

Charity registered number 1160531

North Wales Recovery Communities
Trustees' report and accounts
for the year ended 29 February 2024



Registered Charity No. 1160531

North Wales Recovery Communities

Contents

	Page
Report of the trustees	3 - 6
Independent examiner's report	7
Statement of financial activities	8
Balance sheet	9
Notes	11 - 14

North Wales Recovery Communities

Report of the trustees

The trustees present their report along with the financial statements of the charity for the year ended 29 February 2024 and confirm they comply with the requirements of the Charities Act 2011, the Charitable Incorporated Organisations (General) Regulations 2012 and the charity's constitution.

The charity is registered with the Charity Commission under number 1160531.

Legal and administrative information

The trustees who served during the period are stated below:

Conor Mathieson
Mohammed Olanrewagu Peter Salami
Sarah Frances Flynn
David Turner (29/09/2024)

Principal office

Penrhyn House
Llandegai Road
Bangor
Gwynedd
LL57 1PZ

Structure, governance and management

The charity was established as a charitable foundation incorporated organisation on 17 February 2015.

Objectives and activities

To provide relief and support to vulnerable people and in particular those who are in recovery from substance misuse and have been affected by offending, homelessness & mental health issues in the areas of Conwy, Flintshire, Gwynedd and the Isle of Anglesey.

The charity achieves its objectives by the provision of abstinence based housing, open access therapeutic programmes, the promotion of health and well-being, practical support and promoting personal development.

Achievements and performance

Following the difficult events that culminated at the end of last year, in the move to our new home falling through, NWRC have spent this year, consolidating and attempting to stabilize our long-term future.

We were able to secure a new lease at Penrhyn House and have spent the past 12 months attempting to bring the premises at Penrhyn back up to standard.

We have continued to grow and develop a thriving recovery community at Penrhyn House. NWRC's approach remains one of Asset based community development and we continue to be recognized as a centre of excellence in terms of supporting abstinence-based community recovery through a number of varied pathways. We have regularly received positive press coverage throughout the local and national press and have continued to feature heavily on the Recovery Voices website launched by Professors David Clarke and Wulf Livingston.

Therapeutic programme

NWRC has continued to deliver a therapeutic programme that comprises of a series of psychosocial group programmes, mutual aid groups and physical activities aimed at supporting individuals to achieve recovery from addiction.

The programme continues to equip its participants with the skills to cope with a life substance free, as well as addressing any long-term barriers to employment and increasing physical health and enhancing wellbeing.

Now into its ninth year of delivery, the programme has remained incredibly successful with participants attending

from a wide catchment area. It's recognised as being unique in its approach to supporting recovery and continues to receive regular positive coverage in both the written press, television and radio. This consistent positive coverage of NWRC, has helped significantly to raise the profile of Penrhyn House and to ensure that we are recognized by our local community as being the first port of call for individuals who are experiencing difficulties with Substance use. This is reflected by the fact that over two thirds of referrals come via "word of mouth" with individuals in need being directed to Penrhyn House by friends and family who are aware of the provision available at Penrhyn House.

The project continues to comprise of multiple Mutual aid-based recovery programmes including "Moving on in my Recovery" (An A.C.T based programme) and access to onsite 12 step fellowship & SMART recovery meetings. Alongside therapeutic and skill-based courses, individuals have also been able to access a variety of diversionary activities, developing new skills and interests to "fill the void" left by their addictions.

These sessions focus upon enhancing health & wellbeing and include Mindfulness, Yoga, 5 a side football, running, mountain walking etc.

Over the course of the past 12 months, NWRC have also continued to offer a more creative outlet for participants with a creative writing, Music & Art therapy sessions. We have also continued to develop and strengthen our long-term partnership with Eternal Media. This partnership and the "recovery in focus" program, offer immense therapeutic value and as such it's become an integral part of our calendar year.

NWRC's long standing organic growing project "Growing for change" have enjoyed another strong year, supplying several restaurants/cafes with fresh organic produce. Whilst G4C is now constituted as its own charitable entity, it continues to require financial support from NWRC, particularly in terms of revenue funding to cover staffing costs. Therefore, attracting long term sustainable funding that allows G4C to transition to a stand-alone charitable entity remains a priority of NWRC. As such we have begun to work with a specialist firm of fundraisers to secure additional revenue funding for all our current projects.

