

**RECOVERY COLLEGE COLLECTIVE LTD**

**REPORT AND FINANCIAL STATEMENTS**

**For the year ended 31 March 2023**

**Charity Number 1174907**

**Company Number 10573524**

# **RECOVERY COLLEGE COLLECTIVE LTD**

(A company limited by guarantee)

## **ANNUAL REPORT AND FINANCIAL STATEMENTS**

For the year ended 31 March 2023

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# RECOVERY COLLEGE COLLECTIVE LTD TRUSTEES ANNUAL REPORT

**For the year ended 31 March 2023**

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The trustees are pleased to present their annual Directors' report together with financial statements of the charity for the year ending 31 March 2023 which are also prepared to meet the requirements for a Directors' report and accounts for Companies Act purposes.

These financial statements comply with the Charities Act 2011, the Companies Act 2006, The Recovery College Collective's Memorandum and Articles of Association; and the document 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)'.

## **1. Objectives and Activities**

The Objects of the Charity are to promote the preservation of mental health and to assist in relieving and rehabilitating persons suffering from mental health disorders or conditions of emotional or mental distress requiring advice or treatment in Northumberland and Tyne and Wear by provision of peer led education and support services in collaboration with mental health service providers.

ReCoCo works in collaboration with mental health service providers and other organisations that share our aims, in an 'open source' and non-proprietary way, to provide a safe space where people can learn from each other and form connections and friendships which aid and sustain their recovery. Since our inception, ReCoCo has brought the voluntary sector and the NHS together in a new and effective way of working in order:

- To provide a peer led, peer delivered education and support service where people can learn from each other's insights, skills and lived experience.
- To nurture a community of troupers and troopers, strivers and survivors, all moving towards a sense of belonging and acceptance for whom, what and how they are.
- To enable connection, positive relationship building, mutual support and friendship.
- To provide opportunities that allow students to aspire to be their best selves, identifying and recognising their innate strengths and talents and their ability to help others.
- To promote recovery through peer led education and activity.
- To provide a focal point, locally, regionally and nationally for peer leadership, peer support and recovery orientated practice.
- To be directed by people who use (or have used) mental health services/experienced mental distress.
- To enable collaboration between mental health service providers and organisations that supports these aims.

We are an organisation run and led by people with lived experience of mental distress and knowledge of what it is like to be on the receiving end. Our mission is to capture, convey and catalyse the lived experience; to reflect mental health service users in all our misery and glory. Not merely to ensure that we are heard, but that we are respected and able to shape our own futures and services. ReCoCo is run by the whole time equivalent of eleven staff and over 25 volunteers, plus therapeutic enablers. ReCoCo values the unique contribution of volunteers and

# **RECOVERY COLLEGE COLLECTIVE LTD TRUSTEES ANNUAL REPORT**

**For the year ended 31 March 2023**

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the added value they bring. It is our intention that all volunteers are supported, respected, and valued. ReCoCo has policies and procedures in place to ensure best practice is applied in volunteering. Many hours of volunteer input is delivered every week of the academic year, including co-facilitation of courses, operating reception, and a wide range of other tasks and activities. Volunteering is an incredibly significant resource upon which the successful day to day running of ReCoCo depends, and we would like to use this report to pay tribute to all those who have contributed so much. It also offers a major route for our beneficiaries to develop skills and experience, from which a considerable proportion go on to enter paid work, either with ourselves, or with partner organisations.

ReCoCo recognises the crossover between mental health, and a wide range of factors including: family life, drugs and alcohol, learning disability and autism, social isolation and exclusion and poverty, and we try to make our approach (including access to rooms and resources) as welcoming and widely available as possible. There is a strong link between the recovery process and social inclusion. We support people to regain their place in the communities where they live through volunteering and employment opportunities. We seek to facilitate entries to paid work for our users and support those organisations in embedding our users into their workforce. ReCoCo is serious about impact and shared learning. We share our resources, offer training to VCS, public and private sector colleagues, and we continue to partner with Northumbria University to more rigorously examine the impact of our work.

## **2. Achievements and Performance**

We are delighted to report that thanks to the dedicated efforts of its staff team, sessional workers, volunteers, and Trustees, ReCoCo has had another year of successful achievements. We continue in-person delivery not only of our renowned groups and courses, but have also developed and commenced new ones, and established new partnerships with like-minded organisations in order to maximise our beneficial impact for the people we serve. We also moved forward in terms of strategic significance, both local and regionally as the architects and designers of the transforming mental health and wider health and social care systems tapped in to our expertise and experience.

