

---

**REDEEMING OUR COMMUNITIES**

(A company limited by guarantee)

---

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2017**

**REDEEMING OUR COMMUNITIES**  
**(A company limited by guarantee)**

**CONTENTS**

	Page
<b>Reference and administrative details of the charity, its trustees and advisers</b>	1
<b>Chairman's statement</b>	2
<b>Trustees' report</b>	3 - 5
<b>Independent auditors' report</b>	6 - 8
<b>Statement of financial activities</b>	9
<b>Balance sheet</b>	10
<b>Statement of cash flows</b>	11
<b>Notes to the financial statements</b>	12 - 25

## **REDEEMING OUR COMMUNITIES**

**(A company limited by guarantee)**

### **REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 DECEMBER 2017**

#### **Trustees**

Robert Cannon  
Julia Robertson  
Deirdre Bower-Latz  
Sir Peter Fahy  
Mike Royal (resigned 24 January 2017)

#### **Company registered number**

07327258

#### **Charity registered number**

1139817

#### **Registered office**

The Fuse  
Warburton Lane  
Partington  
Manchester  
M31 4BU

#### **Independent auditors**

Baldwin Scofield Ltd  
Chartered Accountants  
Statutory Auditors  
3 Newhouse Business Centre  
Old Crawley Road  
Horsham  
West Sussex  
RH12 4RU

#### **Bankers**

Barclays Bank plc  
Leicester  
LE87 2BB

## **REDEEMING OUR COMMUNITIES**

**(A company limited by guarantee)**

### **CHAIRMAN'S STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2017**

The chairman presents her statement for the period.

The Trustees wish to express their thanks to all who have contributed to another fruitful and encouraging year. We have increased our impact across the UK with many new ROC Conversations bringing thousands of people of goodwill together to celebrate the many existing social action projects that are changing lives and launching hundreds of new projects. We also launched new projects in Australia where our methods and models have been very well received.

Financially, we continue to rely on our faithful and generous donors, most of whom are individuals who give sacrificially – thank you so very much! We're also grateful to those commissioners who have entrusted us with public funds and a select few Grant-making Trusts who have responded favourably to our appeals to fund specific projects. We're delighted to have added new Church partners to our network and want to thank them for their active participation, prayer, promotion of our projects and their regular and generous giving of funds.

Name Julia Robertson  
Chairman

Date 14 September 2018

## **REDEEMING OUR COMMUNITIES**

**(A company limited by guarantee)**

### **TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2017**

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

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

#### **Structure, governance and management**

##### **• CONSTITUTION**

The company is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association on 27 July 2010 and is a registered charity number 1139817.

The principal object of the company is to bring lasting change to communities across the UK by inspiring, enabling and supporting multi-agency partnership initiatives between third sector groups, statutory agencies, churches, community groups and local people.

##### **• METHOD OF APPOINTMENT OR ELECTION OF TRUSTEES**

The management of the company is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association.

##### **• POLICIES ADOPTED FOR THE INDUCTION AND TRAINING OF TRUSTEES**

Trustees are appointed at a meeting of the Trustee Board on the basis of nominations received and, occasionally, replies to advertisements. Candidates must meet a strict set of specifications concerning personal competence, specialist skills, availability and Christian commitment.

Potential new Trustees are invited to attend at least one Board and Committee meeting as well as spending time with the Chief Executive and members of the senior team before they and the Board decide whether to proceed with a formal appointment. A Confidentiality Agreement forms part of this process. Once the Board and new Trustee decide to proceed with a formal appointment there is an induction period designed to familiarise the new Trustee with ROC's operations. Subjects covered include: The role and responsibilities of a Trustee, the constitution and operating framework for ROC (Memorandum & Articles), resourcing and the current financial position as set out in the latest published accounts and management accounts, future plans and objectives including the current strategic plan. Trustees regularly receive briefings and information on a range of relevant topics designed to keep their knowledge up-to-date, and plans are in-hand to extend opportunities for training in the future.

##### **• ORGANISATIONAL STRUCTURE AND DECISION MAKING**

The Trustees are legally responsible for the overall management and control of all aspects of ROC's work. They meet two or three times a year to approve the annual budget and to review progress with the strategic plan objectives for the year. Day to day management of the work is delegated to the Executive Management Team.

