

RED ROSE RECOVERY LANCASHIRE

ANNUAL REPORT & FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2017

Company Number: 08302102

Charity Number: 1152474

CONTENTS

	Page
Trustees' Annual Report	2
Statement of Trustees' Responsibilities	7
Independent Examiner's Report	8
Statement of Financial Activities	9
Balance Sheet	10
Notes to the Financial Statements	11

RED ROSE RECOVERY LANCASHIRE TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31ST MARCH 2017

The trustees are pleased to present their annual report for the year ended 31st March 2017.

The financial statements comply with the Charities Act 2011, Companies Act 2006, Accounting and Reporting by Charities; Statement of Recommended Practice (Sorp 2015) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1st January 2015).

OBJECTIVES AND ACTIVITIES

The charitable company's objectives are specifically restricted to the following for the community in Lancashire and the north of England:

- To relieve poverty, sickness and distress amongst offenders and those in recovery from addiction and their families by the provision of advice, information, training and support in accessing employment, enterprise and community based opportunities including volunteering.
- The advancement of health by the reduction or prevention of addiction and relapse for those in recovery, reduction of harm and offending.
- The advancement of education of the individual, organisations and the community at large on issues of addiction, supporting sustainable recovery, reduction of harm and offending
- To promote such other charitable purposes as may from time to time be determined.

Red Rose Recovery Lancashire provides community based opportunities for ex-offenders and people in recovery. Our provision recognises and builds on beneficiaries' gifts and skills, creating a positive environment for individuals, often viewed negatively, to move forward. Red Rose Recovery Lancashire can help people take up activities that contribute to their further development and to the life of their local communities – sometimes feeling a sense of worth and achievement for the first time. Red Rose Recovery Lancashire employs a staff team, including some in recovery, based in community settings and hosted within local voluntary groups across Lancashire.

Our core work involves coaching service users in addiction by utilising the skills of individuals with lived experience who deliver therapeutic support. We work in hospitals, in the community and primary care environments where our work is most effective.

ACHIEVEMENTS AND PERFORMANCE FOR THE YEAR

1. Lancashire User Forum (LUF)

During the reporting period an increase of 50% in attendance of service users was noted at the LUF from the previous year (numbers = 1284)

2. Volunteers

Some 460 volunteers were supported over the period, contributing 10,686 hours to their communities, with an economic value of £87,624 (at living wage).

The volunteers earned 848 Spice time credits over the 12 months, a credit holding monetary value for spend at attractions across the UK.

81 project groups were supported over the period, with 52 service user led groups initiated and supported in communities.

3. Engagement & Outcomes

Some 717 service users were engaged over the period, with 147 positive outcomes recorded;

40 into work

38 into education

64 into training

5 into self-employment

4. Contract outcomes

- CGL: The CGL contract in the east of the County supports service users in their recovery from treatment into the community. The summary of the years outcomes identifies the positive improvements for service users in engaging with their communities and the development of their recovery capital.

100% of SU with improved outcomes (n=813)

67 brief interventions delivered

813 SUs accessing community activities

981 referrals to access and change team

- Lancashire County Council:

The main contract with the LA saw a significant increase in referrals into Red Rose Recovery, from which engagement rates were again significant and highlights the USP of the charity in engaging with hard to reach communities.

95% engagement rate (717/755)

10,686 volunteering hours

£87,624 economic value at living wage

59% increase in referrals on previous year

- HOPE: The HOPE project in the north of the County continued over the reporting period supporting those classified as alcohol dependent in Lancaster Hospital. That support saw 1-1 peer support in the community, peers with a lived experience. The engagement figures are evidence of the potency of a peer based relationship and the positive partnership approach between the statutory and third sector which has gained wide publicity. Funding is the issue for this to continue.

98% average engagement rate in East

91% average engagement rate in North

- PIP: The PIP project running across the central area of the County supports service users entrenched in treatment over many years, through engagement and utilizing strengths based approach identifying assets and connecting with visible recovery.