The growth in abstinence-based recovery within Northwest Wales remains one of NWRC's greatest successes. Having started Nine years ago with only one 12 step fellowship meeting, NWRC are now proud to host upwards of six mutual aid meeting per week at Penrhyn house including AA, CA, NA etc.

As well as the meeting hosted at Penrhyn House, NWRC now also host community-based AA, CA & NA meetings at Bwyd Da have also seen numerous meetings being established all the way across North Wales by ex-residents of Penrhyn House who have now returned to their home areas and are now using their strength, hope and experience to establish new meetings and act as "Recovery beacons". This "Ripple effect" is seen most clearly at present, in the Archway recovery group established by two former peers of Penrhyn House. This group has been established for the past six month and appears to be growing exponentially and bring recovery to a previously hard to reach area.

NWRC have also continued to partner with "Helping groups to grow" in 2024. We have continued to establish & develop "MOIMR" groups across South Gwynedd and Ynys Mon. Whilst this work brings an additional welcome income stream to NWRC, it also supports our wider agenda of helping to establish smaller satellite recovery groups in more harder to reach rural areas. In addition, NWRC are also now responsible for the quarterly training of MOIMR facilitators and to this end are currently delivering quarterly training and ongoing professional development to 12-15 facilitators at a time.

The culture & recovery orientated system of care that we have embedded at Penrhyn House continues to support its peers in reaching personal milestones in recovery and as a result our community has grown from strength to strength in terms of established sobriety and the ability to offer service to others. As such most of the mutual aid on offer at Penrhyn House continues to be peer led.

Penrhyn house continue to offer a wide variety of mutual aid programmes including

- Moving on in my Recovery- This A.C.T based (Acceptance & Commitment therapy) programme has become the bedrock of the mutual aid on offer at Penrhyn. Designed for individuals coming to the end of their formal treatment journey, it aims to equip participants with the skills necessary to cope with a life substance free. Moving on remains an integral part of the programme on offer at Penrhyn
- Alcoholics Anonymous- An independent 12 step fellowship that holds a weekly meeting at Penrhyn House. By its nature AA is an anonymous fellowship that does not record the number of attendees, however this has proved to be an extremely popular meeting within Northwest Wales and averages between 25-30 members per week.

- Narcotics Anonymous- Similar in structure and traditions to AA, this is an anonymous 12 step fellowship that holds twice weekly meetings at Penrhyn House. The meeting has gone from strength to strength with a second meeting now being held on a Monday lunch time. As a result of these meetings there has again been an increase in 12 step recovery and NWRC peers are regularly able to support other fledgling meetings within the Flintshire & Conwy areas.
- Cocaine Anonymous- NWRC now hold a weekly CA meeting/ "big book" study group that has proved to be extremely popular from the outset.
- SMART Recovery- (Self-Management & Recovery Techniques)- Over the course of the past 12 months a number of participants have undertaken the accredited training necessary to facilitate SMART recovery sessions and as such have been able to facilitate this meeting. Based on the principles of Cognitive Behavioural Therapy, SMART focuses upon the thinking that leads to problematic substance misuse and offers a real alternative to 12 step recovery.
- Bangor Recovery Project (BRP)- A mutual aid facilitation project that was originally commissioned by the Area planning board to be delivered throughout North Wales. The project aims to explain how and why recovery works for individuals and takes them through the various options available. The recovery orientation and success rates of the participants have proved to be way above the normal average and as a result NWRC have continued to commission the group on a consistent basis.

Abstinence based housing

N.W.R.C have continued to deliver abstinence based multi occupancy housing from the Penrhyn House site in Bangor, housing up to 17 individuals at a time.