## **REDEEMING OUR COMMUNITIES**

**(A company limited by guarantee)**

### **TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 DECEMBER 2017**

#### **● RISK MANAGEMENT**

The Trustees have assessed the major risks to which the company is exposed, in particular those related to the operations and finances of the company, and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks.

#### **Objectives and Activities**

#### **● POLICIES AND OBJECTIVES**

Redeeming Our Communities (ROC) exists to enable people of goodwill to work together for safer, kinder communities. We encourage churches and statutory agencies to cooperate in discussing community strengths and needs and to collaborate in mutually resourced projects delivered primarily through volunteers.

#### **● MAIN ACTIVITIES UNDERTAKEN TO FURTHER THE CHARITY'S PURPOSES FOR PUBLIC BENEFIT**

We are mindful of the Charity Commission's guidance regarding the need to operate for the benefit of the public. We organise and support Community Engagement Projects (ROC Conversations) to which are invited: local people of goodwill; leaders, officers and members of churches, statutory agencies and other local groups. These projects include the appointment of an inter-agency Action Team which, according to local opportunities and resources, we assist in establishing new local projects; recruiting, training and vetting volunteers; fundraising and monitoring.

#### **Achievements and performance**

#### **● REVIEW OF ACTIVITIES**

A detailed review of activities is included in our website under "Annual Report 2017" - a hard copy of which is available on request. Our UK project map shows a total of 195 projects to date with 39,000 lives changed.

#### **Financial review**

#### **● GOING CONCERN**

After making appropriate enquiries, the trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

#### **● RESERVES POLICY**

The Trustees consider that the charity should maintain reserves sufficient to cover three months overheads amounting to £64,000 and a further contingency of £30,000. The charity has reserves in excess of this at the year-end.

#### **Plans for future periods**

#### **● FUTURE DEVELOPMENTS**

We plan to expand and develop our community engagement event, the ROC Conversation, to provide an enhanced follow up programme by equipping and supporting the Action Group in each locality and we are developing a Youth Conversation as a new initiative.

## **REDEEMING OUR COMMUNITIES**

**(A company limited by guarantee)**

### **TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 DECEMBER 2017**

We will be producing a number of new media resources including online training packages and resources for our partners.

Our new community mentors project has been piloted in a number of places and is now fully ready to roll out.

We are very much looking forward to the visit of HRH the Princess Royal, who will be visiting The FUSE, ROC HQ, in January in her capacity as Patron of the Restorative Justice Council. She comes to join us for the 5th anniversary celebration of our work with ROC Restore. We are expecting around 200 guests including all the Mayors of Greater Manchester, the Lord Lieutenant, High Sheriff and a number of other civic dignitaries.

#### **TRUSTEES' RESPONSIBILITIES STATEMENT**

The Trustees (who are also directors of Redeeming Our Communities for the purposes of company law) are responsible for preparing the Trustees' report 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. Under company law the Trustees must not approve the financial statements unless they are satisfied that they 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 these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting 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 operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and 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.

#### **DISCLOSURE OF INFORMATION TO AUDITORS**

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable company's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

This report was approved by the Trustees, on 14 September 2018 and signed on their behalf by:

**Julia Robertson**

**REDEEMING OUR COMMUNITIES**  
**(A company limited by guarantee)**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF REDEEMING OUR COMMUNITIES**

**OPINION**

We have audited the financial statements of Redeeming Our Communities (the 'charitable company') for the year ended 31 December 2017 set out on pages 9 to 25. 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 charitable company's affairs as at 31 December 2017 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 Charities Act 2011.

**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 United Kingdom, including the Financial Reporting Council'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.

**USE OF OUR REPORT**

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees 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 its trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

**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 Auditors' report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.



**REDEEMING OUR COMMUNITIES**  
**(A company limited by guarantee)**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF REDEEMING OUR COMMUNITIES**

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.

**MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION**

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustees' report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

**RESPONSIBILITIES OF TRUSTEES**

As explained more fully in the Trustees' responsibilities 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.

**REDEEMING OUR COMMUNITIES**  
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF REDEEMING OUR COMMUNITIES**

**AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS**

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 Auditors' 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.

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 Auditors' report.

