RECYCLING LIVES CHARITY

England & Wales · Charity number 1116562

Details

Other names	RECYCLING LIVES (PRESTON) LIMITED, RECYCLING LIVES (UK) LIMITED
Status	Registered
Legal form	Charitable company
Company number	05781363
Registered	2006-10-31
Register	View on the Charity Commission register

Contact

Address	1a Essex Street Preston Lancashire PR1 1QE
Phone	01772654321
Email	changelives@recyclinglives.org
Website	www.recyclinglives.org

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Activities

Objects: 1.1 THE PROMOTION FOR THE PUBLIC BENEFIT OF URBAN OR RURAL REGENERATION IN AREAS OF SOCIAL AND ECONOMIC DEPRIVATION (AND IN PARTICULAR, BUT NOT LIMITED TO, LANCASHIRE) BY ALL OR ANY OF THE FOLLOWING MEANS:1.1.1 THE RELIEF OF POVERTY IN SUCH WAYS AS MAY BE THOUGHT FIT;1.1.2 THE RELIEF OF UNEMPLOYMENT IN SUCH WAYS AS MAY BE THOUGHT FIT, INCLUDING ASSISTANCE TO FIND EMPLOYMENT;1.1.3 THE ADVANCEMENT OF EDUCATION, TRAINING OR RETRAINING, PARTICULARLY AMONG UNEMPLOYED PEOPLE, AND PROVIDING UNEMPLOYED PEOPLE WITH WORK EXPERIENCE;1.1.4. THE PROVISION OF FINANCIAL ASSISTANCE, TECHNICAL ASSISTANCE, OR BUSINESS ADVICE OR CONSULTANCY IN ORDER TO PROVIDE TRAINING AND EMPLOYMENT OPPORTUNITIES FOR UNEMPLOYED PEOPLE IN CASES OF FINANCIAL OR OTHER CHARITABLE NEED THROUGH HELP:I.1.4.1 IN SETTING UP THEIR OWN BUSINESS, OR1.1.4.2 TO EXISTING BUSINESSES1.1.5 THE CREATION OF TRAINING AND EMPLOYMENT OPPORTUNITIES BY THE PROVISION OF WORKSPACE, BUILDINGS AND/OR LAND FOR USE ON FAVOURABLE TERMS;1.1.6 THE PROVISION OF HOUSING FOR THOSE WHO ARE IN CONDITIONS OF NEED AND THE IMPROVEMENT OF HOUSING IN THE PUBLIC SECTOR OR IN CHARITABLE OWNERSHIP PROVIDED THAT SUCH POWER SHALL NOT EXTEND TO RELIEVING ANY LOCAL AUTHORITIES OR OTHER BODIES OF A STATUTORY DUTY TO PROVIDE OR IMPROVE HOUSING;1.1.7 THE MAINTENANCE, IMPROVEMENT OR PROVISION OF PUBLIC AMENITIES;1.1.8 THE PRESERVATION OF BUILDINGS OR SITES OF HISTORIC OR ARCHITECTURAL IMPORTANCE;1.1.9 THE PROVISION OR ASSISTANCE IN THE PROVISION OF RECREATIONAL FACILITIES FOR THE PUBLIC AT LARGE AND/OR THOSE WHO, BY REASONS OF THEIR YOUTH, AGE, INFIRMITY OR DISABLEMENT, POVERTY OR SOCIAL AND ECONOMIC CIRCUMSTANCES, HAVE NEED OF SUCH FACILITIES;1.1.10 THE PROTECTION OR CONSERVATION OF THE ENVIRONMENT;1.1.11 THE PROMOTION OF PUBLIC SAFETY AND PREVENTION OF CRIME; AND1.1.12 SUCH OTHER MEANS AS MAY FROM TIME TO TIME BE DETERMINED SUBJECT TO THE PRIOR CONSENT OF THE CHARITY COMMISSION FOR ENGLAND AND WALES.

Activities: Provision of Accommodation, Education, Training, Employment Opportunities and Financial Support and support services to individuals

Classification

- **How:** Makes Grants To Individuals, Makes Grants To Organisations, Provides Human Resources, Provides Buildings/facilities/open Space, Provides Services, Provides Advocacy/advice/information, Acts As An Umbrella Or Resource Body, Other Charitable Activities
- **What:** General Charitable Purposes, Education/training, The Prevention Or Relief Of Poverty, Accommodation/housing, Environment/conservation/heritage, Economic/community Development/employment
- **Who:** The General Public/mankind

Geography

- **Area of benefit:** IN PARTICULAR, LANCASHIRE
- Throughout England And Wales

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Finances

Period end	Income	Expenditure	Assets	Employees
2025-04-30	£2,589,294	£3,212,132	£447,283	58
2024-04-30	£2,470,532	£2,819,032	£1,382,671	62
2023-04-30	£2,673,102	£2,334,116	£1,731,171	55
2022-04-30	£2,132,321	£1,779,519	£1,294,888	47
2021-04-30	£2,301,650	£1,563,170	£942,086	38
2020-04-30	£2,216,336	£2,025,963	£203,606	42

Trustees

Name	Role	Appointed
JONATHAN BRYAN TAYLOR	Chair	
CHARLES JACKSON		2019-01-23
Caroline Whalley-Hunter		2021-04-02
DAMIEN SNAPE		
Nicola Whittle		2019-07-25

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RECYCLING LIVES CHARITY

England & Wales - Charity number 1116562

Accounts

REGISTERED COMPANY NUMBER: 05781363 (England and Wales)
REGISTERED CHARITY NUMBER: 1116562

Recycling Lives Charity

Annual report and consolidated financial statements

For the year ended 30 April 2025

RECYCLING LIVES CHARITY

CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR TO 30 APRIL 2025

	Page
Chairman's Report	1 to 3
Report of the Trustees	4 to 9
Report of the Independent Auditors	10 to 12
Consolidated Statement of Financial Activities	13
Charity Statement of Financial Activities	14
Consolidated Balance Sheet	15
Charity Balance Sheet	16
Consolidated Statement of Cash Flows	17
Notes to the Consolidated Statement of Cash Flows	18
Notes to the Consolidated Financial Statements	19 to 35

RECYCLING LIVES CHARITY

CHAIRMAN'S REPORT
FOR THE YEAR TO 30 APRIL 2025

A MESSAGE FROM THE CHAIRMAN

This has been one of the most significant and, at times, testing periods in the charity's recent history. And yet, in many ways, it is also the year that I am most proud of — not because of the difficulties we faced, but because of how this organisation responded to them.

The work we do — supporting people leaving custody, feeding families across Lancashire and Cumbria, providing training and mentoring to those who need it most — does not pause when the financial environment becomes difficult. Our beneficiaries' needs do not diminish when funding becomes scarce. That reality drove every decision the trustees made during this period, and it is the lens through which I would ask you to read this report.

The year to 30 April 2025 brought real challenges: a significant operating deficit, the partial restructuring of our largest commercial partner, rising employer costs, a funding landscape that grew more competitive by the month and the search for a new CEO. These are not problems that appeared or have disappeared overnight, and they are not problems we shied away from. The trustees took deliberate, considered decisions to use our reserves where needed — to protect our people and preserve our programmes — while simultaneously investing our energy in building a more resilient and diversified future.

At the same time, the impact of our work — the numbers that matter most — remained outstanding. More than 200 people supported through rehabilitation. Over 63% of those released going on to find and keep employment. More than 1.26 million tonnes of food diverted from waste. Over three million meals delivered. 190 people gaining accredited qualifications. These are extraordinary results, and they are a direct reflection of the people who work here and volunteer alongside us every single day.

A YEAR OF REAL CHALLENGE: 2024-25

What the numbers tell us

The Group recorded a deficit of £622,838 for the year (compared to a deficit of £499,189 the year prior), and the charity itself recorded a deficit of £385,501 (compared to a deficit of £186,606). These are significant negative values, which continued into the following year, and they deserve explanation rather than minimisation.

Three factors combined to create this position. First, general operating costs continued to rise, with the new Employers' National Insurance changes adding meaningful pressure to our cost base from April 2025. Second, the funding environment remained intensely competitive, with many grants we had reasonably expected either reduced or not renewed. Third, and most significantly, the relationship with Recycling Lives Services Limited (RLS) — our largest commercial partner for recycling workshop activity — materially affected our income from that source for the calendar year 2025.

The trustees' decision was clear: we would not cut programmes, and we would not reduce services to our beneficiaries. We drew on our reserves — consciously and deliberately — to hold the line while we worked to build a more sustainable position.

What our people delivered

Against this financial backdrop, the team's delivery was exceptional:

- The rehabilitation team worked with over 200 people, with fewer than 5% of those released going on to reoffend — far below the national average
- Over 63% of participants released during the year found and kept employment
- The ACE team supported over 200 people with complex needs, including housing, addiction, mental health and employment pathways
- 1.26m tonnes of food redistributed, supporting over 3 million meals across Lancashire and Cumbria
- 14 tonnes of toiletries and 20 tonnes of pet food also diverted to those in need
- 190 participants gained accredited qualifications through our growing training offer
- Over 100 volunteers gave their time — 14 of whom were subsequently supported into paid employment
- 1.29 million waste electrical items recycled or refurbished through our workshops

These results are a source of immense pride. They are also a reminder of why protecting this organisation's financial sustainability is not an abstract governance concern — it is a direct responsibility to the people who depend on what we do.

TAKING STOCK: THE TRANSITION INTO 2025-26

A new CEO and a fresh lens on the finances

In July 2025, the charity welcomed Victoria Blakeman as its new Chief Executive Officer. Her appointment marked an important moment — not a change of direction, but an opportunity to look at the organisation with fresh eyes and with the rigour that a challenging financial period demands.

One of Victoria's first priorities was to work closely with the trustees on a deep dive into the charity's accounts. We wanted to understand, clearly and honestly, what was driving the depletion of reserves — not just the headline numbers, but the underlying dynamics: which programmes were self-sustaining, where income had become structurally dependent on a single partner, and where costs had grown faster than funding.

That process was not comfortable, but it was essential. It gave us a shared, evidence-based understanding of the pressures the charity faced, and it became the foundation for every strategic decision that followed. The trustees are grateful to Victoria and the team for approaching this with transparency and with a genuine commitment to getting it right.

Renegotiating with Recycling Lives Services

A central strand of the work in this period was an extended and at times demanding renegotiation with Recycling Lives Services Limited (RLS) — the successor entity to our historically largest commercial partner. The previous arrangements had developed organically over many years, and the terms had not kept pace with the charity's true costs of delivery.

We approached those renegotiations with a clear objective: to ensure that the commercial terms properly reflected the value the charity delivers, and that we were not, in effect, subsidising commercial activity from charitable reserves. Those discussions took time and required careful management, but they have resulted in a more equitable and sustainable arrangement, effective calendar year 2026 — one that appropriately values the charity's contribution.

Alongside this, we have substantially reduced our concentration risk by bringing on new commercial partners. Global Ardour Recycling, Baxi, Suez and new partnership arrangements are soon to become operational and further discussions are underway. The reliance on any single commercial relationship that characterised our previous position has been significantly and deliberately reduced.

The bridge to where we are now

The renegotiations, the accounts review, and the new partnerships together represent the foundation of a more resilient operating model. The work was not glamorous, and it did not generate headlines. But it was the right work to do, and it has positioned the charity to move forward from a place of clarity rather than uncertainty.

The strategic report that follows this message sets out in full the direction of travel: the diversified academy model, the MoJ sub-contracting opportunity, the NEET pilot, the accredited training ambitions, and the wrap-around support offer. All of that work builds on the foundation laid during this transition period.

RECYCLING LIVES CHARITY

CHAIRMAN'S REPORT
FOR THE YEAR TO 30 APRIL 2025

THE ROAD AHEAD

The year ahead will not be without challenge. We have set ourselves a demanding budget, and we are realistic about the environment in which we are operating. The criminal justice system remains under significant pressure. The cost of living continues to affect the people we serve. Statutory funding for the voluntary sector is not expanding.

And yet I am genuinely optimistic. The clarity we now have about our cost base and our income mix, the quality of the leadership team around Victoria, the new partnerships we have built, and the growing reputation of our programmes with commissioners and funders — all of this gives me confidence that the trajectory is the right one.

We are positioning the charity as a specialist sub-contractor within the MoJ's rehabilitative supply chain — a deliberate and proportionate decision that plays to our genuine strengths. We are piloting a new NEET programme with Preston City Council, with the first delivery expected in mid 2026 and conversations already underway with Blackpool Council. We are working toward accredited training centre status, which will open access to Adult Skills Fund monies and strengthen our offer to employers and commissioners. And we have soft-launched an externally marketed wrap-around support package through the New Futures Network — one that has already attracted interest from large national infrastructure businesses seeking genuine social value.

Alongside this, the charity will be rebranded in the summer of 2026 such that its name better reflects its broadened constituencies and stakeholders.

None of this happened by accident. It is the result of clear thinking, careful governance, and a team that refused to be defined by a financially difficult couple of years.

WITH GRATITUDE

I want to close with a straightforward and sincere thank you — to everyone who has played a part in this organisation's story during this period.

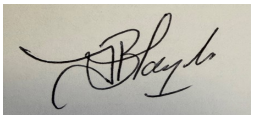
To our staff: the commitment, creativity and compassion you bring to work every day is what makes this charity what it is. A difficult year financially did not diminish your dedication to the people you serve, and that has not gone unnoticed by the trustees.

To our volunteers: over 100 of you gave your time freely, and that generosity ripples out far beyond what any budget line could capture. The fact that 14 of our volunteers went on to find employment this year is a story in itself.

To our partners — both long-standing and new — thank you for believing in what we do and choosing to work alongside us. The relationships we are building with Global Ardour, Suez, Supreme, and others are the foundation of our next chapter.

To our funders — the National Lottery, the Albert Gubay Foundation, Fareshare, Felix, and the many others who support our work — your trust means everything to us, and we take the responsibility of it seriously.

And to my fellow trustees: thank you for your time, your challenge, and your unwavering focus on doing the right thing for this charity and the people it exists to serve.



J B Taylor - Chairman

REPORT OF THE TRUSTEES
FOR THE YEAR TO 30 APRIL 2025

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year to 30 April 2025. Although the accounting reference date is to 29 April, for administrative reasons the accounts have been prepared to 30 April.

Reporting framework

The trustees' annual report and financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and 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 2019), referred to as the Charities SORP (FRS 102) (second edition - October 2019).

OBJECTIVES AND ACTIVITIES

Objectives

Charitable Objects are set out in the Articles of Association as follows - the promotion for the public benefit of urban or rural regeneration in areas of social and economic deprivation (and in particular, but not limited to, Lancashire) by all or any of the following means:

1.1 the relief of poverty in such ways as may be thought fit;

1.2 the relief of unemployment in such ways as may be thought fit, including assistance to find employment;

1.3 the advancement of education, training or retraining, particularly among unemployed people, and providing unemployed people with work experience;

1.4 the provision of financial assistance, technical assistance, or business advice or consultancy in order to provide training and employment opportunities for unemployed people in cases of financial or other charitable need through help 1.4.1 in setting up their own business, or 1.4.2 to existing businesses;

1.5 the creation of training and employment opportunities by the provision of workspace, buildings and/or land for use on favourable terms;

1.6 the provision of housing for those who are in conditions of need and the improvement of housing in the public sector or in charitable ownership provided that such power shall not extend to relieving any local authorities or other bodies of a statutory duty to provide or improve housing;

1.7 the maintenance, improvement or provision of public amenities;

1.8 the preservation of buildings or sites of historic or architectural importance;

1.9 the provision or assistance in the provision of recreational facilities for the public at large and/or those who, by reasons of their youth, age, infirmity or disablement, poverty or social and economic circumstances, have need of such facilities;

1.10 the protection or conservation of the environment;

1.11 the promotion of public safety and prevention of crime; and

1.12 such other means as may from time to time be determined subject to the prior consent of the Charity Commission for England and Wales.

OBJECTIVES AND ACTIVITIES

Activities

The charity undertakes the following activities either itself of through its subsidiary company in pursuit of its objectives:

- Accommodation and rehabilitation programme for ex-offenders and ex-homeless
- Training and work experience within prisons and the community through recycling work
- Training placement and mentoring programme
- Food distribution programme
- Running a café to provide work, work experience and training for ex-offenders and ex homeless people
- Other environmental projects

STRATEGIC REPORT

Achievement and performance

Charitable activities

Detail relating to the charitable activities undertaken during the year are stated in the Chairman's Report on page 1.

Financial review

Overview

The Group made a deficit for the year of £622,838 (2024: deficit - £499,189) and the charity had a deficit of £385,501 (2024: deficit - £186,606).

Subsidiary company - Recycling Lives (Social Enterprises) Ltd (RLSE) With the exception of the accommodation programme, substantially all the activities are undertaken by the subsidiary RLSE, some which could be considered charitable.

The directors and charity trustees are undertaking regular reviews of the activities carried out by RLSE to ensure that only low risk, fully funded and/or profitable activities, which are appropriate for it to undertake as the subsidiary of a charity, are continued.

Principal funding sources

RLC has a diverse range of funding streams including the National Lottery and the Albert Gubay Foundation and commercial arrangements for recycling work through its subsidiary (RLSE) with Baxi Ltd and Recycling Lives Ltd (RLL). During the previous financial year, the RLL situation changed which meant the arrangemen were moved across to being with Recycling Lives Services Ltd and Global Ardour Recycling Ltd.

Reserves policy

During the prior year the trustees reviewed their policy for financial reserves. The target of free reserves (unrestricted funds not invested in fixed assets or otherwise designated) was set to be between £200,000 and £400,000.

At 30 April 2025, the charity's free reserves were £238,953 (2024: £931,904). The trustees have designated up to £500,000 of the reserves above the target level for new projects and growth.

STRATEGIC REPORT (continued)

Going concern

In the opinion of the trustees, there is no material uncertainty regarding the charity's ability to continue as a going concern. The trustees have reviewed cashflow forecasts and have concluded that the charity has sufficient reserves to continue in operation for the next 12 months.

Risk management

The Trustees regularly review the risks to which the charity is exposed and seek to apply appropriate strategies to mitigate, lay-off and manage these risks.

The Trustees consider that the current practices and future plans to respond to these risks are appropriate and that, as a result, such risks are being effectively managed.

Future plans

Future plans for the Group are detailed in the Chairman's Report on page 3.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The organisation is a charitable company limited by guarantee, established by its Memorandum of Association and is governed under its Articles of Association dated 13 April 2006, as amended by special resolution dated 4 July 2006 and further amended by special resolution dated 24 July 2019.

Members of the company

Following the latest change to the Articles of Association, the membership of the company is restricted to the trustees and terminates if a member ceases to be a trustee, except that, if retiring at an AGM, all the trustees remain members until the conclusion of the meeting.

Recruitment and appointment of new directors/trustees

The Directors who served during the year together with any changes are listed on page one of the annual report. The Directors are appointed by the members at the AGM or are co-opted by the trustees. All trustees retire at the AGM and are eligible for re- election.

Trustees are recruited with regard to the skills needed by the charity.

Induction and training of new trustees

Trustees are inducted by spending time with senior management and visiting the various aspects of the charity. They are also given a pack of documentation consisting of polices, recent minutes and reports.

Organisation

The Board of Directors meets as necessary, and not less than four times a year. The quorum for a meeting of the trustees is the greater of two or one third of their number. The Board is responsible for the strategic direction and policy of the charity.

The day to day operation of the charity is the responsibility of the Chief Executive and the other members of the senior management who together with the trustees constitute the key management personnel of the charity.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Pay and remuneration for senior staff

Senior staff salaries are reviewed annually and benchmarked against other charities and social enterprises. Recommendations are then given to trustees for sign off each year.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

05781363 (England and Wales)

Registered Charity number

1116562

Registered office

Recycling Lives Centre
1a Essex Street
Preston
PR1 1QE

Trustees

J B Taylor
D Snape
B J Mayne (resigned 01/06/2025)
C Jackson
N J Whittle
C Whalley-Hunter

Auditors

DJH Audit Limited
Accountants
Statutory Auditors
The Exchange
5 Bank Street
Bury
BL9 0DN

REFERENCE AND ADMINISTRATIVE DETAILS (continued)

Senior Management Team

*Alasdair Bruce Jackson (resigned 30/06/2025)
*Victoria Blakeman (appointed 01/07/2025)
*T R Carysforth
*S Collins
*R Thackray
N Flanagan
K Walmsley
*Laura Hodson
G Welsh
*F McManus
D Pearson

(* are employed by a subsidiary company)

Solicitors

Brabners LLP
55 King Street
Manchester M2 4LQ

Bankers

Barclays Bank
38 Fishergate
Preston
PR1 2AD

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Recycling Lives Charity for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

STATEMENT OF TRUSTEES' RESPONSIBILITIES (continued)

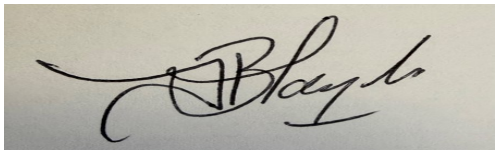
The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding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

In so far as the trustees are aware:
- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

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

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 29 April 2026 and signed on the board's behalf by:



J B Taylor - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF RECYCLING LIVES CHARITY

Opinion
We have audited the financial statements of Recycling Lives Charity (the 'parent charitable company') and its subsidiary (the 'group') for the year to 30 April 2025 which comprise the consolidated Statement of Financial Activities, the parent charitable company Statement of Financial Activities, the group and parent charitable company Balance Sheet, the consolidated Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:
- give a true and fair view of the state of the group's and parent charitable company's affairs as at 30 April 2025 and of its incoming resources and application of resources including its income and expenditure, for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion
We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern
In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's or parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information
The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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.

Opinions on other matters prescribed by the Companies Act 2006
In our opinion, based on the work undertaken in the course of the audit:
- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and

- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF RECYCLING LIVES CHARITY

Matters on which we are required to report by exception
In the light of the knowledge and understanding of the charitable company and its subsidiary and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:
- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees
As explained more fully in the Statement of Trustees' Responsibilities, 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 group and parent 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 group or parent charitable company or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below As part of our planning process:
- We enquired of management the systems and controls the group has in place, the areas of the financial statements that are mostly susceptible to the risk of irregularities and fraud, and whether there was any known, suspected or alleged fraud. The group did not inform us of any known, suspected or alleged fraud.

- We obtained an understanding of the legal and regulatory frameworks applicable to the group. We determined that the Charities SORP (FRS 102) and the Companies Act 2006 most relevant.

- We considered the incentives and opportunities that exist in the group, including the extent of management bias, which present a potential for irregularities and fraud to be perpetuated, and tailored our risk assessment accordingly.

- Using our knowledge of the group, together with the discussions held with the group at the planning stage, we formed a conclusion on the risk of misstatement due to irregularities including fraud and tailored our procedures according to this risk assessment.

The key procedures we undertook to detect irregularities including fraud during the course of the audit included:
- Identifying and testing journal entries and the overall accounting records, in particular those that were significant and unusual.

- Reviewing the financial statement disclosures and determining whether accounting policies have been appropriately applied.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF RECYCLING LIVES CHARITY

Our responsibilities for the audit of the financial statements continued

- Reviewing and challenging the assumptions and judgements used by management in their significant accounting estimates, in particular in relation to estimating the useful economic life of an asset and its residual value and in categorising leases as finance or operating leases.

- Assessing the extent of compliance, or lack of, with the relevant laws and regulations in particular those that are central to the entities ability to continue in operation.

- Testing key income lines for evidence of management bias.

- Obtaining third-party confirmation of material bank and investment balances.

- Documenting and verifying all significant related party balances and transactions.

- Reviewing third party documentation and correspondence for discussions of irregularities including fraud.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements even though we have properly planned and performed our audit in accordance with auditing standards. The primary responsibility for the prevention and detection of irregularities and fraud rests with the trustees of the group.

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

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charitable company's members and its 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 the charitable company's members as a body and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

DJH Audit Limited

Richard Askey (Senior Statutory Auditor)
for and on behalf of DJH Audit Limited
Accountants
Statutory Auditors
The Exchange
5 Bank Street
Bury
BL9 0DN

Date: 29 April 2026

RECYCLING LIVES CHARITY

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR TO 30 APRIL 2025

	Notes	Unrestricted funds	Restricted funds	**2025 Total funds**	2024 Total funds (As restated)
		£	£	**£**	£
Income and endowments from					
Donations and legacies	2	159,249	101,563	**260,812**	153,146
Charitable activities	4				
Workshops		1,061,123	3,485	**1,064,608**	1,127,967
Food distribution		449,154	17,754	**466,908**	290,629
Cafe		67,712	4,933	**72,645**	42,194
Kitchen training		-	14,011	**14,011**	14,521
Rehabilitation		27,510	309,917	**337,428**	390,097
Residential work		-	56,970	**56,970**	43,890
ACE		-	61,820	**61,820**	109,595
Social value		209,126	-	**209,126**	105,036
Investment income	3	44,967	-	**44,967**	42,768
Total		2,018,840	570,453	**2,589,294**	2,319,843
Expenditure on					
Charitable activities	5				
Workshops		1,099,475	25,793	**1,125,269**	906,658
Food distribution		510,650	15,204	**525,854**	418,090
Cafe		84,856	5,143	**89,999**	74,333
Kitchen training		13,751	88,674	**102,425**	106,005
Rehabilitation		386,695	426,347	**813,042**	580,321
Residential work		37,692	205,901	**243,593**	167,306
Other		103,335	6,754	**110,089**	424,963
ACE		38,248	163,613	**201,861**	141,017
Bikes		**-**	**-**	**-**	339
Total		2,274,701	937,430	**3,212,132**	2,819,032
NET INCOME/(EXPENDITURE)		(255,861)	(366,977)	**(622,838)**	(499,189)
Transfers between funds	18	(353,553)	353,553	-	-
Net movement in funds		(609,414)	(13,424)	**(622,838)**	(499,189)
RECONCILIATION OF FUNDS					
Total funds brought forward		1,328,099	54,572	**1,382,671**	1,731,171
Prior period adjustment	21	(312,550)	-	**(312,550)**	(161,861)
As restated		1,015,549	54,572	**1,070,121**	1,569,310
TOTAL FUNDS CARRIED FORWARD		406,135	41,148	**447,283**	1,070,121

The notes form part of these financial statements

RECYCLING LIVES CHARITY

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR TO 30 APRIL 2025

	Notes	Unrestricted funds £	Restricted funds £	**2025 Total funds £**	2024 Total funds £
Income and endowments from					
Donations and legacies	2	73,046	84,015	**157,061**	16,553
Charitable activities	4				
Rehabilitation		-	174,899	**174,899**	-
Residential work		-	56,970	**56,970**	43,890
ACE		-	61,820	**61,820**	109,595
Investment income	3	44,967	-	**44,967**	42,768
Total		118,013	377,704	**495,717**	212,806
Expenditure on					
Charitable activities	5				
Rehabilitation		111,726	301,838	**413,564**	-
Residential work		37,692	205,901	**243,593**	167,307
Other		230	1,576	**1,806**	90,567
ACE		38,248	163,613	**201,861**	141,017
Kitchen		7,967	12,427	**20,394**	182
Bikes		-	-	**-**	339
Total		195,863	685,355	**881,218**	399,412
NET INCOME/(EXPENDITURE)		(77,850)	(307,651)	**(385,501)**	(186,606)
Transfers between funds	18	(309,855)	309,855	**-**	-
Net movement in funds		(387,705)	2,204	**(385,501)**	(186,606)
RECONCILIATION OF FUNDS					
Total funds brought forward		1,431,904	17,796	**1,449,700**	1,636,306
TOTAL FUNDS CARRIED FORWARD		1,044,199	20,000	**1,064,199**	1,449,700

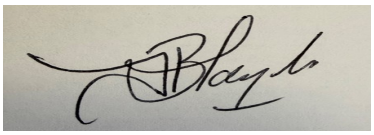
The notes form part of these financial statements

RECYCLING LIVES CHARITY

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
30 ARPIL 2025

	Notes	Unrestricted funds	Restricted funds	**2025 Total funds**	2024 Total funds (As restated)
		£	£	**£**	£
FIXED ASSETS					
Tangible assets	12	167,182	21,148	**188,330**	109,628
CURRENT ASSETS					
Debtors	14	336,406	20,000	**356,406**	411,348
Investments	15	263,321	192,072	**455,393**	1,167,030
Cash at bank and in hand		89,544	28,811	**118,354**	218,247
		689,270	240,883	**930,153**	1,796,625
CREDITORS					
Amounts falling due within one year	16	(450,317)	(220,883)	**(671,200)**	(836,132)
NET CURRENT ASSETS		238,953	20,000	**258,953**	960,493
TOTAL ASSETS LESS CURRENT LIABILITIES		406,135	41,148	**447,283**	1,070,121
NET ASSETS		406,135	41,148	**447,283**	1,070,121
FUNDS	18				
Unrestricted funds				**406,135**	1,015,549
Restricted funds				**41,148**	54,572
TOTAL FUNDS				**447,283**	1,070,121

