

**CHARITY NO: SC031160**

**COMPANY NO: SC216172**

**FLOURISH HOUSE**

**(A company limited by guarantee)**

**REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2019**

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**REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019**

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**LEGAL AND ADMINISTRATIVE INFORMATION**

**Charity Name:** Flourish House

**Registered Office and Operational Address:** 23-25 Ashley Street  
Glasgow  
G3 6DR

**Charity Registration Number:** SC031160

**Company Registration Number:** SC216172

**Trustees:**

Colin Rutherford	(Chair)
Jemima McDougall	(Vice Chair)
Lesley Chalmers	(Treasurer)
Peter O'Hagan	
Dianne Foy	
Margaret Cooke	(resigned 30.10.2018)
Mary Hanratty	
Robert Smiley	(resigned 25.04.2018)
Connie Young	
Susan McKinstery	(appointed 03.09.2018)
Laura Campbell	(appointed 03.09.2018)

**CEO:** John Linn

**Independent Examiners:** Wylie & Bisset LLP  
Chartered Accountants  
168 Bath Street  
Glasgow  
G2 4TP

**Bankers:** Bank of Scotland  
235 Sauchiehall Street  
Glasgow  
G2 3EY

**Solicitors:** Burness LLP Solicitors  
242 West George Street  
Glasgow  
G2 4QY

**FLOURISH HOUSE**  
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**REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019**

The directors are pleased to present their annual directors' report together with the financial statements of the charity for the year ending 31 March 2019, which are also prepared to meet the requirements for a trustees' report and accounts for Charity Law purposes.

This report, like Flourish House, refers to members rather than service users or patients. The membership concept is fundamental to our work. Being a Member, rather than client or a patient, means sharing ownership and responsibility for the success of the organisation with the people around you. To be a Member also means to belong to a place where you are welcomed and valued. Membership is not limited by time and attendance and participation is entirely voluntary.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 of the accounts and comply with the Memorandum and Articles of Association, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), the Companies Act 2006 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

**Objectives and Activities**

The principle focus of Flourish House is to promoting recovery and the creation of opportunities for people living with the most severe and persistent mental illnesses.

We use the Clubhouse Model and Social Enterprise to provide services as these are asset-based approaches which positively support mental health recovery and create opportunity.

The Clubhouse model is a community-based organisation that promotes meaningful work and relationships as key aspects of service delivery. Being a member means belonging to a place where you're welcomed and valued, which for someone living with a mental illness can't be taken for granted. The Clubhouse relies on service user participation for day to day operations; creating natural opportunities for members to utilise and learn skills and to contribute. It is a community centre providing people with mental illness a space to work, learn and thrive free from stigma and judgement.

Our Social Enterprises provide paid employment, training and volunteering opportunities to ensure that even those widely regarded as being furthest from the labour market. Employment rates for people living with severe mental illness are estimated at between 5 - 15% with those affected being six or seven times more likely unemployed than the general population.

We also have external programmes and partnerships delivering wellbeing, learning and employment opportunities to members within the local community.

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**REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019**

**Our Values**

As an organisation we believe that how we carry out the work is just as important as the work itself. Therefore, our services;

- Are inclusive, non-stigmatising, aspirational and co-produced.
- Focus on the strengths, talents and abilities of individuals, rather than the deficits of illness.
- Respect and value the contribution of all our stakeholders, especially our members.
- Utilise partnerships with other organisations and agencies to create opportunities for members.
- Are flexible and creative and open to new ways of achieving our outcomes.
- Promote and provide opportunities for individuals to be active and engaged in their local community.

**Why is Our Work Important?**

Our work is focussed on improving the lives of people living with mental illness. Such conditions can have an overwhelming impact on those affected, their families and the wider community. Referrals to Flourish House are mostly initiated by mental health professionals in areas including hospital inpatient services, forensic mental health services and community mental health teams. Working alongside these clinical services, we support the broader aims of the local and national mental health policy.

