

**THE ROAD TO RECOVERY TRUST**

**UNAUDITED FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2021**

**COMPANY REGISTRATION NUMBER: 07847240**

**CHARITY REGISTRATION NUMBER: 1144882**

	Page
Report of the Trustees	2
Independent Examiner's Report	5
Statement of Financial Activities	6
Balance Sheet	7
Notes to the Financial Statements	8

**THE ROAD TO RECOVERY TRUST (REGISTRATION NUMBER: 07847240)**

**REPORT OF THE TRUSTEES**

**FOR THE YEAR ENDED 31 MARCH 2021**

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The trustees present their report and the unaudited financial statements of the charitable company ('the charity') for the year ended 31 March 2021. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the charity.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's Trust Deed, the Charities Act 2011, 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 published on 16 July 2014 (as amended by Update 1 published on 2 February 2016).

**Objects and Activities**

Under its Articles of Association, the charitable company's objects are the relief and rehabilitation of those who are suffering as a result of addiction or compulsive disorder, in particular through promoting access to and take up of the 12 step recovery programme; the preservation and protection of the physical and mental health of such persons and their families and carers by providing information and support; and the advancement of education amongst the public so as to prevent the misuse of or addiction to alcohol, drugs, or other addictive substances.

The Trustees regularly review the objects and activities of the charity and as part of this review, they have considered the Charity Commission's general guidance on public benefit.

**Achievements and Performance**

The North East has the highest number of drug-related deaths in the country - it also has the highest number of alcohol-related deaths, more than 25 per cent higher than the national average.

Despite this, many people suffering from addictions make determined efforts to get well and mainstream recovery services are working flat-out. People are at most at risk from relapse when in the early stages of recovery from addiction (0-24 months). In response to this, the Road to Recovery Trust embarked on the ambitious project to create George Street Social. Essentially it is an organization which exists to keep people clean and sober and prevent relapse by offering 'wrap-around' services to augment what the Fellowships (AA, NA etc) can offer to those in early recovery.

It has without doubt been another hugely challenging year but we have achieved a vast amount, especially with Covid. We've had generous support from the Newcastle City Council Public Health, Covid-19 Response fund, National Lottery and the Community Fund, we have been able to survive the pandemic and continue to offer support for those in need. Unfortunately, the café was shut for the majority of the year due to restrictions so very little revenue was generated.

Hired rooms are now used by 25 fellowship meetings weekly and more than 250 individuals attend. 12 step recovery meetings now include – AA, NA, EA, OA, GA, ACA, CODA, PROMISES and SLAA.

We continued to home of organisations which share our ethos including Clean Slate and The Albert Kennedy Trust. General lettings have suffered due to restrictions; however we hope to build this back once the restrictions have been lifted and things return to normal

**THE ROAD TO RECOVERY TRUST (REGISTRATION NUMBER: 07847240)**

**REPORT OF THE TRUSTEES**

**FOR THE YEAR ENDED 31 MARCH 2021**

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We continue to work in closer collaboration with the city council and the local authority treatment system. Although the board re-affirmed their desire not to work in a contracted capacity with the council, we agreed to support every effort Third Sector to encourage people blighted with addiction into recovery.

In the coming year, we will seek to strengthen our financial position and re-open the café to provide a safe place for everyone, and create opportunities to improve the employability prospects of those in early recovery. We will seek to work even more closely with the City Council and other partners to transform the area from one with the highest rates of mortality from addiction to a region with the highest rates of recovery.

**Financial Review**

The trustees considered the overall financial position and state of affairs of the charity at the balance sheet date to be satisfactory and remain cautiously optimistic as regards to the future.

It is the intention of the Trustees to increase the cash backed unrestricted funds, which are the free reserves of the Charity, to cover 6 months expenditure.

**Structure, governance and Management Governing Document**

The Road to Recovery Trust is a company limited by guarantee and not having a share capital, governed by its Memorandum and Articles of Association dated 14 November 2011 which were amended by special resolution 28 December 2012. It is also a charity registered with the Charity Commission. The members of the charitable company guarantee to contribute an amount not exceeding £1 to the assets of the company in the event of winding up during their year of membership and within one year of their ceasing to be a member.

