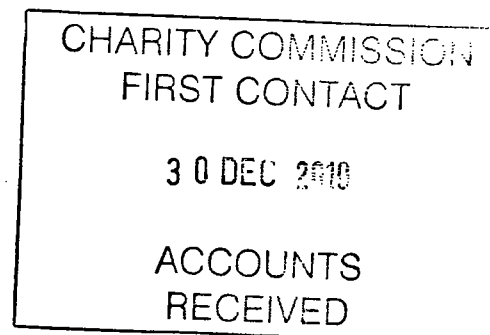


REGISTERED COMPANY NUMBER: 08722235 (England and Wales)  
REGISTERED CHARITY NUMBER: 1167218

REPORT OF THE TRUSTEES AND  
FINANCIAL STATEMENTS FOR THE YEAR ENDED  
31 MARCH 2019  
FOR  
THE RECOVER TEAM LIMITED  
(A COMPANY LIMITED BY GUARANTEE)



FKCA Limited  
Statutory Auditor  
Prospero House  
46-48 Rothesay Road  
Luton  
Bedfordshire  
LU1 1QZ

**THE RECOVER TEAM LIMITED**  
**CONTENTS OF THE FINANCIAL STATEMENTS**  
**for the Year Ended 31 MARCH 2019**

	<b>Page</b>
<b>Reference and Administrative Details</b>	<b>1</b>
<b>Report of the Trustees</b>	<b>2 to 5</b>
<b>Report of the Independent Auditors</b>	<b>6 to 7</b>
<b>Statement of Financial Activities</b>	<b>8</b>
<b>Balance Sheet</b>	<b>9</b>
<b>Notes to the Financial Statements</b>	<b>10 to 17</b>

**THE RECOVER TEAM LIMITED**  
**REFERENCE AND ADMINISTRATIVE DETAILS**  
**FOR THE YEAR ENDED 31 MARCH 2019**

<b>TRUSTEES</b>	Mr C N Hill (resigned 8.11.18) Mr K F Crowley (resigned 8.11.18) Mrs A M Levy (resigned 8.11.18) Mr M W Buckley (appointed 11.7.18) Ms S V Johnson (appointed 11.7.18) Mr H J P Thomas (appointed 11.7.18)
<b>REGISTERED OFFICE</b>	The Recover Team Limited Unit 19, Tewin Court Welwyn Garden City Hertfordshire AL7 1AU
<b>REGISTERED COMPANY NUMBER</b>	08722235 (England and Wales)
<b>REGISTERED CHARITY NUMBER</b>	1167218
<b>AUDITORS</b>	FKCA Limited Statutory Auditor Prospero House 46-48 Rothesay Road Luton Bedfordshire LU1 1QZ
<b>ACCOUNTANTS</b>	Foxley Kingham Chartered Accountants Prospero House 46-48 Rothesay Road Luton Bedfordshire LU1 1QZ

## **THE RECOVER TEAM LIMITED**

### **REPORT OF THE TRUSTEES for the Year Ended 31 MARCH 2019**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2019. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

#### **OBJECTIVES AND ACTIVITIES**

##### **Objectives and aims**

Recover is a furniture up-cycling charity, creating pathways into volunteering and employment. At its heart is a commitment to sustainability by up-cycling unwanted furniture and materials donated or reclaimed throughout Hertfordshire and beyond.

We offer vulnerable adults (those excluded from society and furthest from employment) new fulfilment and purpose. Our volunteers include those who have been affected by substance abuse, alcoholism, mental health issues, a criminal record, homelessness, a disrupted education or are victims of crime. Recover offers people life-changing experiences, apprenticeships and accredited qualifications. Along the way they also gain a love of furniture, design and a belief in supporting the local community, environment and economy.

In the workshop the volunteers up-cycle furniture right from the initial design, producing outstanding and original items. They receive professional training and support, research current trends and techniques, plan how they can make a saleable piece of furniture; repair, sand, measuring, cutting, sewing, paint and finish before learning about pricing and marketing.