Flourish House members are people with lived experience of serious and persistent mental health conditions. As a group they are often socially excluded, encountering multiple barriers to mainstream opportunities, including access to work and education. They are also more likely to be lonely, socially isolated and have poorer physical health than the general population. People with mental illness continue to be subject to stigma and discrimination, both real and perceived.

Our recovery focussed and person centred approach aims to remove barriers to participation experienced by individuals living with mental illness, and to support them to live more satisfying and meaningful lives. Encouraging people into meaningful activity (learning, volunteering and employment) and creating strong social connections are especially important, providing people with a sense of connectedness and hope for the future and also reducing the risk of relapse.

The Clubhouse embraces co-production and is deliberately designed so that it cannot function without member participation in day to day work. The commitment to co-production and shared decision can be witnessed at all levels of the organisation, from the Board of Directors, which reserves four of its ten Trustee positions specifically for Clubhouse members, to weekly meetings where day to day decisions are made.

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**REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019**

**Achievements and Performance**

The programme at Flourish House is built around the expressed needs of the membership and with a focus on the CHIME recovery model; Connectedness, Hope and optimism, Identity, Meaning & purpose, and Empowerment. The core activities of the organisation be separated into three broad categories;

1. In-House Structured Vocational Activity (The Work Ordered Day).
2. Access to a Work and Learning Pathway.
3. Social and Wellbeing Programmes.

*The Work Ordered Day*

The cornerstone of Flourish House is the pre-vocational Work-Ordered Day, where members are encouraged to strengthen their abilities and skills through voluntary participation in the daily tasks involved in the operation of the Clubhouse. This approach supports members to establish structure and purpose within the context of a supportive community where their contribution is valued, and their participation is welcomed.

At time of referral over 90% of prospective members indicate a lack of positive activity and routine in their lives. A recent member survey highlighted the real value of the work ordered day with 96% of members indicating it contributed towards feelings of increased confidence and motivation.

The co-production nature between staff and members builds a strong relationship that encourages members to take part in voluntary tasks. This is further strengthened by the organisational policy of no staff only areas, meetings or decision making. In addition, we always ensure staff numbers are sufficient to engage the membership but few enough that the service cannot function without their involvement.

Throughout the year members participated in a wide range of essential jobs in the Clubhouse including in administration, clerical, new member induction, recruitment and training of staff, Clubhouse training, public relations activity, advocacy, kitchen operations, and preparation and serving of food. In addition to this, many members also assumed leadership roles in several activities, including arranging and co-ordinating a visit from the Scottish Government Mental Health Minister, developing a new website and in co-ordinating waste management and recycling activity.

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Through working side-by-side with staff and other members, individuals develop a sense of achievement which prepares them for paid work which can then be achieved via Transitional and supported employment opportunities, arranged by the Clubhouse or through other employability partners.

*Work & Learning*

The Work and Learning activity in Flourish House includes a wide range of groups, courses and activities that support members through personal development and goal planning. Many groups are co-produced or led entirely by members.

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**REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019**

**Achievements and Performance (continued)**

The Work and Learning unit have had a productive year with 143 members being involved in some type of work or learning activity, a 21% increase from last year.

The Transitional Employment Placement (TEP) programme has helped thirteen members experience paid work, which is the same for the previous year. The TEP model provides part-time, paid employment to people with mental illness either through our own social enterprises or with partner employers. TEP jobs are usually a member's first experience of paid employment. Three new TEP work placements have been recently procured; two jobs with Bike for Good and the other with Glasgow Association for Mental Health. We are also at advanced stage of negotiation with a new employer for a paid, clerical placement but this has not yet been finalised. Three Members have also achieved permanent jobs this year within supported employment positions.

Over the course of the year we have delivered 124 one-to-one sessions with 47 members discussing their future goals, this is a 56% increase in the number of members and 61% increase in the number of sessions from last year. We saw a 41% increase in training from last year with 34 members engaging in training at Flourish House ranging from barista training to emergency first aid to equality diversity training.