The financial statements were approved by the Board of Trustees and authorised for issue on 29 April 2026 and were signed on its behalf by:



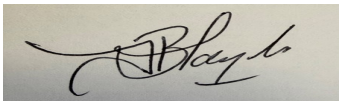
J B Taylor - Trustee

The notes form part of these financial statements

RECYCLING LIVES CHARITY
STATEMENT OF FINANCIAL POSITION
30 ARPIL 2025

	Notes	Unrestricted funds	Restricted funds	**2025 Total funds**	2024 Total funds
		£	£	**£**	£
FIXED ASSETS					
Tangible assets	12	11,443	-	**11,443**	12,824
Investments	13	100	-	**100**	100
		11,543	-	**11,543**	12,924
CURRENT ASSETS					
Debtors	14	794,549	20,000	**814,549**	385,213
Investments	15	263,321	192,072	**455,393**	1,167,030
Cash at bank and in hand		46,898	-	**46,898**	71,122
		1,104,767	212,072	**1,316,840**	1,623,365
CREDITORS					
Amounts falling due within one year	16	(72,111)	(192,072)	**(264,183)**	(186,589)
NET CURRENT ASSETS		1,032,657	20,000	**1,052,657**	1,436,776
TOTAL ASSETS LESS CURRENT LIABILITIES		1,044,199	20,000	**1,064,199**	1,449,700
NET ASSETS		1,044,199	20,000	**1,064,199**	1,449,700
FUNDS	18				
Unrestricted funds				**1,044,199**	1,431,904
Restricted funds				**20,000**	17,796
TOTAL FUNDS				**1,064,199**	1,449,700

The financial statements were approved by the Board of Trustees and authorised for issue on 29 April 2026 and were signed on its behalf by:



J B Taylor - Trustee

The notes form part of these financial statements

RECYCLING LIVES CHARITY

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR TO 30 APRIL 2025

	Notes	**2025**	2024 (As restated)
		£	£
Cash flows from operating activities			
Cash generated from operations	A	**(691,605)**	(37,449)
Interest paid		**-**	-
Net cash (used in)/provided by operating activities		**(691,605)**	(37,449)
Cash flows from investing activities			
Purchase of tangible fixed assets		**(164,891)**	(23,304)
Interest received		**44,967**	42,768
Purchase of current asset investments		**(215,682)**	(720,062)
Sale of current asset investments		**927,318**	747,313
Net cash provided by/(used in) investing activities		**591,712**	46,715
Cash flows from financing activities			
Capital repayments in year		**-**	-
Net cash provided by/(used in) financing activities		**-**	-
Change in cash and cash equivalents in the reporting period		**(99,894)**	9,266
Cash and cash equivalents at the beginning of the reporting period		**218,247**	208,981
Cash and cash equivalents at the end of the reporting period		**118,354**	218,247

RECYCLING LIVES CHARITY

NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR TO 30 APRIL 2025

A. RECONCILIATION OF NET (EXPENDITURE)/INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2025 £	2024 (As restated) £
Net (expenditure)/income for the reporting period (as per the Statement of Financial Activities)	**(622,838)**	(348,500)
Adjustments for:		
Depreciation charges	**78,633**	69,028
Loss on disposal of fixed assets	**13,831**	-
Interest received	**(44,967)**	(42,768)
Interest paid	**-**	-
(Increase)/decrease in debtors	**54,942**	(209,341)
Increase/(decrease) in creditors	**(171,207)**	494,132
Net cash (used in)/provided by operations	**(691,605)**	(37,449)

B. ANALYSIS OF CHANGES IN NET FUNDS

	At 01.05.24 (As restated) £	Cash flow £	**At 30.4.25 £**
Net cash			
Cash at bank and in hand	**218,247**	**(99,893)**	**118,354**
	218,247	**(99,893)**	**118,354**
Liquid resources			
Deposits included in cash	**-**	**-**	**-**
Current asset investments	**1,167,030**	**(711,637)**	**455,393**
	1,167,030	**(711,637)**	**455,393**
Total	**1,385,277**	**(811,530)**	**573,747**

The notes form part of these financial statements

1. ACCOUNTING POLICIES

Basis of preparing the financial statements
The financial statements have been prepared: under the historic cost convention; 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 (FRS 102) effective January 1 2019 (second edition – October 2019); FRS 102; and the Companies Act 2006. The charity constitutes a public benefit entity as defined by FRS 102.

The financial statements combine the accounts of Recycling Live Charity and its trading subsidiary to 30 April 2025.

The group has recorded a sizeable deficit for the year (£622,838) and, since the year end, has noted a further depletion of reserves.

As detailed further in the Chairman's report, the group has taken action to address the underlying factors which have contributed to the deficits and the trustees are now confident that the group is well placed to move forward with a resilient operating model.

A cashflow forecast has been prepared for the next 12 month period which indicates that, with new partnership agreements in place, the group has sufficient resources to continue in operational existence. The trustees have critically reviewed the forecasts and have discounted the benefit of any pipeline funding, which may result in additional funds being available.

Whilst the trustees acknowledge that the year ahead will not be without challenge, having considered all relevant risks, they remain satisfied that the group is a going concern and that the financial statements are correctly prepared on this basis.

Income
All income is recognised once the group has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably. The following applies to particular types of income:

Grants - whether of a capital or revenue nature, are recognised when the charity has entitlement to the funds, any performance conditions have been met and it is probable that the income will be received.

Donations - from individuals and other bodies (not being of the nature of a grant) are recognised when receivable.

Rendering of services - income derived from rendering services is recognised by reference to the completion of defined milestones. Income is only recognised to the extent of recoverable expenses when the outcome of a contract cannot be estimated reliably.

Deferred income
Income is only deferred and included in creditors when:
- The income relates to a future accounting period
- A sales invoice has been raised ahead of the work being carried out and there is no contractual entitlement to the income until the work has been done
- Not all the terms and conditions of the grant have been met, including the incurring of expenditure and the grant conditions are such that unspent grant must be refunded

Expenditure
Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that the settlement will be required and the amount of the obligation can be measured reliably.

Charitable activities are costs of undertaking the work of the charity. The charity is not registered for VAT and costs are stated inclusive of VAT where charged.

1. ACCOUNTING POLICIES - continued

Expenditure
The subsidiary is registered for VAT and is able to recover some of the input tax charged as it relates to VATable supplies. Costs are stated net of VAT where charged.

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

Improvements to property - 25% on cost
Fixtures and fittings - 25% on cost
Motor vehicles - 25% on cost
Computer equipment - 25% on cost

Taxation
There is no liability to income tax in the subsidiary because it donates its taxable profits to the charity. The charity is exempt from income tax.

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

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

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Financial instruments
A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

All the financial instruments in these accounts are considered to be basic financial instruments.

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

2. DONATIONS AND LEGACIES

Group	**2025**	2024 (As restated)
	£	£
Donations	**260,812**	153,146

Charity	**2025**	2024
	£	£
Donations	**157,061**	16,553

3. INVESTMENT INCOME

Group	**2025**	2024 (As restated)
	£	£
Deposit account interest	**44,967**	42,768

Charity	**2025**	2024
	£	£
Deposit account interest	**44,967**	42,768

4. INCOME FROM CHARITABLE ACTIVITIES

Group	**2025**	2024 (As restated)
	£	£
Workshops	**1,064,608**	1,127,967
Food distribution	**466,908**	290,629
Café	**72,645**	42,194
Training kitchen	**14,011**	14,521
Rehabilitation	**337,428**	390,097
Residential work	**56,970**	43,890
ACE	**61,820**	109,595
Social value	**209,126**	105,036
	2,283,515	2,123,929

Charity	**2025**	2024
	£	£
Rehabilitation	**174,899**	-
Residential work	**56,970**	43,890
ACE Project	**61,820**	109,595
	293,689	153,485

5. CHARITABLE ACTIVITIES COSTS

Group	Direct Costs (see note 6)	Support costs (see note 7)	**Totals**
	£	£	**£**
Workshops	1,025,565	99,703	**1,125,269**
Food distribution	457,538	68,316	**525,854**
Cafe	83,170	6,829	**89,999**
Kitchen training	81,973	20,452	**102,425**
Rehabilitation	671,091	141,951	**813,042**
Residential work	202,377	41,216	**243,593**
Other	57,837	52,252	**110,089**
ACE	163,229	38,633	**201,861**
Bikes	-	-	**-**
	2,742,781	469,351	**3,212,132**

5. CHARITABLE ACTIVITIES COSTS - continued

Charity

	Direct Costs (see note 6)	Support costs (see note 7)	**Totals**
	£	£	**£**
Kitchen training	12,615	7,779	**20,394**
Rehabilitation	292,315	121,249	**413,564**
Residential work	202,377	41,216	**243,593**
Other	200	1,606	**1,806**
ACE	163,229	38,633	**201,861**
	670,735	210,482	**881,218**

6. DIRECT COSTS OF CHARITABLE ACTIVITIES

Group	**2025** **£**	2024 (As restated) £
Staff costs	**1,698,307**	1,546,650
Direct activity costs	**879,577**	682,493
Office running costs	**160,510**	142,643
Bad debt	**4,387**	(12,064)
	2,742,781	2,359,722

Charity	**2025** **£**	2024 £
Staff costs	**508,625**	207,112
Rates and water	**1,985**	3,385
Insurance	**-**	3,264
Transport costs	**11,479**	6,136
Repairs and cleaning	**-**	59
Residential costs	**124,262**	69,036
ACE costs	**7,006**	-
Soup kitchen costs	**12,459**	-
Sundries	**4,919**	2,635
	670,735	291,627

7. SUPPORT COSTS

Group	Support salaries	Other costs	Depreciation costs	Governance costs	**Totals**
	£	£	£	£	**£**
Workshops	46,842	22,052	-	30,809	**99,703**
Food distribution	29,389	19,596	-	19,330	**68,316**
Café	3,010	1,839	-	1,980	**6,829**
Kitchen training	3,290	4,658	10,449	2,054	**20,452**
Rehabilitation	48,898	60,808	1,619	30,626	**141,951**
Residential work	13,639	17,440	1,656	8,482	**41,216**
Other	-	(12,255)	64,507	-	**52,252**
ACE	14,685	14,412	402	9,133	**38,633**
	159,753	**128,551**	**78,633**	**102,414**	**469,351**

Support costs are allocated on the following basis: Staff salaries on estimate of time spent; all other costs on basis of use of resources.

Governance costs	**2025**	2024 (As restated)
	£	£
Professional and legal fees	**102,414**	155,984
	102,414	155,984

Charity

	Support salaries	Other costs	Depreciation costs	Governance costs	Totals
	£	£	£	£	£
Kitchen training	3,059	2,818	-	1,902	**7,779**
Rehabilitation	42,861	51,733	-	26,655	**121,249**
Residential work	13,639	17,440	1,656	8,482	**41,216**
Other	-	1,576	30	-	**1,606**
ACE	14,685	14,412	402	9,133	**38,633**
	74,244	**87,979**	**2,088**	**46,172**	**210,482**

Governance costs	**2025**	2024
	£	£
Professional and legal fees	**46,172**	99,749
	46,172	99,749

8. NET INCOME/(EXPENDITURE)

Group

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

	2025	2024 (As restated)
	£	£
Auditor's remuneration	**10,000**	4,800
Depreciation - owned assets	**78,633**	69,029
Deficit on disposal of fixed assets	**-**	-
Operating lease rentals	**2,515**	2,515
Auditor's remuneration - accountancy fees	**5,000**	4,100

Charity

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

	2025	2024
	£	£
Auditor's remuneration	**10,000**	4,800
Depreciation - owned assets	**2,088**	1,941

9. TRUSTEES' REMUNERATION AND BENEFITS

Trustees' expenses

There were no trustees' expenses paid for the year to 30 April 2025 nor for the period ended 30 April 2024.

Trustee’s remuneration

J B Taylor was paid £12,000 (2024: £25,500) during the year for IT consultancy services provic

10. STAFF COSTS

a) Employees	**2025**	2024 (As restated)
	£	£
Salaries and wages	**1,727,691**	1,595,391
Pension costs - money purchase	**155,377**	31,076
Employer's NI contributions	**34,313**	137,800
	1,917,380	1,764,267
Staff costs for the trading subsidiary included above	**1,334,562**	1,556,657

b) Employees earning more than £60,000	**Number**	Number
£80,000 - £90,000	**1**	1

c) The key management of the group comprise the trustees and senior staff (as set out on pages 7 and 8). The trustees do not receive any remuneration for their services.

	2025	2024 (As restated)
	£	£
The total employee benefits of other key management were as follows:	**447,417**	357,158

d) Average staff numbers
The average number of employees referred to above, was as follows:-

	2025	2024 (As restated)
Charity	**15**	7
Trading subsidiary	**43**	55
	58	62

RECYCLING LIVES CHARITY

COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES FOR THE PERIOD 30 APRIL 2023 TO 30 APRIL 2024

	Notes	Unrestricted funds (As restated)	Restricted funds	**2024 Total funds (As restated)**
		£	£	**£**
INCOME AND ENDOWMENTS FROM				
Donations and legacies	2	47,561	105,585	**153,146**
Charitable activities	4			
Workshops		1,127,967	-	**1,127,967**
Food distribution		283,421	7,208	**290,629**
Cafe		42,194	-	**42,194**
Kitchen training		14,521	-	**14,521**
Rehabilitation		106,809	283,288	**390,097**
Residential work		43,890	-	**43,890**
ACE		200	109,395	**109,595**
Social value		105,036	-	**105,036**
Investment income	3	42,768	-	**42,768**
Total		1,814,367	505,476	**2,319,843**
EXPENDITURE ON				
Charitable activities	5			
Workshops		906,658	-	**906,658**
Food distribution		405,704	12,386	**418,090**
Cafe		74,333	-	**74,333**
Kitchen training		35,534	70,471	**106,005**
Rehabilitation		224,472	355,849	**580,321**
Residential work		167,306	-	**167,306**
Other		424,963	-	**424,963**
ACE		-	141,017	**141,017**
Bikes		-	339	**339**
Other		-	-	**-**
Total		2,238,970	580,062	**2,819,032**
NET INCOME/(EXPENDITURE)		(424,603)	(74,586)	**(499,189)**
Transfers between funds	18	(319)	319	**-**
Net movement in funds		(424,922)	(74,267)	**(499,189)**
RECONCILIATION OF FUNDS				
Total funds brought forward		1,440,471	128,839	**1,569,310**
TOTAL FUNDS CARRIED FORWARD		1,015,549	54,572	**1,070,121**

12. TANGIBLE FIXED ASSETS

Group

	Improvements to property	Fixtures and fittings	Motor vehicles	Computer equipment	**Totals**
	£	£	£	£	**£**
COST					
At 1 May 2024	3,610	258,345	96,726	28,093	**386,774**
Additions	-	84,302	79,884	705	**164,891**
Disposals	-	(1,440)	(66,780)	-	**(68,220)**
At 30 April 2025	**3,610**	**341,207**	**109,830**	**28,798**	**483,445**
DEPRECIATION					
At 1 May 2024	3,610	169,428	84,471	19,637	**277,146**
Charge for year	-	53,611	21,387	3,635	**78,633**
Eliminated on disposal	-	(901)	(59,763)	-	**(60,664)**
At 30 April 2025	**3,610**	**222,138**	**46,095**	**23,272**	**295,115**
NET BOOK VALUE					
At 30 April 2025	**-**	**119,069**	**63,735**	**5,526**	**188,330**
At 1 May 2024	-	88,917	12,255	8,456	109,628

Charity

	Improvements to property	Fixtures and fittings	Motor vehicles	Computer equipment	**Totals**
	£	£	£	£	**£**
COST					
At 1 May 2024	3,610	50,855	1,800	6,734	**62,999**
Additions	-	-	-	707	**707**
Disposals	-	-	-	-	**-**
At 30 April 2025	**3,610**	**50,855**	**1,800**	**7,441**	**63,706**
DEPRECIATION					
At 1 May 2024	3,610	38,031	1,800	6,734	**50,175**
Charge for year	-	1,941	-	147	**2,088**
At 30 April 2025	**3,610**	**39,972**	**1,800**	**6,881**	**52,263**
NET BOOK VALUE					
At 30 April 2025	**-**	**10,883**	**-**	**560**	**11,443**
At 30 April 2024	-	12,824	-	-	12,824

13. FIXED ASSET INVESTMENTS

Charity

	Shares in group undertakings
COST LESS IMPAIRMENT	
At 1 May 2024 and 30 April 2025	**100**
NET BOOK VALUE	
At 1 May 2025	**100**
At 30 April 2024	100

There were no investment assets outside the UK.

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

Group

	2025	2024 (As restated)
	£	£
Trade debtors	**301,736**	301,610
Prepayments	**54,670**	109,738
	356,406	411,348

Charity

	2025	2024
	£	£
Trade debtors	**52,011**	1,500
Amounts owed by group undertakings	**740,623**	379,576
Prepayments	**21,914**	4,137
	814,549	385,213

15. CURRENT ASSET INVESTMENTS

Group

	2025	2024 (As restated)
	£	£
Short term deposits	**455,393**	1,167,030

Charity

	2025	2024
	£	£
Short term deposits	**455,393**	1,167,030

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

Group	**2025**	2024 (As restated)
	£	£
Trade creditors	**128,008**	157,817
Social security and other taxes	**29,883**	34,662
VAT	**9,961**	75,926
Other creditors	**165,198**	129,125
Accrued expenses and deferred income	**338,150**	436,197
Deferred capital grants	**-**	2,405
	671,200	836,132

Charity	**2025**	2024
	£	£
Bank loans and overdrafts	**-**	14,973
Trade creditors	**21,585**	6,311
Social security and other taxes	**16,360**	4,184
Other creditors	**8,545**	4,808
Accrued expenses	**217,692**	156,313
	264,183	186,589

17. LEASING AGREEMENTS

Group

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

	2025	2024 (As restated)
	£	£
Within one year	**16,438**	36,553
Between one and five years	**3,782**	14,375
In more than five years	**-**	-
	20,220	50,928

The above figures exclude service charges.

There was a formal lease between the Charity and Recycling Lives Ltd (RLL), for the accommodation space at the registered office. This was made for two floors of residential space.

Following the administration of RLL, there is no longer a formal lease commitment. The property is occupied under the same terms but an updated lease has not yet been finalised, and there is therefore no contractual commitment at the year end date.

18. **MOVEMENT IN FUNDS**

Group

	At 01.05.24 (As restated)	Net movement in funds	Transfers between funds	At 30.04.25
	£	£	£	£
Unrestricted funds				
General fund	**1,015,549**	**(608,604)**	**(810)**	**406,135**
Restricted funds				
Capital Donation - New Kitchen	**29,038**	**(12,278)**	**810**	**17,570**
ASDA -Capital	**8,756**	**(5,178)**	**-**	**3,578**
Release potential	**-**	**20,000**	**-**	**20,000**
ACE	**16,778**	**(16,778)**	**-**	**-**
	54,572	**(14,234)**	**810**	**41,148**
TOTAL FUNDS	**1,070,121**	**(622,838)**	**-**	**447,283**

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

	Incoming resources	Resources expended	Movement in funds
Unrestricted funds			
General fund	**2,073,869**	**(2,682,473)**	**(608,604)**
Restricted funds			
Capital Donation - New Kitchen	**-**	**(12,278)**	**(12,278)**
ASDA -Capital	**-**	**(5,178)**	**(5,178)**
Release potential	**188,899**	**(168,899)**	**20,000**
Fareshare	**10,711**	**(10,711)**	**-**
Training	**16,039**	**(16,039)**	**-**
Residential	**66,970**	**(66,970)**	**-**
ACE	**122,850**	**(139,627)**	**(16,778)**
Albert Gubay	**24,181**	**(24,181)**	**-**
Café	**5,143**	**(5,143)**	**-**
Lottery	**82,725**	**(82,725)**	**-**
Vinci	**12,500**	**(12,500)**	**-**
Soup kitchen	**12,985**	**(12,985)**	**-**
	543,004	**(557,238)**	**(14,234)**
	2,616,873	**(3,239,711)**	**(622,838)**

18. **MOVEMENT IN FUNDS**

Comparatives for movement in funds
Group

	At 30.4.23 (As restated)	Net movement in funds	Transfers between funds	At 30.4.24 (As restated)
	£	£	£	£
Unrestricted funds				
General fund	1,440,471	(424,603)	(319)	1,015,549
Restricted funds				
Capital Donation - New Kitchen	61,506	(32,468)	-	29,038
ASDA -Capital	13,934	(5,178)	-	8,756
Release potential	5,000	(5,000)	-	-
ACE	48,399	(31,621)	-	16,778
Bikes	-	(319)	319	-
	128,839	(74,586)	319	54,572
TOTAL FUNDS	1,569,310	(499,189)	-	1,070,121

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

	Incoming resources	Resources expended	Movement in funds
Unrestricted funds			
General fund	1,965,056	(2,389,659)	(424,603)
Restricted funds			
Albert Gubay	30,827	(30,827)	-
Capital Donation - New Kitchen	1,201	(33,669)	(32,468)
Vinci	30,000	(30,000)	-
ASDA -Capital	-	(5,178)	(5,178)
Lancashire & Cumbria Core	162,025	(167,025)	(5,000)
TNLCF (The National Lottery Charity Fund)	73,456	(73,456)	-
Placements	17,807	(17,807)	-
ACE	109,396	(141,017)	(31,621)
Training	5,975	(5,975)	-
Wates	67,561	(67,561)	-
Fareshare	7,208	(7,208)	-
Bikes	20	(339)	(319)
	505,476	(580,062)	(74,586)
	2,470,532	(2,969,721)	(499,189)

18. **MOVEMENT IN FUNDS**

Charity

	At 01.05.24	Net movement in funds	Transfers between funds	At 30.04.25
	£	£	£	£
Unrestricted funds				
General fund	**1,431,904**	**(387,705)**	**-**	**1,044,199**
Restricted funds				
Release potential	**-**	**20,000**	**-**	**20,000**
Soup kitchen	**1,018**	**(1,018)**	**-**	**-**
ACE	**16,778**	**(16,778)**	**-**	**-**
	17,796	**2,204**	**-**	**20,000**
TOTAL FUNDS	**1,449,700**	**(385,501)**	**-**	**1,064,199**

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

	Incoming resources	Resources expended	Movement in funds
Unrestricted funds			
General fund	**118,013**	**(505,718)**	**(387,705)**
Restricted funds			
Release potential	**174,899**	**(154,900)**	**20,000**
Residential	**66,970**	**(66,970)**	**0**
ACE	**122,850**	**(139,627)**	**(16,778)**
Soup kitchen	**11,967**	**(12,985)**	**(1,018)**
	376,686	**(374,482)**	**2,204**
	494,699	**(880,200)**	**(385,501)**

18. **MOVEMENT IN FUNDS**

Comparatives for movement in funds
Charity

	At 30.04.23	Net movement in funds	Transfers between funds	At 30.4.24
	£	£	£	£
Unrestricted funds				
General fund	1,587,907	(155,684)	(319)	1,431,904
Restricted funds				
ACE	48,399	(31,621)	-	16,778
Soup kitchen	-	1,018	-	1,018
Bikes	-	(319)	319	-
	48,399	(30,922)	319	17,796
TOTAL FUNDS	1,636,306	(186,606)	-	1,449,700

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

	Incoming resources	Resources expended	Movement in funds
Unrestricted funds			
General fund	102,190	(257,874)	(155,684)
Restricted funds			
Soup kitchen	1,200	(182)	1,018
ACE	109,396	(141,017)	(31,621)
Bikes	20	(339)	(319)
	110,616	(141,538)	(31,940)
	212,806	(399,412)	(187,624)

19. **MOVEMENT IN FUNDS**

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

Group

	At 30.04.23 (As restated)	Net movement in funds	Transfers between funds	At 30.04.25
	£	£	£	£
Unrestricted funds				
General fund	1,440,471	(1,033,207)	(1,129)	406,135
Restricted funds				
Capital Donation - New Kitchen	61,506	(44,746)	810	17,570
ASDA -Capital	13,934	(10,356)	-	3,578
Release potential	5,000	15,000	-	20,000
Bikes	-	(319)	319	-
ACE	48,399	(48,399)	-	-
	128,839	(88,820)	1,129	41,148
TOTAL FUNDS	1,569,310	(1,122,028)	-	447,283

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

	Incoming resources	Resources expended	Movement in funds
Unrestricted funds			
General fund	4,038,925	(5,072,132)	(1,033,207)
Restricted funds			
Capital Donation - New Kitchen	1,201	(45,947)	(44,746)
ASDA -Capital	-	(10,356)	(10,356)
Release potential	350,924	(335,924)	15,000
Fareshare	17,919	(17,919)	-
Training	22,014	(22,014)	-
Residential	66,970	(66,970)	-
ACE	232,246	(280,644)	(48,399)
Albert Gubay	55,008	(55,008)	-
Café	5,143	(5,143)	-
Lottery	156,181	(156,181)	-
Vinci	42,500	(42,500)	-
Placements	17,807	(17,807)	-
Wates	67,561	(67,561)	-
Bikes	20	(339)	(319)
Soup kitchen	12,985	(12,985)	-
	1,048,480	(1,137,300)	(88,820)
	5,087,405	(6,209,432)	(1,122,028)

20. **RELATED PARTY DISCLOSURES**

Charity and subsidiary

At 30th April 2025 the subsidiary Recycling Lives (Social Enterprise) Limited owed to the parent charitable company £740,623 (2024 - £379,576). The amount is non-interest bearing and unsecured.

21. **PRIOR PERIOD ADJUSTMENT**

During the current period, the group has identified an error in the calculation of accrued income in respect of social value effecting the years ended 30 April 2023 and 30 April 2024.

In accordance with the applicable accounting standards, the error has been corrected retrospectively. Comparative information has been restated and the opening balance of total funds as at 1 May 2023 has been adjusted.

The effect of the adjustment is cumulative. The adjustment to the year ended 30 April 2023 was to reduce accrued income by £161,861. The adjustment to the year ended 30 April 2024 was an additional reduction to accrued income of £150,689. Therefore, the cumulative effect on the prior year accrued income of £312,550.

Reconciliation of changes in funds - group	**30 April 2023**	**30 April 2024**
	£	**£**
Adjustments to prior period		
Recalculation of accrued income	(161,861)	(312,550)
Unrestricted funds as previously reported	1,602,332	1,328,099
Unrestricted funds as adjusted	1,440,471	1,015,549
Analysis of the effect on funds		
Unrestricted funds	1,440,471	1,015,549
Restricted funds	128,839	54,572
Total funds	1,569,310	1,070,121

RECYCLING LIVES CHARITY

England & Wales - Charity number 1116562

Accounts

REGISTERED COMPANY NUMBER: 05781363 (England and Wales)
REGISTERED CHARITY NUMBER: 1116562

REPORT OF THE TRUSTEES AND

CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD 30 APRIL 2023 TO 30 APRIL 2024

FOR

RECYCLING LIVES CHARITY

DJH Audit Limited
Accountants
Statutory Auditors
The Exchange
5 Bank Street
Bury
BL9 0DN

RECYCLING LIVES CHARITY

CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE PERIOD 30 APRIL 2023 TO 30 APRIL 2024

	Page
Report of the Trustees	1 to 7
Report of the Independent Auditors	8 to 11
Consolidated Statement of Financial Activities	12
Charity Statement of Financial Activities	13
Consolidated Statement of Financial Position	14
Charity Statement of Financial Position	15
Statement of Cash Flows	17
Notes to the Consolidated Statement of Cash Flows	18
Notes to the Consolidated Financial Statements	19 to 34

RECYCLING LIVES CHARITY

REPORT OF THE TRUSTEES
FOR THE PERIOD 30 APRIL 2023 TO 30 APRIL 2024

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the period 30 April 2023 to 30 April 2024. Although the accounting reference date is to 29 April, for administrative reasons the accounts have been prepared to 30 April.

Reporting framework
The trustees' annual report and financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and 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 2019), referred to as the Charities SORP (FRS 102) (second edition - October 2019).