Along with nationally recognised and accredited qualifications Recover also has its own in-house 'Skills and Competencies' workbook. Through this programme volunteers will learn up to 30 different transferable skills at 3 different levels.

The enhanced support, structure and routine provided by Recover, including all of the above, has achieved very positive outcomes for our volunteers. In addition to moving into full-time sustainable employment, volunteers demonstrate significant increase in confidence, self-esteem, feelings of self-worth and general wellbeing. These 'softer' outcomes are now measured by our in house Volunteer Progress and Outcome (VPO) process which has been customised to suit based on the nationally recognised Treatment Outcome Profile (TOP) used by other treatment providers.

Recover's policy is one of inclusivity and diversity. However, as an adult enterprise, the only mandatory criterion is that one must be 18 years of age, accompanied by an adult, or attending as part of a work experience program from school or college with the necessary safeguards in place. We do not exclude anyone based on disability, gender reassignment, marriage / civil partnership status, pregnancy or maternity, race, religion or belief, sex or sexual orientation.

##### **Public benefit**

The trustees have had regard to the Charity Commission's guidance on public benefit. The Trustees believe the charity to be a public benefit entity.

## **THE RECOVER TEAM LIMITED**

### **REPORT OF THE TRUSTEES for the Year Ended 31 MARCH 2019**

#### **ACHIEVEMENT AND PERFORMANCE**

##### **Charitable activities**

During this year of transition Recover continued to provide high levels of enhanced support for members/volunteers who are towards the end of treatment programs with partnership agencies. Our reputation as an integral part of the treatment process, preventing the cycle of relapse and carrying on or taking over support and assisting re-integration with communities has developed.

##### **Engagement and Outcomes 2018/19:**

- Members/Volunteers - 101
- Members/Volunteering hours - 7.2K
- Members/Volunteers moved on to sustainable employment - 36
- Members/Volunteers successfully re-integrated with their communities - 80
- Members/Volunteers accredited training and qualifications achieved - 36
- Members/Volunteers receiving payment (in addition to volunteering days) for peer mentoring, supervising new members or attending market days - 4
- Victims of Crime and Domestic Abuse supported - 17
- Partnership Agencies worked with - 26
- Income from sales and gift aid - £93K
- Number of furniture donors - 399
- Successful funding applications - 12
- Visitors to website and followers on social media (FB, Twitter, Instagram, Pinterest) - 11.1K
- Visitors to workshop/showroom - 2.1K+
- Stalls at Markets (WGC, St. Albans, Alexandra Palace) - 60+

Along with our Team's support, hard work and patience during our transition, the quality and standard of up-cycled furniture and upholstered pieces continues to rise. This is reflected in the increasing number of requests for bespoke or commissioned projects, either using items from our own inventory of un-worked on pieces or customers own. Additionally a new stream of income from a new large UK online selling platform, Vinterior.co.uk has increased awareness of the good work we do. We are also now members of other large national organisations including 'Up-cycled Hour' and Fusion Mineral Paint which we both use and stock for resale.

Our relationship with Tokyo based Urajiya British Antiques who originally visited our workshop nearly three years ago has developed. When they first visited they were planning to establish a new business in Japan and purchased a good quantity of items from us. This was prior to them having a shop to sell them from. During the last two years they have built their website and opened their first shop, and we have agreed an exclusivity arrangement with them within Tokyo in return for an additional 10% of their selling price. Recently they purchased items from us sight unseen and their shipper collected. It is still early days for this venture but we are looking forward to seeing it progress.

Our relationship with John Lewis continues and we receive regular donations of fabrics from them. About half of our training program is upholstery related, and along with these fabric donations, this year we have been strongly supported by The Ashley Wilde Group - headquarters Welham Green. This is one of the largest UK soft furnishing companies who not only have their own lines but also represent many world renowned fabric design companies, and their products can be seen in nearly every large department store. This means that the fabrics we use are generally the very latest trending materials and ensures that when incorporated in to our products make them fashionable, up to date and recognisable.