Through the Glasgow Kelvin College, Wider Access Programme we were able to provide two REHIS Food Hygiene courses, one REHIS First Aid course, and ran two 8-week photography courses within Flourish House. Some members are currently undertaking the Community Development focused Activate course at the University of Glasgow which is an additional link we hope to strengthen in future years.

Our main Social Enterprise is a community café, known as The Courtyard Café, which we operate in partnership with Queens Cross Housing Association. The café currently provides three part-time, paid jobs specifically for members. Two of which are on a Transitional Employment basis and the other is a permanent Supported Employment job. The Café also provides a number of supported volunteering placements including the opportunity to learn cooking and baking skills but also in roles such as admin, driving and finance.

*Social and Wellbeing Programmes*

Social isolation has been identified as the main reason for referral to Flourish House and an area where our service has a significant impact.

The majority of our service users either live alone or within a care setting (hospital or care home) and the overwhelming majority are dependent on welfare benefits. Many also live in socially deprived areas, with 78% living in areas in the lowest 40% of Scottish Index of Multiple Deprivation (SIMD) and with 22% (our single highest grouping) from the lowest 5% SIMD.

Many have poor physical health which often co-exists with enduring mental health conditions. All of these factors increases the risk of loneliness and isolation.

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**REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019**

**Achievements and Performance (continued)**

Our social and wellbeing programmes deliver a wide range of groups, classes and activities that are designed to enable Members to build relationships, try new activities and broaden their social experiences and networks. The programme also seeks to improve knowledge of conditions, increase physical activity, reduce harmful behaviours and develop self-management skills.

Our recent Impact Survey indicated that since joining Flourish House;

- 92% of people felt they had more friends.
- 90% of people felt they had more confidence socially.
- 78% of people said they were taking part in new activities or going new places.

The findings of the survey have great significance when viewed alongside a recent NHS review on social isolation and loneliness in Scotland (Teuton, 2018), which stated that people with long term mental health conditions in Glasgow are twice as likely to report severe loneliness.

Social and wellbeing activities this year have included;

- Green Gym activity at the Allotment.
- Woodwork Activity in partnership with Boomerang.
- Football.
- Art and Craft Groups.
- Wandering in the Woodlands (Guided Park and Forest Walks).
- Social Events Programme and Day Trips.
- A Women's Group.
- Guided Cycling with Bike for Good.

We are grateful for the support of the Impact Fund who provide the staffing and resources which allow Flourish House to carry out much of its activity in this area.

*2018 - 19 in Numbers*

- 58 members on average attended the Flourish House every day.
  - An increase of 10% on the previous year.
- 188 members on average attended Flourish House each month.
  - An increase of 5% on the previous year.
- 321 Members engaged with the service this year.
  - An increase from 306 last 2018 - 19 in Numbers.
- 89 referrals.
  - A decrease of 22% on the previous year.
- Members recorded 12,854 attendances and spent 45,675 hours engaged in activity.



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**REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019**

**Achievements and Performance (continued)**

*Achievements in Partnership*

Flourish House understands the importance of building relationships and collaborating with other organisations and continually seeks to strengthen key relationships and develop new partnerships.

The Community Health and Care Partnership (CHCP) is the main purchaser of Flourish House services and the majority of referrals come from CHCP clinical services across Glasgow city. We have positive relationships with CHCP staff and believe we provide an effective recovery oriented model consistent with the aims of the new 5 year Adult Mental Health Strategy for Glasgow. Due to the close working relationship Flourish House regards the CHCP as both a partner and a funder of our services.

Bike for Good is a cycling and sustainable transport charity with premises in north and south Glasgow. Originally working with them to deliver group cycling sessions to members of Flourish House, our relationship has strengthened over the past year and we now provide contract cleaning services at both their sites which are filled by Clubhouse members through the TEP Programme. Members and staff have also completed Cycle Leader training and recently applied for funds to build four bikes for exclusive use of Flourish House staff and members.