**Baldwin Scofield Ltd**

Chartered Accountants  
Statutory Auditors

3 Newhouse Business Centre  
Old Crawley Road  
Horsham  
West Sussex  
RH12 4RU  
14 September 2018

Baldwin Scofield Ltd are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

**REDEEMING OUR COMMUNITIES**  
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED 31 DECEMBER 2017**

	Note	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
<b>INCOME AND ENDOWMENTS FROM:</b>					
Donations and legacies	2	149,321	297,935	447,256	408,866
Charitable activities	3	78,444	-	78,444	86,382
Other trading activities		13,504	-	13,504	20,415
Investments	4	27	-	27	80
Other income		274	-	274	2,701
<b>TOTAL INCOME AND ENDOWMENTS</b>		<b>241,570</b>	<b>297,935</b>	<b>539,505</b>	<b>518,444</b>
<b>EXPENDITURE ON:</b>					
Raising funds		369	-	369	6,490
Charitable activities	7	218,670	372,052	590,722	569,754
<b>TOTAL EXPENDITURE</b>	8	<b>219,039</b>	<b>372,052</b>	<b>591,091</b>	<b>576,244</b>
<b>NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES</b>		<b>22,531</b>	<b>(74,117)</b>	<b>(51,586)</b>	<b>(57,800)</b>
<b>NET MOVEMENT IN FUNDS</b>		<b>22,531</b>	<b>(74,117)</b>	<b>(51,586)</b>	<b>(57,800)</b>
<b>RECONCILIATION OF FUNDS:</b>					
Total funds brought forward		49,107	285,026	334,133	391,933
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>71,638</b>	<b>210,909</b>	<b>282,547</b>	<b>334,133</b>

The notes on pages 12 to 25 form part of these financial statements.

**REDEEMING OUR COMMUNITIES**  
**(A company limited by guarantee)**  
**REGISTERED NUMBER: 07327258**

**BALANCE SHEET**  
**AS AT 31 DECEMBER 2017**

	Note	£	2017 £	£	2016 £
<b>FIXED ASSETS</b>					
Tangible assets	11		7,250		14,292
<b>CURRENT ASSETS</b>					
Stocks	12	1,500		1,500	
Debtors	13	7,399		45,689	
Cash at bank and in hand		279,042		293,471	
		<u>287,941</u>		<u>340,660</u>	
<b>CREDITORS:</b> amounts falling due within one year	14	<u>(12,644)</u>		<u>(20,819)</u>	
<b>NET CURRENT ASSETS</b>			<u>275,297</u>		<u>319,841</u>
<b>NET ASSETS</b>			<u>282,547</u>		<u>334,133</u>
<b>CHARITY FUNDS</b>					
Restricted funds	15		210,909		285,026
Unrestricted funds	15		71,638		49,107
<b>TOTAL FUNDS</b>			<u>282,547</u>		<u>334,133</u>

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

The Trustees consider that the company is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the Act") and members have not required the company to obtain an audit for the year in question in accordance with section 476 of the Act. However, an audit is required in accordance with section 144 of the Charities Act 2011.

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

The financial statements were approved and authorised for issue by the Trustees on 14 September 2018 and signed on their behalf, by:

**Julia Robertson**

The notes on pages 12 to 25 form part of these financial statements.

**REDEEMING OUR COMMUNITIES**  
(A company limited by guarantee)

**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

	Note	2017 £	2016 £
<b>Cash flows from operating activities</b>			
Net cash used in operating activities	17	<u>(14,429)</u>	<u>(76,707)</u>
<b>Cash flows from investing activities:</b>			
Proceeds from the sale of tangible fixed assets		<u>-</u>	<u>(6,750)</u>
<b>Net cash used in investing activities</b>		<u>-</u>	<u>(6,750)</u>
<b>Change in cash and cash equivalents in the year</b>		<b>(14,429)</b>	<b>(83,457)</b>
Cash and cash equivalents brought forward		<u>293,471</u>	<u>376,928</u>
<b>Cash and cash equivalents carried forward</b>	18	<u><b>279,042</b></u>	<u><b>293,471</b></u>

The notes on pages 12 to 25 form part of these financial statements.

**REDEEMING OUR COMMUNITIES**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

**1. ACCOUNTING POLICIES**

**1.1 Basis of preparation of financial statements**

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

Redeeming Our Communities meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

**1.2 Reconciliation with previous Generally Accepted Accounting Practice**

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

No restatements were required.