OBJECTIVES AND ACTIVITIES
Objectives
Charitable Objects are set out in the Articles of Association as follows -

the promotion for the public benefit of urban or rural regeneration in areas of social and economic deprivation (and in particular, but not limited to, Lancashire) by all or any of the following means:

1.1 the relief of poverty in such ways as may be thought fit;

1.2 the relief of unemployment in such ways as may be thought fit, including assistance to find employment;

1.3 the advancement of education, training or retraining, particularly among unemployed people, and providing unemployed people with work experience;

1.4 the provision of financial assistance, technical assistance, or business advice or consultancy in order to provide training and employment opportunities for unemployed people in cases of financial or other charitable need through help

1.4.1 in setting up their own business, or

1.4.2 to existing businesses;

1.5 the creation of training and employment opportunities by the provision of workspace, buildings and/or land for use on favourable terms;

1.6 the provision of housing for those who are in conditions of need and the improvement of housing in the public sector or in charitable ownership provided that such power shall not extend to relieving any local authorities or other bodies of a statutory duty to provide or improve housing;

1.7 the maintenance, improvement or provision of public amenities;

1.8 the preservation of buildings or sites of historic or architectural importance;

1.9 the provision or assistance in the provision of recreational facilities for the public at large and/or those who, by reasons of their youth, age, infirmity or disablement, poverty or social and economic circumstances, have need of such facilities;

1.10 the protection or conservation of the environment;

1.11 the promotion of public safety and prevention of crime; and

1.12 such other means as may from time to time be determined subject to the prior consent of the Charity Commission for England and Wales.

OBJECTIVES AND ACTIVITIES

Activities

The charity undertakes the following activities either itself of through its subsidiary company in pursuit of its objectives:

- Accommodation and rehabilitation programme for ex-offenders and ex-homeless
- Training and work experience within prisons and the community through recycling work
- Training placement and mentoring programme
- Food distribution programme
- Running a café to provide work, work experience and training for ex-offenders and ex homeless people
- Other environmental projects

STRATEGIC REPORT

Achievement and performance

Charitable activities

The year ending April 30th 2024 was, once again, another year where our charity and its social enterprise have made an enormous difference to our beneficiaries.

Our rehabilitation team worked with over 270 people, of whom less than 6% reoffended. Well over 70% of those people who came out of prison secured employment, a key building block in getting back to positive, independent living.

The addition of the role of Housing Officer added a new string to our bow and has meant that we can help solve another of the main issues facing prison leavers - that of securing a safe and decent place to live. Too often men and women are being released with no fixed abode but our decision to invest in this area has paid dividends with 28 people being supported into their own accommodation.

Our ACE team worked with over 200 people who'd been referred by police, probation or prison needing support with multiple and complex needs. That less than 10% of that group reoffended is testimony to the dedication and effort that has gone into this area of our work. ACE also expanded its reach, reviving its relationship with HMP Preston to offer through-the-gate support to men being released.

The residential programme supported 14 men with accommodation, training opportunities, skills development and more.

Our specialist support offer grew throughout the year and the team supported over 80 people with 1,521 support sessions delivered. We also brought in a third Specialist Support worker, increasing the capacity and expertise within the team.

Operationally, our food redistribution team diverted over 1,000 tonnes of food from waste and got them to the people who really need it. Over 140 community food member (CFM) groups used that food to deliver the equivalent of over 2.45 million meals across Lancashire and Cumbria. We also increased our capacity for redistributing non-food items, diverting 9 tonnes of toiletries and personal care items and 11 tonnes of pet food out to our network of CFMs.

Food redistribution is one area where rising fuel and energy costs have really had an impact. We increased the numbers of CFMs supported in Cumbria in the last year, requiring more or longer journeys up to the county, to deliver goods to communities, thereby increasing our fuel bill. Rising energy costs also impact the food redistribution warehouse, which houses a number of large walk-in freezers and chillers to store food.

STRATEGIC REPORT (continued)

In our recycling workshops we recycled or refurbished over 1.56 million waste electrical items. This work not only helps the planet environmentally but is also the cornerstone of our rehabilitation programme by allowing participants to gain new skills and work ethic on their journey back to independent living.

Our Renew Hub partnership continued too, allowing us to offer paid work placements to ex-offenders in Greater Manchester. This workshop offered environmental and social benefits too - creating opportunities for dozens of men and women who refurbish thousands of electrical items ready for resale.

Over 100 people completed a cookery course with us in our training kitchen. Partnering with Jamie Oliver's Ministry of Food the courses offer participants the chance to learn how to cook fresh, nutritious, budget-friendly meals.

The work we do cannot be done without the help of volunteers who give us their time and expertise to enable our work to flourish and succeed. Over 80 people gave up their time across ACE, food redistribution and our community café and workshop. Each one has our gratitude.

Financially, the trustees took the decision to invest some of the surplus which had been built up in previous years. The areas which were focused on were…

- A full benchmarking review of all salaries to ensure that we are competitive when it comes to pay and benefits for our team. This is to ensure that we reward talent and retain our people. This resulted in substantial pay increases to rightly keep those who work tirelessly well rewarded.
- We invested heavily in training, coaching and development for the team.
- We brought in extra team members - a housing officer, an extra specialist support officer, an extra member of the ACE team, a new part time role in our cafe and 5 full time roles within our community workshop.
- We also took the decision to maintain and pay for roles which had previously been funded by external grants as those grants ran out. The impact of the work was undeniably positive so using some of our surplus to continue this great work was the right thing to do.
- Inevitably rising costs across the board meant that the cost of delivering our work went up.

All of this has meant that we are showing a consolidated loss for the first time in several years. Given our impact allied to accumulated surpluses and the above rationales for increased spend, we are comfortable that we have acted correctly.

STRATEGIC REPORT

Financial review

Financial position

Overview

The Group made a deficit for the year of £348,500 (2023: surplus - £338,986) and the charity had a deficit of £186,606 (2023: surplus - £480,906).

Subsidiary company - Recycling Lives (Social Enterprises) Ltd (RLSE)
With the exception of the accommodation programme, substantially all the activities are undertaken by the subsidiary RLSE, including some which could be considered charitable.

The directors and charity trustees are undertaking regular reviews of the activities carried out by RLSE to ensure that only low risk, fully funded and/or profitable activities, which are appropriate for it to undertake as the subsidiary of a charity, are continued.

RLSE was able to make a payment to the Charity of its taxable profits for the year of £nil (2023: £478,550) under gift aid.

Principal funding sources

RLC has a diverse range of funding streams including the National Lottery and the Albert Gubay Foundation and commercial arrangements for recycling work through its subsidiary (RLSE) with Baxi Ltd and Recycling Lives Ltd (RLL). After 8 months of the financial year, the RLL situation changed which meant the arrangements were moved across to being with Recycling Lives Services Ltd and Global Ardour Recycling Ltd.

Reserves policy

During the prior year the trustees reviewed their policy for financial reserves. The target of free reserves (unrestricted funds not invested in fixed assets or otherwise designated) was set to be between £200,000 and £400,000.

At April 30 2024, the charity's free reserves were £931,904 (2023: £875,725). The trustees have designated up to £500,000 of the reserves above the target level for new projects and growth.

Going concern

In the opinion of the trustees, there is no material uncertainty regarding the charity's ability to continue as a going concern. The trustees note the strong reserves and cash position of the charity, which are deemed sufficient to ensure the charity can continue to operate for the next 12 months.

Risk management

The Trustees regularly review the risks to which the charity is exposed and seek to apply appropriate strategies to mitigate, lay-off and manage these risks.

The Trustees consider that the current practices and future plans to respond to these risks are appropriate and that, as a result, such risks are being effectively managed.

STRATEGIC REPORT

Future plans

The next 12 months will be challenging financially as we look to maintain and even grow our impact. The part sale/part restructure of our biggest financial partner, Recycling Lives Ltd will have an impact on part of our funding model. Whilst the newly formed Recycling Lives Services Ltd business will continue to partner with us, we will need to look for new partners to bolster our scope of work.

STRATEGIC REPORT (continued)

Those partners will need to consist of businesses who want to work with us in new workshops within the prison setting and within the community. We will also look to maintain and develop our relationships with funders and seek out new funders and financial supporters. We are scoping new sponsorship relationships to cover costs for salaries, for example, identifying businesses to sponsor elements of our work in return for social value reports which they can use to demonstrate their CSR commitments.

We have identified where some of our offerings can be expanded, or where our expertise can be commercialised to generate additional revenue. Off the back of the successes of our Training Kitchen offering, we will be developing and delivering tailored courses, taking these in locations beyond just our own facilities, such as in prisons or with other charities. Drawing on the expertise and experience of our Specialist Support team, we are developing an external training offer too, to deliver paid-for courses and workshops to businesses and organisations.

Whilst we have worked hard over the last six years to broaden our financial footprint, we will need to do even more to ensure that the challenging budget we have set ourselves is hit.

However, we will not hesitate to use historical surpluses if we need to whilst we build up that new financial footprint.

In summary, whilst we expect a second challenging year financially, we will put in more building blocks to ensure our continued future financial security whilst ensuring that we are able to keep our participants and beneficiaries front and centre of our thoughts at all times.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The organisation is a charitable company limited by guarantee, established by its Memorandum of Association and is governed under its Articles of Association dated April 13 2006, as amended by special resolution dated July 4 2006 and further amended by special resolution dated 24th July 2019.

Members of the company

Following the latest change to the Articles of Association, the membership of the company is restricted to the trustees and terminates if a member ceases to be a trustee, except that, if retiring at an AGM, all the trustees remain members until the conclusion of the meeting.

Recruitment and appointment of new directors/trustees

The Directors who served during the year together with any changes are listed on page one of the annual report. The Directors are appointed by the members at the AGM or are co-opted by the trustees. All trustees retire at the AGM and are eligible for re- election.

Trustees are recruited with regard to the skills needed by the charity.

Induction and training of new trustees

Trustees are inducted by spending time with senior management and visiting the various aspects of the charity. They are also given a pack of documentation consisting of polices, recent minutes and reports.

Organisation

The Board of Directors meets as necessary, and not less than four times a year. The quorum for a meeting of the trustees is the greater of two or one third of their number. The Board is responsible for the strategic direction and policy of the charity.

The day to day operation of the charity is the responsibility of the Chief Executive and the other members of the senior management who together with the trustees constitute the key management personnel of the charity.

Pay and remuneration for senior staff

Senior staff salaries are reviewed annually and benchmarked against other charities and social enterprises. Recommendations are then given to trustees for sign off each year.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number
05781363 (England and Wales)

Registered Charity number
1116562

Registered office
Recycling Lives Centre
1a Essex Street
Preston
PR1 1QE

Trustees
J B Taylor
D Snape
B J Mayne
C Jackson
N J Whittle
C Whalley-Hunter

Auditors
DJH Audit Limited
Accountants
Statutory Auditors
The Exchange
5 Bank Street
Bury
BL9 0DN

Senior Management Team

Chief Executive	*A B Jackson
Head of Operations	*T R Carysforth
Head of Rehabilitation	*R Thackray
Head of Residential	N Flanagan
Food Distribution Manager	*L Hodson
ACE Manager	G Welsh
Specialist Support Lead	*F McManus

(* are employed by a subsidiary company)

Solicitors
Brabners LLP
55 King Street
Manchester M2 4LQ

Bankers
Barclays Bank
38 Fishergate
Preston
PR1 2AD

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Recycling Lives Charity for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

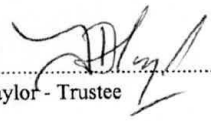
In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

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

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on ..... and signed on the board's behalf by:



J B Taylor - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF RECYCLING LIVES CHARITY

Opinion
We have audited the financial statements of Recycling Lives Charity (the 'parent charitable company') and its subsidiary (the 'group') for the period 30 April 2023 to 30 April 2024 which comprise the consolidated Statement of Financial Activities, the parent charitable company Statement of Financial Activities, the group and parent charitable company Statement of Financial Position, the consolidated Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:
- give a true and fair view of the state of the group's and parent charitable company's affairs as at 30 April 2024 and of its incoming resources and application of resources, including its income and expenditure, for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion
We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern
In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's or parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information
The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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.

Opinions on other matters prescribed by the Companies Act 2006
In our opinion, based on the work undertaken in the course of the audit:
- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception
In the light of the knowledge and understanding of the charitable company and its subsidiary and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees
As explained more fully in the Statement of Trustees' Responsibilities, 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 group and parent 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 group or parent charitable company or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

As part of our planning process:

- We enquired of management the systems and controls the group has in place, the areas of the financial statements that are mostly susceptible to the risk of irregularities and fraud, and whether there was any known, suspected or alleged fraud. The group did not inform us of any known, suspected or alleged fraud.
- We obtained an understanding of the legal and regulatory frameworks applicable to the group. We determined that the Charities SORP (FRS 102) and the Companies Act 2006 most relevant.
- We considered the incentives and opportunities that exist in the group, including the extent of management bias, which present a potential for irregularities and fraud to be perpetuated, and tailored our risk assessment accordingly.
- Using our knowledge of the group, together with the discussions held with the group at the planning stage, we formed a conclusion on the risk of misstatement due to irregularities including fraud and tailored our procedures according to this risk assessment.

The key procedures we undertook to detect irregularities including fraud during the course of the audit included:

- Identifying and testing journal entries and the overall accounting records, in particular those that were significant and unusual.
- Reviewing the financial statement disclosures and determining whether accounting policies have been appropriately applied.
- Reviewing and challenging the assumptions and judgements used by management in their significant accounting estimates, in particular in relation to estimating the useful economic life of an asset and its residual value and in categorising leases as finance or operating leases.
- Assessing the extent of compliance, or lack of, with the relevant laws and regulations in particular those that are central to the entities ability to continue in operation.
- Testing key income lines for evidence of management bias.
- Obtaining third-party confirmation of material bank and investment balances.
- Documenting and verifying all significant related party balances and transactions.
- Reviewing third party documentation and correspondence for discussions of irregularities including fraud.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements even though we have properly planned and performed our audit in accordance with auditing standards. The primary responsibility for the prevention and detection of irregularities and fraud rests with the trustees of the group.

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

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF RECYCLING LIVES CHARITY

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charitable company's members and its 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 the charitable company's members as a body and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

DJH Audit Limited

Richard Askey (Senior Statutory Auditor)
for and on behalf of DJH Audit Limited
Accountants
Statutory Auditors
The Exchange
5 Bank Street
Bury
BL9 0DN

Date: 12 December 2024

RECYCLING LIVES CHARITY

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE PERIOD 30 APRIL 2023 TO 30 APRIL 2024

	Notes	Unrestricted funds £	Restricted funds £	**2024 Total funds £**	2023 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	**47,561**	**105,585**	**153,146**	240,941
Charitable activities	4				
Workshops		**1,127,967**	**-**	**1,127,967**	1,006,056
Food distribution		**283,421**	**7,208**	**290,629**	339,131
Cafe		**42,194**	-	**42,194**	52,249
Kitchen training		**14,521**	-	**14,521**	27,277
Rehabilitation		**106,809**	**283,288**	**390,097**	395,838
Residential work		**43,890**	**-**	**43,890**	14,522
ACE		**200**	**109,395**	**109,595**	194,497
Social value		**255,725**	**-**	**255,725**	402,591
Investment income	3	**42,768**	**-**	**42,768**	-
Total		**1,965,056**	**505,476**	**2,470,532**	2,673,102
EXPENDITURE ON					
Charitable activities	5				
Workshops		**906,658**	**-**	**906,658**	915,425
Food distribution		**405,704**	**12,386**	**418,090**	408,998
Cafe		**74,333**	**-**	**74,333**	85,552
Kitchen training		**35,534**	**70,471**	**106,005**	48,354
Rehabilitation		**224,472**	**355,849**	**580,321**	571,801
Residential work		**167,306**	**-**	**167,306**	112,614
Other		**424,963**	**-**	**424,963**	158,969
ACE		**-**	**141,017**	**141,017**	146,098
Bikes		**-**	**339**	**339**	-
Other		**-**	**-**	**-**	(113,695)
Total		**2,238,970**	**580,062**	**2,819,032**	2,334,116
NET INCOME/(EXPENDITURE)		**(273,914)**	**(74,586)**	**(348,500)**	338,986
Transfers between funds	18	**(319)**	**319**	**-**	-
Net movement in funds		**(274,233)**	**(74,267)**	**(348,500)**	338,986
RECONCILIATION OF FUNDS					
Total funds brought forward		**1,602,332**	**128,839**	**1,731,171**	1,392,185
TOTAL FUNDS CARRIED FORWARD		**1,328,099**	**54,572**	**1,382,671**	1,731,171

The notes form part of these financial statements

RECYCLING LIVES CHARITY

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE PERIOD 30 APRIL 2023 TO 30 APRIL 2024

	Notes	Unrestricted funds £	Restricted funds £	**2024 Total funds £**	2023 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	**15,332**	**1,221**	**16,553**	618,952
Charitable activities	4				
Residential work		**43,890**	-	**43,890**	14,522
ACE		**200**	**109,395**	**109,595**	194,497
Investment income	3	**42,768**	-	**42,768**	-
Total		**102,190**	**110,616**	**212,806**	827,971
EXPENDITURE ON					
Charitable activities	5				
Residential work		**167,307**	-	**167,307**	75,101
Other		**90,567**	-	**90,567**	125,866
ACE		-	**141,017**	**141,017**	146,098
Kitchen		-	**182**	**182**	-
Bikes		-	**339**	**339**	-
Total		**257,874**	**141,538**	**399,412**	347,065
NET INCOME/(EXPENDITURE)		**(155,684)**	**(30,922)**	**(186,606)**	480,906
Transfers between funds	18	**(319)**	**319**	-	-
Net movement in funds		**(156,003)**	**(30,603)**	**(186,606)**	480,906
RECONCILIATION OF FUNDS					
Total funds brought forward		**1,587,907**	**48,399**	**1,636,306**	1,155,400
TOTAL FUNDS CARRIED FORWARD		**1,431,904**	**17,796**	**1,449,700**	1,636,306

The notes form part of these financial statements

RECYCLING LIVES CHARITY

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
30 APRIL 2024

	Notes	Unrestricted funds £	Restricted funds £	2024 **Total funds** **£**	2023 Total funds £
FIXED ASSETS					
Tangible assets	12	**71,234**	**38,394**	**109,628**	155,353
CURRENT ASSETS					
Debtors	14	**710,258**	**13,640**	**723,898**	514,557
Investments	15	**1,047,030**	**120,000**	**1,167,030**	1,194,280
Cash at bank and in hand		**34,656**	**183,591**	**218,247**	208,981
		1,791,944	**317,231**	**2,109,175**	1,917,818
CREDITORS					
Amounts falling due within one year	16	**(535,079)**	**(301,053)**	**(836,132)**	(342,000)
NET CURRENT ASSETS		**1,256,865**	**16,178**	**1,273,043**	1,575,818
TOTAL ASSETS LESS CURRENT LIABILITIES		**1,328,099**	**54,572**	**1,382,671**	1,731,171
NET ASSETS		**1,328,099**	**54,572**	**1,382,671**	1,731,171
FUNDS	18				
Unrestricted funds				**1,328,099**	1,602,332
Restricted funds				**54,572**	128,839
TOTAL FUNDS				**1,382,671**	1,731,171

The financial statements were approved by the Board of Trustees and authorised for issue on ..... and were signed on its behalf by:

.....
J B Taylor - Trustee

The notes form part of these financial statements

RECYCLING LIVES CHARITY
STATEMENT OF FINANCIAL POSITION
30 APRIL 2024

	Notes	Unrestricted funds £	Restricted funds £	2024 **Total funds £**	2023 Total funds £
FIXED ASSETS					
Tangible assets	12	**12,824**	-	**12,824**	14,765
Investments	13	**100**	-	**100**	100
		12,924	-	**12,924**	14,865
CURRENT ASSETS					
Debtors	14	**382,390**	**2,823**	**385,213**	377,667
Investments	15	**1,047,030**	**120,000**	**1,167,030**	1,194,280
Cash at bank and in hand		**56,149**	**14,973**	**71,122**	80,028
		1,485,569	**137,796**	**1,623,365**	1,651,975
CREDITORS					
Amounts falling due within one year	16	**(66,589)**	**(120,000)**	**(186,589)**	(30,534)
NET CURRENT ASSETS		**1,418,980**	**17,796**	**1,436,776**	1,621,441
TOTAL ASSETS LESS CURRENT LIABILITIES		**1,431,904**	**17,796**	**1,449,700**	1,636,306
NET ASSETS		**1,431,904**	**17,796**	**1,449,700**	1,636,306
FUNDS	18				
Unrestricted funds				**1,431,904**	1,587,907
Restricted funds				**17,796**	48,399
TOTAL FUNDS				**1,449,700**	1,636,306

The notes form part of these financial statements

The financial statements were approved by the Board of Trustees and authorised for issue on ..... and were signed on its behalf by:



.....
J B Taylor - Trustee

The notes form part of these financial statements

RECYCLING LIVES CHARITY

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD 30 APRIL 2023 TO 30 APRIL 2024

	Notes	2024 £	2023 £
Cash flows from operating activities			
Cash generated from operations	1	**(37,449)**	436,117
Interest paid		**-**	(15)
Net cash (used in)/provided by operating activities		**(37,449)**	436,102
Cash flows from investing activities			
Purchase of tangible fixed assets		**(23,304)**	(22,868)
Interest received		**42,768**	-
Purchase of current asset investments		**(720,062)**	(1,194,280)
Sale of current asset investments		**747,313**	-
Net cash provided by/(used in) investing activities		**46,715**	(1,217,148)
Cash flows from financing activities			
Capital repayments in year		**-**	(58,099)
Net cash provided by/(used in) financing activities		**-**	(58,099)
Change in cash and cash equivalents in the reporting period		**9,266**	(839,145)
Cash and cash equivalents at the beginning of the reporting period		**208,981**	1,048,126
Cash and cash equivalents at the end of the reporting period		**218,247**	208,981

The notes form part of these financial statements

NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD 30 APRIL 2023 TO 30 APRIL 2024

1. RECONCILIATION OF NET (EXPENDITURE)/INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2024 £	2023 £
Net (expenditure)/income for the reporting period (as per the Statement of Financial Activities)	**(348,500)**	338,986
Adjustments for:		
Depreciation charges	**69,028**	91,774
Loss on disposal of fixed assets	**-**	14,940
Interest received	**(42,768)**	-
Interest paid	**-**	15
(Increase)/decrease in debtors	**(209,341)**	28,210
Increase/(decrease) in creditors	**494,132**	(37,808)
Net cash (used in)/provided by operations	**(37,449)**	436,117

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 30.4.23 £	Cash flow £	At 30.4.24 £
Net cash			
Cash at bank and in hand	**208,981**	**9,266**	**218,247**
	208,981	**9,266**	**218,247**
Liquid resources			
Deposits included in cash	**-**	**-**	**-**
Current asset investments	**1,194,280**	**(27,250)**	**1,167,030**
	1,194,280	**(27,250)**	**1,167,030**
Total	**1,403,261**	**(17,984)**	**1,385,277**

The notes form part of these financial statements

1. ACCOUNTING POLICIES

Basis of preparing the financial statements
The financial statements have been prepared: under the historic cost convention; 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 (FRS 102) effective January 1 2019 (second edition – October 2019); FRS 102; and the Companies Act 2006. The charity constitutes a public benefit entity as defined by FRS 102.

The financial statements combine the accounts of Recycling Live Charity and its trading subsidiary to 30 April 2024.

After considering the role of Recycling Lives Charity within the wider community (described on pages 1-5 of the annual report), and the trading performance of its subsidiary, the trustees have a reasonable expectation that Recycling Lives Charity has adequate resources and cash flows to meet its spending commitments for the foreseeable future.

In the opinion of the trustees, there is no material uncertainty regarding the charity's ability to continue as a going concern. The trustees note the strong reserves and cash position of the charity, which are deemed sufficient to ensure the charity can continue to operate for the next 12 months.

Income
All income is recognised once the group has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably. The following applies to particular types of income:

Grants - whether of a capital or revenue nature, are recognised when the charity has entitlement to the funds, any performance conditions have been met and it is probable that the income will be received.

Donations - from individuals and other bodies (not being of the nature of a grant) are recognised when receivable.

Rendering of services - income derived from rendering services is recognised by reference to the completion of defined milestones. Income is only recognised to the extent of recoverable expenses when the outcome of a contract cannot be estimated reliably.

Deferred income
Income is only deferred and included in creditors when:

- The income relates to a future accounting period
- A sales invoice has been raised ahead of the work being carried out and there is no contractual entitlement to the income until the work has been done
- Not all the terms and conditions of the grant have been met, including the incurring of expenditure and the grant conditions are such that unspent grant must be refunded

Expenditure
Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

Costs of raising funds include those associated with fundraising activities, managing investments and commercial trading by the subsidiary company.

Charitable activities are costs of undertaking the work of the charity.
The charity is not registered for VAT, and costs are stated inclusive of VAT where charged.

continued...

1. ACCOUNTING POLICIES - continued

Expenditure
The subsidiary is registered for VAT and is able to recover some of the input tax charged as it relates to VATable supplies. Costs are stated net of VAT where charged.

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

Improvements to property	- 25% on cost
Fixtures and fittings	- 25% on cost
Motor vehicles	- 25% on cost
Computer equipment	- 25% on cost

Taxation
There is no liability to income tax in the subsidiary because it donates its taxable profits to the charity. The charity is exempt from income tax.

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

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

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Financial instruments
A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

All the financial instruments in these accounts are considered to be basic financial instruments.

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

2. DONATIONS AND LEGACIES

Group

	2024	2023
	£	£
Donations	153,146	240,941

Charity

	2024	2023
	£	£
Donations	16,553	618,952

continued...

3. INVESTMENT INCOME

	2024	2023
	£	£
Deposit account interest	42,768	-

4. INCOME FROM CHARITABLE ACTIVITIES

Group

	2024	2023
	£	£
Workshops	1,127,967	1,006,056
Food distribution	290,629	339,131
Café	42,194	52,249
Training kitchen	14,521	27,277
Rehabilitation	390,097	395,838
Residential work	43,890	14,522
ACE	109,595	194,497
	2,018,893	2,029,570

Charity

	2024	2023
	£	£
Residential work	43,890	14,522
ACE Project	109,595	194,497
	153,485	209,019

5. CHARITABLE ACTIVITIES COSTS

Group

	Direct Costs (see note 6)	Support costs (see note 7)	Totals
	£	£	£
Workshops	905,727	931	906,658
Food distribution	413,026	5,064	418,090
Cafe	74,333	-	74,333
Kitchen training	72,336	33,669	106,005
Rehabilitation	560,156	20,165	580,321
Residential work	149,730	17,576	167,306
Other	52,514	372,449	424,963
ACE	131,900	9,117	141,017
Bikes	-	339	339
	2,359,722	459,310	2,819,032

continued...

5. CHARITABLE ACTIVITIES COSTS - continued

Charity

	Direct Costs (see note 6)	Support costs (see note 7)	Totals
	£	£	£
Residential work	**150,281**	**17,026**	**167,307**
Other	**8,825**	**81,742**	**90,567**
ACE	**132,400**	**8,617**	**141,017**
Kitchen	**182**	**-**	**182**
Bikes	**(61)**	**400**	**339**
	291,627	**107,785**	**399,412**

6. DIRECT COSTS OF CHARITABLE ACTIVITIES

Group

	2024	2023
	£	£
Staff costs	**1,546,650**	1,341,499
Direct activity costs	**682,493**	652,508
Office running costs	**142,643**	97,835
Bad debt	**(12,064)**	18,098
	2,359,722	2,109,940

Charity

	2024	2023
	£	£
Staff costs	**207,112**	200,426
Rates and water	**3,385**	58,264
Insurance	**3,264**	2,938
Transport costs	**6,136**	3,841
Repairs and cleaning	**59**	159
Residential costs	**69,036**	29,348
Sundries	**2,635**	-
	291,627	294,976

continued...

7. SUPPORT COSTS

Group

	Support salaries	Other costs	Depreciation costs	Governance costs	Totals
	£	£	£	£	£
Workshops	**31**	**900**	**-**	**-**	**931**
Food distribution	**-**	**(114)**	**5,178**	**-**	**5,064**
Kitchen training	**-**	**182**	**33,487**	**-**	**33,669**
Rehabilitation	**-**	**(892)**	**17,807**	**3,250**	**20,165**
Residential work	**-**	**1,939**	**1,666**	**13,971**	**17,576**
Other	**218,883**	**12,423**	**10,615**	**130,528**	**372,449**
ACE	**-**	**607**	**275**	**8,235**	**9,117**
Bikes	**-**	**339**	**-**	**-**	**339**
	218,914	**15,384**	**69,028**	**155,984**	**459,310**

Support costs are allocated on the following basis: Staff salaries on estimate of time spent; all other costs on basis of use of resources.