A developing relationship with social enterprise company All Cleaned Up (ACU) has enabled a few of our members to move into supported employment over the year. We are also in discussion with ACU about partnership work opportunities that would see ACU include Flourish House in future tender responses for contracts in Glasgow that would create additional jobs for members.

To support our learning activity, we have made some key connections with new organisations this year. The Glasgow Kelvin College Wider Access Programme has created excellent opportunities for members. We continued to link in with Lingo Flamingo who ran a Spanish course in Flourish House after our self-run French course. We have also been working in collaboration with Money Advice Scotland and Glasgow Life to provide financial inclusion courses.

Other partners include the many employers and education partners who support our Work and Learning aims and their support ensures members can progress through the employability pipeline and move towards recovery.

We have supported a number of other organisations over the year, including Bipolar Scotland, Support in Mind Scotland and LGBT Wellbeing. We provide space for these organisations to run local groups that have been of direct benefit to Clubhouse Members and raised our profile within other community and mental health organisations.

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**REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019**

**Achievements and Performance (continued)**

Our successful collaboration with the Scottish Mental Health Arts and Film Festival continues into the coming year, as does our participation in Glasgow Open Doors Day. These events help to bring our work to the attention of a new and wider audience as well as raise the profile of mental health more generally.

Our partnership with Queens Cross Housing Association has already led to the development of the Courtyard Café, bringing employment and a much needed amenity to local people in the Westercommon area and employment and volunteering opportunities to people with mental illness. We are in discussions with Queens Cross regarding the opening of a second café venue.

Peer learning, leadership and citizenship have also been important themes this year, and we have built links with several organisations which reflect this: GritEd, MsMissMrs, SeeMe, Media Education and COPE. Two sessions of training around diversity and privilege was provided by GritEd, a training and coaching company that engaged and inspired members in how they can impact the culture within the organisation and their community. From our look into diversity, our women's group was established to encourage more women to connect, build confidence and get involved in the activity of Flourish House. The women's group took part in training with MsMissMrs (a women's empowerment social enterprise) around confidence building and empowerment, which has inspired the now member led group to further their engagement and empowerment of women within Flourish House. Our relationship with SeeMe and Media Education has not only empowered members in their agency and confidence but has also significantly extended our reach as an organisation, communicating our message to a broader audience. We have also recently begun working with the Scottish Recovery Network to deliver 'Peer to Peer' training. Flourish House recognises the huge contribution of informal peer support that happens within the Clubhouse between member colleagues. We wish to explore the opportunities that more "formal" peer support could bring to our services and equip members with the confidence to draw on their own experiences to help and support others.

**Financial Review**

The Board, in partnership with the Chief Executive and senior staff, set the budget at the beginning of the financial year, comparing income levels and anticipated expenditure and identifying additional sources of funding that may be required throughout the year. Currently, the organisation receives funding across several categories including contracts, generated income, fundraising activities, donations and grant applications. The Directors receive regular financial reports and financial matters are a standing item at board meetings. Management accounts highlight variations on a monthly and accumulated basis and the Board identify remedial actions where necessary.

During the year the charity received income of £459,297 (2018: £465,498) and had expenditure of £505,346 (2018: £467,182). Full details are given in the SOFA on page 13.

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**REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019**

**Financial Review (continued)**

*Principal Funding Sources*

The organisation's principal funder is the Glasgow City Health and Social Care Partnership (HSCP). In financial year 2018 – 2019 the charity also received contributions from;

- Glasgow City Council Development and Regeneration Services.
- Glasgow City Council Integrated Grant Fund.
- The Voluntary Action Fund (renamed Impact Fund).
- The Big Lottery Fund.
- Lloyds TSB Foundation Henry Duncan Award.

Flourish House is extremely grateful for all donations received throughout the year.

*Fundraising Activity and Income Generation*

The Flourish House café has generated an income of £23,838, which was achieved principally through the partnership with food redistribution charity, Fareshare. All surplus funds generated at the café are reinvested in other areas of the service.

