

# **RED ROSE RECOVERY LANCASHIRE**

## **ANNUAL REPORT & FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2018**

**Company Number: 08302102**  
**Charity Number: 1152474**

**RED ROSE RECOVERY LANCASHIRE**  
**ANNUAL REPORT & FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2018**

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## **RED ROSE RECOVERY LANCASHIRE TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2018**

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The trustees are pleased to present their annual report for the year ended 31<sup>st</sup> March 2018.

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 1<sup>st</sup> 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. LCC Recovery Infrastructure Organisation (RIO)**

##### **1.1 Lancashire User Forum (LUF)**

A total of 1,282 people attended the LUF meetings during the period, including LUFStock an annual camp for families in recovery and the routine steering groups where service users develop, plan and set the LUF agendas.

##### **1.2 Referrals and engagement**

During the accounting period some 1,279 referrals into Red Rose Recovery were received, with 10636 interventions provided to the service users engaged, equating to an average of 204 interventions provided weekly.

## **RED ROSE RECOVERY LANCASHIRE TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2018**

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### **1.3 Volunteers**

Of those referrals engaged with, 173 became lead volunteers and supported into roles providing 10,747 volunteer hours with an economic value of £91,478, 'earning' 2,812 time credits, for 'spend' within their communities.

### **1.4 Groups and projects**

Across the course of the year some 29 projects were in place, against a KPI target of 8. These ranged from fence painting, a Halloween Family Party and participation of service users in the national 3 Peaks Challenge. Additional events and projects held throughout the year; volunteers marshalled the car parks at large events including The Blackpool Dog Show, The Royal Lancashire Show and various Hoghton Tower events. A great opportunity for volunteers to get involved, get out into the community and reduce stigma around those in recovery.

Various litter picks and canal clean-ups have run throughout the year with the most recent being held in March in Avenham Park, Preston. This led to a write up in the Lancashire Evening Post <https://www.lep.co.uk/news/lancashire-s-red-rose-organisation-showing-people-there-is-a-life-through-recovery-1-9105847> and also gave a volunteer the opportunity to talk about the pick and the motivation behind it live on Radio Lancashire the following morning.

The contract offer to provide purpose, belonging and visible recovery and supporting this over the reporting period staff led 217 groups, providing 1421 sessions.

The groups include 'Connect Groups' being a mixture of staff and peer led, with the aim for all to be peer led in time. In addition, each locality offered Volunteer Supervision Groups, Coaches Supervision and other relevant groups including within West Lancashire a long-running Art Group, in the north a Men's Group, leading to a 5-a-side football team, with funding for pitch fees and kit coming from Red Rose and CSI. For those who can't or don't want to play, other options include writing match reports and managing the team!

The Community Cinema was a further well-established peer led group and celebrated its 5,000th viewer.

### **1.5 Training Citizenship**

Citizenship a RRR in-house training package, designed to support service users through their recovery journey as part of a 4 stage process, during the period some 26 participants engaged in this training as part of the Access to Change contract against a target of 12.

Some 413 service users in total were trained during the period, including 77 undertaking internal training including peer to peer training (coaching), confidence building in 'speaker boot camp' boundaries and leadership skills.

A total of 11 'mystery shopper' exercises were executed within treatment services across Lancashire by both volunteers and staff in order to provide feedback on the experience of commissioned drug and alcohol treatment services.

### **1.6 Outcomes**

Of the 113 positive outcomes captured against the KPIs set by commissioners, 26 service users gained employment, 27 went into education and 58 into training.

## RED ROSE RECOVERY LANCASHIRE TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2018

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### 2. CGL Access to Change contract outcomes

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

- 7 groups provided
- 200 projects in place
- 396 brief interventions delivered
- 813 SUs accessing community activities
- 632 referrals to the Access to Change team
- 2234 engagement interventions, 42 focused on older people and 45 with a female focus.

### 3. GP pilot

A pilot started January 2018 across 2 Integrated Care in the Community (ICC) GP practices, Lancaster and Morecambe Bay saw some 55 referrals received, of which 18 week data comparing GP attendance to the previous across year showed a 36% reduction.