**1.3 Company status**

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

**REDEEMING OUR COMMUNITIES**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

**1. ACCOUNTING POLICIES (continued)**

**1.4 Income**

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

For legacies, entitlement is taken as the earlier of the date on which either: the company is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the company has been notified of the executor's intention to make a distribution. Where legacies have been notified to the company, or the company is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Donated services or facilities are recognised when the company has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the company 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 Friends is not recognised and refer to the Trustees' report for more information about their contribution.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the company which is the amount the company would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

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

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

**REDEEMING OUR COMMUNITIES**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

**1. ACCOUNTING POLICIES (continued)**

**1.5 Expenditure**

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

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the company and include project management carried out centrally. Governance costs are those incurred in connection with administration of the company and compliance with constitutional and statutory requirements.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

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

**1.6 Turnover**

Turnover comprises revenue recognised by the company in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts.

**1.7 Tangible fixed assets and depreciation**

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

Plant and machinery	-	25% straight line
Motor vehicles	-	25% straight line
Office equipment	-	10% straight line
Computer equipment	-	33% straight line

**1.8 Interest receivable**

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

**1.9 Stocks**

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.



**REDEEMING OUR COMMUNITIES**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

**1. ACCOUNTING POLICIES (continued)**

**1.10 Debtors**

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

**1.11 Cash at Bank and in hand**

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

**1.12 Liabilities and provisions**

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

**1.13 Financial instruments**

The company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

**1.14 Pensions**

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

**1.15 Fund accounting**

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

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

**REDEEMING OUR COMMUNITIES**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2017**

**2. INCOME FROM DONATIONS AND LEGACIES**

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Donations	149,321	297,935	447,256	408,616
Similar incoming resources	-	-	-	250
	<u>149,321</u>	<u>297,935</u>	<u>447,256</u>	<u>408,866</u>
Total donations and legacies	<u>149,321</u>	<u>297,935</u>	<u>447,256</u>	<u>408,866</u>
	<u>150,853</u>	<u>258,013</u>	<u>408,866</u>	
Total 2016	<u>150,853</u>	<u>258,013</u>	<u>408,866</u>	

**3. INCOME FROM CHARITABLE ACTIVITIES**

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Charity incoming resources	78,444	-	78,444	86,382
	<u>78,444</u>	<u>-</u>	<u>78,444</u>	<u>86,382</u>
Total 2016	<u>86,382</u>	<u>-</u>	<u>86,382</u>	

**4. INVESTMENT INCOME**

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Investment income - local cash	27	-	27	80
	<u>27</u>	<u>-</u>	<u>27</u>	<u>80</u>
Total 2016	<u>80</u>	<u>-</u>	<u>80</u>	

**REDEEMING OUR COMMUNITIES**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2017**

**5. DIRECT COSTS**

	<b>Total 2017 £</b>	<i>Total 2016 £</i>
Project expense	<b>34,355</b>	23,960
Conferences & events	<b>6,201</b>	10,075
Advertising & publicity	<b>1,266</b>	863
Intern costs	<b>8,405</b>	12,760
Volunteer expenses	<b>3,807</b>	3,997
Telephone	<b>1,133</b>	1,089
Travel & subsistence	<b>22,079</b>	30,158
Legal fees	<b>15,894</b>	28,052
Sundry expenses	<b>5,000</b>	570
Charitable contributions	<b>594</b>	648
Building maintenance and equipment	<b>14,293</b>	20,944
Utilities	<b>35,114</b>	41,641
Motor expenses	<b>1,511</b>	2,686
Wages and salaries	<b>379,941</b>	341,619
National insurance	<b>15,631</b>	12,858
Pension cost	<b>1,683</b>	-
Depreciation	<b>-</b>	920
	<b>546,907</b>	532,840
	<hr/> <hr/>	<hr/> <hr/>
<i>Total 2016</i>	<hr/> <i>532,840</i> <hr/>	

**6. SUPPORT COSTS**

	<b>Total 2017 £</b>	<i>Total 2016 £</i>
Advertising & publicity	<b>3,632</b>	8,649
Software, printing & stationery	<b>3,820</b>	3,437
Office expenses	<b>70</b>	70
Telephone	<b>4,188</b>	3,411
Website costs	<b>516</b>	948
Insurance	<b>4,985</b>	4,037
Bank charges	<b>206</b>	178
Sundry expenses	<b>7,479</b>	6,710
Professional fees	<b>7,313</b>	-
Postage	<b>364</b>	983
Depreciation	<b>7,042</b>	7,036
	<b>39,615</b>	35,459
	<hr/> <hr/>	<hr/> <hr/>
<i>Total 2016</i>	<hr/> <i>35,459</i> <hr/>	