## **3. Plans for Future Periods**

Our flexible approach leaves us relatively well positioned, but we do need to be vigilant about potential upcoming threats and nimble enough to react appropriately in a timely fashion, which is possibly easier said than done as staff, trustees and volunteers have still to manage the Covid fallout, systemic health and social care pressures, all exacerbated horribly by the “cost of living” crisis, (which some have more accurately renamed a “cost of greed” crisis”) both organisationally and as individuals, while serving our beneficiaries. The NHS, which provides the bulk of our income, and no small number of our operational staff is both under unprecedented stresses and in the throes of another large-scale reorganisation. To date, we have been involved deeply in the local and regional dialogue about what the new world of health and social care will look like and how it might operate, and these discussions have helped to inform our forward thinking. One emergent aim, towards which we have already expended considerable effort and resource, is to equip local communities and neighbourhoods with ReCoCo skill and course materials, to enable them to look out for themselves and each other. This then positions ReCoCo as having our core Recovery College groups and courses, run from No 1 Carlil Square and from our Retreat in Saltwell park, but also overseeing and steering

# RECOVERY COLLEGE COLLECTIVE LTD TRUSTEES ANNUAL REPORT

**For the year ended 31 March 2023**

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more bespoke and localised groups and courses, run by local people (aided by Community Peer Support Workers, Social prescribing Link Workers etc), and developing more of such partnership working. This is echoed by our regional work, in which we are seen as playing a significant role in mentoring and bringing on Recovery College provision in other boroughs (i.e. outside of Newcastle and Gateshead) and also in workforce development as exciting new roles in and around peer support are adopted by the NHS (though we must always be alert to the danger of peer support becoming co-opted and possibly distorted when implemented at scale by statutory organisations).

Where things become more troubling relates to finance and income. As the NHS (our principal funder) has undergone another of its periodic major restructurings, its new systems and structures take considerable time to bed down. This has introduced both uncertainties as to the quantum of money we receive from that source, but also as to when that money may eventually reach our account (i.e. cashflow issues could arise). During the reporting period in question, this climate of insecurity was unsettling and necessitated a very prudent approach, and a curtailment or postponement of some activities until the promised funding actually appeared. There are ambitious system plans, locally and regionally in which we've been centrally positioned, but to be fully realised they do need separate funding. It is our firm belief that we will be able to access some of the promised new monies for this transformation programme, but quite how much very much remains to be determined. Our core offering is relatively secure inasmuch as any NHS funding can be said to be safe in the current political (small p and large P) landscape, and outwith the reporting period we have had indications of a potential uplift to our central contract. We have also sought to diversify our sources of income, with a degree of success, and this is something on which we aim to build.

In conclusion then, we have plans and aspirations, as indeed do other people for us, but the systemic turmoil in health and social care, let alone the ongoing disruption in the wider world mean that what we end up with will almost certainly look markedly different to today's plans, though hopefully still congruent with our values and modus operandi. So, cautious and modest hope for future developments that will benefit more people with experience of mental distress, but no complacency, rather a watchful outlook, knowing that we'll have to be able to respond to the unexpected.

## **4. Reference and administrative details of the charity, its trustees and advisors**

|                           |   |
|---------------------------|---|
| Charity Name              | Recovery College Collective Ltd   |
| Registered Company number | 10573524  |
| Registered Charity number | 1174907   |
| Operational address       | No.1 Carlil Square<br>Newcastle upon Tyne<br>NE1 6UF  |
| Trustees                  | Alan Ramsay, Chair<br>Julia Harrison<br>Mish Loraine<br>Michelle Glascott (resigned 28.11.2022)<br>Keith Reid<br>Esther Beadle (resigned 27.2.2023) |

# RECOVERY COLLEGE COLLECTIVE LTD TRUSTEES ANNUAL REPORT

For the year ended 31 March 2023

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|                         |   |
|-------------------------|---|
|                         | David Blazey (resigned 27.2.2023)<br>Maria Balfry<br>Jasmin Asquith (from 25.7.2022)                              |
| Joint Service Directors | Angela Glascott<br>Alisdair Cameron   |
| Independent Examiner    | Lilian Hetherington<br>Connected Voice Business Services<br>One Strawberry Lane<br>Newcastle upon Tyne<br>NE1 4BX |
| Bankers                 | Lloyds Bank Plc<br>25 Gresham Street<br>London EC2V 7HN   |

## 5. Structure, Governance and Management

### Governing documents

Recovery College Collective Ltd is a charity and a company limited by guarantee defined by the Companies Act 2006. It was incorporated as a company on 19 January 2017 and registered as a charity on 2 October 2017.