100% engagement rate (number=24)

92% SU's now have a reduction plan in place

Testimonials

I have stopped drinking alcohol and feel much less depressed and anxious, I am beginning to think about my future and am making progress in doing so."

"Prior to my first meeting with RRR I was nervous I was going to be talked at rather than spoken with... How wrong could I have been!"

"My coach from RRR Jamie has been fantastic... his non-judgemental approach has encouraged me to be open and honest with my issues with alcohol."

"RRR have been great in signposting me... I even attended my first AA meeting..."

"A huge thank you to RRR as a whole for the support you offer, it's been a huge benefit to me, I hope that more people are able to access the support of RRR"

FINANCIAL REVIEW

Total income in the year was £881,168 (2016: £698,848) of which £754,450 (2016: £679,565) related to funding for projects upon which restrictions are placed.

Total expenditure in the year was £902,134 (2016: £563,858), leaving a deficit for the year of £20,966 (2016: surplus £134,990)

At 31st March 2017 the charitable company's reserves stood at £373,990 (2016: £394,956) of which £167,032 (2016: £288,687) represented restricted funds.

RISK ASSESSMENT

The main risks to which the charity is exposed as identified by the Trustees have been considered and systems have been established to mitigate those risks.

RESERVES POLICY

It is the policy of the Trustees to hold unrestricted funds at a level that will cover redundancy costs and allow the charitable company to continue its activities for a 3 month period should no further funding be received.

Three months' operating expenditure, based on current year's expenditure other than relating to the administration of BRiC funds, is £155,684. When adding to this redundancy costs of £7,764, there is a total reserves requirement of £163,430. At the end of the financial year the charitable company had unrestricted funds totalling £206,959.

PLANS FOR FUTURE

Future Plans

Going forward for the current accounting period sees the following developments;

Overall a revision on the reporting procedures has been introduced that makes clear the pathway into the charity and develops further on the interventions provided. This is now showing more clearly the impact of both the Lancashire User Forum and RRR in engaging with those hard to reach in our communities and the opportunities from doing so.

With regards to contracts and their delivery over this current year, the LCC contract remains as the charities main funding route, with no significant changes. The HOPE project in the north has now ceased due to a lack of funding, however the NHS developed and published the data evidencing the benefits and savings from this project.

An early intervention project, as a result of the HOPE north project, was initiated within the CCG in Morecambe and again evidenced a saving on GP attendance by service users by supporting them to access an alternative means of support in the community, aligned to a peer. Going forward this has developed further with RRR working with the Integrated Care in the Communities (ICC's) in the north to provide a pathway for service users extended beyond recovery from substance misuse into those with low level mental health issues.

As noted above the east HOPE project again evidenced the savings from the intervention and peer support in hospital attendance and this has developed into a 3 year sub contract arrangement with CGL the treatment provider, a contract referred to as STEP – Succeed, Thrive, Empower, Pennine.

The PIP project again has ended with the evidence supporting the employment of the project lead within the treatment setting itself wef October 2017.

The CGL east contract remains over the forthcoming year, supporting service users direct from treatment into the community and its assets. This next year continues to support the integration of the contract within the organisation.

RED ROSE RECOVERY LANCASHIRE TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31ST MARCH 2017

The OMEGA project, supporting those with a background in the Criminal Justice system has presented a number of challenges over the past year that are being addressed and discussions are in hand to consider the ongoing aspect of this project due to the resourcing demands and risks associated with such projects being both mitigated and managed. Finally new developments include the Citizenship programme, a framework assessing a service user's assets and strengths and working with these to develop the next steps they are wanting to undertake and progress into.

The focus in the LCC contract sees the development and emergence of peer support groups across the county and additional peer education groups including the 'Families Matter' a support group for family members of those in recovery which has been borne out of demand and already has some 30 members.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The organisation is a charitable company limited by guarantee, incorporated on 21st November 2017 (company number 08302102) and registered as a charity (charity number 1152474) on 18th June 2013.

The Governing Instruments under which the charitable company operates comprise of the Memorandum and Articles of Association dated 21st November 2012. It is registered as a charity with the Charity Commission. Anyone over the age of 18 can become a member. The Charity's Board of Trustees are also its Directors.