The continued success at Penrhyn House means that demand for a placement remains high. As a result of this demand Penrhyn House continue to operate at full occupancy, with a waiting list of up to 8 individuals at any one time. Due to the high demand for a placement, NWRC are able to offer places to individuals who appear most motivated and often ask perspective residents to engage on a day basis whilst awaiting a room in order to judge levels of commitment and suitability. As well as evidencing motivation it also allows the individual the opportunity to develop positive relationships with existing residents ahead of moving in which often increases the chances of success once a tenancy commences. We have however looked to "tweak" our referral criteria slightly to ensure quicker entry for those in greater perceived need and to ensure that we regularly "refresh" the residential aspect of our service.

Residents continue to adopt a "working week" and must satisfy a minimum of 20-30 hours of positive pro social activity a week in order to maintain their tenancies. These hours can consist of voluntary work, treatment or further education and can be sourced externally or satisfied within the in-house therapeutic programme currently on offer.

Whilst the housing element of NWRC's service remains financially self-sustaining, there have undoubtedly been issues caused by the ongoing cost of living crisis. With energy bills being hit by unprecedented price increases, NWRC are continuing to review the current level of eligible HB and increase the charge accordingly.

This coupled with the ever-increasing repair and maintenance costs at an aging Penrhyn site again underline why the move to more up to date energy efficient premises are vital if NWRC are to continue to grow and develop long-term in what are becoming ever increasingly difficult financial times.

Move on accommodation.

As present NWRC only retain one move-on unit in Ynys Mon as a long-term placement for individuals over 65 years of age.

As mentioned in previous year's report, move on accommodation or a lack of it continues to create something of a "bottleneck" in terms of availability of placement at Penrhyn House. To this end we continue to develop relationships with reputable private landlords, interested in providing accommodation for individuals in sustained abstinent based recovery and hope to be able to announce a new partnership over the coming 12 months.

Other options to pursue if we stay at our current site, are independent pod style units that could be situated within the grounds at Penrhyn. As well as increasing move on accommodation this would also increase the amount of income we receive.

Potential future developments

At present the priority for NWRC remains securing an alternative site to Penrhyn House, or alternatively securing a way of purchasing & redeveloping our current site

Current challenges

The financial picture for NWRC remains difficult. We have continued to struggle to get our HB levels reviewed and increased in a timely manner. This has a huge knock-on impact to our financial situation and has made operating effectively difficult at times and is most definitely hindering growth at present. At the time of writing this report, a meeting has been scheduled with our local authority to hopefully address and overcome this issue.

Although, now registered as a separate charitable entity, NWRC continue to have direct involvement in the running of Bwyd Da Bangor. Whilst offering immense social value, BDB continues to struggle for sustainable funding and again at the time of writing, is facing extreme financial difficulties which may very well have to result in closure. Whilst there is no longer a direct financial link between the two entities, BDB continues to host a variety of mutual aid meetings, as well as employment and training opportunities for a number of our community members and as such its potential closure would be heavily felt.

Therapeutic grant funding

NWRC continue to receive £94,420.00 per annum from the Northwest Area Planning Board at Penrhyn House.

Financial review

The charity's income was £710,116 and net surplus for the year was £130,892. The charity aims to maintain cash reserves of £15,000.

This report was approved by the trustees on 19 December 2024 and signed on their behalf by



Sarah Frances Flynn
Trustee

North Wales Recovery Communities

Independent Examiner's Report to the Trustees of North Wales Recovery Communities

I report on the accounts of the charity for the year ended 29 February 2024.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this period under section 144(2) of the Charities Act 2011 and that an independent examination is needed.

It is my responsibility to:

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

Basis of the independent examiner's report

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently I do not express an audit opinion on the accounts.

Independent examiner's report

In the course of my examination no matter has come to my attention:

- 1 which gives me reasonable cause to believe that, in any material respect, the trustees have not met the requirements to ensure:
 - proper accounting records are kept in accordance with section 130 of the Charities Act 2011 and
 - accounts are prepared which agree with the accounting records and comply with the accounting requirements of the Charities Act 2011 or
- 2 to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Dyfan Phipps ACA
Christian Sykes & Co Ltd
Suite 5A
30 Dean Street
Bangor
Gwynedd
LL57 1UR