Recovery College Collective Ltd operates under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up Members are required to contribute an amount not exceeding £1.

### Appointment of Trustees

Trustees are recruited to reflect the skills and expertise we need on the Board. Usually this is initially by direct approach by one of the Co-Chairs or senior staff. Trustee selection also needs to incorporate the requirement that in our Constitution that 50% of our Trustees should be people with lived experience of mental health problems, either as a service user, or as a carer of a person with mental health problems. A proposal for a new Trustee is made to existing Trustees and if approved the new person is sent relevant information from the organisation, and from the Charity Commission, and asked to complete a formal declaration of eligibility.

### Trustees' induction and training

Trustees are given initial information about their role including a written role description. Initial meetings with one of the co-Chairs are arranged, and there is also an invitation to attend a Board meeting as an observer before making a formal commitment to becoming a Trustee. All potential Trustees are invited to come and visit ReCoCo and spend time meeting staff and students before signing a formal declaration of eligibility. Relevant guidance updates from the Charity Commission are circulated (e.g. the recent Welcome Pack for new Trustees), as are local and national updates around such issues as safeguarding. Training opportunities offered by the local CVS infrastructure body, local councils, national agencies and law firms are circulated to trustees.

# RECOVERY COLLEGE COLLECTIVE LTD TRUSTEES ANNUAL REPORT

**For the year ended 31 March 2023**

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## Staff, Governance and Management

Our board underwent some transformation, with the departure of Michelle Glascott and Esther Beadle and the stepping down of David Blazey from being Treasurer from the board. All three have provided invaluable service and inputs to ReCoCo, all leave on the best of terms, and continue to contribute, just in less formal ways. The period also saw a new trustee join the board, Jasmin Asquith who has been a welcome addition.

On the staff side of things, we saw the departure of Michael McHugh, Project Co-ordinator (Saltwell Park Retreat), leaving to go to pastures new, and we'd like to note here our sincere thanks for his work. The ranks of our Therapeutic Enablers have also swelled, and we also have the highest number of volunteers to date in the period in question.

## Organisation

The Recovery College Collective is an independent peer led charity that has close partnership arrangements with Newcastle Gateshead CCG, Cumbria Northumberland Tyne and Wear NHS FT, Mental Health Concern, Newcastle Council and Gateshead Council.

We operate an innovative organisational model that emphasises peer leadership and collaboration between charitable and statutory sectors. This basically consists of the usual Board of Trustees, with additional support and advice from the Core Partners Reference Group, and a wide variety of less formal collaborations and partnerships around individual projects.

Currently, ReCoCo is mainly funded via contracts with what was Newcastle Gateshead CCG and is now the place-based elements of the North East and North Cumbria Integrated Care Board (ICB) to deliver commissioned services that focus on peer led education, community development, research, service user voice, and activities that foster connection for people with mental health problems and related difficulties. Six of ReCoCo's fourteen staff are employed via sub-contracts with Northumberland Tyne and Wear NHS Foundation Trust and Mental Health Concern (since renamed as Everyturn), and eight of these are directly employed by the charity. In addition, there are a number of sessional staff who are not employees, including Therapeutic Enablers, a model that enables individuals to develop confidence in paid work, often after many years away from the jobs market. There is a wider informal collective of over 30 other charities, community groups and public sector bodies who work with ReCoCo on a collaborative basis. The ReCoCo Users Group (RUGS) was set up as a formal mechanism for student feedback and involvement. Over the coming year there will be further thought given to ensuring that the collective student voice is supported, represented and heard at all levels of the organisation.

## Risk management

The Trustees conduct an annual review of the major risks to which the charity is exposed and systems have been established to mitigate those risks including the implementation of procedures for authorisation of all transactions and projects and for ensuring the consistent quality of the delivery of all operational aspects of the charitable company. These procedures are periodically reviewed to ensure that they still meet the needs of the charity.