Members are elected by Annual General Meetings of the members of the Charity, with casual vacancies being filled as required by the Board of Trustees in accordance with the Charity's Articles of Association. The Board meets regularly throughout the year and attends to all strategic and operational matters.

REFERENCE AND ADMINISTRATIVE DETAILS

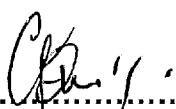
Name	Red Rose Recovery Lancashire	
Company Number	08302102	
Charity Number	1152474	
Registered Office	St Wilfrids Building Fox Street Preston England PR1 2AB	
Directors	Neil Smith (Chair) Thomas Woodcock (Treasurer) Jennifer Ellison Kerry Stewart Amanda Webster Michael Reynolds Ian Merrill Kerry Holmes Tony Husband	(Resigned 25 th October 2017) (Resigned 1 st November 2016) (Appointed 27 th July 2016; (Resigned 25 th October 2016) (Appointed 18 th January 2017) (Appointed 18 th January 2017)
Chief Executive	Peter Yarwood	

**RED ROSE RECOVERY LANCASHIRE
TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31ST MARCH 2017**

**Independent
Examiner** Graham Wright B A (Hons), FCA DChA
Liverpool Charity and Voluntary Services
151 Dale Street
Liverpool
L2 2AH

Bankers The Co-Operative PLC
P O Box 250
Skelmersdale
Lancashire WN8 6WT

Signed on behalf of the Board of Trustees


.....

**Neil Smith
Director and Chair**

Date: 20/12/17

RED ROSE RECOVERY LANCASHIRE

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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 as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure, for the financial year. In preparing those financial statements, the trustees should follow best practice and:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principle in the Charities 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 company will continue as a going concern;
- state whether applicable accounting standards have been followed, subject to any material departure disclosed and explained in the financial statements.

The Trustees are responsible for maintaining 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.

This report has been prepared in accordance with the Charities Act 2011, Companies Act 2006, Accounting and Reporting by Charities; Statement of Recommended Practice (Sorp 2015) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1st January 2015).

By Order of the Board



.....
Thomas Woodcock
Director and Treasurer

Date:21/12/17.....

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF RED ROSE RECOVERY
LANCASHIRE FOR THE YEAR ENDED 31ST MARCH 2017**

I report on the accounts of the charitable company for the year ended 31st March 2017, which are set out on pages 9 to 20.

Respective
responsibilities of
trustees and examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the 2011 Act,
- to follow the procedures laid down in the general Directions given by the Charity Commission (under section 145(5)(b) of the 2011 Act, and
- to state whether particular matters have come to my attention.

Basis of independent
examiner's statement

My examination was carried out in accordance with general directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair' view and the report is limited to those matters set out in the statement below.

Independent examiner's
statement

In connection with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that in, any material respect, the requirements:
- to keep accounting records in accordance with section 386 of the Companies Act 2006; and
 - to prepare accounts which accord with the accounting records and comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting Charities
- have not been met; or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Name: **Mr. Graham Wright**
Relevant professional qualification or body: **FCA DChA**
Address: **c/o LCVS 151, Dale Street, Liverpool, L2 2AH**
Dated: 22 December 2017

RED ROSE RECOVERY LANCASHIRE
STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME & EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31ST MARCH 2017

	Notes	Unrestricted Funds 2017 £	Restricted Funds 2017 £	Total Funds 2017 £	Total Funds 2016 £
Income and endowments from:					
Donations and legacies	3a	5,222	-	5,222	1,050
Charitable activities	3b	121,013	754,450	875,463	684,297
Investments	3c	483	-	483	501
Other income	3d	-	-	-	13,000
Total income		126,718	754,450	881,168	698,848
Expenditure on:					
Charitable activities	4	26,028	876,106	902,134	563,858
Total expenditure		26,028	876,106	902,134	563,858
Net income/(expenditure), net movement in funds		100,690	(121,656)	(20,966)	134,990
Total funds brought forward	9,10	106,269	288,687	394,956	259,966
Total funds carried forward	8-10	206,959	167,031	373,990	394,956

The notes on pages 11 to 20 form part of these accounts.