The organisation generated £5,030 in fees for hosting of Social Work student placements. This income is invested in staff development, training and support.

*Investment Policy*

The organisation has modest free reserves that it currently holds in instant access accounts which bear negligible interest. However, the directors are of the opinion that due to the unpredictable nature of funding and the limited access to appropriate savings schemes (ie risk free, instant access) it is reasonable to continue to use existing accounts to hold all funds. The directors will continue to review this position annually.

*Reserves Policy*

Reserves are held by the organisation in order to help the charity operate effectively. Target level of reserves are expressed as a range and are informed by forecast levels of income for the current and future years, taking into account the reliability of each current funding source and the prospects for developing new income streams.

The Board uses a combination of monthly running costs and assessed risk to future income to determine an appropriate level of protection. The organisation seeks to hold, at the minimum of £150,000 in free reserves. In the event of the principal funder withdrawing support, reserves of this level would enable Flourish House to continue trading for a minimum period of 6 months; a reasonable timescale that would allow the Board to find alternative funding sources and is based on the expected turn-around period for a Big Lottery application.

The current level of free reserves is £157,027, this is made up of total unrestricted funds of £436,983 less the amount tied up in designated funds of £279,956.

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**REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019**

**Financial Review (continued)**

The Board will continue to review the reserves policy annually and amend as required.

**Structure, Governance and Management**

*Governing Document*

The organisation is a charitable company limited by guarantee, incorporated on 26th February 2001 and registered as a charity on 26th February 2001. The company was established under a Memorandum of Association, which established the objects and powers of the company and is governed under its Articles of Association. The company currently has 26 members, each of whom agree to contribute a minimum of £1 in the event of the charity winding up.

*Recruitment and Appointment of Board*

The Directors of the company are also Charity Trustees for the purposes of Charity Law and under the company's Articles are known as members of the Board. Under the requirements of the Articles of Association members of the Board are elected to serve for a period of three years after which they must be re-elected at the next AGM. Board members co-opted during the year must also stand down at the next AGM. The Board meets at least six times per year.

The organisation promotes user involvement within all areas of service delivery and therefore seeks to ensure that people with mental health problems are appropriately represented on the Board. To meet this aim the Charity reserves four of the ten Director positions for people who also use its services.

The organisation adheres to a set of guiding principles and standards to ensure that the Board is comprised of Directors with appropriate skills, knowledge and experience. Using this guidance the Board considers skills gaps when vacancies arise and makes approaches to co-opt relevant individuals.

*Trustee Induction and Training*

Newly appointed and co-opted Board members take part in an induction organised by the Manager. During induction new Directors learn about the requirements of the role, the principles and standards of the Clubhouse Model and methods of financial reporting. Each new Director also spends time volunteering within the service, to fully understand the needs and nature of the organisation.

*Risk Management*

The Board is responsible for monitoring and managing operational and financial risks to the Company. Operational budgets are agreed by the Board at the beginning of the financial year and monitored routinely throughout the year. Statements of income and expenditure are provided at Board meetings to track expenditure against agreed budgets.

The Company has access to a modest amount of free reserves which provides a safeguard if grant payments are delayed or if funding streams conclude.

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**REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019**

**Structure, Governance and Management (continued)**

The Flourish House Health and Safety committee meets regularly and includes representatives from staff and members. Procedures are in place to ensure the health and safety of staff, members and visitors in our premises, and of staff working at locations away from the main office. Risk assessments are updated annually.

**Trustees' responsibilities in relation to the financial statements**

The charity trustees (who are also the directors of Flourish House for the purposes of company law) 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 of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing the financial statements, the trustees are required to:

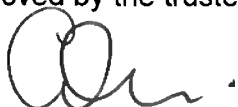
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

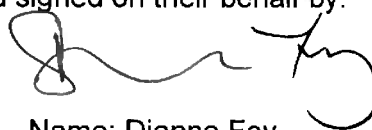
The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

This report has been prepared in accordance with the 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) and in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by the trustees on 23 October 2019 and signed on their behalf by:



Name: Colin Rutherford



Name: Dianne Foy

## **INDEPENDENT EXAMINER'S REPORT TO THE MEMBERS OF FLOURISH HOUSE FOR THE YEAR ENDED 31 MARCH 2019**

I report on the accounts of the charity for the year ended 31 March 2019, which are set out on pages 13 to 24.