# RECOVERY COLLEGE COLLECTIVE LTD TRUSTEES ANNUAL REPORT

For the year ended 31 March 2023

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## 6. Financial Review

In 2022/23 ReCoCo was primarily funded by the aforementioned ICB contracts with additional income from donations, awards and providing training. The total income for the period was £579,233 (2022: £522,756). This income is allocated across respective funds on the Statement of Financial Activities in accordance with the Statement of Recommended Practice.

The Statement of Financial Activities for the period ended 31 March 2023 shows a deficit across all funds of £89,675 (2022: surplus £60,534).

The Balance Sheet at 31 March 2023 shows total funds carried forward of £282,024 (2022: £371,699) of which there are £nil restricted funds, (2022: £nil).

### Reserves policy

ReCoCo has retained a level of free reserves currently £282,024 (2021: £371,699) to meet the working capital requirements of the charity in the event of a significant drop in funding. It has established a policy whereby the unrestricted funds not invested in fixed assets held by the charity should eventually amount to between 3 and 6 months of annual expenditure.

### Preparation of the accounts on a going concern basis

The financial statements have been prepared on a going concern basis. The Trustees have reviewed and considered relevant information, including the annual budget and future cash flows in making their assessment. Based on these assessments, and the current resources available, the Trustees have concluded that they can continue to adopt the going concern basis in preparing the annual report and accounts.

## 7. Public Benefit Statement

The Trustees have referred to the Charity Commission's guidance on public benefit when reviewing the charity's objectives and planning its future activities. The trustees have also reviewed the charitable purposes of the Recovery College Collective, and the external environment, to make sure the Charity is still relevant and needed. This annual report will aim to demonstrate the link between our charitable activity and how this benefits our service users.

## 8. Statement of Trustee Responsibilities

The charity trustees are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

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



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For the year ended 31 March 2023

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- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity 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 charity and the group and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the Trustees on 19 December 2023 and signed on their behalf by:

Alan Ramsay  
Chair

  
[Alan Ramsay \(Dec 19, 2023 14:38 GMT\)](#)

## RECOVERY COLLEGE COLLECTIVE LTD

(A company limited by guarantee)

### INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES

For the year ended 31 March 2023

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I report on the financial statements of Recovery College Collective Ltd for the year ended 31 March 2023, which are set out on pages 9 to 20.

#### Respective responsibilities of trustees and examiner

The charity's trustees (who are also directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 ("the Charities Act") and that an independent examination is needed.

The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a Fellow of the Institute of Chartered Accountants in England and Wales.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

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

#### Basis of independent examiner's statement

My examination was carried out in accordance with general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

#### Independent examiner's statement

In connection with my examination, no material matters have come to my attention which gives me cause to believe that in, any material respect:

- accounting records were not kept in accordance with section 386 of the Companies Act 2006; or
- the accounts do not accord with such records; or
- the accounts do not comply with relevant accounting requirements under section 396 of the Companies Act 2006 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
- the accounts have not been prepared in accordance with the Charities SORP (FRS102).

I 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 accounts to be reached.

Lilian Hetherington FCA

  
[Lilian Hetherington \(Dec 20, 2023 10:27 GMT\)](#)

Fellow of the Institute of Chartered Accountants in England and Wales

Connected Voice Business Services Ltd

One Strawberry Lane

Newcastle upon Tyne

NE1 4BX

Date: 20/12/2023

**RECOVERY COLLEGE COLLECTIVE LTD**

(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES**

(INCLUDING SUMMARY INCOME &amp; EXPENDITURE ACCOUNT)