In conjunction with interest in donating and purchasing our furniture we have received requests from a variety of groups wishing to come along for talks and demonstrations about what we do and finding out about how to replicated our service. We have now held several of these and the feedback is they were informative and most inspirational.

A most surprising boost came from an Australian Facebook group called '1 Million Women' who unbeknown to us produced a short professional video about Recover. They used their considerable resources and digital skills to extract images and content from our own media and it has now received over 200K views worldwide.

Recover openly advertised for a new paid role as a workshop assistant and after the selection process and interviews, were very happy that the successful candidate came from our team of volunteers. She has the skills needed to support current staff and team members, along with very good potential to keep developing further. This role is for 26 hours a week and started on 1st January 2019.

## **THE RECOVER TEAM LIMITED**

### **REPORT OF THE TRUSTEES for the Year Ended 31 MARCH 2019**

#### **FINANCIAL REVIEW**

##### **Financial position**

The Trustees are pleased to acknowledge and thank the following trusts and foundations for their support this year: The Henry Smith Charity, Clothworkers Foundation, Hertfordshire Community Foundation, Welwyn Hatfield Borough Council, Swire Charitable Trust, National Lottery Awards for All England, Laing Family Trust, Truemark Trust, Robert Clutterbuck Charitable Trust, John Aphthorp Charity, John Lewis Foundation, Police and Crime Commissioner.

The Trustees remain extremely grateful to local trust funds, Councillors and members of the public who continue to be generous in their support of the Recover Team.

This level of support and recognition is invaluable to a grass roots charity like Recover and all our Team feel proud to be considered worthy and are very much appreciative.

Income from sales and funding this year has enabled us to maintain a three month minimum reserve policy and continue to pilot additional/new ways of working allowing us to support more vulnerable people within Hertfordshire.

##### **Reserves policy**

The trustees have agreed a policy whereby funds not committed or invested in tangible fixed assets held by the company should be maintained at a level sufficient to pay rent and staff costs for a minimum of three months. This policy allows for a reduction of income or lack of fundraising success during any particular year whilst allowing the charity to continue its activities at the current level for some months. As at the year end the target level of reserves were calculated to be £63,491.

A new five year lease was successfully negotiated in the name of The Recover Team Limited commencing on 11th January strongly adding to our Team's sense of security and stability. This now puts us in position to make real plans for the mid and longer term future and strategy.

#### **FUTURE PLANS**

2019/20 Recover's secured funding, projected income from activities and application pipeline places us in a robust position. Going forwards we continue to concentrate on multi-year funding applications for core/running costs to provide longer term sustainability.

Consultation with Team members, Volunteers, Staff, Board of Trustees, Partner Agencies, Local Authority and potential funders has without exception enthusiastically welcomed Recover's plan to an additional new way of working.

In conjunction with Recover's current service we plan to pilot a series of workshops engaging groups of service users from partnership agencies (some new). We will present to them directly at the agencies site, then transport them ourselves (in our newly acquired people carrier) to and from Recover's workshop where they will receive tailored training to suit their individual needs and requirements. Alongside this pilot is the potential to offer 'staff days' for workers from within these agencies.

We expect the results will be:

- Staff days will provide workers with hands on experience of what's on offer to support their clients.
- All engaging service users will benefit from our therapeutic and work focussed environment
- A percentage (to be determined) will continue to engage by joining our core Team
- Formalising our relationship with partnership agencies
- Consistency with referral process
- Ability to create more structured systems between Recover and participating services, allowing for better support, reporting and a more recognisable holistic approach
- Constant supply of new core team members helping to maintain Recover's stability

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

##### **Governing document**

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

##### **Recruitment and appointment of new trustees**

Recover is committed to equal opportunities and operates an open recruitment process to attract individuals with the necessary skill set and commitment to help us succeed. Applicants will be sought through advertisement and are invited to a formal interview with the existing trustees as well as the business management. References are taken up before an appointment is made. Trustees may serve up to two, three-year terms of office. All trustees would receive a full induction and participate in any on-going training events.