### **Respective responsibilities of trustees and examiner**

The charity's trustees are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006.

The charity trustees consider that the audit requirement of Regulation 10(1) (a) to (c) of the Accounts Regulations does not apply. It is my responsibility to examine the accounts as required under section 44(1) (c) of the Act and to state whether particular matters have come to my attention.

### **Basis of independent examiner's statement**

My examination is carried out in accordance with Regulation 11 of the Charities Accounts (Scotland) Regulations 2006. 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 seeks 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 view given by the accounts.

### **Independent examiner's statement**

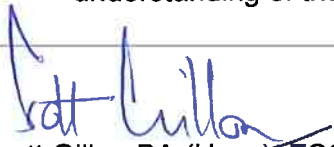
In the course of my examination, no matter has come to my attention

1. which gives me reasonable cause to believe that in any material respects the requirements:
  - to keep accounting records in accordance with Section 44 (1) (a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations, and
  - to prepare accounts which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulations

have not been met, or

2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

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Scott Gillon BA (Hons), FCCA, CA  
**Wylie & Bisset LLP**  
**Chartered Accountants**  
168 Bath Street  
Glasgow  
G2 4TP

Date: 23 October 2019

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**STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDING 31 MARCH 2019**

(Including an Income and Expenditure account)

	Note	Unrestricted Funds 2019 £	Restricted Funds 2019 £	Total Funds 2019 £	Unrestricted Funds 2018 £	Restricted Funds 2018 £	Total Funds 2018 £
<b>Income and endowments from:</b>							
Donations and legacies	4	9,583	110,456	120,039	30,837	108,709	139,546
Charitable activities	5	324,453	-	324,453	312,671	-	312,671
Other Trading Activities	6	12,127	2,652	14,779	13,270	-	13,270
Investment income	7	26	-	26	11	-	11
<b>Total Income</b>		<b>346,189</b>	<b>113,108</b>	<b>459,297</b>	<b>356,789</b>	<b>108,709</b>	<b>465,498</b>
<b>Expenditure on:</b>							
Raising funds	8	2,753	-	2,753	1,218	-	1,218
Other Trading Activities	10	407,334	95,259	502,593	398,639	67,325	465,964
Charitable activities		410,087	95,259	505,346	399,857	67,325	467,182
<b>Total Expenditure</b>		<b>(63,898)</b>	<b>17,849</b>	<b>(46,049)</b>	<b>(43,068)</b>	<b>41,384</b>	<b>(1,684)</b>
<b>Net (expenditure)/income</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>26,677</b>	<b>(26,677)</b>	<b>-</b>
Transfers between funds		(63,898)	17,849	(46,049)	(16,391)	14,707	(1,684)
<b>Net Movement in funds</b>		<b>(63,898)</b>	<b>17,849</b>	<b>(46,049)</b>	<b>(16,391)</b>	<b>14,707</b>	<b>(1,684)</b>
<b>Funds reconciliation</b>							
Total funds brought forward	16	500,881	40,583	541,464	517,272	25,876	543,148
<b>Total Funds carried forward</b>	16	<b>436,983</b>	<b>58,432</b>	<b>495,415</b>	<b>500,881</b>	<b>40,583</b>	<b>541,464</b>

The Statement of Financial Activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

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**BALANCE SHEET AS AT 31 MARCH 2019**

	Note	2019 £	2018 £
<b>Fixed assets:</b>			
Tangible assets	13	256,664	297,458
		<u>256,664</u>	<u>297,458</u>
<b>Current assets:</b>			
Debtors	14	56,158	71,683
Cash at bank and in hand		202,244	229,645
<b>Total Current assets</b>		<u>258,402</u>	<u>301,328</u>
<b>Liabilities:</b>			
Creditors falling due within one year	15	19,651	57,322
<b>Net Current assets</b>		<u>238,751</u>	<u>244,006</u>
<b>Net assets</b>		<u>495,415</u>	<u>541,464</u>
<b>The funds of the charity:</b>			
Unrestricted funds	16	436,983	500,881
Restricted funds	16	58,432	40,583
<b>Total charity funds</b>		<u>495,415</u>	<u>541,464</u>

These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to the members of the company.