Governance costs	**2023**	2022
	£	£
Professional and legal fees	**155,984**	79,729
	155,984	79,729

Charity

	Other costs	Depreciation costs	Governance costs	Totals
	£	£	£	£
Residential work	**1,389**	**1,666**	**13,971**	**17,026**
Other	**4,199**	**-**	**77,543**	**81,742**
ACE	**107**	**275**	**8,235**	**8,617**
Bikes	**400**	**-**	**-**	**400**
	6,095	**1,941**	**99,749**	**107,785**

Governance costs	**2024**	2023
	£	£
Professional and legal fees	**99,749**	47,583
	99,749	47,583

continued...

8. NET INCOME/(EXPENDITURE)

Group

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

	2024	2023
	£	£
Auditor's remuneration	**4,800**	4,800
Depreciation - owned assets	**69,029**	91,774
Deficit on disposal of fixed assets	**-**	14,940
Operating lease rentals	**2,515**	2,855
Auditor's remuneration - accountancy fees	**4,100**	4,100

Charity

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

	2024	2023
	£	£
Auditor's remuneration	**4,800**	4,800
Depreciation - owned assets	**1,941**	1,782

9. TRUSTEES' REMUNERATION AND BENEFITS

Trustees' expenses

There were no trustees' expenses paid for the period 30 April 2023 to 30 April 2024 nor for the year ended 29 April 2023.

Trustee's remuneration

J B Taylor was paid £25,500 during the year for IT consultancy services provided.

continued...

10. STAFF COSTS

a) Employees	2024	2023
	£	£
Salaries and wages	**1,595,391**	1,336,688
Pension costs - money purchase	**31,076**	27,972
Employer's NI contributions	**137,800**	119,779
	1,764,267	1,484,439
Staff costs for the trading subsidiary included above	**1,556,657**	1,284,013

b) Employees earning more than £60,000	Number	Number
£80,000 - £90,000	**1**	1

c) The key management of the group comprise the trustees and senior staff (as set out on page 4).

The trustees do not receive any remuneration for their services.

The total employee benefits of other key management were as follows:	£	£
	357,158	248,652

d) Average staff numbers

The average number of employees referred to above, was as follows:-

	2024	2023
Charity	**7**	7
Trading subsidiary	**55**	48
	62	55

continued...

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	219,604	21,337	240,941
Charitable activities			
Workshops	1,006,056	-	1,006,056
Food distribution	314,131	25,000	339,131
Cafe	52,249	-	52,249
Kitchen training	1,579	25,698	27,277
Rehabilitation	80,984	314,854	395,838
Residential work	14,522	-	14,522
ACE	-	194,497	194,497
Social value	402,591	-	402,591
Total	2,091,716	581,386	2,673,102
EXPENDITURE ON			
Charitable activities			
Workshops	920,425	(5,000)	915,425
Food distribution	358,585	50,413	408,998
Cafe	85,552	-	85,552
Kitchen training	4,875	43,479	48,354
Rehabilitation	256,947	314,854	571,801
Residential work	112,614	-	112,614
Other	158,969	-	158,969
ACE	-	146,098	146,098
Other	(113,695)	-	(113,695)
Total	1,784,272	549,844	2,334,116
NET INCOME	307,444	31,542	338,986
Transfers between funds	5,482	(5,482)	-
Net movement in funds	312,926	26,060	338,986
RECONCILIATION OF FUNDS			
Total funds brought forward			
As previously reported	1,289,406	5,482	1,294,888
Prior year adjustment	-	97,297	97,297
As restated	1,289,406	102,779	1,392,185
TOTAL FUNDS CARRIED FORWARD	1,602,332	128,839	1,731,171

continued...

12. TANGIBLE FIXED ASSETS

Group

	Improvements to property £	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
COST					
At 30 April 2023	**3,610**	**237,272**	**96,726**	**26,978**	**364,586**
Additions	**-**	**22,189**	**-**	**1,115**	**23,304**
Disposals	**-**	**(1,116)**	**-**	**-**	**(1,116)**
At 30 April 2024	**3,610**	**258,345**	**96,726**	**28,093**	**386,774**
DEPRECIATION					
At 30 April 2023	**3,610**	**127,115**	**62,450**	**16,058**	**209,233**
Charge for year	**-**	**43,429**	**22,021**	**3,579**	**69,029**
Eliminated on disposal	**-**	**(1,116)**	**-**	**-**	**(1,116)**
At 30 April 2024	**3,610**	**169,428**	**84,471**	**19,637**	**277,146**
NET BOOK VALUE					
At 30 April 2024	**-**	**88,917**	**12,255**	**8,456**	**109,628**
At 29 April 2023	-	110,157	34,276	10,920	155,353

Charity

	Improvements to property £	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
COST					
At 30 April 2023 and 30 April 2024	**3,610**	**50,855**	**1,800**	**6,734**	**62,999**
DEPRECIATION					
At 30 April 2023	**3,610**	**36,090**	**1,800**	**6,734**	**48,234**
Charge for year	**-**	**1,941**	**-**	**-**	**1,941**
At 30 April 2024	**3,610**	**38,031**	**1,800**	**6,734**	**50,175**
NET BOOK VALUE					
At 30 April 2024	**-**	**12,824**	**-**	**-**	**12,824**
At 29 April 2023	-	14,765	-	-	14,765

continued...

13. FIXED ASSET INVESTMENTS

	Shares in group undertakings £
COST LESS IMPAIRMENT	
At 30 April 2023 and 30 April 2024	**100**
NET BOOK VALUE	
At 30 April 2024	**100**
At 29 April 2023	100

There were no investment assets outside the UK.

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

Group

	2024 £	2023 £
Trade debtors	**301,610**	85,393
Grants and income receivable	**312,550**	400,750
Prepayments	**109,738**	28,414
	723,898	514,557

Charity

	2024 £	2023 £
Trade debtors	**1,500**	-
Amounts owed by group undertakings	**379,576**	366,035
Grants and income receivable	**-**	6,307
VAT	**-**	181
Prepayments and accrued income	**4,137**	5,144
	385,213	377,667

15. CURRENT ASSET INVESTMENTS

Group

	2024 £	2023 £
Short term deposits	**1,167,030**	1,194,280

Charity

	2024 £	2023 £
Short term deposits	**1,167,030**	1,194,280

continued...

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

Group

	2024	2023
	£	£
Trade creditors	**157,817**	26,552
Social security and other taxes	**34,662**	33,130
VAT	**75,926**	68,700
Other creditors	**129,125**	36,097
Accrued expenses and deferred income	**436,197**	177,521
Deferred capital grants	**2,405**	-
	836,132	342,000

Charity

	2024	2023
	£	£
Bank loans and overdrafts	**14,973**	-
Trade creditors	**6,311**	3,788
Social security and other taxes	**4,184**	6,403
Other creditors	**4,808**	6,494
Accrued expenses	**156,313**	13,849
	186,589	30,534

17. LEASING AGREEMENTS

Group

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

	2024	2023
	£	£
Within one year	**36,553**	96,136
Between one and five years	**14,375**	270,928
In more than five years	**-**	165,000
	50,928	532,064

The above figures exclude service charges.

continued...

17. LEASING AGREEMENTS – continued

Included in the above are commitments that arise under a formal lease between the Charity and Recycling Lives Ltd (RLL), for the accommodation space at the registered office. The relevant figures are as follows:

	2024	2023
	£	£
Due within one year	-	55,000
Due within 2 to 5 years	-	220,000
Due in more than 5 years	-	165,000
	-	440,000

There was a formal lease between the Charity and Recycling Lives Ltd (RLL), for the accommodation space at the registered office. This was made for two floors of residential space.

Following the administration of RLL, there is no longer a formal lease commitment. The property is occupied under the same terms but an updated lease has not yet been finalised, and there is therefore no contractual commitment at the year end date.

18. MOVEMENT IN FUNDS

Group

	At 30.4.23	Net movement in funds	Transfers between funds	At 30.4.24
	£	£	£	£
Unrestricted funds				
General fund	**1,602,332**	**(273,914)**	**(319)**	**1,328,099**
Restricted funds				
Capital Donation - New Kitchen	**61,506**	**(32,468)**	**-**	**29,038**
ASDA -Capital	**13,934**	**(5,178)**	**-**	**8,756**
Lancashire & Cumbria Core	**5,000**	**(5,000)**	**-**	**-**
ACE	**48,399**	**(31,621)**	**-**	**16,778**
Bikes	**-**	**(319)**	**319**	**-**
	128,839	**(74,586)**	**319**	**54,572**
TOTAL FUNDS	**1,731,171**	**(348,500)**	**-**	**1,382,671**

continued...

18. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	**1,965,056**	**(2,238,970)**	**(273,914)**
Restricted funds			
Albert Gubay	**30,827**	**(30,827)**	**-**
Capital Donation - New Kitchen	**1,201**	**(33,669)**	**(32,468)**
Vinci	**30,000**	**(30,000)**	**-**
ASDA -Capital	**-**	**(5,178)**	**(5,178)**
Lancashire & Cumbria Core	**162,025**	**(167,025)**	**(5,000)**
TNLCF (The National Lottery Charity Fund)	**73,456**	**(73,456)**	**-**
Placements	**17,807**	**(17,807)**	**-**
ACE	**109,396**	**(141,017)**	**(31,621)**
Training	**5,975**	**(5,975)**	**-**
Wates	**67,561**	**(67,561)**	**-**
Fareshare	**7,208**	**(7,208)**	**-**
Bikes	**20**	**(339)**	**(319)**
	505,476	**(580,062)**	**(74,586)**
TOTAL FUNDS	**2,470,532**	**(2,819,032)**	**(348,500)**

Comparatives for movement in funds

	At 30.4.22 £	Prior year adjustment £	Net movement in funds £	Transfers between funds £	At 29.4.23 £
Unrestricted funds					
General fund	1,289,406	-	307,444	5,482	1,602,332
Restricted funds					
Capital Donation - New Kitchen	-	79,287	(17,781)	-	61,506
Selnet	5,482	-	-	(5,482)	-
ASDA -Capital	-	18,010	(4,076)	-	13,934
Lancashire & Cumbria Core	-	-	5,000	-	5,000
ACE	-	-	48,399	-	48,399
	5,482	97,297	31,542	(5,482)	128,839
TOTAL FUNDS	1,294,888	97,297	338,986	-	1,731,171

continued...

18. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	2,091,716	(1,784,272)	307,444
Restricted funds			
Albert Gubay	24,673	(24,673)	-
Capital Donation - New Kitchen	-	(17,781)	(17,781)
Vinci	30,000	(30,000)	-
Selnet	57,258	(57,258)	-
ASDA -Capital	-	(4,076)	(4,076)
Lancashire & Cumbria Core	130,721	(125,721)	5,000
TNLCF (The National Lottery Charity Fund)	77,449	(77,449)	-
Placements	19,426	(19,426)	-
ACE	194,497	(146,098)	48,399
Training	1,025	(1,025)	-
Fareshare	46,337	(46,337)	-
	581,386	(549,844)	31,542
TOTAL FUNDS	2,673,102	(2,334,116)	338,986

Charity

	At 30.4.23 £	Net movement in funds £	Transfers between funds £	At 30.4.24 £
Unrestricted funds				
General fund	**1,587,907**	**(155,684)**	**(319)**	**1,431,904**
Restricted funds				
Soup kitchen	-	**1,018**	-	**1,018**
ACE	**48,399**	**(31,621)**	-	**16,778**
Bikes	-	**(319)**	**319**	-
	48,399	**(30,922)**	**319**	**17,796**
TOTAL FUNDS	**1,636,306**	**(186,606)**	-	**1,449,700**

continued...

19. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	**102,190**	**(257,874)**	**(155,684)**
Restricted funds			
Soup kitchen	**1,200**	**(182)**	**1,018**
ACE	**109,396**	**(141,017)**	**(31,621)**
Bikes	**20**	**(339)**	**(319)**
	110,616	**(141,538)**	**(30,922)**
TOTAL FUNDS	**212,806**	**(399,412)**	**(186,606)**

Comparatives for movement in funds

	At 30.4.22 £	Net movement in funds £	At 29.4.23 £
Unrestricted funds			
General fund	1,155,400	432,507	1,587,907
Restricted funds			
ACE	-	48,399	48,399
TOTAL FUNDS	1,155,400	480,906	1,636,306

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	633,474	(200,967)	432,507
Restricted funds			
ACE	194,497	(146,098)	48,399
TOTAL FUNDS	827,971	(347,065)	480,906

continued...

19. MOVEMENT IN FUNDS - continued

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

	At 30.4.22 £	Net movement in funds £	Transfers between funds £	At 30.4.24 £
Unrestricted funds				
General fund	1,155,400	276,823	(319)	1,431,904
Restricted funds				
Soup kitchen	-	1,018	-	1,018
ACE	-	16,778	-	16,778
Bikes	-	(319)	319	-
	-	17,477	319	17,796
TOTAL FUNDS	1,155,400	294,300	-	1,449,700

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	735,664	(458,841)	276,823
Restricted funds			
Soup kitchen	1,200	(182)	1,018
ACE	303,893	(287,115)	16,778
Bikes	20	(339)	(319)
	305,113	(287,636)	17,477
TOTAL FUNDS	1,040,777	(746,477)	294,300

20. RELATED PARTY DISCLOSURES

Charity and subsidiary
At 30th April 2024 the subsidiary Recycling Lives (Social Enterprise) Limited owed to the parent charitable company £379,576 (2023 - £366,035). The amount is non-interest bearing and unsecured.

RECYCLING LIVES CHARITY

England & Wales - Charity number 1116562

Accounts

REGISTERED COMPANY NUMBER: 05781363 (England and Wales)
REGISTERED CHARITY NUMBER: 1116562

REPORT OF THE TRUSTEES AND

CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 29 APRIL 2023

FOR

RECYCLING LIVES CHARITY

DJH Mitten Clarke Audit Limited
Accountants
Statutory Auditors
The Exchange
5 Bank Street
Bury
BL9 0DN

RECYCLING LIVES CHARITY

CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 29 APRIL 2023

	Page
Report of the Trustees	1 to 7
Report of the Independent Auditors	8 to 11
Consolidated Statement of Financial Activities	12
Charity Statement of Financial Activities	13
Consolidated Statement of Financial Position	14
Charity Statement of Financial Position	15
Consolidated Statement of Cash Flows	16
Notes to the Consolidated Statement of Cash Flows	17
Notes to the Consolidated Financial Statements	18 to 35

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 29 APRIL 2023

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 29 April 2023. Although the accounting reference date is to 29 April, for administrative reasons the accounts have been prepared to 30 April.

Reporting framework
The trustees' annual report and financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and 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 2019), referred to as the Charities SORP (FRS 102) (second edition - October 2019).

OBJECTIVES AND ACTIVITIES
Objectives
Charitable Objects are set out in the Articles of Association as follows -

the promotion for the public benefit of urban or rural regeneration in areas of social and economic deprivation (and in particular, but not limited to, Lancashire) by all or any of the following means:

1.1 the relief of poverty in such ways as may be thought fit;

1.2 the relief of unemployment in such ways as may be thought fit, including assistance to find employment;

1.3 the advancement of education, training or retraining, particularly among unemployed people, and providing unemployed people with work experience;

1.4 the provision of financial assistance, technical assistance, or business advice or consultancy in order to provide training and employment opportunities for unemployed people in cases of financial or other charitable need through help

1.4.1 in setting up their own business, or

1.4.2 to existing businesses;

1.5 the creation of training and employment opportunities by the provision of workspace, buildings and/or land for use on favourable terms;

1.6 the provision of housing for those who are in conditions of need and the improvement of housing in the public sector or in charitable ownership provided that such power shall not extend to relieving any local authorities or other bodies of a statutory duty to provide or improve housing;

1.7 the maintenance, improvement or provision of public amenities;

1.8 the preservation of buildings or sites of historic or architectural importance;

1.9 the provision or assistance in the provision of recreational facilities for the public at large and/or those who, by reasons of their youth, age, infirmity or disablement, poverty or social and economic circumstances, have need of such facilities;

1.10 the protection or conservation of the environment;

1.11 the promotion of public safety and prevention of crime; and

1.12 such other means as may from time to time be determined subject to the prior consent of the Charity Commission for England and Wales.

OBJECTIVES AND ACTIVITIES

Activities

The charity undertakes the following activities either itself of through its subsidiary company in pursuit of its objectives:

- Accommodation and rehabilitation programme for ex-offenders and ex-homeless
- Training and work experience within prisons and the community through recycling work
- Training placement and mentoring programme
- Food distribution programme
- Running a café to provide work, work experience and training for ex-offenders and ex homeless people
- Other environmental projects

STRATEGIC REPORT

Achievement and performance

Charitable activities

As ever, the past financial year has been a challenging but rewarding one. Working in the charity sector pretty much guarantees that is going to be the case every year.

Our strategy was to organically grow our offer and it's pleasing to look back and see that we achieved much that we set out to do.

We brought ACE into our organisation. It had previously sat within a completely different charity but the synergies with our work here meant that there was a great fit for us. ACE works with men and women with various issues with alcohol, drugs and mental health, with the aim of getting them to a better place in life. The team has fitted in seamlessly and, working alongside the existing teams, has created new opportunities for those men and women to thrive.

We opened the brand new training kitchen in conjunction with Jamie Oliver's Ministry of Food. It has enabled us to broaden our food offer by allowing us to teach our food redistribution recipients the basics of nutrition, food hygiene and cooking.

Our food redistribution work has continued to be an area where demand has far outstripped supply. We have redistributed the equivalent of more than 3 million meals to Lancashire and Cumbria once again. Sadly, the demand is there for probably double that. We continue to work hard with our partners at Fareshare to respond to that demand.

We invested in bringing in our own in-house trainer to deliver qualifications such as forklift licence, fire marshall and first aid. Again, this is upskilling our participants but also staff and volunteers the aim being to offer the service out to commercial clients in the future.

We expanded our specialist support team from one to two. The work in this area has been brilliantly received and the take up more than we initially imagined. So, there was a need for more capacity. Doubling the team allowed us to reach more people and positively affect many more lives.

Our recycling workshops in both prisons and the community have continued to thrive, recycling in excess of 1.5 million items. More importantly, that work has continued to enable us to give opportunities to men and women who need them and, alongside our team of support workers and experts, hundreds of lives have been changed for the better.

The prison lottery project, which began in the last financial year, continued to grow and develop. It has thrown up challenges which we hadn't previously encountered seen in our traditional prison offering but that was only to be expected. The team's adaptability and determination has meant that we have modified our offering so that we can give the best possible help to those men and women in the project.

Financially, it has been another solid year which leaves us in a good position to do even more good in the areas we work in the future.

STRATEGIC REPORT

Financial review

Overview

The Group delivered a surplus for the year on unrestricted funds, after transfers, of £338,986 (2022: surplus - £450,099) and the charity had a surplus of £480,906 (2022: £333,128). Overall, the trustees are pleased with group's performance which has contributed significantly to securing its financial stability.

Subsidiary company - Recycling Lives (Social Enterprises) Ltd (RLSE)
With the exception of the accommodation programme, substantially all the activities are undertaken by the subsidiary RLSE, including some which could be considered charitable.

The directors and charity trustees are undertaking regular reviews of the activities carried out by RLSE to ensure that only low risk, fully funded and/or profitable activities, which are appropriate for it to undertake as the subsidiary of a charity, are continued.

RLSE was able to make a payment to the Charity of its taxable profits for the year of £475,867 (2022: £420,662) under gift aid.

Principal funding sources

The charity is mainly funded via its wholly owned subsidiary Recycling Lives (Social Enterprises) Ltd (RLSE), through its various income generating activities. During the pandemic some of those income streams were negatively affected, and both the charity and its subsidiary were able to attract funding and donations to cover those gaps. As the country came out of covid, the income generating activities began to grow again and the charity now has a broader variety of income streams than it had prior to the pandemic.

RLSE has a diverse range of funding streams including the National Lottery and the Albert Gubay Foundation and commercial arrangements with Recycling Lives Limited for recycling work, which it carries out in prisons and community workshops, and social value sponsorship.

Reserves policy

During the prior year the trustees reviewed their policy for financial reserves. The target of free reserves (unrestricted funds not invested in fixed assets or otherwise designated) was set to be between £200,000 and £400,000.

At April 29 2023, the charity's free reserves were £873,042 (2022: £439,852). The trustees have designated up to £200,000 of the reserves above the target level for the recruitment of new staff to develop new projects. Similarly, the trustees have designated up to £500,000 for use in a new housing project which it will look to undertake in 2024.

Going concern

After the year end, but before the signing of the audit report, it was announced that Recycling Lives Limited was entering into administration. This company was a major customer and supporter of the trading subsidiary. It was bought out from administration by Global Ardour, which has settled in full all trading debt owed to the trading subsidiary.

A general provision of £18,098 has been included in other creditors as a provision against the social value yet to be invoiced to RLL. Customers for both the social value and the business of RLSE have been found and trade is continuing within normal levels.

In the opinion of the Trustees, there is no material uncertainty regarding the charity's or the group's ability to continue as a going concern. The Trustees note the strong reserves and cash position, which are deemed sufficient to ensure the group can continue to operate for the next 12 months.

Risk management

The Trustees regularly review the risks to which the charity is exposed and seek to apply appropriate strategies to mitigate, lay-off and manage these risks.

The Trustees consider that the current practices and future plans to respond to these risks are appropriate and that, as a result, such risks are being effectively managed.

STRATEGIC REPORT

Future plans

In the financial year from May 2023 to April 2024, we will once again conduct a full review of all of activities and ensure that they are fit for purpose both financially but, equally importantly, fulfilling the needs of our service users. We will, where possible, look to take advantage of any new opportunities which arise to allow for the advancement of our articles.

We hope to..

- Purchase property with a view to allowing us to offer rental opportunities for some of our service users from all parts of the charity and social enterprise. One of the main challenges for the men and women who leave prison is finding decent and suitable accommodation, so to be able to offer our own should make a massive difference.
- On a similar note, we will look to employ a housing officer whose role will be to identify and run the above property but also to create links with landlords and housing associations all over the country to help alleviate those aforementioned housing issues.
- Expand the lottery prison project into Wales. Our ambition is to recruit an extra team member to work across North Wales and Merseyside who would mainly be based at HMP Berwyn in Wales.
- Further grow the specialist support team. Sadly, we have seen more and more cases of people struggling with many issues and a need for more specialist support over and above the key work support.
- Work with our Fareshare partners to identify new areas and ways of improving the food offering. This may include expanding into new regions or looking at ways to improve our current offering by potentially moving to a different and better warehouse location.
- Grow the training kitchen offering so that we can take the courses "on the road". The new kitchen offering has worked well but not everybody can get to Preston to take up the opportunity. So we will buy new kit to allow us to take the kitchen to them.
- Invest in even more training for the team so that we can develop capabilities and future proof our offerings. We have worked really hard on succession planning, and this has borne fruit but we must continue that work.
- Invest in and implement new systems in HR and finance. Using modern systems and technology we can streamline those areas and deliver improvements.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The organisation is a charitable company limited by guarantee, established by its Memorandum of Association and is governed under its Articles of Association dated April 13 2006, as amended by special resolution dated July 4 2006 and further amended by special resolution dated 24th July 2019.

Members of the company

Following the latest change to the Articles of Association, the membership of the company is restricted to the trustees and terminates if a member ceases to be a trustee, except that, if retiring at an AGM, all the trustees remain members until the conclusion of the meeting.

Recruitment and appointment of new directors/trustees

The Directors who served during the year together with any changes are listed on page one of the annual report. The Directors are appointed by the members at the AGM or are co-opted by the trustees. All trustees retire at the AGM and are eligible for re- election.

Trustees are recruited with regard to the skills needed by the charity.

Induction and training of new trustees

Trustees are inducted by spending time with senior management and visiting the various aspects of the charity. They are also given a pack of documentation consisting of polices, recent minutes and reports.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Organisation

The Board of Directors meets as necessary, and not less than four times a year. The quorum for a meeting of the trustees is the greater of two or one third of their number. The Board is responsible for the strategic direction and policy of the charity.

The day to day operation of the charity is the responsibility of the Chief Executive and the other members of the senior management who together with the trustees constitute the key management personnel of the charity.

Pay and remuneration for senior staff

Senior staff salaries are reviewed annually and benchmarked against other charities and social enterprises. Recommendations are then given to trustees for sign off each year.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number
05781363 (England and Wales)

Registered Charity number
1116562

Registered office
Recycling Lives Centre
1a Essex Street
Preston
PR1 1QE

Trustees
J B Taylor
D Snape
B J Mayne
C Jackson
N J Whittle
C Whalley-Hunter

Auditors
DJH Mitten Clarke Audit Limited
Accountants
Statutory Auditors
The Exchange
5 Bank Street
Bury
BL9 0DN

REFERENCE AND ADMINISTRATIVE DETAILS

Senior Management Team

Chief Executive	*A B Jackson
Head of Operations	*T R Carysforth
Head of Rehabilitation	*R Thackray
Head of Residential	N Flanagan
Food Distribution Manager	*L Hodson
ACE Manager	G Welsh
Specialist Support Lead	*F McManus

(* are employed by a subsidiary company)

Solicitors
Brabners LLP
55 King Street
Manchester M2 4LQ

Bankers
Barclays Bank
38 Fishergate
Preston
PR1 2AD

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Recycling Lives Charity for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

The auditors, DJH Mitten Clarke Audit Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 26-2-24 and signed on the board's behalf by:

.....
J B Taylor - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF RECYCLING LIVES CHARITY

Opinion
We have audited the financial statements of Recycling Lives Charity (the 'charitable company') for the year ended 29 April 2023 which comprise the Statement of Financial Activities, the Statement of Financial Position, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:
- give a true and fair view of the state of the charitable company's affairs as at 29 April 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion
We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern
In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information
The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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.

Opinions on other matters prescribed by the Companies Act 2006
In our opinion, based on the work undertaken in the course of the audit:
- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception
In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:
- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

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

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

Our responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

As part of our planning process:

- We enquired of management the systems and controls the group has in place, the areas of the financial statements that are mostly susceptible to the risk of irregularities and fraud, and whether there was any known, suspected or alleged fraud. The group did not inform us of any known, suspected or alleged fraud.
- We obtained an understanding of the legal and regulatory frameworks applicable to the group. We determined that the Charities SORP (FRS 102) and the Companies Act 2006 most relevant.
- We considered the incentives and opportunities that exist in the group, including the extent of management bias, which present a potential for irregularities and fraud to be perpetuated, and tailored our risk assessment accordingly.
- Using our knowledge of the group, together with the discussions held with the group at the planning stage, we formed a conclusion on the risk of misstatement due to irregularities including fraud and tailored our procedures according to this risk assessment.

The key procedures we undertook to detect irregularities including fraud during the course of the audit included:

- Identifying and testing journal entries and the overall accounting records, in particular those that were significant and unusual.
- Reviewing the financial statement disclosures and determining whether accounting policies have been appropriately applied.
- Reviewing and challenging the assumptions and judgements used by management in their significant accounting estimates, in particular in relation to estimating the useful economic life of an asset and its residual value and in categorising leases as finance or operating leases.
- Assessing the extent of compliance, or lack of, with the relevant laws and regulations in particular those that are central to the entities ability to continue in operation.
- Testing key income lines for evidence of management bias.
- Obtaining third-party confirmation of material bank and investment balances.
- Documenting and verifying all significant related party balances and transactions.
- Reviewing third party documentation and correspondence for discussions of irregularities including fraud.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements even though we have properly planned and performed our audit in accordance with auditing standards. The primary responsibility for the prevention and detection of irregularities and fraud rests with the trustees of the group.