## **THE RECOVER TEAM LIMITED**

### **REPORT OF THE TRUSTEES for the Year Ended 31 MARCH 2019**

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

##### **Risk management**

The trustees have a risk management strategy which comprises regular review of the principal risks and uncertainties that the charity faces, the establishment of policies, systems and procedures to mitigate those risks identified and the implementation of procedures designed to minimise or manage any potential impact on the charity should those risks materialise. These risks are focussed on both financial and non-financial risks (eg arising from fire, health and safety) and are assessed in conjunction with change, grow, live.

#### **TRUSTEES RESPONSIBILITY STATEMENT**

The trustees (who are also the directors of The Recover Team 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.

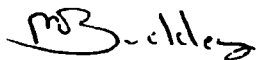
The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding 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.

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

Approved by order of the board of trustees on 18 December 2019 and signed on its behalf by:



Mr M W Buckley - Trustee

## **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE RECOVER TEAM LIMITED**

### **Opinion**

We have audited the financial statements of The Recover Team Limited (the 'charitable company') for the year ended 31 March 2019 which comprise the Statement of Financial Activities, 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 (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 2019 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**

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

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company'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 authorised for issue.

### **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 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.

The comparative figures presented in these financial statements are unaudited.

### **Opinions on other matters prescribed by the Companies Act 2006**

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

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

### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.



## **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE RECOVER TEAM LIMITED**

### **Matters on which we are required to report by exception**

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

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

### **Responsibilities of trustees**

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

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

### **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.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Independent Auditors.

### **Use of our report**

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



Tara Aldwin ACA (Senior Statutory Auditor)  
for and on behalf of FKCA Limited  
Statutory Auditor  
Prospero House  
46-48 Rothesay Road  
Luton  
Bedfordshire  
LU1 1QZ

Date:

19 December 2019

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**THE RECOVER TEAM LIMITED**

**STATEMENT OF FINANCIAL ACTIVITIES  
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)  
for the Year Ended 31 MARCH 2019**

	Notes	Unrestricted fund £	Restricted funds £	2019 Total funds £	2018 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>					
Donations and legacies		25,838	-	25,838	63,928
Charitable activities	2				
Upcycled furniture		75,646	129,870	205,516	144,255
Other income		75	-	75	-
<b>Total</b>		<b>101,559</b>	<b>129,870</b>	<b>231,429</b>	<b>208,183</b>
<b>EXPENDITURE ON</b>					
Raising funds	3	550	-	550	-
Charitable activities	4				
Upcycled furniture		97,287	95,089	192,376	163,183
<b>Total</b>		<b>97,837</b>	<b>95,089</b>	<b>192,926</b>	<b>163,183</b>
<b>NET INCOME</b>		<b>3,722</b>	<b>34,781</b>	<b>38,503</b>	<b>45,000</b>
<b>RECONCILIATION OF FUNDS</b>					
<b>Total funds brought forward</b>		<b>45,000</b>	<b>-</b>	<b>45,000</b>	<b>-</b>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>48,722</b>	<b>34,781</b>	<b>83,503</b>	<b>45,000</b>

The notes form part of these financial statements

**THE RECOVER TEAM LIMITED (REGISTERED NUMBER: 08722235)**

**BALANCE SHEET  
AT 31 MARCH 2019**

	Notes	Unrestricted fund £	Restricted funds £	2019 Total funds £	2018 Total funds £
<b>FIXED ASSETS</b>					
Tangible assets	9	5,558	14,218	19,776	3,449
<b>CURRENT ASSETS</b>					
Debtors	10	20,071	-	20,071	54,400
Cash at bank and in hand		74,176	20,562	94,738	60,195
		<u>94,247</u>	<u>20,562</u>	<u>114,809</u>	<u>114,595</u>
<b>CREDITORS</b>					
Amounts falling due within one year	11	(20,193)	-	(20,193)	(73,044)
<b>NET CURRENT ASSETS</b>		<u>74,054</u>	<u>20,562</u>	<u>94,616</u>	<u>41,551</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		79,612	34,780	114,392	45,000
<b>CREDITORS</b>					
Amounts falling due after more than one year	12	(30,889)	-	(30,889)	-
<b>NET ASSETS</b>		<u>48,723</u>	<u>34,780</u>	<u>83,503</u>	<u>45,000</u>
<b>FUNDS</b>	14				
Unrestricted funds				48,723	45,000
Restricted funds				34,780	-
<b>TOTAL FUNDS</b>				<u>83,503</u>	<u>45,000</u>