For the year ended 31 March 2023

|                                       | Notes | Unrestricted<br>Funds<br>£ | Designated<br>Funds<br>£ | Restricted<br>Funds<br>£ | <b>Total<br/>2023<br/>£</b> | Total<br>2022<br>£ |
|---------------------------------------|-------|----------------------------|--------------------------|--------------------------|-----------------------------|--------------------|
| <b><u>Income from:</u></b>            |       |                            |                          |                          |                             |                    |
| Donations and legacies                | 5     | 2,621                      | -                        | -                        | <b>2,621</b>                | 681                |
| Charitable activities                 |       |                            |                          |                          |                             |                    |
| Grants and contracts                  | 6     | 512,251                    | -                        | -                        | <b>512,251</b>              | 451,378            |
| Other trading activities              | 7     | 64,361                     | -                        | -                        | <b>64,361</b>               | 70,697             |
| <b>Total income</b>                   |       | <b>579,233</b>             | <b>-</b>                 | <b>-</b>                 | <b>579,233</b>              | <b>522,756</b>     |
| <b><u>Expenditure on:</u></b>         |       |                            |                          |                          |                             |                    |
| Charitable activities                 |       |                            |                          |                          |                             |                    |
| Operation of the charity              | 8     | 668,908                    | -                        | -                        | <b>668,908</b>              | 462,222            |
| <b>Total expenditure</b>              |       | <b>668,908</b>             | <b>-</b>                 | <b>-</b>                 | <b>668,908</b>              | <b>462,222</b>     |
| <b>Net income/(expenditure)</b>       |       | <b>( 89,675 )</b>          | <b>-</b>                 | <b>-</b>                 | <b>( 89,675 )</b>           | <b>60,534</b>      |
| Transfers between funds               |       | ( 15,000 )                 | 15,000                   | -                        | -                           | -                  |
| <b>Net movement of funds</b>          |       | <b>( 104,675 )</b>         | <b>15,000</b>            | <b>-</b>                 | <b>( 89,675 )</b>           | <b>60,534</b>      |
| <b><u>Reconciliation of funds</u></b> |       |                            |                          |                          |                             |                    |
| Total funds brought forward           |       | 326,699                    | 45,000                   | -                        | <b>371,699</b>              | 311,165            |
| <b>Total funds carried forward</b>    |       | <b>222,024</b>             | <b>60,000</b>            | <b>-</b>                 | <b>282,024</b>              | <b>371,699</b>     |

The Statement of Financial Activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities

The notes on pages 12 to 20 form an integral part of these financial statements.

**RECOVERY COLLEGE COLLECTIVE LTD**

(A company limited by guarantee)

Charity Number 1174907

Company Number 10573524

**BALANCE SHEET**

As at 31 March 2023

|   | Notes | £                 | Total<br>2023<br>£ | £                 | Total<br>2022<br>£ |
|---|-------|-------------------|--------------------|-------------------|--------------------|
| <b><u>Current assets</u></b>                          |       |                   |                    |                   |                    |
| Debtors   | 14    | 188,846           |                    | 64,212            |                    |
| Cash at bank and in hand                              | 15    | 152,529           |                    | 377,897           |                    |
| <b><i>Total current assets</i></b>                    |       | <b>341,375</b>    |                    | <b>442,109</b>    |                    |
| <b>Creditors:</b> amounts falling due within one year | 16    | <b>( 59,351 )</b> |                    | <b>( 70,410 )</b> |                    |
| <b><i>Net current assets</i></b>                      |       |                   | <b>282,024</b>     |                   | <b>371,699</b>     |
| <b><i>Total assets less current liabilities</i></b>   |       |                   | <b>282,024</b>     |                   | <b>371,699</b>     |
| <b><i>Total net assets or liabilities</i></b>         |       |                   | <b>282,024</b>     |                   | <b>371,699</b>     |
| <b><u>Funds of the charity</u></b>                    |       |                   |                    |                   |                    |
| Unrestricted income funds                             |       |                   | 222,024            |                   | 326,699            |
| Designated income funds                               |       |                   | 60,000             |                   | 45,000             |
| Restricted income funds                               |       |                   | -                  |                   | -                  |
| <b><i>Total funds</i></b>                             |       |                   | <b>282,024</b>     |                   | <b>371,699</b>     |

The company was entitled to an exemption from audit under s477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act with the respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to small companies subject to the small companies regime and in accordance with FRS102 SORP.

The notes on pages 12 to 20 form an integral part of these financial statements.