All the above amounts relate to continuing activities of the charitable company.

RED ROSE RECOVERY LANCASHIRE
BALANCE SHEET AT 31ST MARCH 2017

Company Number 08302102

	Notes	31 st March 2017		31 st March 2016	
		£	£	£	£
Fixed assets					
Tangible fixed assets	5		11,000		12,000
Current assets					
Debtors	6	11,900		87,665	
Cash at bank and in hand		360,340		304,379	
		-----		-----	
		372,240		392,044	
Current liabilities					
Creditors: amounts falling due within one year	7	(9,250)		(9,088)	
		-----		-----	
Net current assets			362,990		382,956
			-----		-----
Total assets less current liabilities			373,990		394,956
			=====		=====
Funds:					
Unrestricted funds	8, 9		206,959		106,269
Restricted funds	810		167,031		288,687
			-----		-----
			373,990		394,956
			=====		=====

These financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102).

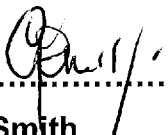
These accounts have been prepared in accordance with the provisions applicable to small companies subject to the small companies' regime and in accordance with FRS102 SORP.

For the period covered by these accounts the company was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies.

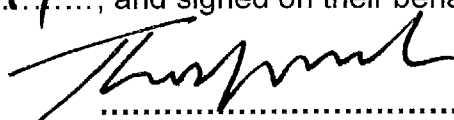
No members have required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006.

The trustees, who are the directors of the company, acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

Approved by the Board on 21/12/17, and signed on their behalf by:



Neil Smith
 Director and Chair



Thomas Woodcock
 Director and Treasurer

1. Limited Liability

The charity is a company limited by guarantee. Each member's liability is limited to £5.

2. Accounting Policies

Basis of accounting

The accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (SORP 2015) (effective 1st January 2015), Charities Act 2011 and the Companies Act 2006.

The accounts are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The Charity has taken advantage of the provisions in the SORP for Charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

Going concern

At the time of approving the accounts, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the accounts.

Fund accounting

Unrestricted funds are the charity's free reserves available for the trustees to apply in accordance with the charitable company's charitable objectives.

Restricted funds are subject to specific restrictive conditions imposed by the donor. All restricted funds are accounted for as restricted income and expenditure for the purposes is charged to the fund.

Income recognition

All income is recognised once the charity has entitlement to the income, there is sufficient certainty of receipt and so it is probable that the income will be received, and the amount of income receivable can be measured reliably.

Donations and legacies comprise of donations and general grants which are recognised in the accounts when received, with the exception of known legacies which are accounted for when their receipt is certain.

Income from charitable activities is recognised on an accruals basis except for grants receivable, which are recognised on the date on which their unconditional payment is confirmed by the donor.

Income from investment relates to bank interest received and is recognised when the amount is certain.

Expenditure recognition

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charitable company to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2017

Expenditure on charitable activities relate to the operation of the charity comprising of direct charitable expenditure to meet the objectives of the charitable company. Support and governance costs relate to the management and operation of the organisation and also compliance with constitutional and statutory requirements in producing the annual report. These are dealt with in the Statement of Financial Activities when payment has been approved by the charitable company.

Capital expenditure of £500 and above is stated in the balance sheet at cost less accumulated depreciation. Depreciation is provided to write off the cost of each asset over its expected useful life as below:

Cash and cash equivalents

Financial instruments

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Basic financial assets

- 12 -

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

Taxation

Income and gains are exempt from taxation as they are received and applied for charitable purposes only. The charitable company benefits from various exemptions from taxation afforded by tax legislation and is not liable to corporation tax on income or gains falling within those exemptions.

Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3. Income and endowments

	Unrestricted Funds 2017 £	Restricted Funds 2017 £	Total Funds 2017 £	Total Funds 2016 £
a. Donations and Legacies				
Donations	5,222	-	5,222	1,050
	=====	=====	=====	=====

RED ROSE RECOVERY LANCASHIRE
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2017

	Unrestricted Funds 2017 £	Restricted Funds 2017 £	Total Funds 2017 £	Total Funds 2016 £
b. Charitable activities				
Lancashire County Council -	-			
Building Recovery in	-	103,292	103,292	200,000
Communities				
Volunteer Expenses	-	-	-	250
Lancashire Holdings	-	-	-	6,610
Social Media	-	-	-	(5,000)
Rio Core Contract	-	233,850	233,850	375,000
HRVCVS Hals	-	-	-	9,052
Omega Project	-	78,331	78,331	41,665
East Hals Lancs	-	80,000	80,000	42,488
Consultant Work	-	569	569	2,000
Red Rose Partnership	-	15,000	15,000	7,500
CRI Budget	-	172,908	172,908	-
Charity Farm Volunteer	-	500	500	-
Expenses				
North Lancs Hals	-	70,000	70,000	-
Other Funds	121,013	-	121,013	4,732
	121,013	754,450	875,463	684,297
	=====	=====	=====	=====

	£	£	£	£
c. Investments				
Bank interest	483	-	483	501
	=====	=====	=====	=====

	£	£	£	£
d. Other income				
Funding for narrow boat	-	-	-	13,000
	=====	=====	=====	=====

4. Expenditure on Charitable Activities

	Direct Charitable Expenditure £	Support & Governance Costs £	Total 2017 £	Total 2016 £
To provide advice, information, training and support to offenders and those in recovery from addiction and their families	642,840	259,924	902,134	563,858
	=====	=====	=====	=====

RED ROSE RECOVERY LANCASHIRE
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2017

a. Analysed as follows:

	2017	2016
	£	£
<i>Direct charitable expenditure:</i>		
Staff salaries costs	335,162	203,410
Project expenses	143,070	108,182
Consultancy and management fees	136,399	74,020
Events	11,775	7,780
Narrow boat operating expenses	2,380	2,487
Volunteer expenses	13,838	4,916
Fundraising expenses	216	175
	-----	-----
	642,840	400,970
	-----	-----
<i>Support & Governance costs:</i>	£	£
Staff salaries costs	150,293	68,835
Travel expenses	32,208	28,812
Printing, stationery and postage	4,669	2,831
Telephones and IT costs	8,889	15,139
Office costs	35,587	28,018
Insurance	13,679	5,556
Membership fees	15	2,153
Staff training and development	6,220	5,503
Equipment	3,179	2,722
Marketing	1,809	2,119
Accountancy fees	1746	200
Depreciation	1,000	1,000
	-----	-----
	259, 294	162,888
	-----	-----
Total expenditure on charitable activities	902,134	563,858
	=====	=====

£876,105 (2016: £535,895) of the above expenditure relates to restricted funding.

b. Staff Costs	2017	2016
	£	£
Gross salaries and wages	449,408	255,487
Social security costs	36,047	16,758
	-----	-----
	485,455	272,245
	=====	=====

c. Particulars of employees:

The average number of employees during the year, calculated on the basis of full-time equivalents, was as follows:

	2017	2016
Charitable activities	17.5	11.9
	=====	=====

RED ROSE RECOVERY LANCASHIRE
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2017

No employee received emoluments of more than £60,000 during the year.

The Trustees, being also the Directors of the Company, are not remunerated for their services and are not included in the above number of employees.

No out of pocket expenses were reimbursed to trustees in the year (2016: £nil).

5. Tangible Fixed Assets

	Narrow Boat	Total
Cost	£	£
Balance at 1 st April 2016	15,000	15,000
Additions in the year	-	-
	-----	-----
Balance at 31 st March 2017	15,000	15,000
	-----	-----
Accumulated Depreciation		
Balance at 1 st April 2016	3,000	3,000
Charge for the year	1,000	1,000
	-----	-----
Balance at 31 st March 2017	4,000	4,000
	-----	-----
Net book value at 31st March 2017	11,000	11,000
	=====	=====
Net book value at 31 st March 2016	12,000	12,000
	=====	=====