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

The financial statements were approved by the Board of Trustees on 18 December 2019 and were signed on its behalf by:



Mr M W Buckley -Trustee

The notes form part of these financial statements

# THE RECOVER TEAM LIMITED

## NOTES TO THE FINANCIAL STATEMENTS for the Year Ended 31 MARCH 2019

### 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 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The accounts have been prepared on a going concern basis which is considered to be appropriate, although the company's ability to continue trading is reliant on the continued support of the parent.

#### **Financial reporting standard 102 - reduced disclosure exemptions**

The charity 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;
- the requirement of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.41(b), 11.41(c), 11.41(e), 11.41(f), 11.42, 11.44, 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26, 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirement of Section 33 Related Party Disclosure paragraph 33.7.

#### **Income**

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

#### **Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

#### **Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Motor vehicles	- 25% on reducing balance
Computer equipment	- 33% on cost

Individual fixed assets costing £500 or more are capitalised at cost.

#### **Taxation**

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

#### **Fund accounting**

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

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

#### **Hire purchase and leasing commitments**

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

**THE RECOVER TEAM LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
for the Year Ended 31 MARCH 2019

**1. ACCOUNTING POLICIES - continued**

**Pension costs and other post-retirement benefits**

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

**Donated goods**

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time of the company is not recognised.

**Creditors**

Creditors are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised at their settlement amount after allowing for any trade discounts due.

**2. INCOME FROM CHARITABLE ACTIVITIES**

	2019 Upcycled furniture £	2018 Total activities £
Shop income	75,646	87,024
Funding from parent	-	15,277
Grants	129,870	41,954
	<u>205,516</u>	<u>144,255</u>

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

	2019 £	2018 £
John Lewis Foundation	3,907	5,469
Hertfordshire Community Foundation	4,354	4,794
Awards For All	13,371	4,941
Councillors Locality Budget Scheme	1,970	1,750
Hertfordshire PCC Grant	25,000	25,000
Swire Charitable Trust	22,464	-
HCF Large Grant	16,706	-
John Apthorp	5,000	-
Henry Smith Charity	14,998	-
Clothworkers Foundation	13,100	-
Welwyn Hatfield Council	9,000	-
	<u>129,870</u>	<u>41,954</u>

**3. RAISING FUNDS**

**Raising donations and legacies**

	2019 £	2018 £
Support costs	550	-
	<u>550</u>	<u>-</u>

**THE RECOVER TEAM LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
for the Year Ended 31 MARCH 2019

**4. CHARITABLE ACTIVITIES COSTS**

	Direct costs	Support costs (See note 5)	Totals
	£	£	£
Upcycled furniture	<u>176,038</u>	<u>16,338</u>	<u>192,376</u>

**5. SUPPORT COSTS**

	Finance	Governance costs	Totals
	£	£	£
Raising donations and legacies	-	550	550
Upcycled furniture	<u>845</u>	<u>15,493</u>	<u>16,338</u>
	<u>845</u>	<u>16,043</u>	<u>16,888</u>

**6. NET INCOME/(EXPENDITURE)**

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

	2019	2018
	£	£
Independent examiners' fee	-	600
Auditors fee	4,740	-
Other non-audit services	8,830	7,884
Depreciation - owned assets	<u>4,969</u>	<u>1,211</u>

**7. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 31 March 2019 nor for the year ended 31 March 2018.

**Trustees' expenses**

There were no trustees' expenses paid for the year ended 31 March 2019 nor for the year ended 31 March 2018.