Dated: 19 December 2024

North Wales Recovery Communities

Statement of financial activities
for the year ended 29 February 2024

	note	Unrestricted funds £	Prior year funds £
Incoming resources			
Income and endowments from:			
Donations and other grants		149,672	161,663
Charitable activities	3		
<i>Central and local government grants for the provision of abstinence based housing.</i>		560,444	494,308
<i>Other trading activities</i>		-	331,292
Total		<u>710,116</u>	<u>987,263</u>
Resources expended			
Expenditure on:			
Charitable activities	4		
<i>Expenditure on the abstinence based housing.</i>		579,225	520,097
<i>Other trading activities</i>			645,135
Total		<u>579,225</u>	<u>1,165,232</u>
Net income		130,892	(177,969)
Transfers between funds		-	-
Net movement in funds		130,892	(177,969)
Reconciliation of funds:			
Total funds brought forward		86,836	264,805
Total funds carried forward		<u>217,728</u>	<u>86,836</u>

North Wales Recovery Communities

Balance sheet
as at 29 February 2024

	note	Unrestricted funds £	Prior year funds £
Fixed assets			
Tangible assets	9	23,875	184,271
Total fixed assets		<u>23,875</u>	<u>184,271</u>
Current assets			
Debtors	10	191,819	1,649
Cash at bank and in hand	12	45,795	34,239
Total current assets		<u>237,614</u>	<u>35,888</u>
Creditors: amounts falling due within one year	11	43,760	133,323
Net current assets		<u>193,853</u>	<u>(97,435)</u>
Total net assets		<u>217,728</u>	<u>86,836</u>
Funds of the charity			
Unrestricted funds		217,728	86,836
Total funds		<u>217,728</u>	<u>86,836</u>

North Wales Recovery Communities

Notes to the accounts for the year ended 29 February 2024

1 Basis of preparation

1.1 Basis of accounting

These accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts.

The accounts have been prepared in accordance with:

- the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014,
- the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and
- the Charities Act 2011.

The charity constitutes a public benefit entity as defined by FRS 102.

1 Going Concern

There are no material uncertainties related to events or conditions that cast significant doubt on the charity's ability to continue as a going concern.

2 Accounting policies

2.1 Income

Recognition of income

Income is included in the Statement of Financial Activities (SoFA) when:

- the charity becomes entitled to the resources;
- it is more likely than not that the trustees will receive the resources; and
- the monetary value can be measured with sufficient reliability.

Offsetting

There has been no offsetting of assets and liabilities or income and expenses unless required or permitted by the FRS 102 SORP or FRS 102.

Grants and donations

Grants and donations are only included in the SoFA when the general income recognition criteria are met (5.10 to 5.12 FRS 102 SORP).

In the case of performance related grants, income is only recognised to the extent that the charity has provided the specified goods or services as entitlement to the grant only occurs when the performance related conditions are met (5.16 FRS 102 SORP).

Contractual income and performance related grants

This is only included in the SoFA once the charity has provided the related goods or services or met the performance related conditions.

North Wales Recovery Communities

Notes to the accounts (cont) for the year ended 29 February 2024

2.1 Income (cont)

Support costs

The charity has incurred expenditure on support costs.

2.2 Expenditure and liabilities

Liability recognition

Liabilities are recognised where it is more likely than not that there is a legal or constructive obligation committing the charity to pay out resources and the amount of the obligation can be measured with reasonable certainty.

Governance and support costs

Support costs have been allocated between governance cost and other support. Governance costs comprise all costs involving public accountability of the charity and its compliance with regulation and good practice.

Creditors

The charity has creditors which are measured at settlement amounts less any trade discounts.

Provisions for liabilities

A liability is measured on recognition at its historical cost and then subsequently measured at the best estimate of the amount required to settle the obligation at the reporting date.

2.3 Assets

Tangible fixed assets for use by the charity

These are capitalised if they can be used for more than one year and cost at least £100.

They are valued at cost and the depreciation rates and methods are disclosed in note 7.

Debtors

Debtors, including trade debtors and loans receivable, are measured on initial recognition at settlement amount after any trade discounts or amount advanced by the charity. Subsequently, they are measured at the cash or other consideration expected to be received.

