Depreciation	69,302	78,313
Administration salaries	248,866	257,688
Loan interest	49,335	28,967
Rent of administration office	19,382	32,934
General office	243,624	150,162
Cost of Finance	4,892	4,363
Governance	7,500	6,810
	<u>2,824,071</u>	<u>2,686,969</u>

All direct charitable costs are allocated to the relevant areas and the support costs are allocated on the basis of bed numbers at each location.

STREETSCENE ADDICTION RECOVERY
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NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 30 June 2023

13. EMPLOYEES

The company employs a full time equivalent of 63 (2022 - 63) employees. The number of employees was categorised as to 48 (2022 - 48) direct charitable for clients and 15 (2022 - 15) to administration. The total cost of all employees is £1,547,884 (2022 - £1,534,179) which is allocated to each individual House and Administration. There are no employees earning at a rate of over £60,000. The company has a defined benefits contribution scheme, the company contributed £54,792 during the year (2022 £47,848)

14. DIRECTORS BENEFIT/REMUNERATION

The company provides Directors indemnity insurance, this is provided free of charge under the current policy (2022- £Nil). The company also reimbursed expenses and travel costs of £Nil (2022 - £Nil), the number of directors is four. The Memorandum and Articles preclude the payment of any remuneration.

15. AUDITOR LIABILITY LIMITATION AGREEMENT

The liability of the auditor is limited to ten times the fee, per agreement dated 26 July 2012.

16. RELATED PARTY TRANSACTIONS

The company is related to StreetScene Charitable Trust due to its mutual Directors. Details of transactions are shown in the Reserves note.

17. RESTRICTED FUNDS

	<u>Motor</u>	<u>Football</u>	<u>Fire</u>	<u>Other</u>	<u>Total</u>
Balance brought forward	197	81	4,000	-	4,278
Donation	-	-	-	1,100	1,100
Less Expenditure	-	-	4,000	-	4,000
Less Depreciation	49	-	-	-	49
Balance carried forward	148	81	-	1,100	1,329

These notes form part of the financial statements.

STREETSCENE ADDICTION RECOVERY
COMPANY LIMITED BY GUARANTEE
For the Year Ended 30 June 2023

Independent Auditors' Report to the directors of StreetScene Addiction Recovery

Opinion

We have audited the financial statements of StreetScene Addiction Recovery for the year ended 30 June 2023 which comprise the statement of financial affairs and the balance sheet and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 30 June 2023 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Charity 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 the provisions available for small entities, in the circumstances set out in note 2 to the financial statements, 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you were:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorized for issue.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report 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

STREETSCENE ADDICTION RECOVERY
COMPANY LIMITED BY GUARANTEE
For the Year Ended 30 June 2023

whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Director's Annual Report (including the Strategic Report).

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 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;
- the financial statements are not in agreement with the accounting records and returns;
- we have not obtained all the information and explanations necessary for the purposes of our audit;
- the directors were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemption in preparing the directors' report and take advantage of the small companies' exemption from the requirement to prepare a strategic report.

Responsibilities of the directors

As explained more fully in the directors responsibilities statement (set on page 3), the directors 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 they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Our responsibilities for the audit of the financial statements

The directors have elected for the financial statements to be audited in accordance with the Charities Act 2011 rather than the Companies Act 2006. Accordingly, we have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

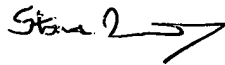
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee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

STREETSCENE ADDICTION RECOVERY
COMPANY LIMITED BY GUARANTEE
For the Year Ended 30 June 2023

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

Use of our report

This report is made solely to the Charity's directors, as a body, in accordance with section 144 of the Charities Act 2011 and the regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the Charity's directors those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity's directors as a body, for our audit work, for this report, or for the opinions we have formed.



C D Osmond (Senior Statutory Auditor)
For and on behalf of Stone Osmond Ltd
Statutory Auditor
75 Bournemouth Road
Chandlers Ford
Eastleigh
Hants
SO53 3AP

Date 29/4/24