**8. STAFF COSTS**

	2019	2018
	£	£
Wages and salaries	63,186	55,569
Social security costs	6,063	5,378
Other pension costs	<u>1,200</u>	<u>1,106</u>
	<u>70,449</u>	<u>62,053</u>

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

	2019	2018
Key management	<u>2</u>	<u>2</u>

No employees received emoluments in excess of £60,000.

Aggregate emoluments for key management totalled £37,873 (2018: £37,326).

**THE RECOVER TEAM LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
for the Year Ended 31 MARCH 2019

**9. TANGIBLE FIXED ASSETS**

	Plant and machinery £	Motor vehicles £	Computer equipment £	Totals £
<b>COST</b>				
At 1 April 2018	-	6,462	298	6,760
Additions	1,076	17,500	2,720	21,296
At 31 March 2019	1,076	23,962	3,018	28,056
<b>DEPRECIATION</b>				
At 1 April 2018	-	3,129	182	3,311
Charge for year	157	4,114	698	4,969
At 31 March 2019	157	7,243	880	8,280
<b>NET BOOK VALUE</b>				
At 31 March 2019	919	16,719	2,138	19,776
At 31 March 2018	-	3,333	116	3,449

**10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2019 £	2018 £
Trade debtors	40	1,929
Amounts owed by group undertakings	-	22,680
Prepayments and accrued income	20,031	29,791
	20,071	54,400

**11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2019 £	2018 £
Social security and other taxes	1,677	1,431
Other creditors	4,227	-
Accrued expenditure and deferred income	14,289	71,613
	20,193	73,044

**12. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2019 £	2018 £
Accruals and deferred income	30,889	-



**THE RECOVER TEAM LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**for the Year Ended 31 MARCH 2019**

**12. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR - continued**

Included within accruals in more than one year is a provision for dilapidation costs on the property which The Recover Team Limited occupy. The movement on this accounts is as follows:

Provision brought forward at 1 April 2018	£30,899
Dilapidation costs	£Nil
Provisions carried forward at 31 March 2019	<u>£30,889</u>

This was reclassified during the year to amounts falling due in more than one year as a result of a new lease with a break clause falling in 3 years being signed in January 2019. The trustees have assessed the provision for the dilapidation charge and do not consider it necessary to increase for the year ended 31 March 2019.

**13. LEASING AGREEMENTS**

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

	2019 £	2018 £
Within one year	40,483	-
Between one and five years	70,845	-
	<u>111,328</u>	<u>-</u>

**14. MOVEMENT IN FUNDS**

	At 1.4.18 £	Net movement in funds £	At 31.3.19 £
<b>Unrestricted funds</b>			
General fund	45,000	3,723	48,723
<b>Restricted funds</b>			
Awards For All	-	9,842	9,842
Councillors Locality Budget Scheme	-	720	720
HCF Large Grant	-	10,000	10,000
John Apthorp	-	4,062	4,062
Clothworkers Foundation	-	10,156	10,156
	<u>-</u>	<u>34,780</u>	<u>34,780</u>
<b>TOTAL FUNDS</b>	<u>45,000</u>	<u>38,503</u>	<u>83,503</u>

**THE RECOVER TEAM LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
for the Year Ended 31 MARCH 2019

**14. MOVEMENT IN FUNDS - continued**

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

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	101,559	(97,836)	3,723
<b>Restricted funds</b>			
John Lewis Foundation	3,907	(3,907)	-
Hertfordshire Community	4,354	(4,354)	-
Awards For All	13,371	(3,529)	9,842
Councillors Locality Budget Scheme	1,970	(1,250)	720
Hertfordshire PCC Grant	24,998	(24,998)	-
Swire Charitable Trust	22,464	(22,464)	-
HCF Large Grant	16,707	(6,707)	10,000
John Apthorp	5,000	(938)	4,062
Henry Smith Charity	14,998	(14,998)	-
Clothworkers Foundation	13,100	(2,944)	10,156
Welwyn Hatfield Council	9,001	(9,001)	-
	<u>129,870</u>	<u>(95,090)</u>	<u>34,780</u>
<b>TOTAL FUNDS</b>	<u><u>231,429</u></u>	<u><u>(192,926)</u></u>	<u><u>38,503</u></u>