6. Debtors

	2017	2016
	£	£
Trade debtors	11,900	87,225
Other debtors	-	440
	-----	-----
	11,900	87,665
	=====	=====

7. Creditors: Amounts falling due within one year

	2017	2016
	£	£
Trade creditors	245	502
Tax & Social Security	8,155	5,637
Accruals	850	2,949
	-----	-----
	9,250	9,088
	=====	=====

RED ROSE RECOVERY LANCASHIRE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2017

8. Analysis of Net Assets between Funds

	Tangible Fixed Assets	Net Current Assets	Total
	£	£	£
Unrestricted Funds			
General Fund	-	195,959	195,959
Designated Fund	11,000	-	11,000
	11,000	195,959	206,959
Restricted Funds			
Lancashire County Council -			
Building Recovery in	-	46,811	46,811
Communities			
Rio Core Contract	-	60,061	60,061
Omega Project	-	29,752	29,752
East Halls Lancs	-	8,810	8,810
Consultant Work	-	1,315	1,315
Red Rose Partnership	-	3,224	3,224
CRI Budget	-	11,036	11,036
Charity Farm	-	50	50
North Lancs Hals	-	5,972	5,972
	-	167,031	167,031
Total Funds	11,000	362,990	373,990

9. Unrestricted Funds

	Movements in the year			
	Resources at beginning of year £	Income £	Expenditure £	Resources at end of year £
General Fund	94,269	126,718	(25,028)	195,959
Designated Fund	12,000	-	(1,000)	11,000
	106,269	126,718	(26,028)	206,959

The General Fund is used to finance the charitable company's general activities as outlined in the Trustees' Report.

The Designated Fund is for the narrow boat, "The Chrysalis."

RED ROSE RECOVERY LANCASHIRE
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2017

10. Restricted Funds

	<u>Movements in the year</u>				Resources at end of year
	Resources at beginning of year	Income	Expenditure	Transfers	
	£	£	£	£	£
Big Lottery Fund Grant	5,575	-	(5,575)	-	-
Lancashire County Council -					
Building Recovery in Communities	121,751	103,292	(122,137)	(56,095)	46,811
Public Speaker Training	200	-	(200)	-	-
Volunteer Expenses	332	-	(332)	-	-
Lancashire Holdings	55	-	(55)	-	-
Tanhouse Community Development Fund	80	-	(80)	-	-
Lancashire County LUF	1,875	-	(1,875)	-	-
Action for Children	462	-	(462)	-	-
CRI Ltd	500	-	(500)	-	-
Skelmersdale Tanhouse	3,513	-	(3,513)	-	-
Procurement Training	833	-	(833)	-	-
Rio Core Contract	86,565	233,850	(260,354)	-	60,061
Omega Project	31,632	78,331	(80,211)	-	29,752
HALS East Lancs	26,571	80,000	(97,761)	-	8,810
Consultant Work	1,243	569	(497)	-	1,315
Red Rose Partnership	7,500	15,000	(19,276)	-	3,224
CRI Budget	-	172,908	(161,872)	-	11,036
Charity Farm	-	500	(450)	-	50
HALS North Lancs	-	70,000	(110,123)	46,095	5,972
Awards for All	-	-	(10,000)	10,000	-
	288,687	754,450	(876,106)	-	167,031
	=====	=====	=====	=====	=====

Description of Funds

Big Lottery Fund Grant – to fund the LUF Boat project, to refurbish the canal narrow boat. The monies were returned to the funder after 31 March 2016

Lancashire County Council - Building Recovery in Communities – community projects across Lancashire where individuals/organisations have applied for funding which we administer on behalf of Lancashire County Council.

Lancashire County Council - Public Speaker Training – to train the volunteers and develop the skill set.

Lancashire County Council - Volunteer Expenses – to cover the expenses of volunteers to run the project.

Lancashire Holdings – grant of £38k over 2 years from Lancashire Holdings to support the costs of a Women's Peer Mentor and the LUF Boat project manager.

Tanhouse Community Development Fund – to support the costs of the weekly community sessions at the community centre in Tanhouse, Skelmersdale.