**Appointment of Trustees**

The power to appoint trustees rests with the members of the company.

There has been a complete change in board during this financial year with the aim of changing our direction and improve our offerings to the local community.

**Trustees' Induction and Training**

Trustees are appointed based on them having the skills to manage a charity dealing with complex issues and vulnerable individuals. The trustees have implemented induction procedures aimed at ensuring that new trustees understand their roles and obligations. As part of these procedures, trustees will be encouraged to attend appropriate internal and external training events to facilitate the understanding of their roles.

**THE ROAD TO RECOVERY TRUST (REGISTRATION NUMBER: 07847240)**

**REPORT OF THE TRUSTEES**

**FOR THE YEAR ENDED 31 MARCH 2021**

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**CHARITY REFERENCE AND ADMINISTRATIVE INFORMATION**

**Company Registration No:** 07847240

**Charity Registration No:** 1144882

**Registered Office:** 45-51 George Street  
Newcastle upon Tyne  
NE4 7JN

**Trustees/Directors:** Mr P Richardson – resigned 06/08/20  
Mrs J E Burns – resigned 06/08/20  
Mrs P Cowie – resigned 06/08/20  
Mr S Gartshore – resigned 06/08/20  
Mrs L E Nichol – resigned 18/01/21  
Mr D Thackwray – resigned 18/01/21  
Mr M Anderson – appointed 06/08/20  
Mr O Bell – appointed 06/08/20  
Mr A Cameron – appointed 06/08/20  
Mr J Dixon – appointed 06/08/20  
Ms R Bell – appointed 25/02/21  
Mrs A Brudenell – appointed 25/2/21  
Mr M Henderson – appointed 25/2/21

**Independent Examiner:** Martin Cusworth ACMA  
JBC Management Solutions Ltd  
155 Middle Drive  
Ponteland  
Northumberland  
NE20 9DU

**Bankers:** HSBC  
110 Grey Street  
Newcastle upon Tyne  
NE1 6JG

Approved by the Trustees on 31 December 2021 and signed on their behalf by:



Ranjana Bell,  
Trustee

**INDEPENDENT EXAMINERS' REPORT TO THE TRUSTEES OF  
THE ROAD TO RECOVERY TRUST (REGISTRATION NUMBER: 07847240)  
FOR THE YEAR ENDED 31 MARCH 2021**

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I report on the financial statements of the company for the year ended 31 March 2021, which are set out on pages 6 to 12.

**Respective Responsibilities of Trustees and Examiner**

As the charity trustees of the company (and also, it's directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the financial statements of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your company's financial statements as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charities Commission under section 145(5)(b) of the 2011 Act.

**Independent Examiner's Statement**

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- Accounting records were not kept in respect of the company as required by section 386 of the 2006 Act; or
- The financial statements do not accord with those records; or
- The financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the financial statements give a 'true and fair view' which is not a matter considered as part of an independent examination; or
- The financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting charities applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.



**Martin Cusworth ACMA  
JBC Management Solutions Ltd  
155 Middle Drive  
Ponteland  
Northumberland  
NE20 9DU**

THE ROAD TO RECOVERY TRUST (REGISTRATION NUMBER: 07847240)

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 MARCH 2021

	NOTE	Unrestricted Funds	Restricted Funds	Total Funds 2021	Total Funds 2020
Incoming Resources:-					
<b>Incoming Resources from generated funds</b>					
Voluntary Income	3	145,225	70,830	216,054	156,955
Incoming Resources from Charitable Activities	4	20,221	-	20,221	117,475
<b>Total Incoming Resources</b>		<b>165,446</b>	<b>70,830</b>	<b>236,275</b>	<b>274,430</b>
Resources Expended:-					
<b>Costs of generating funds</b>					
Costs of generating voluntary income	5	1,906	13,256	15,161	12,738
Charitable Activities	6	144,911	20,230	165,141	237,895
Governance costs	7	14,320	13,256	27,575	17,049
<b>Total resources expended before transfers</b>		<b>161,136</b>	<b>46,741</b>	<b>207,877</b>	<b>267,682</b>
Net Income (Expenditure) for year		4,310	24,088	28,398	6,748
Transfers between Funds		(7,436)	7,436		
		(3,126)	31,524	28,398	6,748
Total Funds brought forward		(21,714)	36,655	14,941	8,193
Total Funds carried forward		(24,840)	68,179	43,339	14,941

The charity has no recognised gains or losses other than the results for the year as set out above.