These financial statements were approved by the Board

19-Dec-23

and are signed on its behalf by:

Alan Ramsay  
Co-chair

*Alan Ramsay*

Alan Ramsay (Dec 19, 2023 14:38 GMT)

**RECOVERY COLLEGE COLLECTIVE LTD**

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Charity Number 1174907

Company Number 10573524

**STATEMENT OF CASH FLOWS**

For the year ended 31 March 2023

|  | <b>2023</b>               | <b>2022</b>           |
|--|---------------------------|-----------------------|
|  | <b>£</b>                  | <b>£</b>              |
| <b><u>Cash flows from operating activities</u></b>   |                           |                       |
| Net movement in funds                                | ( 89,675 )                | 60,534                |
| Deduct interest income shown in investing activities | -                         | ( 1 )                 |
| Decrease (increase) in debtors                       | ( 124,634 )               | 26,487                |
| Increase (decrease) in creditors                     | ( 11,059 )                | 25,981                |
| <b><i>Net cash from operating activities</i></b>     | <b><u>( 225,368 )</u></b> | <b><u>113,001</u></b> |
| <b><u>Cash flow from investing activities</u></b>    |                           |                       |
| Interest received                                    | -                         | 1                     |
| <b><i>Net cash used in investing activities</i></b>  | <b><u>-</u></b>           | <b><u>1</u></b>       |
| <br><b>Decrease in cash and cash equivalents</b>     | <br><b>( 225,368 )</b>    | <br><b>113,002</b>    |
| <b>Cash and cash equivalents at start of year</b>    | <b><u>377,897</u></b>     | <b><u>264,895</u></b> |
| <b>Cash and cash equivalents at end of year</b>      | <b><u>152,529</u></b>     | <b><u>377,897</u></b> |

The notes on pages 12 to 20 form an integral part of these financial statements.

# **RECOVERY COLLEGE COLLECTIVE LTD**

(A company limited by guarantee)

## **NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 31 March 2023

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### **1 Accounting Policies**

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

### **2 Basis of accounting**

#### **2.1 Basis of preparation**

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

The accounts have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) – Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

Recovery College Collective Ltd meets the definition of a public benefit entity under FRS 102.

#### **2.2 Preparation of the accounts on a going concern basis**

The financial statements have been prepared on a going concern basis. In making their assessment the trustees have reviewed and considered relevant information, including their annual budget and future cash flows. The trustees are of the view that the immediate future of the charity for the next 12 months is secure and that on this basis the charity is a going concern.

### **3 Income**

#### **3.1 Recognition of income**

Income is recognised when the charity has entitlement to the resources, any performance conditions attached to the item(s) of income have been met, it is more likely than not that the resources will be received and the monetary value can be measured with sufficient reliability

#### **3.2 Offsetting**

There has been no offsetting of assets and liabilities, or income and expenses, unless required or permitted by FRS102 SORP or FRS102.

#### **3.3 Grants and donations**

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income received in advance of the provision of a specified service is deferred until the criteria of income recognition are met.

## **RECOVERY COLLEGE COLLECTIVE LTD**

(A company limited by guarantee)

### **NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 31 March 2023

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#### **3.4 Donated goods and services**

Donated goods are measured at fair value (the amount for which the asset could be exchanged) unless impractical to do so.

Donated services and facilities are included in the SoFA when received at the value of the gift to the charity provided that the value of the gift can be measured reliably. Donated services and facilities that are consumed immediately are recognised as income with the equivalent amount recognised as an expense under the appropriate heading in the SoFA.

#### **3.5 Volunteer help**

The value of volunteer help received is not included in the accounts but is described in the trustees' annual report.

#### **3.6 Interest receivable**

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

#### **3.7 Fund accounting**

Unrestricted funds are available to spend on activities that further any of the purposes of the charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the

### **4 Expenditure and liabilities**

#### **4.1 Liability recognition**

Liabilities are recognised when 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.

#### **4.2 Charitable activities**

Expenditure on charitable activities includes the costs of delivering a mental health support service and other activities undertaken to further the purposes of the charity and their associated support costs.

#### **4.3 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.

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources.

#### **4.4 Irrecoverable VAT**

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

## **RECOVERY COLLEGE COLLECTIVE LTD**

(A company limited by guarantee)