#### 3.1 Testimonial May 2018

*"I have found both Inspire and Red Rose group therapy to be essential to my recovery from alcohol addiction.*

*I can be categorical about this because of the failure of my first attempt to recover. On that occasion I mistakenly thought that, having successfully completed a week-long "home detox" and gone "dry" for a couple of weeks I had done it, kicked alcohol and that was it. But I soon discovered that I slipped back first into having "just the one" and then "OK another one" and so on into full blown alcoholism again. This time I haven't made that mistake and have been dry for over 4 months at date of writing. With the continued support of these groups I don't anticipate drinking alcohol every again.*

*I was initially referred to Inspire by my GP and I am very grateful to them for arranging for my residential detox in early February. My GP then referred me to Red Rose as well, where the therapy is somewhat different to Inspire but along the same lines – that is, mutual support and discussion led by and able facilitator. I now attend both groups weekly and believe that without that support I would have started drinking again.*

*I have also attended several different Alcoholics Anonymous sessions but my experience of them has been disappointing. Unlike Inspire and Red Rose, where there is genuine discussion and one can measure progress, the "sharing" in AA classes is nothing like – there is no feedback or supportive discussion. Having said that, it is clear the AA has been and continues to be helpful to many people, but I don't think it's the way forward for a lot of us.*

*So, many thanks again to Inspire and Red Rose".*

## FINANCIAL REVIEW

Total income in the year was £690,788 (2017: £881,168) of which £29,964 (2017: £754,450) related to funding for projects upon which restrictions are placed.

Total expenditure in the year was £736,688 (2017: £902,134), leaving a deficit for the year of £45,900 (2016: deficit £20,966)

## **RED ROSE RECOVERY LANCASHIRE TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2018**

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At 31<sup>st</sup> March 2018 the charitable company's reserves stood at £310,080 (2017: £373,990) of which £18,010 (2017: £167,031) 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 charitable company to maintain unrestricted funds, which are free reserves at a level to cover redundancy provision and three months running costs should no further funding be received.

As at the end of the financial year the unrestricted funds totalled £310,080. The charitable company requires £34,375 for redundancy provision and £160,214 for three months running costs, (total £194,589).

### **PLANS FOR FUTURE**

#### **Red Rose Recovery 3 year forward view**

The Charity's strategic 3 year forward view, taking account of its track record over the past 3 -5 years has placed it in a strong position, such that it continues to look at accessing contract opportunities and longer term projects.

In particular the Charity is looking at accessing new contracts over the next 3 years and the opportunities to increase its capacity to deliver and support vulnerable people and with this it is in advanced negotiations with Commissioners.

The Charity is currently awaiting the outcome of a succession of bids recently submitted, including;

1. LCC North Central treatment contract
2. Gilead HEP C
3. NW Prison Council development
4. Blackpool Domestic Violence peer group support 5. Big Lottery

The collective total of the bids is significant and would see considerable growth in the Charity, building on the experience and knowledge gained over the previous years in delivering its contracts.

Individually the contracts and projects themselves provide growth and sustainability going forward over the period in question.

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

The organisation is a charitable company limited by guarantee, incorporated on 21<sup>st</sup> November 2012 (company number 08302102) and registered as a charity (charity number 1152474) on 18<sup>th</sup> June 2013.

The Governing Instruments under which the charitable company operates comprise the Memorandum and Articles of Association dated 21<sup>st</sup> November 2012. Anyone over the age of 18 can become a member. The Charity's Board of Trustees are also its Directors.

**RED ROSE RECOVERY LANCASHIRE**  
**TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2018**

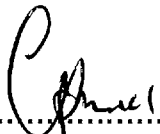
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Members are elected at the Annual General Meetings of the members of the Charity, with casual vacancies being filled as required by the Board of Trustees in accordance with the Charity's Articles of Association. The Board meets regularly throughout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

**REFERENCE AND ADMINISTRATIVE DETAILS**

<b>Name</b>	Red Rose Recovery Lancashire
<b>Company Number</b>	08302102
<b>Charity Number</b>	1152474
<b>Registered Office</b>	St Wilfrids Building Fox Street Preston England PR1 2AB
<b>Directors</b>	Neil Smith (Chair) Thomas Woodcock (Treasurer) Jennifer Ellison Kerry Stewart (Resigned 25 <sup>th</sup> October 2017) Amanda Webster Kerry Holmes Tony Husband
<b>Chief Executive</b>	Peter Yarwood
<b>Independent Examiner</b>	Graham Wright B A (Hons), FCA DChA Liverpool Charity and Voluntary Services 151 Dale Street Liverpool L2 2AH
<b>Bankers</b>	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:** 24/10/18  
.....

## RED ROSE RECOVERY LANCASHIRE STATEMENT OF TRUSTEES' RESPONSIBILITIES

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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 1<sup>st</sup> January 2015).

**By Order of the Board**



.....  
**Thomas Woodcock**  
**Director and Treasurer**

St Wilfrids Building  
Fox Street  
Preston  
England  
PR1 2AB

Date: 2/10/18



**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF RED ROSE RECOVERY  
LANCASHIRE FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2018**

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I report on the accounts of the charitable company for the year ended 31<sup>st</sup> March 2018, which are set out on pages 9 to 19.