3 Analysis of income

Charitable activities

Income from charitable activities

	Unrestricted funds £	Last year £
Abstinence based housing	435,662	388,838
Physical diversity activity	62,391	52,735
Complimentary therapies	62,391	52,735
Other trading activities	0	331,292
	<hr/> 560,444	<hr/> 825,600

North Wales Recovery Communities

Notes to the accounts (cont) for the year ended 29 February 2024

4 Analysis of expenditure

Expenditure on charitable activities

Activity	Activities undertaken £	Support costs £	Total £	Last year £
Abstinence based housing	429,052	14,111	443,162	372,452
Physical diversity activity	117,274	8,877	126,151	143,772
Complimentary therapies	1,035	8,877	9,912	5,349
Other trading activities	-	0	0	643,659
	547,360	31,865	579,225	1,165,232

5 Support costs

	This year £	Last year £
Office	24,804	11,662
Professional fees	5,274	17,806
Finance	523	3,700
Governance	1,265	1,000
	31,866	34,168

6 Details for certain items of expenditure

6.1 Fees for examination of the accounts

Independent examiner's fees £1,265 (2023: £1,000).

No fees were paid for assurance services, tax advisory fees or other fees either for this year or last year.

7 Paid employees

7.1 Staff costs

	This year £	Last year £
Salaries and wages	77,283	389,907
Social security costs	-	24,072
Pension costs (defined contribution scheme)	1,961	7,002
Total staff costs	79,244	420,981

7.2 Average head count in the year

	This year Number	Last year Number
The parts of the charity in which the employees work		
Physical diversity activity	3	2
Café staff	0	28
	3	30

North Wales Recovery Communities

**Notes to the accounts (cont)
for the year ended 29 February 2024**

8 Defined contribution pension scheme	This year £	Last year £
Amount of contributions recognised in the SOFA as an expense	1,961	7,002

9 Tangible fixed assets

	Freehold Property £	Motor Vehicles £	Fixtures, fittings and equipment £	Total £
Cost or valuation				
At the beginning of the year	78,773	19,000	139,046	236,819
Disposals	78,773	-	93,289	172,061
Additions	-	-	-	-
At the end of the year	-	19,000	45,757	64,757
Depreciation				
At the beginning of the year	2,194	8,311	42,043	44,237
Disposals	2,194	-	14,913	17,107
Depreciation	-	2,671	2,770	2,770
At the end of the year	-	10,982	29,900	40,882
Net book value				
At the beginning of the year	76,579	8,018	97,003	105,021
At the end of the year	-	8,018	15,857	23,875

Tangible fixed assets are depreciated as follows:

Freehold property - 2% on cost
Fixtures, fittings and equipment - 15% on the reducing balance basis
Motor vehicles - 25% on the reducing balance basis

10 Debtors and prepayments

10.1 Analysis of debtors	This year £	Last year £
Trade debtors	-	-
Taxation and social security	-	-
Other debtors	191,819	1,649
	<u>191,819</u>	<u>1,649</u>

11 Creditors and accruals

11.1 Analysis of creditors and accruals	This year £	Last year £
Trade creditors	16,730	46,468
Taxation and social security	25,770	62,422
Accruals and deferred income	-	-
Other creditors	1,260	24,432
	<u>43,760</u>	<u>133,322</u>

North Wales Recovery Communities

**Notes to the accounts (cont)
for the year ended 29 February 2024**

12 Cash at bank and in hand	This year £	Last year £
Cash at bank and on hand	45,795	34,239

13 Trustee remuneration and benefits

None of the trustees have been paid any remuneration or received any other benefits from an employment with their charity or a related entity.

14 Trustee's expenses

Type of expenses reimbursed	This year £	Last year £
Travel and subsistence	-	-
Office costs	-	-

The number of trustees paid expenses was NIL (2023: NIL).

15 Transactions with related parties

During the year the charity was invoiced £271,515 (2023: £234,196) by North Wales Recovery Communities Cyf, a company controlled by an employee, for providing supervisory care of the charity's beneficiaries.

At the 28/02/24 the charity owed North Wales Recovery Communities Cyf £16,731 (2023: £23,970).