**REDEEMING OUR COMMUNITIES**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2017**

**7. GOVERNANCE COSTS**

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Governance Auditors' remuneration	4,200	-	4,200	1,455

**8. ANALYSIS OF EXPENDITURE BY EXPENDITURE TYPE**

	Staff costs 2017 £	Depreciation 2017 £	Other costs 2017 £	Total 2017 £	Total 2016 £
Expenditure on fundraising trading	-	-	369	369	6,490
<b>Costs of raising funds</b>	-	-	369	369	6,490
Direct costs - Activities (Activity 1)	397,255	7,042	182,225	586,522	568,299
Expenditure on governance	-	-	4,200	4,200	1,455
	397,255	7,042	186,794	591,091	576,244
<b>Total 2016</b>	354,477	7,956	213,811	576,244	

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

This is stated after charging:

	2017 £	2016 £
Depreciation of tangible fixed assets:		
- owned by the charity	7,042	7,957
Auditors' remuneration - audit	4,200	1,455

During the year, no Trustees received any remuneration (2016 - £NIL).  
During the year, no Trustees received any benefits in kind (2016 - £NIL).  
During the year, no Trustees received any reimbursement of expenses (2016 - £NIL).

**REDEEMING OUR COMMUNITIES**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2017**

**10. STAFF COSTS**

Staff costs were as follows:

	2017 £	2016 £
Wages and salaries	379,941	341,619
Social security costs	15,631	12,858
Other pension costs	1,683	-
	<u>397,255</u>	<u>354,477</u>

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

2017 No.	2016 No.
18	18

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

**11. TANGIBLE FIXED ASSETS**

	Plant and machinery £	Motor vehicles £	Office equipment £	Computer equipment £	Total £
<b>Cost</b>					
At 1 January 2017 and 31 December 2017	2,896	16,500	2,585	11,816	33,797
<b>Depreciation</b>					
At 1 January 2017	724	8,250	1,932	8,599	19,505
Charge for the year	724	4,125	259	1,934	7,042
At 31 December 2017	1,448	12,375	2,191	10,533	26,547
<b>Net book value</b>					
At 31 December 2017	1,448	4,125	394	1,283	7,250
At 31 December 2016	2,172	8,250	653	3,217	14,292

**12. STOCKS**

	2017 £	2016 £
Finished goods and goods for resale	<u>1,500</u>	<u>1,500</u>

**REDEEMING OUR COMMUNITIES**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2017**

**13. DEBTORS**

	2017 £	2016 £
Trade debtors	7,160	8,973
Other debtors	-	2,578
Tax recoverable	239	3,013
Grants Receivable	-	31,125
	<u>7,399</u>	<u>45,689</u>

**14. CREDITORS: Amounts falling due within one year**

	2017 £	2016 £
Trade creditors	913	3,274
Accruals and deferred income	11,731	17,545
	<u>12,644</u>	<u>20,819</u>

**15. STATEMENT OF FUNDS**

**STATEMENT OF FUNDS - CURRENT YEAR**

	Balance at 1 January 2017 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 December 2017 £
<b>Unrestricted funds</b>					
General Funds - all funds	49,107	241,570	(219,039)	-	71,638

# REDEEMING OUR COMMUNITIES

(A company limited by guarantee)