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 Charitieshave 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: ..... *25 March 2018* .....

**RED ROSE RECOVERY LANCASHIRE**  
**STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME & EXPENDITURE ACCOUNT)**  
**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2018**

	Notes	Unrestricted Funds 2018	Restricted Funds 2018	Total Funds 2018	Total Funds 2017
<b>Income and endowments from:</b>		£	£	£	£
Donations and legacies	3a	3,763	-	3,763	5,222
Charitable activities	3b	657,061	29,964	687,025	875,463
Investments	3c	-	-	-	483
		-----	-----	-----	-----
<b>Total income</b>		<b>660,824</b>	<b>29,964</b>	<b>690,788</b>	<b>881,168</b>
		-----	-----	-----	-----
<b>Expenditure on:</b>					
Charitable activities	4	638,458	98,230	736,688	902,134
		-----	-----	-----	-----
<b>Total expenditure</b>		<b>638,458</b>	<b>98,230</b>	<b>736,688</b>	<b>902,134</b>
		-----	-----	-----	-----
Net income/(expenditure), net movement in funds		22,366	(68,266)	(45,900)	(20,966)
Transfer between funds		80,755	(80,755)	-	-
		-----	-----	-----	-----
		103,121	(149,021)	(45,900)	(20,966)
Total funds brought forward	9,10	206,959	167,031	373,990	394,956
		-----	-----	-----	-----
<b>Total funds carried forward</b>	<b>8-10</b>	<b>310,080</b>	<b>18,010</b>	<b>328,090</b>	<b>373,990</b>
		=====	=====	=====	=====

The notes on pages 11 to 19 form part of these accounts.

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

**RED ROSE RECOVERY LANCASHIRE**  
**BALANCE SHEET AS AT 31<sup>ST</sup> MARCH 2018**

**Company Number 08302102**

	Notes	31 <sup>st</sup> March 2018 £	31 <sup>st</sup> March 2017 £
<b>Fixed assets</b>			
Tangible fixed assets	5	9,600	11,000
<b>Current assets</b>			
Debtors	6	6,439	11,900
Cash at bank and in hand		325,147	360,340
		-----	-----
		331,586	372,240
<b>Current liabilities</b>			
Creditors: amounts falling due within one year	7	(13,096)	(9,250)
		-----	-----
<b>Net current assets</b>		318,490	362,990
		-----	-----
<b>Total assets less current liabilities</b>		<b>328,090</b>	<b>373,990</b>
		=====	=====
<b>Funds:</b>			
Unrestricted funds	8, 9	310,080	206,959
Restricted funds	810	18,010	167,031
		-----	-----
		<b>328,090</b>	<b>373,990</b>
		=====	=====

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.

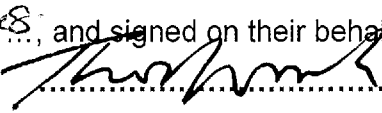
For the period covered by these accounts the company was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies.

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 24th October 2018, and signed on their behalf by:

  
 .....  
**Neil Smith**  
 Director and Chair

  
 .....  
**Thomas Woodcock**  
 Director and Treasurer

**RED ROSE RECOVERY LANCASHIRE**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2018**

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**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 1<sup>st</sup> 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.

**RED ROSE RECOVERY LANCASHIRE**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2018**

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All expenditure is accounted for on an accruals basis. All expenses, including support costs and governance costs, are allocated or apportioned to the applicable expenditure headings in the Statement of Financial Activities. Support and governance costs are applied to unrestricted funds unless specifically included in the restrictions, as specified by the donor.

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.

***Fixed Assets***

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:

Motor Vehicle	20% per annum straight line basis
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**Cash and cash equivalents**

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts.