### **NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 31 March 2023

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#### **4.5 Creditors**

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

#### **4.6 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.



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**Analysis of income**

|   | Unrestricted<br>Funds<br>£ | Designated<br>Funds<br>£ | Restricted<br>Funds<br>£ | <b>Total<br/>2023<br/>£</b> | Total<br>2022<br>£ |
|---|----------------------------|--------------------------|--------------------------|-----------------------------|--------------------|
| <b>5 Donations and legacies</b>           |                            |                          |                          |                             |                    |
| Donations and gifts                       | 2,621                      | -                        | -                        | <b>2,621</b>                | 681                |
|   | <u>2,621</u>               | <u>-</u>                 | <u>-</u>                 | <u><b>2,621</b></u>         | <u>681</u>         |
| <b>6 Charitable activities</b>            |                            |                          |                          |                             |                    |
| <u>Income from grants and contracts</u>   |                            |                          |                          |                             |                    |
| NHS Newcastle and Gateshead CCG           | 430,244                    | -                        | -                        | <b>430,244</b>              | 414,195            |
| South Tyneside Contract                   | 35,000                     | -                        | -                        | <b>35,000</b>               | -                  |
| Fundraising                               | 5,379                      | -                        | -                        | <b>5,379</b>                | -                  |
| Gateshead Innovation Fund                 | 1,000                      | -                        | -                        | <b>1,000</b>                | 27,500             |
| Awards for All                            | 5,100                      | -                        | -                        | <b>5,100</b>                | -                  |
| Barings Fund                              |                            | -                        | -                        | -                           | 5,683              |
| Lankelly Chase                            | 32,878                     | -                        | -                        | <b>32,878</b>               | -                  |
| Newcastle City Council - COVID 19 Funding | 2,650                      | -                        | -                        | <b>2,650</b>                | 4,000              |
|   | <u>512,251</u>             | <u>-</u>                 | <u>-</u>                 | <u><b>512,251</b></u>       | <u>451,378</u>     |
| <b>7 Other trading activities</b>         |                            |                          |                          |                             |                    |
| Income generation                         | 64,361                     | -                        | -                        | <b>64,361</b>               | 70,696             |
| Interest                                  |                            | -                        | -                        | -                           | 1                  |
|   | <u>64,361</u>              | <u>-</u>                 | <u>-</u>                 | <u><b>64,361</b></u>        | <u>70,697</u>      |

Income was £579,233 (2022: £522,756) of which £579,233 was unrestricted or designated (2022: £522,756) and £0 was restricted (2022: £0)

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For the year ended 31 March 2023

**Analysis of expenditure on charitable activities**

|  | Unrestricted<br>Funds<br>£ | Designated<br>Funds<br>£ | Restricted<br>Funds<br>£ | <b>Total<br/>2023<br/>£</b> | Total<br>2022<br>£ |
|--|----------------------------|--------------------------|--------------------------|-----------------------------|--------------------|
| <b>8 Charitable activities</b>                               |                            |                          |                          |                             |                    |
| <u>Direct costs</u>  |                            |                          |                          |                             |                    |
| Staff costs  | 441,268                    | -                        | -                        | <b>441,268</b>              | 305,509            |
| Other staff costs  | 5,995                      | -                        | -                        | <b>5,995</b>                | 6,153              |
| Meetings and refreshments                                    | 3,651                      | -                        | -                        | <b>3,651</b>                | 3,135              |
| Direct activity costs  | 7,792                      | -                        | -                        | <b>7,792</b>                | 1,027              |
| Course costs   | 12,746                     | -                        | -                        | <b>12,746</b>               | 4,645              |
| <u>Support costs</u>   |                            |                          |                          |                             |                    |
| Bank charges   | 53                         | -                        | -                        | <b>53</b>                   | 124                |
| Office rent and rates  | 10,146                     | -                        | -                        | <b>10,146</b>               | 12,083             |
| Insurance  | 13,161                     | -                        | -                        | <b>13,161</b>               | 15,631             |
| Utilities  | 68,825                     | -                        | -                        | <b>68,825</b>               | 32,705             |
| Office costs   | 38,016                     | -                        | -                        | <b>38,016</b>               | 23,172             |
| Marketing  | 1,090                      | -                        | -                        | <b>1,090</b>                | 1,200              |
| Repairs, maintenance and<br>renewals                         | 53,563                     | -                        | -                        | <b>53,563</b>               | 46,385             |
| Legal fees and professional fees                             | 11,186                     | -                        | -                        | <b>11,186</b>               | 9,133              |
| <u>Governance costs</u>                                      |                            |                          |                          |                             |                    |
| Independent examiner's fees for<br>reporting on the accounts | 1,416                      | -                        | -                        | <b>1,416</b>                | 1,320              |
|  | <u>668,908</u>             | <u>-</u>                 | <u>-</u>                 | <u><b>668,908</b></u>       | <u>462,222</u>     |