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

### 15. STATEMENT OF FUNDS (continued)

#### Restricted funds

Art Award	5,742	-	(5,302)	-	440
ROC cafe Brinnington	399	(399)	-	-	-
ROC cafe Radcliffe	14,655	26,986	(20,197)	-	21,444
Big Lottery celebrating communities	10,000	(8,000)	(371)	-	1,629
Jerusalem Trust fund	24,437	30,000	(38,910)	-	15,527
Scotland launch	11	-	1	-	12
Garfield Weston fund	23,632	(20,000)	(674)	-	2,958
ROC mentoring Lambeth	360	-	129	-	489
ROC cafe Stockport	4,345	-	(4,345)	-	-
ROC cafe Offerton	1,618	-	(1,618)	-	-
Mentor co-ordinator	-	26,918	(18,449)	-	8,469
Radcliffe Centre	-	(12,045)	-	12,045	-
ROC Partington	19,354	2,137	(6,945)	-	14,546
ROC cafe Lambeth	2,500	(2,500)	-	-	-
Big Lottery fund	5,541	26,506	(26,748)	-	5,299
Refurbish communities cafes	10,000	-	(10,000)	-	-
Porticus Restore	20,165	-	(11,859)	-	8,306
Yorkshire co-ordinator	6,530	7,107	(5,492)	-	8,145
Stockport Restore	36,260	(31,125)	(953)	-	4,182
Stockport Care	8,621	-	(8,621)	-	-
Other minor funds	2,335	(100)	(2,626)	391	-
Bury Restore	55	2,500	(481)	-	2,074
Littlehampton bus fund	240	-	(240)	-	-
Lancashire Care	3,000	-	(3,000)	-	-
ROC Oldham	17,490	30,000	(16,063)	-	31,427
Northern Ireland fund	2,149	22,262	(34,456)	10,045	-
Scotland co-ordinator	14,299	2,849	(3,662)	-	13,486
Stockport community	5,097	37,589	(26,537)	-	16,149
Operations manager	11,795	-	(32,647)	20,852	-
ROC chaplains Brighton	1,728	(1,550)	(233)	55	-
ROC Edgeley	244	(244)	-	-	-
Fuse half-term	2,702	-	(2,702)	-	-
ROC cafe Glasgow	1,440	-	(1,440)	-	-
Toll Cross CLAN	220	-	(220)	-	-
North East co-ordinator	6	(6)	-	-	-
Wirral fund	4,639	10,000	(11,637)	-	3,002
London Onion community play	6,940	-	(4,497)	-	2,443
GLSA Con	2,260	-	(2,260)	-	-
ROC cafe Wythenshawe	282	(282)	-	-	-
ROC cafe Adswold	200	-	(200)	-	-
GARF (LW)	1,198	-	(1,198)	-	-
Restorative justice training fund	2,603	10,000	(2,657)	-	9,946
Trafford Restore	9,885	(3,000)	(1,324)	-	5,561
Blackpool co-ordinator	49	16,618	(21,273)	4,606	-
Oldham Restore	-	8,000	(8,939)	939	-
ROC International	-	8,339	(5,628)	-	2,711
South East fund	-	21,122	(15,129)	-	5,993
Community mentors	-	16,468	(8,408)	-	8,060
Reserve fund	-	80,890	(4,241)	(58,038)	18,611
ROC On	-	(9,105)	-	9,105	-
	<b>285,026</b>	<b>297,935</b>	<b>(372,052)</b>	<b>-</b>	<b>210,909</b>

**REDEEMING OUR COMMUNITIES**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2017**

**15. STATEMENT OF FUNDS (continued)**

Total of funds	<u>334,133</u>	<u>539,505</u>	<u>(591,091)</u>	<u>-</u>	<u>282,547</u>
----------------	----------------	----------------	------------------	----------	----------------

**STATEMENT OF FUNDS - PRIOR YEAR**

	<i>Balance at 1 January 2016 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Balance at 31 December 2016 £</i>
<b>General funds</b>					
General Funds	<u>137,500</u>	<u>260,425</u>	<u>(314,071)</u>	<u>(34,747)</u>	<u>49,107</u>



# REDEEMING OUR COMMUNITIES

(A company limited by guarantee)