**Financial instruments**

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

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

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

**Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

**RED ROSE RECOVERY LANCASHIRE**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2018**

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**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 2018 £	Restricted Funds 2018 £	Total Funds 2018 £	Total Funds 2017 £
<b>a. Donations and Legacies</b>				
Donations	3,763	-	3,763	5,222
	=====	=====	=====	=====

**RED ROSE RECOVERY LANCASHIRE**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2018**

	Unrestricted Funds 2018 £	Restricted Funds 2018 £	Total Funds 2018 £	Total Funds 2017 £
<b>b. Charitable activities</b>				
Lancashire County Council – Building Recovery in Communities	-	-	-	103,292
Big Lottery Fund Grant - Awards For All	-	10,000	10,000	-
Bowland Charitable Trust - Omega Project	-	19,964	19,964	78,331
Charity Farm Volunteer Expenses	-	-	-	500
Consultant Work	-	-	-	569
Contract Income	650,188	-	650,188	233,850
CRI Budget	-	-	-	172,908
East Hals Lancs	-	-	-	80,000
North Lancs Hals	-	-	-	70,000
Other Income	4,300	-	4,300	121,013
Red Rose Partnership	-	-	-	15,000
Training and Consultancy	2,573	-	2,573	-
	<b>657,061</b>	<b>29,964</b>	<b>687,025</b>	<b>875,463</b>
	=====	=====	=====	=====
	£	£	£	£
<b>c. Investments</b>				
Bank interest	-	-	-	483
	=====	=====	=====	=====

**4. Expenditure on Charitable Activities**

	Direct Charitable Expenditure £	Support & Governance Costs £	Total 2018 £	Total 2017 £
To provide advice, information, training and support to offenders and those in recovery from addiction and their families	503,204	233,484	736,688	902,134
	=====	=====	=====	=====

**RED ROSE RECOVERY LANCASHIRE**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2018**

a. Analysed as follows:

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
<i>Direct charitable expenditure:</i>		
Staff salaries costs	330,547	335,162
Project expenses	106,204	143,070
Consultancy and management fees	40,995	136,399
Events	9,986	11,775
Narrow boat operating expenses	2,601	2,380
Volunteer expenses	12,833	13,838
Fundraising expenses	38	216
	-----	-----
	503,204	642,840
	-----	-----
 <i>Support &amp; Governance costs:</i>		
	<b>£</b>	<b>£</b>
Staff salaries costs	160,939	150,293
Travel expenses	31,549	32,208
Printing, stationery and postage	2,888	4,669
Telephones and IT costs	15,225	8,889
Office costs	421	35,587
Insurance	9,853	13,679
Membership fees	50	15
Staff training and development	3,286	6,220
Equipment	2,709	3,179
Marketing	1,664	1,809
Accountancy fees	1,500	1,746
Depreciation	2,400	1,000
Loss on disposal of asset	1,000	-
	-----	-----
	233,484	259,294
	-----	-----
 <b>Total expenditure on charitable activities</b>	 <b>736,688</b>	 <b>902,134</b>
	=====	=====

£98,230 (2017: £876,105) of the above expenditure relates to restricted funding.

<b>b. Staff Costs</b>	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Gross salaries and wages	448,661	448,142
Social security costs	35,930	36,047
Pension Costs	6,895	1,266
	-----	-----
	<b>491,486</b>	<b>485,455</b>
	=====	=====



**RED ROSE RECOVERY LANCASHIRE**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2018**

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**c. Particulars of employees:**

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

	<b>2018</b>	<b>2017</b>
Charitable activities	<b>19.4</b>	<b>17.5</b>
	=====	=====

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**

	<b>Narrow Boat £</b>	<b>Motor Vehicle £</b>	<b>Total £</b>
<b>Cost</b>			
Balance at 1 <sup>st</sup> April 2017	15,000	-	15,000
Additions in the year	-	12,000	12,000
Disposal	(15,000)	-	(15,000)
	-----	-----	-----
Balance at 31 <sup>st</sup> March 2018	-	<b>12,000</b>	<b>12,000</b>
	-----	-----	-----
<b>Accumulated Depreciation</b>			
Balance at 1 <sup>st</sup> April 2017	4,000		4,000
Charge for the year		2,400	2,400
Disposal	(4,000)		(4,000)
	-----	-----	-----
Balance at 31 <sup>st</sup> March 2018	-	<b>2,400</b>	<b>2,400</b>
	-----	-----	-----
<b>Net book value at 31<sup>st</sup> March 2018</b>	-	<b>9,600</b>	<b>9,600</b>
	=====	=====	=====
Net book value at 31 <sup>st</sup> March 2017	11,000	-	11,000
	=====	=====	=====

**6. Debtors**

	<b>2018 £</b>	<b>2017 £</b>
Trade debtors	5,359	11,448
Other debtors	1,080	452
	-----	-----
	<b>6,439</b>	<b>11,900</b>
	=====	=====

**RED ROSE RECOVERY LANCASHIRE**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2018**

**7. Creditors: amounts falling due within one year**

	2018	2017
	£	£
Trade creditors	3,155	245
Tax & Social Security	7,660	8,155
Accruals	2,281	850
	-----	-----
	<b>13,096</b>	<b>9,250</b>
	=====	=====