All of the activities of the charity are classed as continuing.

**BALANCE SHEET**  
**FOR THE YEAR ENDED 31 MARCH 2021**

	Note	2021	2020
Tangible Fixed Assets	11	47,735	54,112
<b>CURRENT ASSETS</b>			
Stock		250	750
Debtors & Prepayments	12	150	15
Cash at Bank & In Hand		77,244	21,617
		<u>77,644</u>	<u>22,382</u>
<b>CURRENT LIABILITIES</b>			
Amounts falling due within one year	13	(82,040)	(61,553)
		<u>(4,396)</u>	<u>(39,171)</u>
<b>NET CURRENT ASSETS</b>			
		<u>(4,396)</u>	<u>(39,171)</u>
<b>TOTAL ASSETS less CURRENT LIABILITIES</b>		<u>43,339</u>	<u>14,941</u>
<b>RESERVES</b>			
Profit & Loss Account		43,339	14,941
<b>TOTAL RESERVES</b>		<u>43,339</u>	<u>14,941</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2021.

The members have not required the charitable company to obtain an audit of its financial statements for the year ended 31 March 2021 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for:

- (i) ensuring that the charitable company keeps proper accounting records which comply with Sections 386 and 387 of the Companies Act 2006; and
- (ii) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of the financial Year and of its surplus or deficit for the financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by the directors and trustees on 30 October 2020 and signed on their behalf by:



Ranjana Bell,  
Trustee

## 1. ACCOUNTING POLICIES

### (a) General information and basis of preparation

The Road to Recovery Trust is a charitable company in England. The address of the registered office is given in the charity information on page 4 of these financial statements. The nature of the charity's operations and principal activities are that of the relief and rehabilitation of those who are suffering as a result of addiction or compulsive disorder.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 (as updated through Update Bulletin 1 published on 2 February 2016), the Financial Reporting Standard applicable in the United Kingdom and republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice as it applies from 1 January 2015.

The financial statements are prepared on a going concern basis under the historical cost convention. The financial statements are presented in sterling which is the functional currency of the charity.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

The charity adopted SORP (FRS 102) in the current year and an explanation of how transition to SORP (FRS 102) has affected the reported financial position and performance is given in note 20.

### (b) Funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

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

### (c) Income Recognition

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measure reliably and it is probable that the income will be received.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will fulfilled.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

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Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the charity. Income is received in exchanges for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

**(d) Expenditure Recognition**

All expenditure is accounted for on an accruals basis inclusive of VAT and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the heading of expenditure on charitable activities including governance cost.

**(e) Support Costs**

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs and governance costs. They are incurred directly in support of expenditure on the objects of the charity. Where support costs cannot be directly attributed to particular headings they have been allocated to the expenditure on charitable activities on a basis consistent with use of the resources.

**(f) Tangible Fixed Assets**

Tangible fixed assets are stated at costs less accumulated depreciation. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Improvements to Leasehold	over the period remaining on the lease
Fixtures & Fittings	over the period remaining on the lease
Computer Equipment	33% Straight Line

**(g) Stocks**

Stocks are stated at the lower of cost and estimated selling prices less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing stock to its present location and condition.

**(h) Debtors and Creditors Receivable/Payable Within One Year**

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price.