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

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF RECYCLING LIVES CHARITY

Use of our report

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

DJH Mitten Clarke Audit Ltd

F O'Loughlin (Senior Statutory Auditor)
for and on behalf of DJH Mitten Clarke Audit Limited
Accountants
Statutory Auditors
The Exchange
5 Bank Street
Bury
BL9 0DN

Date: 26-2-24

RECYCLING LIVES CHARITY

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 29 APRIL 2023

	Notes	Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total funds as restated £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	**219,604**	**21,337**	**240,941**	156,431
Charitable activities	3				
Workshops		**1,006,056**	**-**	**1,006,056**	805,632
Food distribution		**314,131**	**25,000**	**339,131**	291,788
Cafe		**52,249**	**-**	**52,249**	23,439
Kitchen training		**1,579**	**25,698**	**27,277**	80,526
Rehabilitation		**80,984**	**314,854**	**395,838**	410,956
Residential work		**14,522**	**-**	**14,522**	27,167
ACE		**-**	**194,497**	**194,497**	-
Social value		**402,591**	**-**	**402,591**	433,679
Total		**2,091,716**	**581,386**	**2,673,102**	2,229,618
EXPENDITURE ON					
Raising funds	4	**-**	**-**	**-**	11,844
Charitable activities	5				
Workshops		**920,425**	**(5,000)**	**915,425**	737,328
Food distribution		**358,585**	**50,413**	**408,998**	289,303
Cafe		**85,552**	**-**	**85,552**	59,177
Kitchen training		**4,875**	**43,479**	**48,354**	4,536
Rehabilitation		**256,947**	**314,854**	**571,801**	446,438
Residential work		**112,614**	**-**	**112,614**	175,449
ACE		**-**	**146,098**	**146,098**	-
Other		**158,969**	**-**	**158,969**	55,444
Related party write off		**(113,695)**	**-**	**(113,695)**	**-**
Total		**1,784,272**	**549,844**	**2,334,116**	1,779,519
NET INCOME		**307,444**	**31,542**	**338,986**	450,099
Transfers between funds	19	**5,482**	**(5,482)**	**-**	**-**
Net movement in funds		**312,926**	**26,060**	**338,986**	450,099
RECONCILIATION OF FUNDS					
Total funds brought forward					
As previously reported		**1,289,406**	**5,482**	**1,294,888**	942,086
Prior year adjustment	13	**-**	**97,297**	**97,297**	-
As restated		**1,289,406**	**102,779**	**1,392,185**	942,086
TOTAL FUNDS CARRIED FORWARD		**1,602,332**	**128,839**	**1,731,171**	1,392,185

The notes form part of these financial statements

RECYCLING LIVES CHARITY

CHARITY STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 29 APRIL 2023

	Notes	Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total funds as restated £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	**470,031**	**148,921**	**618,952**	493,254
Charitable activities	3				
Residential work		**14,522**	-	**14,522**	27,167
ACE		**148,921**	**45,576**	**194,497**	-
Total		**633,474**	**194,497**	**827,971**	520,421
EXPENDITURE ON					
Raising funds	4	-	-	-	11,844
Charitable activities	5				
Residential work		**75,101**	-	**75,101**	174,903
ACE project		-	**146,098**	**146,098**	-
Other		**125,866**	-	**125,866**	546
Total		**200,967**	**146,098**	**347,065**	187,293
NET INCOME		**432,507**	**48,399**	**480,906**	333,128
RECONCILIATION OF FUNDS					
Total funds brought forward		**1,155,400**	-	**1,155,400**	822,272
TOTAL FUNDS CARRIED FORWARD		**1,587,907**	**48,399**	**1,636,306**	1,155,400

The notes form part of these financial statements

RECYCLING LIVES CHARITY

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
29 APRIL 2023

	Notes	Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total funds as restated £
FIXED ASSETS					
Tangible assets	12	**68,119**	**87,234**	**155,353**	239,199
CURRENT ASSETS					
Debtors	15	**506,734**	**7,823**	**514,557**	542,767
Investments	14	**1,194,280**	**-**	**1,194,280**	-
Cash at bank and in hand		**52,183**	**156,798**	**208,981**	1,048,126
		1,753,197	**164,621**	**1,917,818**	1,590,893
CREDITORS					
Amounts falling due within one year	17	**(218,984)**	**(123,016)**	**(342,000)**	(428,627)
NET CURRENT ASSETS		**1,534,213**	**41,605**	**1,575,818**	1,162,266
TOTAL ASSETS LESS CURRENT LIABILITIES		**1,602,332**	**128,839**	**1,731,171**	1,401,465
CREDITORS					
Amounts falling due after more than one year	18	**-**	**-**	**-**	(9,280)
NET ASSETS		**1,602,332**	**128,839**	**1,731,171**	1,392,185
FUNDS	20				
Unrestricted funds				**1,602,332**	1,289,406
Restricted funds				**128,839**	102,779
TOTAL FUNDS				**1,731,171**	1,392,185

The financial statements were approved by the Board of Trustees and authorised for issue on ..... 26-2-24 ..... and were signed on its behalf by:

.....
J B Taylor - Trustee

The notes form part of these financial statements

RECYCLING LIVES CHARITY

CHARITY STATEMENT OF FINANCIAL POSITION
29 APRIL 2023

	Notes	Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total funds as restated £
FIXED ASSETS					
Tangible assets	12	**14,765**	**-**	**14,765**	15,448
Investments	13	**100**	**-**	**100**	100
		14,865	**-**	**14,865**	15,548
CURRENT ASSETS					
Debtors	15	**374,844**	**2,823**	**377,667**	250,397
Investments	14	**1,194,280**	**-**	**1,194,280**	-
Cash at bank and in hand		**34,452**	**45,576**	**80,028**	907,932
		1,603,576	**48,399**	**1,651,975**	1,158,329
CREDITORS					
Amounts falling due within one year	17	**(30,534)**	**-**	**(30,534)**	(18,477)
NET CURRENT ASSETS		**1,573,042**	**48,399**	**1,621,441**	1,139,852
TOTAL ASSETS LESS CURRENT LIABILITIES		**1,587,907**	**48,399**	1,636,306	1,155,400
NET ASSETS		**1,587,907**	**48,399**	**1,636,306**	1,155,400
FUNDS	20				
Unrestricted funds				**1,587,907**	1,155,400
Restricted funds				**48,399**	-
TOTAL FUNDS				**1,636,306**	1,155,400

The financial statements were approved by the Board of Trustees and authorised for issue on ..... 26-2-24 ..... and were signed on its behalf by:

.....
J B Taylor - Trustee

The notes form part of these financial statements

RECYCLING LIVES CHARITY

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 29 APRIL 2023

	Notes	2023 £	2022 as restated £
Cash flows from operating activities			
Cash generated from operations	1	**436,117**	460,348
Interest paid		**(15)**	-
Net cash provided by operating activities		**436,102**	460,348
Cash flows from investing activities			
Purchase of tangible fixed assets		**(22,868)**	(88,529)
Purchase of current asset investments		**(1,194,280)**	-
Net cash used in investing activities		**(1,217,148)**	(88,529)
Cash flows from financing activities			
Capital repayments in year		**(58,099)**	(58,042)
Net cash used in financing activities		**(58,099)**	(58,042)
Change in cash and cash equivalents in the reporting period		**(839,145)**	313,777
Cash and cash equivalents at the beginning of the reporting period		**1,048,126**	734,349
Cash and cash equivalents at the end of the reporting period		**208,981**	1,048,126

The notes form part of these financial statements

NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 29 APRIL 2023

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2023	2022 as restated
	£	£
Net income for the reporting period (as per the Statement of Financial Activities)	**338,986**	450,099
Adjustments for:		
Depreciation charges	**91,774**	107,550
Loss on disposal of fixed assets	**14,940**	-
Interest paid	**15**	-
Decrease in debtors	**28,210**	98,953
Increase / (decrease) in creditors	**(37,808)**	(196,254)
Net cash provided by operations	**436,117**	460,348

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 30.4.22	Cash flow	At 29.4.23
	£	£	£
Net cash			
Cash at bank and in hand	**1,048,126**	**(839,145)**	**208,981**
	1,048,126	**(839,145)**	**208,981**
Liquid resources			
Deposits included in cash	-	-	-
Current asset investments	-	**1,194,280**	**1,194,280**
	-	**1,194,280**	**1,194,280**
Debt			
Finance leases	**(58,099)**	**58,099**	-
	(58,099)	**58,099**	-
Total	**990,027**	**413,234**	**1,403,261**

The notes form part of these financial statements

1. ACCOUNTING POLICIES

Basis of preparing the financial statements
The financial statements have been prepared: under the historic cost convention; 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 (FRS 102) effective January 1 2019 (second edition – October 2019); FRS 102; and the Companies Act 2006. The charity constitutes a public benefit entity as defined by FRS 102.

The financial statements combine the accounts of Recycling Lives Charity and its trading subsidiary to 30 April 2023.

After the year end, but before the signing of the audit report, it was announced that Recycling Lives Limited was entering into administration. This company was a major customer and supporter of the trading subsidiary. It was bought out from administration by Global Ardour, which has settled in full all trading debt owed to the trading subsidiary.

A general provision of £18,098 has been included in other creditors as a provision against the social value yet to be invoiced to RLL. Customers for both the social value and the business of RLSE have been found and trade is continuing within normal levels.

In the opinion of the Trustees, there is no material uncertainty regarding the charity's or the group's ability to continue as a going concern. The Trustees note the strong reserves and cash position, which are deemed sufficient to ensure the group can continue to operate for the next 12 months.

Income
All income is recognised once the group has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably. The following applies to particular types of income:
Grants - whether of a capital or revenue nature, are recognised when the charity has entitlement to the funds, any performance conditions have been met and it is probable that the income will be received.

Donations - from individuals and other bodies (not being of the nature of a grant) are recognised when receivable.

Rendering of services - income derived from rendering services is recognised by reference to the completion of defined milestones. Income is only recognised to the extent of recoverable expenses when the outcome of a contract cannot be estimated reliably.

Deferred income
Income is only deferred and included in creditors when:
- The income relates to a future accounting period
- A sales invoice has been raised ahead of the work being carried out and there is no contractual entitlement to the income until the work has been done
- Not all the terms and conditions of the grant have been met, including the incurring of expenditure and the grant conditions are such that unspent grant must be refunded

Expenditure
Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

Costs of raising funds include those associated with fundraising activities, managing investments and commercial trading by the subsidiary company.

Charitable activities are costs of undertaking the work of the charity.

continued...

1. ACCOUNTING POLICIES - continued

Expenditure

The charity is not registered for VAT, and costs are stated inclusive of VAT where charged.

The subsidiary is registered for VAT and is able to recover some of the input tax charged as it relates to VATable supplies. Costs are stated net of VAT where charged.

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

Improvements to property	- 25% on cost
Plant and machinery	- 25% on cost and 10% on cost
Fixtures and fittings	- 25% on cost
Motor vehicles	- 25% on cost
Computer equipment	- 25% on cost

Taxation
There is no liability to income tax in the subsidiary because it donates its taxable profits to the charity. The charity is exempt from income tax.

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

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

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Financial instruments
A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

All the financial instruments in these accounts are considered to be basic financial instruments.

2. DONATIONS AND LEGACIES

Group

	2023	2022 as restated
	£	£
Donations	**240,941**	124,934
Grants	**-**	31,497
	240,941	156,431

continued...

2. DONATIONS AND LEGACIES - continued

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

	2023	2022 as restated
	£	£
Albert Gubay	-	8,000
Furlough	-	23,497
	-	31,497

Charity

	2023	2022 as restated
	£	£
Donations	618,952	485,254
Grants	-	8,000
	618,952	493,254

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

	2023	2022 as restated
	£	£
Albert Gubay	-	8,000

3. INCOME FROM CHARITABLE ACTIVITIES

Group

	2023	2022 as restated
	£	£
Workshops	1,006,056	805,632
Food distribution	339,131	291,788
Café	52,249	23,439
Training kitchen	27,277	80,526
Rehabilitation	395,838	410,956
Residential work	14,522	27,167
ACE	194,497	-
	2,029,570	1,639,508

Charity

	2023	2022 as restated
	£	£
Residential work	14,522	27,167
ACE	194,497	-
	209,019	27,167

continued...

4. RAISING FUNDS

Group

	2023	2022 as restated
	£	£
Staff costs	-	11,844

Charity

	2023	2022 as restated
	£	£
Staff costs	-	11,844

5. CHARITABLE ACTIVITIES COSTS

Group

	Direct Costs (see note 6)	Support costs (see note 7)	Totals
	£	£	£
Workshops	**833,107**	**82,318**	**915,425**
Food distribution	**346,722**	**62,276**	**408,998**
Cafe	**73,711**	**11,841**	**85,552**
Kitchen training	**27,335**	**21,019**	**48,354**
Rehabilitation	**512,322**	**59,479**	**571,801**
Residential work	**67,579**	**45,035**	**112,614**
ACE	**139,044**	**7,054**	**146,098**
Other	**110,120**	**48,849**	**158,969**
	2,109,940	**337,871**	**2,447,811**

Charity

	Direct Costs (see note 6)	Support costs (see note 7)	Totals
	£	£	£
Residential work	**67,579**	**7,522**	**75,101**
ACE	**139,044**	**7,054**	**146,098**
Other	**88,353**	**37,513**	**125,866**
	294,976	**52,089**	**347,065**

continued...

6. DIRECT COSTS OF CHARITABLE ACTIVITIES

Group

	2023	2022 as restated
	£	£
Staff costs	**1,341,499**	937,174
Direct activity costs	**652,508**	429,624
Office running costs	**97,835**	78,429
Bad debt	**18,098**	-
	2109,940	1,445,227

Charity

	2023	2022 as restated
	£	£
Staff costs	**200,426**	65,111
Direct activity costs	**91,611**	22,287
Office running costs	**2,938**	54,034
	294,975	141,432

7. SUPPORT COSTS

Group

	Support salaries	Other costs	Depreciation costs	Governance costs	Totals
	£	£	£	£	£
Workshops	**28,585**	**2,542**	**37,046**	**14,145**	**82,318**
Food distribution	**28,585**	**809**	**28,382**	**4,500**	**62,276**
Cafe	**11,462**	**58**	**-**	**321**	**11,841**
Kitchen training	**2,859**	**58**	**17,781**	**321**	**21,019**
Rehabilitation	**32,090**	**1,213**	**19,425**	**6,751**	**59,479**
Residential work	**-**	**2,722**	**1,784**	**40,529**	**45,035**
ACE	**-**	**-**	**-**	**7,054**	**7,054**
Other	**39,346**	**1,099**	**2,296**	**6,108**	**48,849**
	142,927	**8,501**	**106,714**	**79,729**	**337,871**

Charity

	Other costs	Depreciation costs	Governance costs	Totals
	£	£	£	£
Residential work	**2,722**	**-**	**4,800**	**7,522**
ACE	**-**	**-**	**7,054**	**7,054**
Other	**-**	**1,784**	**35,729**	**37,513**
	2,722	**1,784**	**47,583**	**52,089**

continued...

7. SUPPORT COSTS - continued

Support costs are allocated on the following basis: Staff salaries on estimate of time spent; all other costs on basis of use of resources.

Governance costs	2023	2022 as restated
	£	£
Professional and legal fees	79,729	50,853
	79,729	50,853

8. NET INCOME/(EXPENDITURE)

Group

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

	2023	2022 as restated
	£	£
Auditor's remuneration	4,800	4,800
Depreciation - owned assets	91,774	107,550
Deficit on disposal of fixed assets	14,940	-
Operating lease rentals	2,855	5,491
Auditor's remuneration - accountancy fees	4,100	5,300

Charity

	2023	2022 as restated
	£	£
Auditor's remuneration	4,800	4,800
Depreciation - owned assets	1,782	999

9. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 30 April 2023 nor for the year ended 30 April 2022.

continued...

10. STAFF COSTS

a) Employees	2023	2022 as restated
	£	£
Salaries and wages	1,336,688	978,601
Pension costs - money purchase	27,972	18,833
Employer's NI contributions	119,779	78,938
	1,484,439	1,076,372
Staff costs for the trading subsidiary included above	1,284,013	1,002,597

b) Employees earning more than £60,000	Number	Number
£80,000 - £90,000	1	1

c) The key management of the group comprise the trustees and senior staff (as set out on page 4).

The trustees do not receive any remuneration for their services.

The total employee benefits of other key management were as follows:	£	£
	310,022	231,530

d) Average staff numbers
The average number of employees referred to above, was as follows:-

	2022	2022
Charity	7	2
Trading subsidiary	48	45
	55	47

continued...

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

Group

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	148,431	8,000	156,431
Charitable activities			
Workshops	805,632	-	805,632
Food distribution	259,252	32,535	291,787
Cafe	23,439	-	23,439
Kitchen training	-	80,526	80,526
Rehabilitation	183,937	227,019	410,956
Residential work	27,167	-	27,167
Social value	433,679	-	433,679
Total	1,881,537	348,080	2,229,617
EXPENDITURE ON			
Raising funds	11,844	-	11,844
Charitable activities			
Workshops	729,328	8,000	737,328
Food distribution	274,777	14,526	289,303
Cafe	59,177	-	59,177
Kitchen training	3,297	1,239	4,536
Rehabilitation	221,013	225,425	446,438
Residential work	175,449	-	175,449
Other	55,444	-	55,444
Total	1,530,329	249,190	1,779,519
NET INCOME	351,208	98,890	450,098
Transfers between funds	(3,888)	3,888	-
Net movement in funds	347,320	102,778	450,098
RECONCILIATION OF FUNDS			
Total funds brought forward	942,086	-	942,086
TOTAL FUNDS CARRIED FORWARD	1,289,406	102,778	1,392,184

continued...

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES – continued

Charity

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	485,254	8,000	493,254
Charitable activities			
Residential work	27,167	-	27,167
Total	512,421	8,000	520,421
EXPENDITURE ON			
Raising funds	11,844	-	11,844
Charitable activities			
Residential work	166,903	8,000	174,903
Other	546	-	546
Total	179,293	8,000	187,293
NET INCOME	333,128	-	333,128
RECONCILIATION OF FUNDS			
Total funds brought forward	822,272	-	822,272
TOTAL FUNDS CARRIED FORWARD	1,155,400	-	1,155,400

12. PRIOR YEAR ADJUSTMENT

There is a prior year adjustment to the consolidated accounts totalling £97,297 in respect of deferred income which was recognised incorrectly.

continued...

13. TANGIBLE FIXED ASSETS

Group

	Improvements to property £	Equipment, fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
COST					
At 30 April 2022	**3,610**	**480,087**	**96,726**	**23,672**	**604,095**
Additions	**-**	**19,778**	**-**	**3,090**	**22,868**
Disposals	**-**	**(262,593)**	**-**	**216**	**(262,377)**
At 29 April 2023	**3,610**	**237,272**	**96,726**	**26,978**	**364,586**
DEPRECIATION					
At 30 April 2022	**3,610**	**308,816**	**38,925**	**13,545**	**364,896**
Charge for year	**-**	**65,289**	**23,525**	**2,960**	**91,774**
Eliminated on disposal	**-**	**(246,990)**	**-**	**(447)**	**(247,437)**
At 29 April 2023	**3,610**	**127,115**	**62,450**	**16,058**	**209,233**
NET BOOK VALUE					
At 29 April 2023	**-**	**110,157**	**34,276**	**10,920**	**155,353**
At 29 April 2022	-	171,271	57,801	10,127	239,199

Included within equipment, fixtures and fittings are assets held on finance leases with a net book value of £nil (2022: £44,093).

Charity

	Improvements to property £	Equipment, fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
COST					
At 30 April 2022	**3,610**	**49,756**	**1,800**	**6,734**	**61,900**
Additions	**-**	**1,099**	**-**	**-**	**1,099**
At 29 April 2023	**3,610**	**50,855**	**1,800**	**6,734**	**62,999**
DEPRECIATION					
At 30 April 2022	**3,610**	**34,308**	**1,800**	**6,734**	**46,452**
Charge for year	**-**	**1,782**	**-**	**-**	**1,782**
At 29 April 2023	**3,610**	**36,090**	**1,800**	**6,734**	**48,234**
NET BOOK VALUE					
At 29 April 2023	**-**	**14,765**	**-**	**-**	**14,765**
At 29 April 2022	-	15,448	-	-	15,448

continued...

14. FIXED ASSET INVESTMENTS

Charity

	Shares in group undertakings £
COST LESS IMPAIRMENT	
At 30 April 2022 and 29 April 2023	**100**
NET BOOK VALUE	
At 29 April 2023	**100**
At 29 April 2022	100

There were no investment assets outside the UK.

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

Group

	2023	2022 as restated
	£	£
Trade debtors	**85,393**	83,835
Grants and income receivable	**388,750**	407,477
Other debtors	**12,000**	9,291
Prepayments	**28,414**	42,164
	514,557	542,767

Charity

	2023	2022 as restated
	£	£
Trade debtors	**-**	1,300
Amounts owed by group undertakings	**366,035**	243,664
Grants and income receivable	**6,307**	4,833
Other debtors	**181**	600
Prepayments	**5,144**	-
	377,667	250,397

16. CURRENT ASSET INVESTMENTS

Group

	2023	2022 as restated
	£	£
Unlisted investments	**1,194,280**	-

Charity

	2023	2022 as restated
	£	£
Unlisted investments	**1,194,280**	-

continued...

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

Group

	2023	2022 as restated
	£	£
Finance leases (see note 18)	-	48,819
Trade creditors	**26,552**	99,349
Social security and other taxes	**33,130**	21,889
VAT	**68,700**	51,272
Other creditors	**36,097**	79,770
Accrued expenses and deferred income	**177,521**	127,528
	342,000	428,627

Charity

	2023	2022 as restated
	£	£
Trade creditors	**3,788**	3,007
Social security and other taxes	**6,403**	2,196
Other creditors	**6,494**	3,580
Accrued expenses	**13,849**	9,694
	30,534	18,477

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

Group

	2023	2022 as restated
	£	£
Finance leases (see note 18)	-	9,280
	-	9,280

continued...

19. LEASING AGREEMENTS

Group
Minimum lease payments fall due as follows:

	Finance leases	
	2023	2022 As restated
	£	£
Net obligations repayable:		
Within one year	**-**	48,819
Between one and five years	**-**	9,280
	-	58,099

	Non-cancellable operating leases	
	2023	2022 as restated
	£	£
Within one year	**96,136**	95,149
Between one and five years	**270,928**	364,925
In more than five years	**165,000**	220,000
	532,064	680,074

The above figures exclude service charges.

Included in the above are commitments that arise under a formal lease between the Charity and Recycling Lives Ltd (RLL), for the accommodation space at the registered office. The relevant figures are as follows:

	2023	2022 As restated
	£	£
Due within one year	**55,000**	55,000
Due within 2 to 5 years	**220,000**	220,000
Due in more than 5 years	**165,000**	220,000
	440,000	495,000

There was a formal lease between the Charity and Recycling Lives Ltd (RLL), for the accommodation space at the registered office. This was made for two floors of residential space.

The Charity has only occupied one of two floors covered by the lease. RLL have agreed to amend the terms of the lease and recognise the obligation for only one floor of the building.

continued...

20. MOVEMENT IN FUNDS

Group

	At 30.4.22 £	Prior year adjustments £	Net movements in funds £	Transfers between funds £	29.4.23 £
Unrestricted funds					
General fund	**1,289,406**	**-**	**307,444**	**5,482**	**1,602,332**
Restricted funds					
Capital Donation – New Kitchen	**-**	**79,287**	**(17,781)**	**-**	**61,506**
Selnet	**5,482**	**-**	**-**	**(5,482)**	**-**
ASDA – Capital	**-**	**18,010**	**(4,076)**	**-**	**13,934**
Lancashire & Cumbria Core	**-**	**-**	**5,000**	**-**	**5,000**
ACE	**-**	**-**	**48,399**	**-**	**48,399**
	5,482	**97,297**	**31,542**	**(5,482)**	**128,839**
TOTAL FUNDS	**1,294,888**	**97,297**	**338,986**	**-**	**1,731,171**

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	**2,091,716**	**(1,784,272)**	**307,444**
Restricted funds			
Albert Gubay	**24,673**	**(24,673)**	**-**
Capital Donation - New Kitchen	**-**	**(17,781)**	**(17,781)**
Vinci	**30,000**	**(30,000)**	**-**
Selnet	**57,258**	**(57,258)**	**-**
ASDA -Capital	**-**	**(4,076)**	**(4,076)**
Lancashire & Cumbria Core	**130,721**	**(125,721)**	**5,000**
TNLCF (The National Lottery Charity Fund)	**77,449**	**(77,449)**	**-**
Placements	**19,426**	**(19,426)**	**-**
ACE	**194,497**	**(146,098)**	**48,399**
Training	**1,025**	**(1,025)**	**-**
Fareshare	**46,337**	**(46,337)**	**-**
	581,386	**(549,844)**	**31,542**
TOTAL FUNDS	**2,673,102**	**(2,334,116)**	**338,986**

continued...

20. MOVEMENT IN FUNDS - continued

Group
Comparatives for movement in funds

	At 30.4.21 £	Net movement in funds £	Transfers between funds £	At 29.4.22 £
Unrestricted funds				
General fund	897,086	396,208	(703,888)	589,406
Designated fund	45,000	(45,000)	700,000	700,000
	942,086	351,208	(3,888)	1,289,406
Restricted funds				
Capital Donation – New Kitchen	-	79,287	-	79,287
Selnet	-	-	5,482	5,482
ASDA – Capital	-	18,010	-	18,010
TNLCF (The National Lottery Charity Fund)	-	1,594	(1,594)	-
	-	98,891	3,888	102,779
TOTAL FUNDS	942,086	450,099	-	1,392,185

continued...

20. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,881,537	(1,485,329)	396,208
Designated fund	-	(45,000)	(45,000)
	1,881,537	(1,530,329)	351,208
Restricted funds			
Albert Gubay	8,000	(8,000)	-
Capital Donation - New Kitchen	80,526	(1,239)	79,287
ASDA-Food	5,905	(5,905)	-
Vinci	30,000	(30,000)	-
Selnet	45,883	(45,883)	-
Preston CVFS Covid Response Fund	5,000	(5,000)	-
ASDA -Capital	22,995	(4,985)	18,010
Mask making	353	(353)	-
Fareshare (Sainsbury's Easter Resilience Fund)	1,929	(1,929)	-
Fareshare (Tesco)	1,354	(1,354)	-
Lancashire & Cumbria Core	90,872	(90,872)	-
TNLCF (The National Lottery Charity Fund)	55,264	(53,670)	1,594
	348,081	(249,190)	98,891
TOTAL FUNDS	2,229,618	(1,779,519)	450,099

Charity

	At 1.5.22 £	Net movement in funds £	At 30.4.23 £
Unrestricted funds			
General fund	**455,400**	**432,507**	**887,907**
Designated fund	**700,000**	-	**700,000**
Restricted funds			
ACE	-	**48,399**	**48,399**
TOTAL FUNDS	**1,155,400**	**480,906**	**1,636,306**

continued...

20. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	**633,474**	**(200,967)**	**432,507**
Restricted funds			
ACE	**194,497**	**(146,098)**	**48,399**
TOTAL FUNDS	**827,971**	**(347,065)**	**480,906**

Comparatives for movement in funds

	At 1.5.21 £	Net movement in funds £	Transfers between funds £	At 30.4.22 £
Unrestricted funds				
General fund	777,272	378,128	(700,000)	455,400
Designated fund	45,000	(45,000)	700,000	700,000
	822,272	333,128	-	1,155,400
TOTAL FUNDS	822,272	333,128	-	1,155,400

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	512,421	(134,293)	378,128
Designated fund	-	(45,000)	(45,000)
	512,421	(179,293)	333,128
Restricted funds			
Albert Gubay	8,000	(8,000)	-
TOTAL FUNDS	520,421	(187,293)	333,128

21 . RELATED PARTY DISCLOSURES

Charity and Subsidiary
At 29th April 2023 the subsidiary Recycling Lives (Social Enterprise) Limited owed to the parent charitable company £366,036 (2022 - £214,871). The amount is non-interest bearing and unsecured.

RECYCLING LIVES CHARITY

England & Wales - Charity number 1116562

Accounts

REGISTERED COMPANY NUMBER: 05781363 (England and Wales)
REGISTERED CHARITY NUMBER: 1116562

REPORT OF THE TRUSTEES AND

CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 29 APRIL 2022

FOR

RECYCLING LIVES CHARITY

DTE Business Advisers Limited
Chartered Accountants
Statutory Auditors
The Exchange
5 Bank Street
Bury
BL9 0DN

RECYCLING LIVES CHARITY

CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 29 APRIL 2022

	Page
Report of the Trustees	1 to 7
Report of the Independent Auditors	8 to 10
Consolidated Statement of Financial Activities	11
Charity Statement of Financial Activities	12
Consolidated Statement of Financial Position	13
Charity Statement of Financial Position	14
Consolidated Statement of Cash Flows	15
Notes to the Consolidated Statement of Cash Flows	16
Notes to the Consolidated Financial Statements	17 to 31

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 29 APRIL 2022

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 29 April 2022. Although the accounting reference date is to 29 April, for administrative reasons the accounts have been prepared to 30 April.