**8. Analysis of Net Assets between Funds**

	Tangible Fixed Assets	Net Current Assets	Total
	£	£	£
<b>Unrestricted Funds</b>			
General Fund	-	310,080	310,080
	-----	-----	-----
<b>Restricted Funds</b>			
Big Lottery Fund Grant -Awards For All	-	8,410	8,410
Bowland Trust - Omega Project	9,600	-	9,600
	-----	-----	-----
	<b>9,600</b>	<b>8,410</b>	<b>18,010</b>
	-----	-----	-----
<b>Total Funds</b>	<b>9,600</b>	<b>318,490</b>	<b>328,090</b>
	=====	=====	=====

**9. Unrestricted Funds**

	Movements in the year				
	Resources at beginning of year	Income	Expenditure	Transfer Between Funds	Resources at end of year
	£	£	£	£	£
General Fund	195,959	660,824	(627,458)	80,755	262,045
Designated Fund	11,000	-	(11,000)		-
	-----	-----	-----	-----	-----
	<b>206,959</b>	<b>660,824</b>	<b>(638,458)</b>	<b>80,755</b>	<b>310,080</b>
	=====	=====	=====	=====	=====

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

The Designated Fund relates to the carrying value of the narrow boat.

**RED ROSE RECOVERY LANCASHIRE**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2018**

**Transfer between funds** relate to unrestricted expenditure applied to restricted funds, overhead recovery on restricted funds and reclassification of contract income from restricted to unrestricted funds.

**10. Restricted Funds**

	Resources at beginning of year £	Income £	Movements in the year		Resources at end of year £
			Expenditure £	Transfer Between Funds £	
Big Lottery Fund Grant -Awards For All	-	10,000	(1,590)	(-)	8,410
Bowland Charitable Trust - Omega Project	29,752	19,964	(23,136)	(16,980)	9,600
Charity Farm	50	-	(50)	(-)	-
Consultant Work	1,315	-	(-)	(1,315)	-
Core Management 16/17	60,061	-	(1)	(60,060)	-
CRI Budget	11,036	-	(11,036)	(-)	-
East Hals Lancs Lancashire County Council – Building Recovery in Communities	8,810	-	(8,810)	(-)	-
North Lancs Hals	46,811	-	(46,811)	(-)	-
Red Rose Partnership	5,972	-	(3,572)	(2,400)	-
	3,224	-	(3,224)	(-)	-
	<b>167,031</b>	<b>29,964</b>	<b>(98,230)</b>	<b>(80,755)</b>	<b>18,010</b>
	=====	=====	=====	=====	=====

These are monies given to the charitable company to be spent at the discretion of the Board of Trustees for specific charitable purposes

**Big Lottery Fund Grant -Awards For All** - Peer Support group supporting individuals with family members in addiction or in recovery.

**Bowland Charitable Trust – Omega Project** - to provide and co-ordinate volunteers to work on the OMEGA project, which aims to take volunteers with experience in the criminal justice system and provide them with training and experience working on a building renovation in East Lancashire – This project ended in Autumn 2017.

**Charity Farm** - an annual event where the organisation takes 200 members of the community on a three day activity weekend

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

**CORE Management 17/18** - to provide a Recovery Infrastructure Organisation across Lancashire, demonstrating visible recovery, training members, recruiting and coordinating lead volunteers. Ongoing

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

## **RED ROSE RECOVERY LANCASHIRE**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2018**

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**East Hals 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.

**Lancashire County Council – Building Recovery in Communities** - The Building Recovery in Communities Fund (BRiC), is a community investment which can provide grants of up to £4,999 for projects and social enterprises which in some way support the recovery community. Assessment is by way of a two stage process, a Gate I panel made up of local recovery community leaders, representatives from partner organisations and our locality workers consider all applications received, those approved are then interviewed by a Gate II panel comprising representatives of the Lancashire User Forum and RRR workers. During 17/18 the panels considered 52 applications for funding with a total value of £150,567, of these 25 were approved by both panels, totalling £79,019.

**North Lancs Hals**– 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.

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

#### **11. Operating Lease Commitments**

There were no financial commitments under non-cancellable operating leases (2017: none).

#### **12. Contingent Liabilities**

The Charitable company did not have any contingent liabilities at 31<sup>st</sup> March 2018 (2017: none).

#### **13. Related Party Transactions**

There were no material related party transactions during the year which require disclosure (2017: none).

#### **14. Guarantees**

As at 31<sup>st</sup> March 2018, 7 members had given a guarantee of £5 each in the event of the charitable company winding-up; total: £35 (2017: 7 members £35).