For the year ended 31 March 2019 the company was entitled to exemption under section 477 of the Companies Act 2006. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these financial statements under the requirements of the Companies Act 2006.

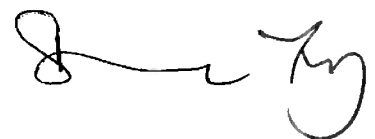
The trustees acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial period and of its profit or loss for the financial period in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as applicable to the company.

Approved by the trustees and signed on their behalf by:

Name: Colin Rutherford



Name: Dianne Foy



Date: 23 October 2019

**Company number: SC216172**



**FLOURISH HOUSE**  
**(A company limited by guarantee)**

**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2019**

**1. Accounting Policies**

**(a) Basis of preparation and assessment of going concern**

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

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

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

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

**(b) Funds structure**

Unrestricted income funds comprise those funds which the trustees are free to use for any purpose in furtherance of the charitable objects. Unrestricted funds include designated funds where the trustees, at their discretion, have created funds for specific purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor or trust deed, or through the terms of an appeal.

Further details of each fund are disclosed in note 16.

**(c) Income recognition**

Income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Donations, are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

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.

Income from government and other grants, whether 'capital' 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.

**FLOURISH HOUSE**  
**(A company limited by guarantee)**

**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2019**

**1. Accounting Policies (continued)**

**(c) Income recognition (continued)**

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

**(d) Expenditure recognition**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings. For more information on this attribution refer to note (e) below.

- Costs of raising funds comprises an allocation of staff costs;
- Expenditure on charitable activities includes expenditure on activities undertaken to further the purposes of the charity and their associated support costs.

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

**(e) Allocation of support and governance costs**

Support costs have been allocated between governance costs and other support costs. Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to the independent examination and legal fees together with an apportionment of overhead and support costs.

Governance costs and support costs relating to charitable activities have been allocated directly to the cost of charitable activities. The allocation of support and governance costs is analysed in note 9.

**(f) Tangible fixed assets and depreciation**

All assets costing more than £5,000 are capitalised and valued at historical cost. Depreciation is charged as follows:

---

	<b>Basis</b>
Freehold buildings	2% On Cost
Fixtures & Fittings	15% On Cost
Motor Vehicles	24% On Cost

**(g) Debtors**

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

**(h) Cash at bank and in hand**

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

**FLOURISH HOUSE**  
**(A company limited by guarantee)**

**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2019**

**(i) Creditors and provisions**

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

**(j) Employee Benefits**

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

**(k) Pensions**

The company is part of a defined benefit pension scheme and also operates a defined contribution pension scheme. The regular cost of providing retirement pensions and related benefits for this scheme is charged to the profit and loss account over the employees' service lives on the basis of a constant percentage of earnings. Any difference between the charge to the profit and loss account and the contributions paid to the scheme is shown as an asset or liability in the balance sheet. The company pays 19.3 % into the defined benefit pension scheme and 1% into employee's personal pension schemes.

As the company's share of the underlying assets and liabilities cannot be identified on a consistent and reasonable basis, the scheme is treated as a defined contribution pension scheme. The pension costs charged in the financial statements in respect of this scheme represent the contributions payable by the company during the year in accordance with FRS 102.

**(k) Taxation**

The company is a charitable company within the meaning of Section 467 of the Corporation Tax Act 2010. Accordingly, the company is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 of Part 11 of the Corporation Tax Act 2010 and section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that such income or gains are applied for charitable purposes only.