Reporting framework
The trustees' annual report and financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and 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 (FRS102) (effective 1 January 2019), referred to as the Charities SORP (FRS 102) (second edition - October 2019).

OBJECTIVES AND ACTIVITIES
Objectives
Charitable Objects are set out in the Articles of Association as follows -

the promotion for the public benefit of urban or rural regeneration in areas of social and economic deprivation (and in particular, but not limited to, Lancashire) by all or any of the following means:

1.1 the relief of poverty in such ways as may be thought fit;

1.2 the relief of unemployment in such ways as may be thought fit, including assistance to find employment;

1.3 the advancement of education, training or retraining, particularly among unemployed people, and providing unemployed people with work experience;

1.4 the provision of financial assistance, technical assistance, or business advice or consultancy in order to provide training and employment opportunities for unemployed people in cases of financial or other charitable need through help

1.4.1 in setting up their own business, or

1.4.2 to existing businesses;

1.5 the creation of training and employment opportunities by the provision of workspace, buildings and/or land for use on favourable terms;

1.6 the provision of housing for those who are in conditions of need and the improvement of housing in the public sector or in charitable ownership provided that such power shall not extend to relieving any local authorities or other bodies of a statutory duty to provide or improve housing;

1.7 the maintenance, improvement or provision of public amenities;

1.8 the preservation of buildings or sites of historic or architectural importance;

1.9 the provision or assistance in the provision of recreational facilities for the public at large and/or those who, by reasons of their youth, age, infirmity or disablement, poverty or social and economic circumstances, have need of such facilities;

1.10 the protection or conservation of the environment;

1.11 the promotion of public safety and prevention of crime; and

1.12 such other means as may from time to time be determined subject to the prior consent of the Charity Commission for England and Wales.

OBJECTIVES AND ACTIVITIES

Activities

The charity undertakes the following activities either itself of through its subsidiary company in pursuit of its objectives:

- Accommodation and rehabilitation programme for ex-offenders and ex-homeless
- Training and work experience within prisons and the community through recycling work
- Training placement and mentoring programmes
- Food distribution programme
- Running a café to provide work, work experience and training for ex-offenders and ex homeless people
- Other environmental projects

STRATEGIC REPORT

Achievement and performance

The past financial year saw more covid restrictions being lifted and the charity and its social enterprise were able to return to something more like normality. However, there were still several complications we had to contend with.

Much of our work is done inside prisons. The very enclosed nature of the prison environment meant that they were much slower to relax covid restrictions. At the end of the financial year, workshops had reopened but most were running at reduced staffing to comply with the rules which were still in place. Despite that we have continued to service all of our recycling contracts and deliver top class rehabilitation services to the men and women we work with.

Our food redistribution work was massively affected by the haulage crisis. The lack of HGV drivers across the country had a knock on effect to us as there was less surplus food to go round but it was also harder to get that surplus to us. Given this background it is remarkable to say that we have continued to get food to those who need it in huge quantities. Feedback tells us that, without our work, many smaller organisations working on combatting food poverty, would not have been able to function.

However, as ever the teams rose to the challenges and we continued to find new ways of working and ensuring we maximised our impact.

The lottery funded prison expansion project began in 5 new prisons. Whilst in its infancy, this project is allowing us to test adding our pastoral and rehabilitation work in prisons workshops which we don't run ourselves. Traditionally we have only worked with men and women who are in our own recycling or fabrication workshops. However, we firmly believe that our rehabilitation team's methods can help others without the need for us running the workshops themselves. Covid restrictions have meant it has been a slow start but we expect this project to grow and develop in the coming year with the hope that we can prove a new model and roll it out to even more prisons in the future.

With funding from Fareshare UK we have been able to completely revamp our café and kitchen offer. It has been completely refitted with brand new equipment. This has enabled us to start the new financial year with everything in place to drive more footfall into the café, develop our new training kitchen and open up to the local community and beyond. The project team involved in delivering this have done a first class job and we will see the fruits of their work in the year to come.

Our community work has gone from strength to strength. We have seen growth in the number and diversity of the volunteers who are so vital to our food distribution centre. Our community workshop in Preston has gone from being a small operation to help during covid to becoming a key part of our operations and rehabilitation process. We have picked up new contracts which have allowed us to offer full and part-time jobs, alongside volunteering opportunities for those looking to become work ready. Those opportunities have enabled the rehabilitation team to work with people who need that little bit more help before moving onto work elsewhere. It has become another string to our bow.

In late 2021, we began a new partnership with Suez and Recycling Lives Compliance Services in Manchester. The Suez Reuse Hub allows waste from Greater Manchester to be collected, cleaned and made good for reuse rather than simply being recycled. Working in partnership, we concentrate on training and work opportunities in the white good reuse area. We have been able to expand our Achieve programme, which has run successfully in Lancashire and Cumbria for many years, into Manchester. This has meant that people on probation in Greater Manchester get 8 weeks of paid work experience before moving into full time work upon completion. It has also allowed us to create day release work opportunities for some of the women in our workshop at HMP Styal. So far it has been very successful and we expect it to grow both on size and impact. It is also a potential blueprint for growth as we have shown we can work with new partners to deliver our work.

Financially, it is pleasing that we have done all of work and managed to create a surplus. We have good plans to spend some of this surplus to make further improvements to what we already do but we also have ambitious plans to move into different areas in the next financial year and beyond.

Overall, despite the challenges we have faced it has been another good year and we have helped change the lives of many people for the better which is, after all, why we exist.

Financial review

Overview
The Group delivered a surplus for the year on unrestricted funds, after transfers, of £351,208 (2021: surplus - £743,041) and the charity had a surplus of £333,128 (2021: £755,916). Overall, the trustees are pleased with group's performance which has contributed significantly to securing its financial stability.

Subsidiary company - Recycling Lives (Social Enterprises) Ltd (RLSE)
With the exception of the accommodation programme, substantially all the activities are undertaken by the subsidiary RLSE, including some which could be considered charitable.

The directors and charity trustees are undertaking regular reviews of the activities carried out by RLSE to ensure that only low risk, fully funded and/or profitable activities, which are appropriate for it to undertake as the subsidiary of a charity, are continued.

RLSE was able to make a payment to the Charity of its taxable profits for the year of £420,662 (2021: £822,591) under gift aid.

Principal funding sources
The charity is mainly funded via its wholly owned subsidiary Recycling Lives (Social Enterprises) Ltd (RLSE), through its various income generating activities. During the pandemic some of those income streams were negatively affected, and both the charity and its subsidiary were able to attract funding and donations to cover those gaps. As the country came out of covid, the income generating activities began to grow again and the charity now has a broader variety of income streams than it had prior to the pandemic.

RLSE has a diverse range of funding streams including the National Lottery and the Albert Gubay Foundation and commercial arrangements with Recycling Lives Limited for recycling work, which it carries out in prisons and community workshops, and social value sponsorship.

Reserves policy
During the prior year the trustees reviewed their policy for financial reserves. The target of free reserves (unrestricted funds not invested in fixed assets or otherwise designated) was set to be between £200,000 and £400,000.

At April 29 2022, the charity's free reserves were £439,852 (2021: £760,725). The trustees have designated up to £200,000 of the reserves above the target level for the recruitment of new staff to develop new projects. Similarly, the trustees have designated up to £500,000 for use in a new housing project which it will look to undertake in 2023.

STRATEGIC REPORT

Going concern
In the opinion of the Trustees, there is no material uncertainty regarding the charity's or charity group's ability to continue as a going concern. The Trustees note the dramatically improved financial performance of the group in 2021/22 which has enabled the desired reserves figure. It is anticipated that sensible spending and growth will follow which will mean the charity remains financially sound.

Risk management
The Trustees regularly review the risks to which the charity is exposed and seek to apply appropriate strategies to mitigate, lay-off and manage these risks.

The Trustees consider that the current practices and future plans to respond to these risks are appropriate and that, as a result, such risks are being effectively managed.

Future plans
In the financial year from May 2022 to April 2023, we will once again conduct a full review of all of activities and ensure that they are fit for purpose both financially but, equally importantly, fulfilling the needs of our service users. We will, where possible, look to take advantage of any new opportunities which arise to allow for the advancement of our articles.

We hope to..

- Bring in a new project into the charity. The project is an existing one called the ACE Project and is currently part of another organisation. We have been approached to transfer the ACE Project and all of its staff into our charity. Given that the project works with hard to reach prison leavers and those on probation, there is a natural fit with our current activities. The aim is to bring ACE into the charity in May 2022 and take over the final year of its funding, then integrate it into our organisation and secure its future.

- Develop our training offer by employing a dedicated trainer who can offer a variety of options including first aid and fork lift qualifications. By having this in house we will be able to offer more opportunities to our current and future service users and also potentially bring in new income by selling these services.

- Fully open a new Training Kitchen in conjunction with Jamie Oliver's Ministry of Food. We have used capital funding received from Fareshare UK to refit the kitchen to enable us to offer 8 week cooking courses. These courses will focus on basic skills and nutrition and allow trainees to cook affordable recipes with easy to access ingredients. It will also link in well with our food redistribution work as we will film many recipes showing how to cook the various ingredients we receive. These will be shared on social media channels with the aim that our community food members will be able to accept and use more food.

- Expand our Specialist Support team. We have seen an ongoing increase in the need for support in the substance abuse and mental health areas. Having one member of the team specialising in this has made a big difference to our ability to work with people struggling with these issues, We recognise this cohort is likely to grow so we will look to increase that team.

- Grow the number of prisons we work with. The new lottery project, will allow us to work with more men and women in different prisons across the country. We will also look to expand into other regions including Scotland and Wales.

- Seek out further opportunities for work within our existing prison and community workshops and potentially find new streams of work which will allow us to open new workshops.

- Conduct a full review of the structure of the charity and social enterprise to allow us to put plans in place which will allow us to grow in years to come.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The organisation is a charitable company limited by guarantee, established by its Memorandum of Association and is governed under its Articles of Association dated April 13 2006, as amended by special resolution dated July 4 2006 and further amended by special resolution dated 24th July 2019.

Members of the company

Following the latest change to the Articles of Association, the membership of the company is restricted to the trustees and terminates if a member ceases to be a trustee, except that, if retiring at an AGM, all the trustees remain members until the conclusion of the meeting.

Recruitment and appointment of new directors/trustees

The Directors who served during the year together with any changes are listed on page one of the annual report. The Directors are appointed by the members at the AGM or are co-opted by the trustees. All trustees retire at the AGM and are eligible for re- election.

Trustees are recruited with regard to the skills needed by the charity.

Induction and training of new trustees

Trustees are inducted by spending time with senior management and visiting the various aspects of the charity. They are also given a pack of documentation consisting of polices, recent minutes and reports.

Organisation

The Board of Directors meets as necessary, and not less than four times a year. The quorum for a meeting of the trustees is the greater of two or one third of their number. The Board is responsible for the strategic direction and policy of the charity.

The day to day operation of the charity is the responsibility of the Chief Executive and the other members of the senior management who together with the trustees constitute the key management personnel of the charity.

Pay and remuneration for senior staff

Senior staff salaries are reviewed annually and benchmarked against other charities and social enterprises. Recommendations are then given to trustees for sign off each year.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

05781363 (England and Wales)

Registered Charity number

1116562

Registered office

Recycling Lives Centre
1a Essex Street
Preston
PR1 1QE

Trustees

J B Taylor
D Snape
B J Mayne
C Jackson
N J Whittle
C Whalley-Hunter

REFERENCE AND ADMINISTRATIVE DETAILS

Auditors
DTE Business Advisers Limited
Chartered Accountants
Statutory Auditors
The Exchange
5 Bank Street
Bury
BL9 0DN

Senior Management Team

Chief Executive	*A B Jackson
Head of Operations	*T R Carysforth
Head of Rehabilitation	*R Thackray
Head of Residential	N Flanagan
Food Distribution Manager	*J Boulton

(* are employed by a subsidiary company)

Solicitors
Brabners LLP
55 King Street
Manchester M2 4LQ

Bankers
Barclays Bank
38 Fishergate
Preston
PR1 2AD

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Recycling Lives Charity for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued
In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS
The auditors, DTE Business Advisers Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 25/1/2023 and signed on the board's behalf by:

.....
J B Taylor - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF RECYCLING LIVES CHARITY

Opinion
We have audited the financial statements of Recycling Lives Charity (the 'charitable company') and it's subsidiary (the 'group') for the year ended 29 April 2022 which comprise the Statement of Financial Activities, the Statement of Financial Position, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:
- give a true and fair view of the state of the group's and parent charitable company's affairs as at April 29 2022 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern
In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's or parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information
The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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.

Opinions on other matters prescribed by the Companies Act 2006
In our opinion, based on the work undertaken in the course of the audit:
- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception
In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:
- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees
As explained more fully in the trustees' responsibilities statement, set out in the Directors' and Trustees' Annual Report, the trustees (who are also the directors of the parent 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 groups and parent 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 group or parent charitable company or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

As part of our planning process:
- We enquired of management the systems and controls the group has in place, the areas of the financial statements that are mostly susceptible to the risk of irregularities and fraud, and whether there was any known, suspected or alleged fraud. The group did not inform us of any known, suspected or alleged fraud.
- We obtained an understanding of the legal and regulatory frameworks applicable to the group. We determined that the Charities SORP (FRS 102) and the Companies Act 2006 most relevant.
- We considered the incentives and opportunities that exist in the group, including the extent of management bias, which present a potential for irregularities and fraud to be perpetuated, and tailored our risk assessment accordingly.
- Using our knowledge of the group, together with the discussions held with the group at the planning stage, we formed a conclusion on the risk of misstatement due to irregularities including fraud and tailored our procedures according to this risk assessment.

The key procedures we undertook to detect irregularities including fraud during the course of the audit included:

- Identifying and testing journal entries and the overall accounting records, in particular those that were significant and unusual.
- Reviewing the financial statement disclosures and determining whether accounting policies have been appropriately applied.
- Reviewing and challenging the assumptions and judgements used by management in their significant accounting estimates, in particular in relation to estimating the useful economic life of an asset and its residual value and in categorising leases as finance or operating leases.
- Assessing the extent of compliance, or lack of, with the relevant laws and regulations in particular those that are central to the entities ability to continue in operation.
- Testing key income lines for evidence of management bias.
- Obtaining third-party confirmation of material bank balances.
- Documenting and verifying all significant related party balances and transactions.
- Reviewing third party documentation and correspondence for discussions of irregularities including fraud.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements even though we have properly planned and performed our audit in accordance with auditing standards. The primary responsibility for the prevention and detection of irregularities and fraud rests with the trustees of the group.

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

Use of our report

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

F O'Loughlin (Senior Statutory Auditor)
for and on behalf of DTE Business Advisers Limited
Chartered Accountants
Statutory Auditors
The Exchange
5 Bank Street
Bury
BL9 0DN

Date: 25 January 2023

RECYCLING LIVES CHARITY

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 29 APRIL 2022

	Notes	Unrestricted funds £	Restricted funds £	2022 Total funds £	2021 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	**148,431**	**8,000**	**156,431**	341,941
Charitable activities	3				
Workshops		**805,632**	**-**	**805,632**	514,940
Food distribution		**259,252**	**14,526**	**273,778**	455,971
Cafe		**23,439**	**-**	**23,439**	2,751
Kitchen training		**-**	**1,239**	**1,239**	-
Rehabilitation		**183,937**	**227,019**	**410,956**	253,810
Residential work		**27,167**	**-**	**27,167**	52,834
Social value		**433,679**	**-**	**433,679**	679,403
Total		**1,881,537**	**250,784**	**2,132,321**	2,301,650
EXPENDITURE ON					
Raising funds	4	**11,844**	**-**	**11,844**	16,156
Charitable activities	5				
Workshops		**729,328**	**8,000**	**737,328**	786,393
Food distribution		**274,777**	**14,526**	**289,303**	277,366
Cafe		**59,177**	**-**	**59,177**	100,482
Kitchen training		**3,297**	**1,239**	**4,536**	-
Rehabilitation		**221,013**	**225,425**	**446,438**	142,996
Residential work		**175,449**	**-**	**175,449**	233,272
Other projects		**55,444**	**-**	**55,444**	6,505
Total		**1,530,329**	**249,190**	**1,779,519**	1,563,170
NET INCOME		**351,208**	**1,594**	**352,802**	738,480
Transfers between funds	19	**(3,888)**	**3,888**	**-**	-
Net movement in funds		**347,320**	**5,482**	**352,802**	738,480
RECONCILIATION OF FUNDS					
Total funds brought forward		**942,086**	**-**	**942,086**	203,606
TOTAL FUNDS CARRIED FORWARD		**1,289,406**	**5,482**	**1,294,888**	942,086

The notes form part of these financial statements

RECYCLING LIVES CHARITY

CHARITY STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 30 APRIL 2022

	Notes	Unrestricted funds £	Restricted funds £	**2022 Total funds £**	2021 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	**485,254**	**8,000**	**493,254**	972,309
Charitable activities	3				
Residential work		**27,167**	**-**	**27,167**	52,834
Total		**512,421**	**8,000**	**520,421**	1,025,143
EXPENDITURE ON					
Raising funds	4	**11,844**	**-**	**11,844**	-
Charitable activities	5				
Residential work		**166,903**	**8,000**	**174,903**	232,293
Grants to subsidiary	8	**-**	**-**	**-**	29,450
Other projects		**546**	**-**	**546**	7,484
Total		**179,293**	**8,000**	**187,293**	269,227
NET INCOME		**333,128**	**-**	**333,128**	755,916
RECONCILIATION OF FUNDS					
Total funds brought forward	19	**822,272**	**-**	**822,272**	66,356
TOTAL FUNDS CARRIED FORWARD		**1,155,400**	**-**	**1,155,400**	822,272

The notes form part of these financial statements

RECYCLING LIVES CHARITY

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
29 APRIL 2022

	Notes	Unrestricted funds £	Restricted funds £	2022 **Total funds £**	2021 Total funds £
FIXED ASSETS					
Tangible assets	13	**162,965**	**76,234**	**239,199**	258,220
CURRENT ASSETS					
Debtors	15	**537,285**	**5,482**	**542,767**	641,720
Cash at bank and in hand		**952,843**	**95,283**	**1,048,126**	734,349
		1,490,128	**100,765**	**1,590,893**	1,376,069
CREDITORS					
Amounts falling due within one year	16	**(354,407)**	**(94,263)**	**(448,670)**	(630,631)
NET CURRENT ASSETS		**1,135,721**	**6,502**	**1,142,223**	745,438
TOTAL ASSETS LESS CURRENT LIABILITIES		**1,298,686**	**82,736**	**1,381,422**	1,003,658
CREDITORS					
Amounts falling due after more than one year	17	**(9,280)**	**(77,254)**	**(86,534)**	(61,572)
NET ASSETS		**1,289,406**	**5,482**	**1,294,888**	942,086
FUNDS	19				
Unrestricted funds				**1,289,406**	942,086
Restricted funds				**5,482**	-
TOTAL FUNDS				**1,294,888**	942,086

The financial statements were approved by the Board of Trustees and authorised for issue on 25/1/2023 and were signed on its behalf by:



J B Taylor - Trustee

The notes form part of these financial statements

RECYCLING LIVES CHARITY

CHARITY STATEMENT OF FINANCIAL POSITION
30 APRIL 2022

	Notes	Unrestricted funds £	Restricted funds £	2022 Total funds £	2021 Total funds £
FIXED ASSETS					
Tangible assets	13	**15,448**	-	**15,448**	16,447
Investments	14	**100**	-	**100**	100
		15,548	-	**15,548**	16,547
CURRENT ASSETS					
Debtors	15	**250,397**	-	**250,397**	636,243
Cash at bank		**907,932**	-	**907,932**	188,167
		1,158,329	-	**1,158,329**	824,410
CREDITORS					
Amounts falling due within one year	16	**(18,477)**	-	**(18,477)**	(18,685)
NET CURRENT ASSETS		**1,139,852**	-	**1,139,852**	805,725
TOTAL ASSETS LESS CURRENT LIABILITIES		**1,155,400**	-	**1,155,400**	822,272
NET ASSETS		**1,155,400**	-	**1,155,400**	822,272
FUNDS	19				
Unrestricted funds				**1,155,400**	822,272
TOTAL FUNDS				**1,155,400**	822,272

The financial statements were approved by the Board of Trustees and authorised for issue on ..25../..1../2023.. and were signed on its behalf by:

.....
J B Taylor - Trustee

The notes form part of these financial statements

RECYCLING LIVES CHARITY

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 29 APRIL 2022

	Notes	2022 £	2021 £
Cash flows from operating activities			
Cash generated from operations	1	**460,348**	562,475
Net cash provided by operating activities		**460,348**	562,475
Cash flows from investing activities			
Purchase of tangible fixed assets		**(88,529)**	(114,543)
Net cash used in investing activities		**(88,529)**	(114,543)
Cash flows from financing activities			
Capital repayments in year		**(58,042)**	(244,677)
Net cash used in financing activities		**(58,042)**	(244,677)
Change in cash and cash equivalents in the reporting period	**2**	**313,777**	203,255
Cash and cash equivalents at the beginning of the reporting period		**734,349**	531,094
Cash and cash equivalents at the end of the reporting period		**1,048,126**	734,349

The notes form part of these financial statements

NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 29 APRIL 2022

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2022	2021
	£	£
Net income for the reporting period (as per the Statement of Financial Activities)	**352,802**	738,480
Adjustments for:		
Depreciation charges	**107,550**	104,690
Decrease/(increase) in debtors	**98,953**	(287,516)
(Decrease)/increase in creditors	**(98,957)**	6,821
Net cash provided by operations	**460,348**	562,475

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 30.4.21	Cash flow	**At 29.4.22**
	£	£	**£**
Net cash			
Cash at bank and in hand	**734,349**	**313,777**	**1,048,126**
	734,349	**313,777**	**1,048,126**
Debt			
Finance leases	**(116,141)**	**58,042**	**(58,099)**
	(116,141)	**58,042**	**(58,099)**
Total	**618,208**	**371,819**	**990,027**

The notes form part of these financial statements

1. ACCOUNTING POLICIES

Basis of preparing the financial statements
The financial statements have been prepared: under the historic cost convention; 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) effective January 1 2019 (second edition – October 2019); FRS102; and the Companies Act 2006. The charity constitutes a public benefit entity as defined by FRS102.

The financial statements combine the accounts of Recycling Live Charity and its trading subsidiary to 30 April 2022.

After considering the role of Recycling Lives Charity within the wider community (described on pages 1-5 of the annual report), and the trading performance of its subsidiary, the trustees have a reasonable expectation that Recycling Lives Charity has adequate resources and cash flows to meet its spending commitments for the foreseeable future.

The Group has net assets of £1,294,888 (2021: £942,086) at the year end and has generated a surplus post year end. The trustees believe that the charity is well placed to manage the risks at these challenging times and therefore continue to adopt a going concern basis of accounting in preparing these financial statements.

Income
All income is recognised once the group has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably. The following applies to particular types of income:

Grants - whether of a capital or revenue nature, are recognised when the charity has entitlement to the funds, any performance conditions have been met and it is probable that the income will be received.

Donations - from individuals and other bodies (not being of the nature of a grant) are recognised when receivable.

Rendering of services - income derived from rendering services is recognised by reference to the completion of defined milestones. Income is only recognised to the extent of recoverable expenses when the outcome of a contract cannot be estimated reliably.

Deferred income
Income is only deferred and included in creditors when:

- The income relates to a future accounting period
- A sales invoice has been raised ahead of the work being carried out and there is no contractual entitlement to the income until the work has been done
- Not all the terms and conditions of the grant have been met, including the incurring of expenditure and the grant conditions are such that unspent grant must be refunded

Expenditure
Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

Costs of raising funds include those associated with fundraising activities, managing investments and commercial trading by the subsidiary company.

Charitable activities are costs of undertaking the work of the charity.

continued...

1. ACCOUNTING POLICIES - continued

Expenditure

The charity is not registered for VAT, and costs are stated inclusive of VAT where charged.

The subsidiary is registered for VAT and is able to recover some of the input tax charged as it relates to chargable supplies. Costs are stated net of VAT where charged.

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

Improvements to property	- 25% on cost
Plant and machinery	- 25% on cost and 10% on cost
Fixtures and fittings	- 25% on cost
Motor vehicles	- 25% on cost
Computer equipment	- 25% on cost

Taxation
There is no liability to income tax in the subsidiary because it donates its taxable profits to the charity. The charity is exempt from income tax.

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

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

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Financial instruments
A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

All the financial instruments in these accounts are considered to be basic financial instruments.

2. DONATIONS AND LEGACIES

Group	2022	2021
	£	£
Donations	124,934	176,248
Grants	31,497	165,693
	156,431	341,941

continued...

2. DONATIONS AND LEGACIES - continued

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

	2022	2021
	£	£
Albert Gubay	**8,000**	14,250
Furlough	**23,497**	151,443
	31,497	165,693

Charity	2022	2021
	£	£
Donations	**485,254**	958,059
Grants - Albert Gubay	**8,000**	14,250
	493,254	972,309

3. INCOME FROM CHARITABLE ACTIVITIES

Group	2022	2021
	£	£
Workshops	**805,632**	514,940
Food distribution	**273,778**	455,971
Café	**23,439**	2,751
Training kitchen	**1,239**	-
Rehabilitation	**410,956**	253,810
Residential work	**27,167**	52,834
	1,542,211	1,280,306

Charity	2022	2021
	£	£
Residential work	**27,167**	52,834

4. RAISING FUNDS

Group	2022	2021
	£	£
Staff costs	**11,844**	16,156

Charity	2022	2021
	£	£
Staff costs	**11,844**	-

continued...

5. CHARITABLE ACTIVITIES COSTS

Group

	Direct Costs (see note 7)	Support costs (see note 8)	Totals
	£	£	£
Workshops	**614,270**	**123,058**	**737,328**
Food distribution	**233,179**	**56,124**	**289,303**
Cafe	**47,816**	**11,361**	**59,177**
Kitchen training	**-**	**4,536**	**4,536**
Rehabilitation	**396,135**	**50,303**	**446,438**
Residential work	**141,319**	**34,130**	**175,449**
Other projects	**12,508**	**42,936**	**55,444**
	1,445,227	**322,448**	**1,767,675**

Charity

	Direct Costs (see note 7)	Support costs (see note 8)	Totals
	£	£	£
Residential work	**141,432**	**33,471**	**174,903**
Other projects	**-**	**546**	**546**
	141,432	**34,017**	**175,449**

6. DIRECT COSTS OF CHARITABLE ACTIVITIES

Group

	2022	2021
	£	£
Staff costs	**937,174**	707,820
Direct activity costs	**429,624**	349,231
Office running costs	**78,429**	51,707
	1,445,227	1,108,758

Charity

	2022	2021
	£	£
Staff costs	**65,111**	38,051
Direct activity costs	**22,287**	29,104
Office running costs	**54,034**	145,626
	141,432	212,781

continued...

7. SUPPORT COSTS

Group

	Support salaries	Other costs	Depreciation costs	Governance costs	Totals
	£	£	£	£	£
Workshops	**26,107**	**10,300**	**78,564**	**8,087**	**123,058**
Food distribution	**26,107**	**4,964**	**22,480**	**2,573**	**56,124**
Cafe	**10,121**	**1,056**	**-**	**184**	**11,361**
Kitchen training	**2,611**	**502**	**1,239**	**184**	**4,536**
Rehabilitation	**30,174**	**11,999**	**4,270**	**3,860**	**50,303**
Residential work	**-**	**660**	**997**	**32,473**	**34,130**
Other projects	**35,416**	**4,028**	**-**	**3,492**	**42,936**
	130,536	**33,509**	**107,550**	**50,853**	**322,448**

Charity

	Other costs	Depreciation costs	Governance costs	Totals
	£	£	£	£
Residential work	**-**	**998**	**32,473**	**33,471**
Other projects	**546**	**-**	**-**	**546**
	546	**998**	**32,473**	**34,017**

Support costs are allocated on the following basis: Staff salaries on estimate of time spent; all other costs on basis of use of resources.

Governance costs	**2022**	2021
	£	£
Salaries	**-**	16,156
Professional and legal fees	**50,853**	72,047
	50,853	88,203

8. GRANTS PAYABLE

Charity

The total grants paid to institutions during the year was as follows:

	2022	2021
	£	£
Grant to subsidiary	**-**	29,450

9. NET INCOME/(EXPENDITURE)

Group

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

	2022	2021
	£	£
Depreciation - owned assets	**107,550**	104,690
Operating lease rentals	**5,491**	20,000
Auditor's remuneration	**4,800**	4,200
Auditor's remuneration - Accountancy fees	**5,300**	3,220

continued...