**(i) Leases**

Rentals payable under operating leases are charged to the SoFA on a straight-line basis over the period of the lease.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

(j) Tax

The charity is an exempt charity within the meaning of Schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

(k) Going Concern

The financial statements have been prepared on a going concern basis as the Trustees believe that no material uncertainties exist. The Trustees have considered the level of funds held and the expected level of income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

3. Grants & Donations

	Unrestricted 2021	Restricted 2021	Total Funds 2021	Total Funds 2020
Grant - Aviva crowd funding	-	700	700	-
Grant - Barbour and Sir James Knott	3,000	-	3,000	-
Grant - City Lifeline	-	2,750	2,750	-
Grant - Community Foundation	5,000	2,628	7,628	6,904
Grant - COVID-19 RESPONSE	33,500	-	33,500	-
Grant - Main Grants	25,700	-	25,700	-
Grant - National Lottery	8,375	-	8,375	-
Grant - New castle City Council	45,761	-	45,761	20,000
Grant - The Rothley Trust	800	-	800	-
Grant - Tudor Trust	2,000	-	2,000	97,450
Grant - Greggs	-	-	-	12,500
Grant - Job Retention Scheme	-	64,752	64,752	-
Donations	21,089	-	21,089	20,101
	145,225	70,830	216,054	156,955

Income from grants and donations was not attributable to restricted funds

4. Incoming resources from charitable activities

	Unrestricted 2021	Restricted 2021	Total Funds 2021	Total Funds 2020
Café Income	2,422	-	2,422	91,116
Room Rental	17,799	-	17,799	26,359
Other	-	-	-	-
	20,221	-	20,221	117,475

**5. Costs of generating funds**

	<b>Unrestricted 2021</b>	<b>Restricted 2021</b>	<b>Total Funds 2021</b>	<b>Total Funds 2020</b>
Operating expenses	-	-	-	-
Staff costs	1,906	13,256	15,161	12,738
	<u>1,906</u>	<u>13,256</u>	<u>15,161</u>	<u>12,738</u>

**6. Cost of charitable activities**

	<b>Unrestricted 2021</b>	<b>Restricted 2021</b>	<b>Total Funds 2021</b>	<b>Total Funds 2020</b>
Operating expenses	87,494	-	87,494	109,221
Staff costs	57,417	20,230	77,647	128,675
	<u>144,911</u>	<u>20,230</u>	<u>165,141</u>	<u>237,895</u>

**7. Governance costs**

	<b>Unrestricted 2021</b>	<b>Restricted 2021</b>	<b>Total Funds 2021</b>	<b>Total Funds 2020</b>
Legal and professional fees	12,414	-	12,414	4,418
Salaries and office costs	1,906	13,256	15,161	12,631
	<u>14,320</u>	<u>13,256</u>	<u>27,575</u>	<u>17,049</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

11. Fixed Assets

	Leasehold Improvem ents	Office Equipment	Fixtures & Fittings	Website	Catering Equipm ent	Total
<b>COST</b>						
At 1st April 2020	43,341	390	45,413	1,800	305	91,249
Additions	547	362	-	3,720	-	4,628
At 31st March 2021	43,887	752	45,413	5,520	305	95,877
<b>Depreciation</b>						
At 1st April 2020	(17,687)	(390)	(18,155)	(600)	(305)	(37,137)
Charge for the Year	(4,503)	(121)	(4,541)	(1,840)	-	(11,006)
At 31st March 2021	(22,190)	(511)	(22,696)	(2,440)	(305)	(48,143)
<b>Net Book Value</b>						
At 31st March 2021	21,697	241	22,716	3,080	-	47,734
At 1st April 2020	25,654	-	27,257	1,200	-	54,111

12. Debtors & Prepayments

	2021	2020
Trade Debtors, net of provisions	150	15
Prepayments	-	-
<b>TOTAL DEBTORS &amp; PREPAYMENTS</b>	<b>150</b>	<b>15</b>

13. Current Liabilities

	2021	2020
Trade Creditors	(14,341)	(28,501)
PAYE & Other Taxes	(11,100)	(13,956)
Loans	-	(17,500)
Accrued Charges and Deferred Income	(56,599)	(1,596)
<b>TOTAL CREDITORS &amp; ACCRUALS</b>	<b>(82,040)</b>	<b>(61,553)</b>