Lancashire County LUF – donation from a treatment provider to support the costs of county LUF forum events.

Action for Children – buffet income provided by our in-house catering team.

CRI Ltd – donation from treatment provider to support LUF forum events.

Skelmersdale Tanhouse – grant from Discover to support the development and delivery of a 'Stand Up for Recovery' course for service users across central Lancashire. Part of the funding was also used to support the continuation of our project at Tanhouse Community Centre, Skelmersdale.

Procurement Training – funding for procurement training for a staff member.

Rio Core Contract - This contract is funded via Lancashire County Council as the charity is a Recovery Infrastructure Organisation to provide recovery focused interventions.

OMEGA Project– Project funded by the Bowland Trust whereby RRR recruited participants with an experience of being in the criminal justice system to work on a project where they were taught building skills on houses that were being renovated. Participants were also offered 1:1 coaching if they wished. Project ended 17th November 2017

HALS East Lancs – Hospital Alcohol Liaison project. Working in hospitals to use staffs' lived experience to discuss options with patients admitted with alcohol linked conditions. Participants were also offered 1:1 coaching if they wished. Project ended ----- 2017

Consultant Work – This is an ad hoc basis service for any agencies who require additional knowledge and expertise from our CEO.

Red Rose Partnership – arrangement with Lancashire County Council and Red Rose Recovery to provide recovery infrastructure services across the 12 district authorities of Lancashire.

CRI Budget – CRI is now known as CGL (Change, Grow, Live) and is for three years with a treatment provider in the East locality.

Charity Farm - an annual event where the organisation takes 200 members of the community on a three day activity weekend. Any donations received by the charity for this event are placed in this department; money is also recompensed to volunteers from this department.

HALS North Lancs – Hospital Alcohol Liaison project. Working in hospitals to use staffs' lived experience to discuss options with patients admitted with alcohol linked conditions. Participants were also offered 1:1 coaching if they wished.

Awards for All – This included the cost of the refurbishment of the LUF (Lancashire User Forum) Boat and the purchasing of new equipment for use on the Boat for training events in the community.

Transfers – 2015-16 BRIC monies were overstated by £56,095 which were transferred to North Lancs Hals (£46,095) and Awards for All (£10,000).

11. Operating Lease Commitments

There were no financial commitments under non-cancellable operating leases (2016: none).

12. Contingent Liabilities

The Charity did not have any contingent liabilities at 31st March 2017 (2016: none).

13. Related Party Transactions

There were no material related party transactions during the year which require disclosure (2016: none).

14. Guarantees

As at 31st March 2017, 6 members had given a guarantee of £5 each in the event of the charitable company winding-up; total: £30 (2016: 6 members £30).

RED ROSE RECOVERY LANCASHIRE
DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST MARCH 2017

	2017	2016
	£	£
INCOME		
Grant Income	732,593	679,565
Bank Interest	483	501
Narrow boat income	-	13,000
Donations	5,222	1,050
Other income	142,870	4,732
	-----	-----
Total Income	881,168	698,848
	-----	-----
EXPENDITURE		
Charitable activities		
Staff salary costs	485,455	272,245
Project expenses	143,070	108,182
Consultancy and management fees	136,399	74,020
Event costs	11,775	7,780
Narrow boat operating expenses	2,380	2,487
Volunteer expenses	13,838	4,916
Fundraising expenses	216	175
Travel expenses	32,208	28,812
Printing, stationery and postage	4,669	2,831
Telephones and computer costs	8,889	15,139
Rent	10,900	4,662
Room hire	8,324	8,492
Office running costs	16,363	14,864
Insurance	13,679	5,556
Membership fees	15	2,153
Staff training and development	6,220	5,503
Equipment	3,179	2,722
Marketing	1,809	2,119
Accountancy fees	1,746	200
Depreciation	1,000	1,000
	-----	-----
Total expenditure on charitable activities	902,134	563,858
	-----	-----
Net (expenditure)/income for year	(20,966)	134,990
	=====	=====

(This page does not form part of the statutory financial statements)