9. NET INCOME/(EXPENDITURE) continued

Charity

Net income/(expenditure) is stated after charging/(crediting):	**2022**	2021
	£	£
Depreciation - owned assets	**999**	2,651
Auditor's remuneration	**4,800**	4,200
Auditor's remuneration - Accountancy fees	**2,400**	3,220

10. TRUSTEES' REMUNERATION AND BENEFITS

No trustees' remuneration, other benefits or expenses were paid for the year ended 29 April 2022 nor for the year ended 29 April 2021.

11. STAFF COSTS

a) Employees	2022	2021
	£	£
Salaries and wages	978,601	779,289
Pension costs - money purchase	38,757	14,054
Employer's NI contributions	59,014	58,080
	1,076,372	851,423
Staff costs for the trading subsidiary included above	1,002,597	733,297

b) Employees earning more than £60,000	Number	Number
£80,000 - £90,000	1	1

c) The key management of the group comprise the trustees and senior staff (as set out on page 4).

The trustees do not receive any remuneration for their services.

The total employee benefits of other key management were as follows:	£	£
	231,530	243,390

d) Average staff numbers
The average number of employees referred to above, was as follows:-

	2022	2021
Charity	2	1
Trading subsidiary	45	37
	47	38

continued...

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	304,443	37,498	341,941
Charitable activities			
Workshops	514,940	-	514,940
Food distribution	455,971	-	455,971
Cafe	2,751	-	2,751
Rehabilitation	253,810	-	253,810
Residential work	52,834	-	52,834
Social value	679,403	-	679,403
Total	2,264,152	37,498	2,301,650
EXPENDITURE ON			
Raising funds	16,156	-	16,156
Charitable activities			
Workshops	786,393	-	786,393
Food distribution	263,116	14,250	277,366
Cafe	100,482	-	100,482
Rehabilitation	142,996	-	142,996
Residential work	233,272	-	233,272
Other projects	(4,649)	11,154	6,505
Total	1,537,766	25,404	1,563,170
NET INCOME	726,386	12,094	738,480
Transfers between funds	16,655	(16,655)	-
Net movement in funds	743,041	(4,561)	738,480
RECONCILIATION OF FUNDS			
Total funds brought forward	199,045	4,561	203,606
TOTAL FUNDS CARRIED FORWARD	942,086	-	942,086

continued...

13. TANGIBLE FIXED ASSETS

Group	Improvements to property £	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
COST					
At 30 April 2021	**3,610**	**400,524**	**96,726**	**14,706**	**515,566**
Additions	**-**	**79,563**	**-**	**8,966**	**88,529**
At 29 April 2022	**3,610**	**480,087**	**96,726**	**23,672**	**604,095**
DEPRECIATION					
At 30 April 2021	**3,610**	**226,321**	**16,444**	**10,971**	**257,346**
Charge for year	**-**	**82,495**	**22,481**	**2,574**	**107,550**
At 29 April 2022	**3,610**	**308,816**	**38,925**	**13,545**	**364,896**
NET BOOK VALUE					
At 29 April 2022	**-**	**171,271**	**57,801**	**10,127**	**239,199**
At 29 April 2021	-	174,203	80,282	3,735	258,220

Included within equipment, fixtures and fittings are assets held on finance leases with a net book value of £44,093 (2021 - £106,829).

Charity	Improvements to property £	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
COST					
At 1 May 2021 and 30 April 2022	**3,610**	**49,756**	**1,800**	**6,734**	**61,900**
DEPRECIATION					
At 1 May 2021	**3,610**	**33,309**	**1,800**	**6,734**	**45,453**
Charge for year	**-**	**999**	**-**	**-**	**999**
At 30 April 2022	**3,610**	**34,308**	**1,800**	**6,734**	**46,452**
NET BOOK VALUE					
At 30 April 2022	**-**	**15,448**	**-**	**-**	**15,448**
At 30 April 2021	-	16,447	-	-	16,447

continued...

14. FIXED ASSET INVESTMENTS

Charity	Shares in group undertakings £
COST LESS IMPAIRMENT	
At 1 May 2021 and 30 April 2022	**100**
NET BOOK VALUE	
At 30 April 2022	**100**
At 30 April 2021	100

There were no investment assets outside the UK.

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

Group	2022 £	2021 £
Trade debtors	**83,835**	252,269
Grants and income receivable	**407,477**	337,370
Other debtors	**9,291**	2,725
Prepayments	**42,164**	49,356
	542,767	641,720

Charity	2022 £	2021 £
Trade debtors	**1,300**	999
Amounts owed by group undertakings	**243,664**	-
Grants and income receivable	**4,833**	3,833
Recycling Lives (SE)	**-**	629,785
Other debtors	**600**	1,626
	250,397	636,243

continued...

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

Group	2022	2021
	£	£
Finance leases (see note 18)	**48,819**	54,569
Trade creditors	**99,348**	79,987
Social security and other taxes	**21,889**	29,618
VAT	**51,272**	-
Other creditors	**79,770**	328,749
Accrued expenses and deferred income	**127,528**	104,601
Deferred capital grants	**20,044**	33,107
	448,670	630,631

Charity	2022	2021
	£	£
Trade creditors	**3,007**	91
Social security and other taxes	**2,196**	1,181
Other creditors	**3,580**	6,452
Accrued expenses	**9,694**	10,961
	18,477	18,685

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

Group	2022	2021
	£	£
Finance leases (see note 18)	**9,280**	61,572
Deferred capital grants	**77,254**	-
	86,534	61,572

continued...

18. LEASING AGREEMENTS

Group
Minimum lease payments fall due as follows:

	Finance leases	
	2022	2021
	£	£
Net obligations repayable:		
Within one year	**48,819**	54,569
Between one and five years	**9,280**	61,572
	58,099	116,141

Group and Charity

	Non-cancellable operating leases	
	2022	2021
	£	£
Within one year	**95,149**	153,500
Between one and five years	**364,925**	565,708
In more than five years	**220,000**	695,000
	680,074	1,414,208

The above figures exclude service charges.

Included in the above are commitments that arise under a formal lease between the Charity and Recycling Lives Ltd (RLL), for the accommodation space at the registered office. The relevant figures are as follows:

	2022	2021
	£	£
Due within one year	55,000	123,000
Due within 2 to 5 years	220,000	492,000
Due in more than 5 years	220,000	695,000
	495,000	1,310,000

There was a formal lease between the Charity and Recycling Lives Ltd (RLL), for the accommodation space at the registered office. This was made for two floors of residential space. The Charity has only occupied one of two floors covered by the lease. RLL Ltd has agreed to amend the terms of the lease and recognise the obligation for only one floor of the building.

continued...

19. MOVEMENT IN FUNDS

Group	At 30.4.21 £	Net movement in funds £	Transfers between funds £	At 29.4.22 £
Unrestricted funds				
General fund	**897,086**	**396,208**	**(703,888)**	**589,406**
Designated fund	**45,000**	**(45,000)**	**700,000**	**700,000**
	942,086	**351,208**	**(3,888)**	**1,289,406**
Restricted funds				
Selnet	**-**	**-**	**5,482**	**5,482**
The National Lottery Charity Fund	**-**	**1,594**	**(1,594)**	**-**
	-	**1,594**	**3,888**	**5,482**
TOTAL FUNDS	**942,086**	**352,802**	**-**	**1,294,888**

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	**1,881,537**	**(1,485,329)**	**396,208**
Designated fund	**-**	**(45,000)**	**(45,000)**
	1,881,537	**(1,530,329)**	**351,208**
Restricted funds			
Albert Gubay	**8,000**	**(8,000)**	**-**
Capital Donation - New Kitchen	**1,239**	**(1,239)**	**-**
ASDA-Food	**5,905**	**(5,905)**	**-**
Vinci	**30,000**	**(30,000)**	**-**
Selnet	**45,883**	**(45,883)**	**-**
Preston CVFS Covid Response Fund	**5,000**	**(5,000)**	**-**
ASDA -Capital	**4,985**	**(4,985)**	**-**
Mask making	**353**	**(353)**	**-**
Fareshare (Sainsbury's Easter Resilience Fund)	**1,929**	**(1,929)**	**-**
Fareshare (Tesco)	**1,354**	**(1,354)**	**-**
Lancashire & Cumbria Core	**90,872**	**(90,872)**	**-**
The National Lottery Charity Fund	**55,264**	**(53,670)**	**1,594**
	250,784	**(249,190)**	**1,594**
TOTAL FUNDS	**2,132,321**	**(1,779,519)**	**352,802**

continued...

19. MOVEMENT IN FUNDS - continued

Group

Comparatives for movement in funds

	At 30.4.20 £	Net movement in funds £	Transfers between funds £	At 29.4.21 £
Unrestricted funds				
General fund	199,045	726,386	(28,345)	897,086
Designated fund	-	-	45,000	45,000
	199,045	726,386	16,655	942,086
Restricted funds				
Japanese tea garden	1,801	(1,801)	-	-
Big Lottery - Weight Off your Mind	2,760	(2,760)	-	-
Capital Donation - New Kitchen	-	16,655	(16,655)	-
	4,561	12,094	(16,655)	-
TOTAL FUNDS	203,606	738,480	-	942,086

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	2,264,152	(1,537,766)	726,386
Restricted funds			
Albert Gubay	14,250	(14,250)	-
Japanese tea garden	-	(1,801)	(1,801)
Protein Work Bee	6,593	(6,593)	-
Big Lottery - Weight Off your Mind	-	(2,760)	(2,760)
Capital Donation - New Kitchen	16,655	-	16,655
	37,498	(25,404)	12,094
TOTAL FUNDS	2,301,650	(1,563,170)	738,480

Charity

	At 1.5.21 £	Net movement in funds £	Transfers between funds £	At 30.4.22 £
Unrestricted funds				
General fund	**777,272**	**378,128**	**(700,000)**	**455,400**
Designated fund	**45,000**	**(45,000)**	**700,000**	**700,000**
	822,272	**333,128**	-	**1,155,400**
TOTAL FUNDS	**822,272**	**333,128**	-	**1,155,400**

continued...

19. MOVEMENT IN FUNDS - continued

Charity

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	**512,421**	**(134,293)**	**378,128**
Designated fund	-	**(45,000)**	**(45,000)**
	512,421	**(179,293)**	**333,128**
Restricted funds			
Albert Gubay	**8,000**	**(8,000)**	-
TOTAL FUNDS	**520,421**	**(187,293)**	**333,128**

Comparatives for movement in funds

	At 1.5.20 £	Net movement in funds £	Transfers between funds £	At 30.4.21 £
Unrestricted funds				
General fund	61,795	743,822	(28,345)	777,272
Designated fund	-	-	45,000	45,000
	61,795	743,822	16,655	822,272
Restricted funds				
Japanese tea garden	1,801	(1,801)	-	-
Big Lottery - Weight Off your Mind	2,760	(2,760)	-	-
Capital Donation - New Kitchen	-	16,655	(16,655)	-
	4,561	12,094	(16,655)	-
TOTAL FUNDS	66,356	755,916	-	822,272

continued...

19. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	987,645	(243,823)	743,822
Restricted funds			
Albert Gubay	14,250	(14,250)	-
Japanese tea garden	-	(1,801)	(1,801)
Protein Work Bee	6,593	(6,593)	-
Big Lottery - Weight Off your Mind	-	(2,760)	(2,760)
Capital Donation - New Kitchen	16,655	-	16,655
	37,498	(25,404)	12,094
TOTAL FUNDS	1,025,143	(269,227)	755,916

20. RELATED PARTY DISCLOSURES

Charity and subsidiary
At 29th April 2022 the subsidiary Recycling Lives (Social Enterprise) Limited owed to the parent charitable company £243,655 (2021 – £629,785). The amount is non-interest bearing and unsecured.

RECYCLING LIVES CHARITY

England & Wales - Charity number 1116562

Accounts

RECYCLING LIVES CHARITY

ANNUAL REPORT

AND

FINANCIAL STATEMENTS FOR

THE YEAR ENDED APRIL 30 2021

Company number: 05781363
Charity number: 1116562

INDEX

Administrative information	1
Trustees' and Directors' annual report	2 – 7
Auditors' report	8 – 10
Group statement of financial activities	11
Company statement of financial activities	12
Group balance sheet	13
Company balance sheet	14
Statement of cash flows	15
Notes to the financial statements	16 – 29

RECYCLING LIVES CHARITY
ADMINISTRATIVE INFORMATION
FOR THE YEAR ENDED APRIL 30 2021

DIRECTORS/TRUSTEES

Name	**Appointed/Resigned**
W Fletcher	Resigned 20/07/20
C Jackson	
B Mayne	
D Snape	
J B Taylor (Chair)	
C M Whalley-Hunter	Appointed 02/04/21
N Whittle	

SENIOR MANAGEMENT TEAM

Chief Executive	*A B Jackson
Head of Operations	*T R Carysforth
Head of Rehabilitation	*B J Flanagan
Head of Residential	N Flanagan
Food Distribution Manager	*J Green

(* are employed by the subsidiary company)

REGISTERED OFFICE AND PRINCIPAL PLACE OF BUSINESS

1a Essex Street
Preston
Lancashire
PR1 1QE

AUDITORS

Chittenden Horley

HGA Accountants & Financial Consultants Ltd
Chartered Accounts and Statutory Auditors
456 Chester Road
Old Trafford
Manchester M16 9HD

SOLICITORS

Brabners LLP
55 King Street
Manchester M2 4LQ

BANKERS

Allied Irish Bank
4 Hardman Street
Manchester M3 3HF

The trustees present their annual report together with the consolidated financial statements of the charity and its subsidiary for the year ended April 30 2021. Although the accounting reference date is to April 29th, for administrative reasons the accounts have been prepared to April 30th.

REPORTING FRAMEWORK

The trustees' annual report and financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and 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 (FRS102) (effective 1 January 2019), referred to as the Charities SORP (FRS 102) (second edition – October 2019).

OBJECTS AND ACTIVITIES

Charitable Objects are set out in the Articles of Association as follows.

1.1 The Charity's Objects are the promotion for the public benefit of urban or rural regeneration in areas of social and economic deprivation (and in particular, but not limited to, Lancashire) by all or any of the following means:

1.1 the relief of poverty in such ways as may be thought fit;

1.1.2 the relief of unemployment in such ways as may be thought fit, including assistance to find employment;

1.1.3 the advancement of education, training or retraining, particularly among unemployed people, and providing unemployed people with work experience;

1.1.4 the provision of financial assistance, technical assistance, or business advice or consultancy in order to provide training and employment opportunities for unemployed people in cases of financial or other charitable need through help

1.1.4.1. in setting up their own business, or

1.1.4.2. to existing businesses;

1.1.5 the creation of training and employment opportunities by the provision of workspace, buildings and/or land for use on favourable terms;

1.1.6 the provision of housing for those who are in conditions of need and the improvement of housing in the public sector or in charitable ownership provided that such power shall not extend to relieving any local authorities or other bodies of a statutory duty to provide or improve housing;

1.1.7 the maintenance, improvement or provision of public amenities;

1.1.8 the preservation of buildings or sites of historic or architectural importance;

1.1.9 the provision or assistance in the provision of recreational facilities for the public at large and/or those who, by reasons of their youth, age, infirmity or disablement, poverty or social and economic circumstances, have need of such facilities;

1.1.10 the protection or conservation of the environment;

1.1.11 the promotion of public safety and prevention of crime; and

1.1.12 such other means as may from time to time be determined subject to the prior consent of the Charity Commission for England and Wales.

ACTIVITIES

The charity undertakes the following activities either itself of through its subsidiary company in pursuit of its objectives:

- Accommodation and rehabilitation programme for ex-offenders and ex-homeless
- Training and work experience within prisons and the community through recycling work
- Training placement and mentoring programme
- Food distribution programme
- Running a café to provide work, work experience and training for ex-offenders and ex homeless people
- Other environmental projects

AIMS FOR 2020/21

Once again, the aims of the Recycling Lives Charity and our Social Enterprise remained simple; to be there to help people be the best they can be. That never really changes. Our three main programmes of food redistribution, rehabilitation and residential will continue to provide quality assistance to those who need us.

However, we need to recognise that we are in the unprecedented situation of a global pandemic. Clearly that changes many things.

So, put simply, there are 3 aims for this year.

1. To ensure that we protect the jobs and wellbeing of all staff and volunteers through Covid.
2. To continue to offer the support to our participants and recipients through whatever means we can. That will mean diversification in communication methods at times and using non face to face interventions where necessary. Key is that we strive at all times to do the best we possibly can for all.
3. To closely monitor the financial standing of the organisation and look for ways to diversify the income where our more normal streams have been temporarily closed to us. The be all and end all is that we are still here post-pandemic and able to deliver our current programmes and more.

ACHIEVEMENTS AND PERFORMANCE

We began the financial year with all of our prison workshops closed, the residential programme in lockdown, the community programmes unable to function, and a food distribution centre (FDC) which was struggling to cope with the ever-growing needs of the people suffering food poverty throughout Lancashire and Cumbria.

We had many operational staff on furlough as their workplaces were locked down. That meant the recycling income from our prison workshops dropped to zero for a very long period. The community café was also shut. That accounted for over 60% of our normal income.

We couldn't just close the food redistribution centre though. The need was growing by the day. However, many of the volunteers upon whom we rely so much had to self-isolate to stay safe which meant the ever-growing need was being fulfilled by an ever shrinking workforce.

Clearly a residential programme cannot simply be shut or mothballed. Instead, we created a bubble environment which enabled the work to carry on.

What about the prison leavers and the men and women in our community programmes who still needed help with employment, accommodation, and pastoral issues? Those problems were magnified by the pandemic, so we needed to create new ways of communicating from home by using virtual technology and phone.

How did we do it without 60% of our income? Through the dedication of our team and by leaving no financial opportunity unturned. For the first time, we learned how to write grant applications and spoke to funders about our work. It paid off. Grant income rose and we were also able to re-allocate and bring forward money from a grant from the National Lottery Community Fund. This enabled us to pay the wages and the bills at a basic level.

We didn't stop there though. We looked at everything we did and searched for improvements. Not cutting, improving. So we took advantage of the money that became available and invested in new capital projects to make things work better. New racking, chillers, freezers and vehicles were funded for the FDC. That took some of the strain away from the team. We put new systems in which made the process easier and meant we could work with the increased quantities of food we needed to provide.

Similarly, we sought donations which have enabled us to completely revamp the residential area. The new kitchen and laundry areas have helped transform the offer.

We knew we had to do something about our recycling contracts, so we worked hard to temporarily redirect some stock away from prisons. Some went to partner organisations, but we were gifted temporary warehouse space of our own too. That meant we were able to open a new community workshop in Preston doing the same work as the mothballed prison workshops but in the community. It didn't replace the lost income, but it helped.

Our partners supported us too. We were able to get rent holidays and rent cancellations of rent to help us through difficult periods.

A gamechanger for us was the negotiation of a unique and long-term sponsorship deal with our partner Recycling Lives Ltd. This money has allowed us to pay off an historic loan to them but furthermore, helped to secure our future financial solidity. Not only that, it will enable us to grow the teams and the offer.

As the financial year progressed into 2021 things began to ease. Prison workshops began to tentatively reopen. Face to face consultations with participants were possible again. The improvements in the FDC started to really bear fruit. We entered a space where we were growing back again but with the added advantage of having diversified our income streams. Oddly, we were in a better place.

The teams, too, had come together, worked better and communicated more. Old metaphorical departmental walls were knocked down as people worked across the whole organisation for the common good.

Did it work for the people we are here to help? Some of the highlights…

- All of the men in the residential programme have moved out and into work and their own accommodation.
- 85 men and women who were released from prison were supported into work. In the middle of a pandemic!!
- 35 people who had been long term unemployed moved into training and work placements.
- We redistributed over 1250 tonnes of surplus food to those who really needed it. That's the equivalent of over 3 million meals across Lancashire and Cumbria.
- The reoffending rate for our prison leavers remained at under 5% for another year.

When you consider the background against which we were working these achievements are incredible. They are a testament to the adaptability, resilience, skill and sheer hard work of the people within this amazing organisation.

It will be noted that, despite all of the obstacles put in front of us, we have ended the year in a substantially better financial position than ever before. For the first time we are in a position to plan for substantial growth. Whilst that money looks good in the accounts, we need to use it wisely.

FINANCIAL REVIEW

Overview

The Group delivered a surplus for the year on unrestricted funds, after transfers, of £743,041 (2020: surplus - £203,910 and the charity had a surplus of £760,477 (2020: deficit - £14,936). Overall, the trustees are pleased with group's performance which has contributed significantly to securing its financial stability.

Subsidiary company – Recycling Lives (Social Enterprises) Ltd (RLSE)

With the exception of the accommodation programme, substantially all the activities are undertaken by the subsidiary RLSE, including some which could be considered charitable.

The directors and charity trustees are undertaking regular reviews of the activities carried out by RLSE to ensure that only low risk, fully funded and/or profitable activities, which are appropriate for it to undertake as the subsidiary of a charity, are continued.

RLSE eliminated the deficit on its funds in 2019/20 meaning that has been able to make a payment to the Charity of its taxable profits for that year of c£67k under gift aid, and for 2020/21 c£755k.

Principal Funding Sources

The charity is mainly funded via its wholly owned subsidiary Recycling Lives (Social Enterprises) Ltd (RLSE), through its various income generating activities. During the pandemic some of those income streams were negatively affected, and both the charity and its subsidiary were able to attract funding and donations to cover those gaps.

RLSE has a diverse range of funding streams including the National Lottery and commercial arrangements with Recycling Lives Limited for recycling work, which it carries out in prisons and community workshops, and social value sponsorship.

Going concern

In the opinion of the Trustees, there is no material uncertainty regarding the charity's or charity group's ability to continue as a going concern. The Trustees note the dramatically improved financial performance of the group in 2020/21 which has enabled us to hit our desired reserves figure. It is anticipated that sensible spending and growth will follow which will mean the charity remains financially sound.

Risk Management
The Trustees regularly review the risks to which the charity is exposed and seek to apply appropriate strategies to mitigate, lay-off and manage these risks.

The Trustees consider that the current practices and future plans to respond to these risks are appropriate and that, as a result, such risks are being effectively managed.

Reserve Policy
During the year the Trustees have reviewed their policy for financial reserves. The target of free reserves (unrestricted funds not invested in fixed assets or otherwise designated) was set at £200k.

At April 30 2021, the charity's free reserves were £760,725. The trustees are in the process of formulating plans for the use of the reserves above the target level.

FUTURE PLANS

We have set aside a reserves figure to cover for future unforeseen events and, in addition we have planned for the following:

- We are investing in the team. We plan to take on extra staff to bolster and improve all programmes. This will give us good succession planning but also enable us to do more.
- For the first time we will be able to bring in people at trainee level and bring them through to senior positions.
- We will be able to increase the teams add much needed cover but also to allow us to develop into more specialisms like drug and alcohol workers.
- We will look to expand the community and prison offers by learning from what we've already done and bringing that knowledge to other locations.
- We will invest in training for the team so that they are continuously learning and improving.
- We will learn from our diversification of activity and explore new opportunities. First on the agenda is partnering with 5 new prisons in different locations. By doing this we will be able to substantially grow the number of people we can help. We'll follow that up with a new training kitchen to work alongside the FDC.
- More opportunities which may previously have passed us by will be able to be looked at and implemented.

All of this needs to be done wisely. We are well aware that the pandemic actually brought us financial opportunities which may never come again. We cannot expect the flurry of grant income to repeat ad infinitum. Sensible and well thought out growth is key and we believe this will organically lead to more opportunities for the men and women we help.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The organisation is a charitable company limited by guarantee, established by its Memorandum of Association and is governed under its Articles of Association dated April 13 2006, as amended by special resolution dated July 4 2006 and further amended by special resolution dated 24th July 2019.

Members of the company

Following the latest change to the Articles of Association, the membership of the company is restricted to the trustees and terminates if a member ceases to be a trustee, except that, if retiring at an AGM, all the trustees remain members until the conclusion of the meeting.

Recruitment and Appointment of Trustees/Directors

The Directors who served during the year together with any changes are listed on page one of the annual report. The Directors are appointed by the members at the AGM or are co-opted by the trustees. All trustees retire at the AGM and are eligible for re-election.

Trustees are recruited with regard to the skills needed by the charity.

Induction

Trustees are inducted by spending time with senior management and visiting the various aspects of the charity. They are also given a pack of documentation consisting of polices, recent minutes and reports.

Organisation

The Board of Directors meets as necessary, and not less than four times a year. The quorum for a meeting of the Trustees is the greater of two or one third of their number. The Board is responsible for the strategic direction and policy of the charity.

The day to day operation of the charity is the responsibility of the Chief Executive and the other members of the senior management who together with the Trustees constitute the key management personnel of the charity. The members of senior management are listed on page 1.

Pay and remuneration for senior staff

Senior staff salaries are reviewed annually and benchmarked against other charities and social enterprises. Recommendations are then given to trustees for sign off each year.

Related party transactions

Whilst the charitable group maintains a healthy relationship with Recycling Lives Ltd., the previous in-kind support which was received has ceased. All transactions are now formal and contracted for services.

TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

Company law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing 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 (FRS 102) (second edition – October 2019);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 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.

STATEMENT OF DISCLOSURE TO AUDITORS

We, the directors of the company who held office at the date of approval of these Financial Statements as set out above each confirm, so far as we are aware, that:

- there is no relevant audit information of which the company's auditors are unaware; and
- we have taken all the steps that we ought to have taken as directors in order to make ourselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

SMALL COMPANY PROVISIONS AND APPROVAL

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

Approved by the Board of Trustees and signed on its behalf by:

J B Taylor

J B TAYLOR

Chair of Board Date: November 25 2021

Opinion

We have audited the financial statements of Recycling Lives Charity (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended April 30 2021 which comprise SOFA, balance sheet, cashflow statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charitable company's affairs as at April 30 2021 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's or parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

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 auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the [strategic report and the][7] directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Act 2011 requires us to report to you if, in our opinion:

- adequate and sufficient accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to [prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, set out in the Directors' and Trustees' Annual Report, the trustees (who are also the directors of the parent 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 groups and parent 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 group or parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed auditor under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Our approach to identifying and assessing the risks in respect of irregularities and non-compliance with laws and regulations, was as follows:

- the senior statutory auditor ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognize non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with the directors and other management, and from our commercial knowledge and experience of the computer manufacturing and supply sector;
- We focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, taxation legislation and data protection, anti-bribery, employment, environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statement to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual and alleged fraud;
- Considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations; and
- Understanding the design of the company's remuneration policies.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in note 3 were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing the financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to the actual and potential litigation claims; and
- reviewing correspondence with HMRC, relevant regulators and the company's legal advisors.

No instances of material non-compliance were identified. However, there are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx. This description forms part of our auditor's report.

Use of our report

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

Peter Smith

Peter Smith– Senior Statutory Auditor
For and on behalf of:
HGA Accountants & Financial Consultants t/a Chittenden Horley
Chartered Accountants and Statutory Auditors
456 Chester Road
Old Trafford
Manchester M16 9HD

Date: 25/11/21



HGA Accountants & Financial Consultants t/a Chittenden Horley *is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.*

RECYCLING LIVES CHARITY
GROUP STATEMENT OF FINANCIAL ACTIVITIES (including the income and expenditure account)
FOR THE YEAR ENDED APRIL 30 2021

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
INCOME					
Incoming resources from generated funds:					
Donations	2	304,443	37,498	**341,941**	*238,988*
Charitable activities	3	1,280,306	-	**1,280,306**	*1,977,348*
Other trading activities	4	679,403	**-**	**679,403**	-
TOTAL INCOMING RESOURCES		2,264,152	37,498	**2,301,650**	*2,216,336*
EXPENDITURE					
Costs of raising funds	6	16,156	-	**16,156**	*44,771*
Expenditure on charitable activities	7	1,521,610	25,404	**1,547,014**	*1,981,192*
TOTAL EXPENDITURE		1,537,766	25,404	**1,563,170**	*2,025,963*
NET INCOME/(EXPENDITURE)					
BEFORE TRANSFERS	10	726,386	12,094	**738,480**	*190,373*
Transfers between funds	16	16,655	(16,655)	**-**	-
NET INCOME/(EXPENDITURE)					
AFTER TRANSFERS		743,041	(4,561)	**738,480**	*190,373*
TOTAL FUNDS					
Brought forward	16	199,045	4,561	**203,606**	*13,233*
Carried forward	16	942,086	-	**942,086**	*203,606*

The notes on pages 16 to 29 form part of these financial statements.