**Comparatives for movement in funds**

	At 1.4.17 £	Net movement in funds £	At 31.3.18 £
<b>Unrestricted Funds</b>			
General fund	-	45,000	45,000
<b>TOTAL FUNDS</b>	<u><u>-</u></u>	<u><u>45,000</u></u>	<u><u>45,000</u></u>

**THE RECOVER TEAM LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
for the Year Ended 31 MARCH 2019

**14. MOVEMENT IN FUNDS - continued**

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

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	166,229	(121,229)	45,000
<b>Restricted funds</b>			
John Lewis Foundation	5,469	(5,469)	-
Hertfordshire Community	4,794	(4,794)	-
Awards For All	4,941	(4,941)	-
Councillors Locality Budget Scheme	1,750	(1,750)	-
Hertfordshire PCC Grant	25,000	(25,000)	-
	<u>41,954</u>	<u>(41,954)</u>	<u>-</u>
<b>TOTAL FUNDS</b>	<u>208,183</u>	<u>(163,183)</u>	<u>45,000</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.4.17 £	Net movement in funds £	At 31.3.19 £
<b>Unrestricted funds</b>			
General fund	-	48,723	48,723
<b>Restricted funds</b>			
Awards For All	-	9,842	9,842
Councillors Locality Budget Scheme	-	720	720
HCF Large Grant	-	10,000	10,000
John Apthorp	-	4,062	4,062
Clothworkers Foundation	-	10,156	10,156
	<u>-</u>	<u>34,780</u>	<u>34,780</u>
<b>TOTAL FUNDS</b>	<u>-</u>	<u>83,503</u>	<u>83,503</u>

**THE RECOVER TEAM LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
for the Year Ended 31 MARCH 2019

**14. MOVEMENT IN FUNDS - continued**

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	267,788	(219,065)	48,723
<b>Restricted funds</b>			
John Lewis Foundation	9,376	(9,376)	-
Hertfordshire Community	9,148	(9,148)	-
Awards For All	18,312	(8,470)	9,842
Councillors Locality Budget Scheme	3,720	(3,000)	720
Hertfordshire PCC Grant	49,998	(49,998)	-
Swire Charitable Trust	22,464	(22,464)	-
HCF Large Grant	16,707	(6,707)	10,000
John Apthorp	5,000	(938)	4,062
Henry Smith Charity	14,998	(14,998)	-
Clothworkers Foundation	13,100	(2,944)	10,156
Welwyn Hatfield Council	9,001	(9,001)	-
	<u>171,824</u>	<u>(137,044)</u>	<u>34,780</u>
<b>TOTAL FUNDS</b>	<u>439,612</u>	<u>(356,109)</u>	<u>83,503</u>

Restricted funds carried forward for Clothworkers Foundation and John Apthorpe relate to grants received to finance a capital purchase of a vehicle. Whilst appearing as a surplus on the restricted fund this money has been used on the purchase of the vehicle. Essentially, the surplus on this fund is the net book value of the vehicle and will be reduced on an annual basis by way of depreciation being charged to the fund, effectively writing off the asset over its useful life.

**15. RELATED PARTY DISCLOSURES**

During the year £Nil (2018: £15,277) was received by the company from change, grow, live in respect of funding. The company received a £Nil (2018: £45,000) donation from change, grow, live. The balance outstanding at the year end totalled £4,227 (2018: £22,680). The amounts owed are unsecured, there is no fixed date for repayment and no interest charged on amounts owing.

Up to November 2018 Change, Grow, Live had registered with Companies House a guarantee to cover all the company's outstanding liabilities. The company is no longer a subsidiary of Change, Grow, Live effective from November 2018.