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

### 15. STATEMENT OF FUNDS (continued)

#### Restricted funds

Art Award	-	14,484	(8,742)	-	5,742
ROC cafe Brinnington	442	(43)	-	-	399
ROC cafe Radcliffe	12,209	11,855	(9,409)	-	14,655
Big Lottery celebrating communities	-	10,000	-	-	10,000
Jerusalem Trust fund	18,752	30,000	(24,315)	-	24,437
Scotland launch	11	-	-	-	11
Garfield Weston fund	23,632	-	-	-	23,632
ROC mentoring Lambeth	394	-	(34)	-	360
ROC cafe Stockport	4,345	-	-	-	4,345
ROC cafe Offerton	1,618	-	-	-	1,618
ROC Partington	26,415	-	(7,061)	-	19,354
ROC cafe Lambeth	2,500	-	-	-	2,500
Big Lottery fund	790	26,600	(21,849)	-	5,541
Refurbish communities cafes	-	10,000	-	-	10,000
Porticus Restore	46,410	23	(26,268)	-	20,165
Yorkshire co-ordinator	-	10,000	(3,470)	-	6,530
Stockport Restore	11,850	49,711	(25,301)	-	36,260
Stockport Care	8,621	-	-	-	8,621
Other minor funds	2,889	-	(554)	-	2,335
Bury Restore	72	-	(17)	-	55
Littlehampton bus fund	240	-	-	-	240
Lancashire Care	3,000	-	-	-	3,000
ROC Oldham	19,778	15,500	(17,788)	-	17,490
Northern Ireland fund	-	20,619	(18,470)	-	2,149
Scotland co-ordinator	19,474	20,409	(25,584)	-	14,299
Stockport community	5,097	-	-	-	5,097
Operations manager	-	20,000	(8,205)	-	11,795
ROC chaplains Brighton	1,728	-	-	-	1,728
ROC Edgeley	244	-	-	-	244
Fuse half-term	2,829	1,580	(1,707)	-	2,702
ROC cafe Glasgow	1,772	-	(332)	-	1,440
Toll Cross CLAN	4,636	-	(4,416)	-	220
North East co-ordinator	337	-	(331)	-	6
Wirral fund	-	5,000	(361)	-	4,639
London Onion community play	-	6,940	-	-	6,940
GLSA Con	2,260	-	-	-	2,260
ROC cafe Wythenshawe	350	-	(68)	-	282
ROC cafe Adswold	200	-	-	-	200
GARF (LW)	1,198	-	-	-	1,198
Restorative justice training fund	-	3,550	(947)	-	2,603
Trafford Restore	9,938	-	(53)	-	9,885
Blackpool co-ordinator	3,000	-	(2,951)	-	49
Receptionist	-	1,000	(10,467)	9,467	-
Stockport football	2,741	-	(3,650)	909	-
South East fund	5,419	60	(19,423)	13,944	-
YHG/ROC Partington	1,787	726	(11,997)	9,484	-
Dulv (SR)	7,459	-	(8,402)	943	-
	<u>254,437</u>	<u>258,014</u>	<u>(262,172)</u>	<u>34,747</u>	<u>285,026</u>
Total of funds	<u>391,937</u>	<u>518,439</u>	<u>(576,243)</u>	<u>-</u>	<u>334,133</u>

**REDEEMING OUR COMMUNITIES**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2017**

**SUMMARY OF FUNDS - CURRENT YEAR**

	Balance at 1 January 2017 £	Income £	Expenditure £	Balance at 31 December 2017 £
General funds	49,107	241,570	(219,039)	71,638
Restricted funds	285,026	297,935	(372,052)	210,909
	<u>334,133</u>	<u>539,505</u>	<u>(591,091)</u>	<u>282,547</u>

**SUMMARY OF FUNDS - PRIOR YEAR**

	Balance at 1 January 2016 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 December 2016 £
General funds	137,500	260,425	(314,071)	(34,747)	49,107
Restricted funds	254,437	258,014	(262,172)	34,747	285,026
	<u>391,937</u>	<u>518,439</u>	<u>(576,243)</u>	<u>-</u>	<u>334,133</u>

**16. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

**ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR**

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £
Tangible fixed assets	7,250	-	7,250
Current assets	77,031	210,909	287,940
Creditors due within one year	(12,643)	-	(12,643)
	<u>71,638</u>	<u>210,909</u>	<u>282,547</u>

**REDEEMING OUR COMMUNITIES**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2017**

**16. ANALYSIS OF NET ASSETS BETWEEN FUNDS (continued)**

**ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR**

	<i>Unrestricted funds 2016 £</i>	<i>Restricted funds 2016 £</i>	<i>Total funds 2016 £</i>
Tangible fixed assets	14,292	-	14,292
Current assets	55,634	285,026	340,660
Creditors due within one year	(20,818)	-	(20,818)
	<u>49,108</u>	<u>285,026</u>	<u>334,133</u>

**17. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	<b>2017 £</b>	<b>2016 £</b>
Net expenditure for the year (as per Statement of Financial Activities)	<b>(51,586)</b>	<b>(57,800)</b>
<b>Adjustment for:</b>		
Depreciation charges	<b>7,042</b>	7,956
Decrease/(increase) in debtors	<b>38,290</b>	(33,512)
(Decrease)/increase in creditors	<b>(8,175)</b>	6,649
<b>Net cash used in operating activities</b>	<b><u>(14,429)</u></b>	<b><u>(76,707)</u></b>

**18. ANALYSIS OF CASH AND CASH EQUIVALENTS**

	<b>2017 £</b>	<b>2016 £</b>
Cash in hand	<b>279,042</b>	293,471
<b>Total</b>	<b><u>279,042</u></b>	<b><u>293,471</u></b>