RECYCLING LIVES CHARITY
CHARITY STATEMENT OF FINANCIAL ACTIVITIES (including the income and expenditure account)
FOR THE YEAR ENDED APRIL 30 2021

	Notes	Unrestricted Funds	Restricted Funds	Total 2021	Total 2020
		£	£	£	£
Incoming resources from generated funds:					
Donations	2	934,811	37,498	**972,309**	*97,460*
Charitable activities	3	52,834	-	**52,834**	*46,402*
TOTAL INCOME		987,645	37,498	**1,025,143**	*143,862*
EXPENDITURE					
Costs of raising funds	6	-	-	**-**	-
Expenditure on charitable activities	7	243,823	25,404	**269,227**	*142,463*
TOTAL EXPENDITURE		243,823	25,404	**269,227**	*142,463*
NET INCOME/(EXPENDITURE) BEFORE TRANSFERS		743,822	12,094	**755,916**	*1,399*
Transfers between funds	16	16,655	(16,655)	**-**	-
NET MOVEMENT IN FUNDS		760,477	(4,561)	**755,916**	*1,399*
TOTAL FUNDS					
Brought forward	16	61,795	4,561	**66,356**	*64,957*
Carried forward	16	822,272	-	**822,272**	*66,356*

The notes on pages 16 to 29 form part of these financial statements.

RECYCLING LIVES CHARITY
GROUP BALANCE SHEET
FOR THE YEAR ENDED APRIL 30 2021

	Notes	2021	2021	2020	2020
		£	£	£	£
FIXED ASSETS					
Tangible Assets	11		**258,220**		*248,367*
CURRENT ASSETS					
Debtors	13	**641,720**		*354,204*	
Cash at Bank and in Hand		**734,349**		*531,094*	
		1,376,069		*885,298*	
CREDITORS					
Amounts falling due in one year	14	**630,631**		*623,811*	
NET CURRENT ASSETS			**745,438**		*261,487*
			1,003,658		*509,854*
CREDITORS					
Amounts falling due in more than 1 year	15		**61,572**		*306,248*
NET ASSETS			**942,086**		*203,606*
FUNDS					
Unrestricted					
General fund	16		**897,086**		199,045
Designated fund			**45,000**		
Restricted	16		**-**		*4,561*
TOTAL FUNDS			**942,086**		*203,606*

The notes on pages 16 to 29 form part of these financial statements.

Approved by the Board of Directors and authorised for issue on 25/11/21

And signed on their behalf by:

J B Taylor

J B Taylor – Chair of board

Company registration number: 05781363

RECYCLING LIVES CHARITY
CHARITY BALANCE SHEET
FOR THE YEAR ENDED APRIL 30 2021

	Notes	2021	2021	2020	2020
		£	£	£	£
FIXED ASSETS					
Tangible Assets	11		**16,447**		*2,443*
Investments	12		**100**		*100*
			16,547		*2,543*
CURRENT ASSETS					
Debtors	13	**636,243**		*26,525*	
Cash at Bank and in Hand		**188,167**		*85,788*	
		824,410		*112,313*	
CREDITORS					
Amounts falling due in one year	14	**18,685**		*48,500*	
NET CURRENT ASSETS			**805,725**		*63,813*
			822,272		*66,356*
NET ASSETS			**822,272**		*66,356*
FUNDS					
Unrestricted					
General fund	16		**822,272**		*61,795*
Restricted	16		**-**		*4,561*
TOTAL FUNDS			**822,272**		*66,356*

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

The notes on pages 16 to 29 form part of these financial statements.

Approved by the Board of Directors and authorised for issue on 25/11/21

And signed on their behalf by:

J B Taylor

J B Taylor – Chair of board

Company registration number: 05781363

RECYCLING LIVES CHARITY
GROUP AND CHARITY STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED APRIL 30 2021

	notes	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Cash generated from/(used in) operating activities	18	**562,475**	*224,172*	**119,034**	*2,636*
Cashflows from investing activities					
Purchase of tangible fixed assets		**(114,543)**	*(84,082)*	**(16,655)**	-
Cash provided by/(used in) investing activities		**(114,543)**	*(84,082)*	**(16,655)**	-
Cashflows from financing activities					
Proceeds from new borrowings - finance leases		**-**	-	**-**	-
Other creditors written off		**-**	*186,634*	**-**	-
Repayment of borrowing - finance leases		**(244,677)**	*(52,494)*	**-**	-
Cash used in financing activities		**(244,677)**	*134,140*	**-**	-
Increase/(decrease) in cash & cash equivalents in the year		**203,255**	*274,230*	**102,379**	*2,636*
Cash and cash equivalents brought forward		**531,094**	*256,864*	**85,788**	*83,152*
Cash and cash equivalents carried forward		**734,349**	*531,094*	**188,167**	*85,788*
Cash and cash equivalents consist of:					
Cash at bank and in hand		**734,349**	*531,094*	**188,167**	*85,788*
Current asset investments					
		734,349	*531,094*	**188,167**	*85,788*

The notes on pages 16 to 29 form part of these financial statements.

1 ACCOUNTING POLICIES

1.1 Basis of preparation

The financial statements have been prepared: under the historic cost convention; 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) effective January 1 2019 (second edition – October 2019); FRS102; and the Companies Act 2006. The charity constitutes a public benefit entity as defined by FRS102.

The accounts are prepared in £ sterling, which is the functional currency.

1.2 Income recognition

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably. The following applies to particular types of income:

Grants - whether of a capital or revenue nature, are recognised when the charity has entitlement to the funds, any performance conditions have been met and it is probable that the income will be received.

Donations - from individuals and other bodies (not being of the nature of a grant) are recognised when receivable.

Rendering of services – turnover derived from rendering services is recognised by reference to the stage of completion of contract. The stage completion of a contract is measured by comparing the costs incurred for work performed to date to the total estimated contract costs. Turnover is only recognised to the extent of recoverable expenses when the outcome of a contract cannot be estimated reliably.

Deferred income
Income is only deferred and included in creditors when:

- The income relates to a future accounting period
- A sales invoice has been raised ahead of the work being carried out and there is no contractual entitlement to the income until the work has been done
- Not all the terms and conditions of the grant have been met, including the incurring of expenditure and the grant conditions are such that unspent grant must be refunded

1.3 Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

Costs of raising funds	including those associated with fundraising activities, managing investments and commercial trading by the subsidiary company.
Charitable activities	costs of undertaking the work of the charity.

The charity is not registered for VAT, and costs are stated inclusive of VAT where charged.

The subsidiary is registered for VAT and is able to recover some of the input tax charged as it relates to VATable supplies. Costs are stated net of VAT were charged.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are carried at costs, 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:

Depreciation rates, all straight line, are as follows:

Leasehold property improvements	25% Straight line
Plant & Machinery	25% Straight line
Catering equipment, fixtures & fittings	10%/25% Straight line
Motor vehicles	25% Straight line
IT equipment	25% Straight line

1.5 Debtors

Trade and other debtors are recognised at the settlement amount due and prepayments are valued at the amount prepaid.

1.6 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 ACCOUNTING POLICIES (continued)

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

1.8 Taxation
Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the statement of comprehensive income because of items of income or expense that are taxable or deductible in other year and items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Current tax for the year is recognised in profit or loss, except when they related to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax is also recognised in other comprehensive income or directly in equity respectively.

There is no liability to income tax in the subsidiary because it donates its taxable profits to the charity. The charity is exempt from income tax.

1.9 Financial instruments
A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

All the financial instruments in these accounts are considered to be basic financial instruments.

1.10 Group financial statements
The financial statements consolidate the results of the charity and its wholly owned subsidiary on a line by line basis.

	2021			2020		
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	£	£	£	£	£	£
2 DONATIONS						
GROUP						
As below	112,220	37,498	**149,718**	*90,580*	*6,880*	***97,460***
Donation - Commercial group	-	-	**-**	*118,764*	-	***118,764***
Donations	40,780	-	**40,780**	-	-	**-**
HMRC - CJRS grant	151,443	-	**151,443**	22,764	-	***22,764***
	304,443	37,498	**341,941**	*232,108*	*6,880*	***238,988***
CHARITY						
Project grants						
Albert Gubay	-	14,250	**14,250**	-	-	**-**
	-	14,250	**14,250**	-	-	**-**
Donations						
General	112,220	23,248	**135,468**	*90,580*	*6,880*	***97,460***
For Japanese Tea Garden	-	-	**-**	-	-	**-**
	112,220	23,248	**135,468**	*90,580*	*6,880*	***97,460***
	112,220	37,498	**149,718**	*90,580*	*6,880*	***97,460***
Donation from SE	822,591	-	**822,591**	-	-	**-**
Total for company	934,811	37,498	**972,309**	*90,580*	*6,880*	***97,460***

3 INCOME FROM CHARITABLE ACTIVITIES

Residential work	52,834		**52,834**	*46,402*		***46,402***
	-	-	**-**	-	-	**-**
Per Charity	52,834	-	**52,834**	*46,402*	-	***46,402***
Prison contract - recycling scheme	514,940	-	**514,940**	*1,113,842*	-	***1,113,842***
Café and canteen	2,751	-	**2,751**	*197,873*	-	***197,873***
Food distribution	455,971	-	**455,971**	*298,663*	-	***298,663***
Release Potential	253,810	-	**253,810**	*320,568*	-	***320,568***
	1,227,472	-	**1,227,472**	1,930,946	-	***1,930,946***
Per Group	1,280,306	-	**1,280,306**	*1,977,348*	-	***1,977,348***

Included in Release Potential is £36,670 (2020 - nil) of funding from the National Lottery Community Fund.

4 INCOME FROM OTHER TRADING ACTIVITIES

Social value sponsorship	679,403	-	**679,403**	-	-	-
Per Group	679,403	-	**679,403**	**-**	**-**	-

5 TRADING SUBSIDIARY

	2021	2020
	£	£
Turnover	**1,837,329**	*1,901,156*
Cost of sales	**(924,711)**	*(1,560,407)*
Gross profit	**912,618**	*340,749*
Distribution costs	**(20,000)**	-
Administration Expenses	**(373,335)**	*(322,557)*
Other operating income	**232,941**	*178,198*
Operating profit/loss	**752,224**	*196,390*
Interest payable and similar charges	**(5,346)**	*(7,421)*
Profit for the financial year	**746,878**	*188,969*
Total assets	**1,423,218**	*1,047,018*
Total liabilities	**(1,361,585)**	*(909,672)*
Net funds	**61,633**	*137,346*
Total income as above	**2,070,270**	*1,901,156*
less eliminated on consolidation - grants from charity	**(29,450)**	*(6,880)*
add back capital grant	**77,704**	
less eliminated on consolidation amortisation capital grant	**(19,426)**	
To Group income	**2,099,098**	*1,894,276*
Total costs as above	**1,323,392**	*1,890,385*
Donations	**-**	-
Inter company trading	**-**	-
To Group costs	**1,323,392**	*1,890,385*

	2021			2020		
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	£	£	£	£	£	£
6 COSTS OF RAISING FUNDS						
Fundraising						
Per Charity	-	-	**-**	-	-	**-**
Direct costs	-		**-**	*30,000*	-	***30,000***
Support costs	16,156	-	**16,156**	*14,771*	-	***14,771***
Per Group	16,156	-	**16,156**	*44,771*	-	***44,771***
7 CHARITABLE EXPENDITURE						
Residential work	233,272	-	**233,272**	*122,046*	-	***122,046***
Grants to subsidiary	15,200	14,250	**29,450**	-	*6,880*	***6,880***
Other projects	(4,649)	11,154	**6,505**	-	*13,537*	***13,537***
Per Charity	243,823	25,404	**269,227**	*122,046*	*20,417*	***142,463***
Grants to subsidiary eliminated	(15,200)	(14,250)	**(29,450)**	-	*(6,880)*	***(6,880)***
Prison contract - recycling scheme	786,393	-	**786,393**	1,131,813	-	***1,131,813***
Café and canteen	100,482	-	**100,482**	243,731	-	***243,731***
Food distribution	263,116	14,250	**277,366**	214,405	*6,880*	***221,285***
Donation to Subsidiary	-	-	**-**	-	-	**-**
Training placements and support	142,996	-	**142,996**	248,780	-	***248,780***
Per Group	1,521,610	25,404	**1,547,014**	*1,960,775*	*20,417*	***1,981,192***

Charitable expenditure is analysed as follows:	Direct Costs	Direct Salaries	Support Costs	Total
2020/21	£	£	£	£
Residential work	195,856	10,420	26,996	**233,272**
Grants to subsidiary company	29,450	-	-	**29,450**
Other projects	6,505	-	-	**6,505**
Total per Charity	231,811	10,420	26,996	**269,227**
Prison contract - recycling scheme	122,797	446,314	217,282	**786,393**
Café and canteen	1,052	42,825	56,605	**100,482**
Food distribution	73,006	128,976	75,384	**277,366**
Release Potential	1,721	79,285	61,990	**142,996**
Total per Subsidiary	198,576	697,400	411,261	**1,307,237**
2019/20				
Residential work	*76,468*	*23,832*	*21,746*	***122,046***
Grants to subsidiary company	*6,880*	-	-	***6,880***
Other projects	*13,537*	-	-	***13,537***
Total per Charity	*96,885*	*23,832*	*21,746*	***142,463***
Prison contract - recycling scheme	*631,092*	*363,998*	*136,723*	***1,131,813***
Café and canteen	*97,969*	*113,702*	*32,060*	***243,731***
Food distribution	*65,463*	*114,395*	*41,427*	***221,285***
Training placements and support	*38,750*	*173,046*	*36,984*	***248,780***
Total per Subsidiary	*833,274*	*765,141*	*247,194*	***1,845,609***

8 SUPPORT COSTS

2020/21	Support salaries £	Travel & Training £	Other Costs £	Governance costs £	Depreciation Costs £	Total 2021 £
Residential work	-	-	979	23,283	2,734	**26,996**
	-	**-**	979	23,283	2,734	**26,996**
Prison contract - recycling scheme	46,671	14,512	41,899	25,968	88,232	**217,282**
Café and canteen	17,950	7,256	18,276	12,984	138	**56,605**
Food distribution	23,335	7,256	18,276	12,984	13,533	**75,384**
Release Potential	23,335	7,256	18,276	12,984	138	**61,990**
Fundraising	16,156	-	-	-	-	**16,156**
	127,447	36,280	97,706	88,204	104,775	**454,413**

2019/20						Total 2020
Residential work	*-*	*-*	*479*	*19,550*	*1,717*	***21,746***
	-	*-*	*479*	*19,550*	*1,717*	***21,746***
Prison contract - recycling scheme	*41,785*	*6,845*	*21,436*	*10,938*	*55,719*	***136,723***
Café and canteen	*15,968*	*3,423*	*7,007*	*5,469*	*193*	***32,060***
Food distribution	*20,892*	*3,423*	*7,007*	*5,469*	*4,636*	***41,427***
Release Potential	*20,892*	*3,423*	*7,007*	*5,469*	*193*	***36,984***
Fundraising	*14,771*	*-*	*-*	*-*	*-*	***14,771***
	114,308	*17,114*	*42,936*	*46,895*	*62,458*	***283,711***

Governance costs	£	£
Salaries	**16,156**	*14,771*
Professional and legal fees	**72,047**	*32,126*
Overheads	**-**	-
	88,203	*46,897*

Support costs are allocated on the following basis:

Staff costs	on estimate of time spent
Other costs	on basis of use of resources

9 STAFF INFORMATION

	2021	2020
a Employees	**£**	**£**
Salaries and wages	**779,289**	*844,850*
Pension costs - money purchase	**14,054**	*15,992*
Employer's nic allowance including back claim	**(4,000)**	*(12,000)*
Employer's NI contributions	**62,080**	*69,210*
	851,423	*918,052*
Staff costs for the trading subsidiary included above	**733,297**	*795,748*
b Employees earning more than £60,000	**Number**	**Number**
£80,000 - £90,000	**1**	**1**

c The key management of the group comprise the trustees and senior staff (as set out on page1).

The trustees do not receive any remuneration for their services.

The total employee benefits of other key management were as follows:	**£**	**£**
	243,390	*256,489*

b Average staff numbers

The average number of employees referred to above, was as follows:-

	2021 Average number	2021 Average FTE number	2020 Average number	2020 average FTE number
Charity	**1**	**1**	*1*	*1*
Trading subsidiary	**37**	**31**	*41*	*37*
	38	**32**	*42*	*38*

10 NET INCOME/(EXPENDITURE) BEFORE TRANSFERS (for the Group)

This is stated after charging/(crediting):

Auditor's remuneration:-	**£**	**£**
Audit fees - annual accounts	**4,200**	*4,000*
Accountancy fees	**3,220**	*11,820*
Operating lease rentals	**80,667**	*80,300*
Depreciation of assets held on finance leases	**85,015**	*54,339*
Depreciation of fixed assets	**19,675**	*8,120*
Trustees remuneration	**-**	-
Trustees expenses re travel and accommodation	**-**	-
	Number	**Number**
Trustees having expenses reimbursed or paid on their behalf	**-**	-

11 TANGIBLE FIXED ASSETS

GROUP -	Short leasehold improvements	Canteen	Motor vehicle	Equipment, Fixtures & Fittings	IT Equipment	Total
	£	£	£	£	£	£
Cost						
As at May 1 2020 - as restated	3,610	8,500	49,611	325,162	14,140	401,023
Additions	-	-	47,115	66,862	566	114,543
Disposals	-	-	-	-	-	-
As at April 30 2021	3,610	8,500	96,726	392,024	14,706	515,566
Depreciation						
As at May 1 2020 - as restated	3,610	8,499	3,509	128,372	8,666	152,656
Charge for the year	-	-	12,935	89,450	2,305	104,690
Disposals	-	-	-	-	-	-
As at April 30 2021	3,610	8,499	16,444	217,822	10,971	257,346
Net Book Value						
As at April 30 2021	**-**	**1**	**80,282**	**174,202**	**3,735**	**258,220**
As at May 1 2020 - as restated	-	*1*	*46,102*	*196,790*	*5,474*	*248,367*

Included in equipment, fixtures and fittings are assets held on finance leases with a net book value of £168,244 (2020 - £222,583).

COMPANY	Short leasehold improvements	Canteen	Motor vehicle	Fixtures & Fittings	IT Equipment	Total
	£	£	£	£	£	£
Cost						
As at May 1 2020	3,610	8,500	1,800	24,601	6,734	45,245
Additions	-	-	-	16,655	-	16,655
Disposals						-
As at April 30 2021	3,610	8,500	1,800	41,256	6,734	61,900
Depreciation						
As at May 1 2020	3,610	8,499	1,800	22,159	6,734	42,802
Charge for the year	-	-	-	2,651	-	2,651
Disposals						-
As at April 30 2021	3,610	8,499	1,800	24,810	6,734	45,453
Net Book Value						
As at April 30 2021	**-**	**1**	**-**	**16,446**	**-**	**16,447**
As at May 1 2020	-	*1*	-	*2,442*	-	*2,443*

12 FIXED ASSET INVESTMENTS

The Charity owns 100% of the issued share capital of the following companies:

Name	Activity	Investment 2021	Investment 2020	Company no.
		£	£	
Recycling Lives (Social Enterprises) Ltd		**100**	*100*	8775890
(incorporated in England & Wales)		**100**	*100*	

	GROUP 2021 £	GROUP 2020 £	COMPANY 2021 £	COMPANY 2020 £
13 DEBTORS				
Trade debtors	**252,269**	*263,478*	**999**	*6,775*
Grants and income receivable	**337,370**	*6,551*	**3,833**	*6,551*
Recycling Lives (Social Enterprises) Ltd	**-**	-	**629,785**	-
Other debtors	**2,725**	*13,199*	**1,626**	*13,199*
Prepayments	**49,356**	*70,976*	**-**	-
	641,720	*354,204*	**636,243**	*26,525*
14 CREDITORS falling due within one year				
Trade creditors	**79,987**	147,875	**91**	*4,752*
Other taxes and social security	**29,618**	*29,577*	**1,181**	-
Accruals	**104,601**	*92,308*	**17,413**	*15,635*
Recycling Lives (Social Enterprises) Ltd	**-**	-	**-**	*28,113*
Finance lease creditors	**54,569**	*54,570*	**-**	-
Other creditors	**328,749**	*259,401*	**-**	-
Income and grants in advance	**33,107**	*40,080*	**-**	-
	630,631	*623,811*	**18,685**	*48,500*
15 CREDITORS falling due in more than one year				
Other creditors	**-**	*186,634*	**-**	-
Finance lease creditors - 2 - 5 years	**61,572**	*119,614*	**-**	-
	61,572	*306,248*	**-**	**-**

See the related party note for details of the other creditors due in more than one year.

16 STATEMENT OF FUNDS

GROUP	01/05/2019 £	Income £	Expenditure £	Transfers losses & taxation £	30/04/2020 01/05/2020 £	Income £	Expenditure £	Transfers £	30/04/2021 £
Unrestricted funds:									
General fund	*(4,865)*	*2,209,456*	*(2,005,546)*	-	*199,045*	*2,264,152*	*(1,537,766)*	*(28,345)*	*897,086*
Designated Fund	-	-	-	-	-	-	-	*45,000*	*45,000*
	(4,865)	*2,209,456*	*(2,005,546)*	-	*199,045*	*2,264,152*	*(1,537,766)*	*16,655*	*942,086*
Restricted Funds:									
Project funds (see detail below)	*18,098*	*6,880*	*(20,417)*	-	*4,561*	*37,498*	*(25,404)*	*(16,655)*	-
	18,098	*6,880*	*(20,417)*	-	*4,561*	*37,498*	*(25,404)*	*(16,655)*	-
Total Funds	*13,233*	*2,216,336*	*(2,025,963)*	-	*203,606*	*2,301,650*	*(1,563,170)*	-	*942,086*

Unrestricted fund totals are analysed as follows:			
Charitable funds	*46,859*	*61,795*	*822,272*
Capital grant in SE	-	-	*58,278*
Non charitable trading funds	*(51,724)*	*137,250*	*119,814*
	(4,865)	*199,045*	*942,086*

16 STATEMENT OF FUNDS (continued)

COMPANY	01/05/2019	Income	Expenditure	Transfers losses & taxation	30/04/2020 01/05/2020	Income	Expenditure	Transfers	30/04/2021
Unrestricted funds:	£	£	£	£	£	£	£	£	£
General fund	*46,859*	*136,982*	*(122,046)*	-	*61,795*	987,645	(243,823)	(28,345)	**777,272**
Designated fund	-	-	-	-	-	-		45,000	**45,000**
Total unrestricted funds	*46,859*	*136,982*	*(122,046)*	-	*61,795*	987,645	(243,823)	16,655	**822,272**
Restricted Funds:									
Albert Gubay	-	-	-	-	-	14,250	(14,250)	-	**-**
Protein Work Bee	-	*6,880*	*(6,880)*	-	-	6,593	(6,593)		**-**
Big Lottery - Weight Off your Mind	*2,760*	-	-	-	*2,760*	-	(2,760)	-	**-**
Japanese Tea Garden	*13,049*	-	*(11,248)*	-	*1,801*	-	(1,801)	-	**-**
Capital Donation - New Kitchen	-	-	-	-	-	16,655	-	(16,655)	**-**
Reach fund	*2,289*	-	*(2,289)*	-	-	-		-	**-**
Total restricted funds	*18,098*	*6,880*	*(20,417)*	-	*4,561*	37,498	(25,404)	(16,655)	**-**
Total Funds	*64,957*	*143,862*	*(142,463)*	-	*66,356*	1,025,143	(269,227)	-	**822,272**

16 STATEMENT OF FUNDS (continued)

Transfers

The Charity benefited from a donation of £45,000 received towards the end of the year, and this has been designated to meet the salary costs of the residential project in 21/22.

There is no continuing restriction over the use of the kitchen and the balance has been released to general funds.

17 ANALYSIS OF NET ASSETS BETWEEN FUNDS

Company fund balances at April 30 2021 are represented by:-	**Unrestricted Funds**	**Restricted Funds**	**Total**
	£	**£**	**£**
Tangible fixed assets	16,547	-	**16,547**
Net current assets	805,725	-	**805,725**
	822,272	-	**822,272**

Company fund balances at April 30 2020 are represented by:-			
Tangible fixed assets	2,543	-	**2,543**
Net current assets	59,252	4,561	**63,813**
	61,795	4,561	**66,356**

Free Reserves:	**2021**	**2020**
	£	**£**
Net current assets	**760,725**	59,252

18 RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASHFLOW FROM OPERATING ACTIVITIES

	Group 2021	**Group 2020**	**Charity 2021**	**Charity 2020**
	£	**£**	**£**	**£**
Net income/(expenditure) after taxation	**738,480**	*190,373*	**755,916**	*1,399*
Add back depreciation	**104,690**	*62,459*	**2,651**	*1,717*
Deduct interest income shown in investing activities	**-**	-	**-**	-
Deduct profit/add back losses on disposals of FA	**-**	-	**-**	-
Decrease/(increase) in debtors	**(287,516)**	*143,609*	**(609,718)**	*(26,525)*
Increase/(decrease) in creditors	**6,821**	*(172,269)*	**(29,815)**	*26,045*
Net cash generated from/(used in) operating activities	**562,475**	*224,172*	**119,034**	*2,636*

Movement in net debt:	**at 31/3/20**	**cashflows**	**New finance leases**	**other non cash**	**as 31/3/21**
Group	**£**	**£**	**£**	**£**	**£**
Cash and cash equivalents					
Cash at bank and in hand	531,094	203,255	-	-	734,349
Debt					
Finance lease obligations	(174,184)	(58,043)	-	-	(116,141)
Cash and cash equivalents net of debt	356,910				618,208

There are no borrowings in the Charity.

19 LEASE COMMITMENTS	**2021**	**2020**
	£	**£**
Operating leases		
Due within one year	**153,500**	*133,417*
Due within 2 to 5 years	**565,708**	*492,000*
Due in more than 5 years	**695,000**	*820,000*
	1,414,208	*1,445,417*

The above figures exclude service charges.

Included in the above are commitments that arise under a formal lease between the Charity and Recycling Lives Ltd (RLL), for the accommodation space at the registered office. The relevant figures are as follows:

Due within one year	**123,000**	*123,000*
Due within 2 to 5 years	**492,000**	*492,000*
Due in more than 5 years	**695,000**	*820,000*
	1,310,000	*1,435,000*

The Charity has only occupied one of two floors covered by the lease and RLL has never sought to charge the full rent, charging only what it believes the Charity can afford in any year following discussions with the Charity.

RLL has rented out the unoccupied space to other tenants and retained the income for its own use.

The Charity and RLL are in the process of formalising the current position and agreeing a formal variation in the lease terms.

Finance leases		
Due within one year	**59,919**	*59,916*
Due between 2 and 5 years	**65,088**	*125,007*
	125,007	*184,923*
Less finance lease interest	**(8,916)**	*(10,739)*
	116,091	*174,184*

20 CONSTITUTION

The Company is limited by guarantee and does not have a share capital. In the event of the Company being wound up the members are committed to contributing £1 each.

21 TAXATION

The company is a registered charity and is entitled to claim annual exemption from UK corporation tax under sections 466 to 477 of the Corporation Tax Act 2010.

22 CAPITAL COMMITMENTS

The company had the no capital commitments at the year end (2020 - none).

23 Related party transactions

Charity and subsidiary

At 30th April 2021 the subsidiary Recycling Lives (Social Enterprise) Limited owed to the parent charitable company £629,785 (2020 - the Charity owed £28,113). The amount is non-interest bearing and unsecured.

Recycling Lives

The charitable group now has a simple commercial trading relationship with Recycling Lives Ltd. This involves contracting recycling services and a formal sponsorship arrangement. No trustees or key personnel or their families have any formal relationship with the business.

The Group accounts include the following total amounts for services supplied to and by commercial group companies:

Skip hire services

Throughout both years, Recycling Lives (Social Enterprises) Ltd (RLSE) has acted as agent for Recycling Lives Ltd (RLL) in respect of a skip hire contract that invoiced c£1.2m in 20/21 (prior year c£1.4m),and was invoiced the same by RLL. The income and costs are not included in the profit and loss account of SE. At the year end there was c£202k outstanding from the skip hire company. At the year end RLL was owed £328,749 by RLSE for this.