Expenditure on charitable activities was £668,908 (2022: £462,222) of which £668,908 was unrestricted or designated (2022: £462,222) and £0 was restricted (2022: £0)

**9 Fees for examination of the accounts**

|   | <b>2023<br/>£</b>   | 2022<br>£    |
|---|---------------------|--------------|
| Independent examiner's fees for reporting on the accounts | <b>1,416</b>        | 1,320        |
|   | <u><b>1,416</b></u> | <u>1,320</u> |

There were no other fees paid to the examiner (2022: £nil)

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### NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2023

#### 10 Analysis of staff costs and the cost of key management personnel

ReCoCo is run by 14 staff (2022: 10 staff), (equivalent to 11 WTE) plus sessional workers (equivalent to 1.6 WTE) and 20 Therapeutic Enablers (2022: 18 Therapeutic Enablers). 1 member of staff is employed by Mental Health Concern (2022: 5), 5 members of staff are employed by Cumbria, Northumberland, Tyne and Wear NHS Foundation Trust and 8 members of staff are directly employed by the charity.

The details of the 8 staff directly employed by the charity are as follows (2022: 5):

|   | 2023<br>£      | 2022<br>£     |
|---|----------------|---------------|
| Salaries and wages                                | 129,268        | 57,828        |
| Social security costs                             | 9,906          | 4,726         |
| Pension costs (defined contribution pension plan) | 2,986          | 994           |
|   | <b>142,160</b> | <b>63,548</b> |

No employee received remuneration above £60,000 (2022: nil).

The key management personnel of the charity, comprise the trustees and two directors. The total benefits of the key management personnel of the charity were £98,882. (2022: £100,000).

The charity has also benefitted from, but not recognised in its accounts, the contribution of services made by unpaid volunteers.

#### 11 Transactions with trustees

The following trustees received payments for providing professional service to the charity through their established companies.

| Trustee     | Organisation    | Service provided        | 2023<br>£    |
|-------------|-----------------|-------------------------|--------------|
| Alan Ramsay | Roots and Wings | Design and illustration | <b>3,600</b> |

The charity undertook an arm's length process to ensure they chose the best provider, Alan Ramsay was not part of the decision making process.

#### Trustees' expenses

No trustee expenses have been incurred in the year.

#### Transaction(s) with related parties

The following trustee's spouse is seconded to the charity and receives payments for professional services.

| Name of the trustee or related party               | Relationship to charity                          | Description of the transaction | 2023<br>£     |
|--|--|--------------------------------|---------------|
| Trustee Michelle Glascott (resigned November 2022) | Is the spouse of the joint coordinator of ReCoCO | Secondment to the charity      | <b>59,836</b> |

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### NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2023

#### 11 Transaction(s) with related parties (continued)

| Name of the trustee or related party | Relationship to charity                          | Description of the transaction | 2022<br>£ |
|--------------------------------------|--|--------------------------------|-----------|
| Trustee Michelle Glascott            | Is the spouse of the joint coordinator of ReCoCO | Secondment to the charity      | 54,500    |

The trustees have made reference to the charities conflict of interest policy to prevent a conflict of interest from affecting the relevant decision making processes. The legal authority is the charitable companies Articles.

#### 12 Defined contribution pension scheme

The employer's pension costs represent contributions payable by the charity to the fund and amount to £2,986 (2022: £994). There was £0 outstanding as at 31 March 2023 (2022: £0)

#### 13 Corporation Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objectives.

#### 14 Debtors and prepayments (receivable within 1 year)

|         | 2023<br>£      | 2022<br>£     |
|---------|----------------|---------------|
| Debtors | 188,846        | 64,212        |
|         | <u>188,846</u> | <u>64,212</u> |

#### 15 Cash at bank and in hand

|                          | 2023<br>£      | 2022<br>£      |
|--------------------------|----------------|----------------|
| Cash at bank and in hand | 152,529        | 377,897        |
|                          | <u>152,529</u> | <u>377,897</u> |

#### 16 Creditors and accruals (payable within 1 year)

|                                     | 2023<br>£     | 2022<br>£     |
|-------------------------------------|---------------|---------------|
| Trade creditors                     | 57,935        | -             |
| Salary recharge                     | -             | 69,090        |
| Accruals                            |               |               |
| Independent examination of accounts | 1,416         | 1,320         |
|                                     | <u>59,351</u> | <u>70,410</u> |