**(l) Financial instruments**

The trust only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

**2. Legal status of the charity**

The charity is a registered Scottish charity.

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

**FLOURISH HOUSE**  
(A company limited by guarantee)

**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2019**

**3. Related party transactions and trustee s' expenses and remuneration**

No Trustee received any remuneration during the year. No travel expenses were reimbursed to Trustees during the year (2018: £Nil). Trustees waived travel expenses of £280 (2018: £297).

No Trustee or other person related to the charity had any personal interest in any contract or transaction entered into by the charity during the year (2018: Nil).

**4. Income from donations and legacies**

	2019 £	2018 £
Memberships	6	41
GCVS/ Voluntary Action Fund	29,055	24,506
Donations	9,269	34,264
Big Lottery	55,034	50,986
Glasgow City Council	26,367	26,677
Other income	308	3,072
	<u>120,039</u>	<u>139,546</u>

**5. Income from charitable activities**

	2019 £	2018 £
Greater Glasgow Health Board	250,000	250,000
Café Income	23,838	19,221
Student Placements	5,030	5,930
Courtyard Café Income	45,585	37,520
	<u>324,453</u>	<u>312,671</u>

**6. Income from other trading activities**

	2019 £	2018 £
Fundraising	11,778	9,969
Income from Restart Contract	3,001	3,301
	<u>14,779</u>	<u>13,270</u>

**7. Income from investments**

	2019 £	2018 £
Interest on cash deposits	26	11
	<u>26</u>	<u>11</u>

**8. Raising funds – other trading costs**

	Direct Costs £	Support Costs £	Total 2019 £	Total 2018 £
Fundraising events	2,753	-	2,753	1,218
	<u>2,753</u>	<u>-</u>	<u>2,753</u>	<u>1,218</u>

**FLOURISH HOUSE**  
**(A company limited by guarantee)**

**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2019**

**9. Allocation of governance and support costs**

The breakdown of support costs and how these were allocated between governance and other support costs is shown in the table below:

<b>Cost type</b>	<b>Total allocated</b>	<b>Governance related</b>	<b>Other support costs</b>	<b>Basis of apportionment</b>
	<b>£</b>	<b>£</b>	<b>£</b>	
Staff costs	130,118	11,528	118,590	<i>Staff time</i>
<b>Total</b>	<b>130,118</b>	<b>11,528</b>	<b>118,590</b>	

<b>Governance costs:</b>	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Independent examiners remuneration	2,602	1,942
Support costs (see above)	8,926	8,516
	<b>11,528</b>	<b>10,458</b>

**10. Analysis of expenditure on charitable activities**

	<b>Operating Clubhouse</b>	<b>2019 Total</b>	<b>2018 Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Staff Costs	218,501	218,501	212,298
Conferences	14,467	14,467	4,194
Travel & Subsistence	3,395	3,395	4,196
Accounting Support	3,012	3,012	2,767
Bank Charges and interest	215	215	214
Cleaning Materials	14,409	14,409	9,381
I.T Support	500	500	646
Insurance	1,244	1,244	3,168
Donations	101	101	-
Printing, Postage & Stationery	4,205	4,205	4,871
Professional & Legal	2,890	2,890	8,992
Repairs, Equipment and Maintenance	16,934	16,934	11,314
Subscriptions	1,992	1,992	1,374
Telephone	1,869	1,869	2,477
Café Expenses	35,438	35,438	24,665
Welfare Rights Advisor	3,646	3,646	3,064
Wellbeing Programme	3,061	3,061	3,321
Social Events	1,002	1,002	1,338
Depreciation	45,594	45,594	49,802
Governance costs (note 9)	11,528	11,528	10,458
Support costs (note 9)	118,590	118,590	107,424
	<b>502,593</b>	<b>502,593</b>	<b>465,964</b>

**FLOURISH HOUSE**  
(A company limited by guarantee)

**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2019**

**11. Analysis of staff costs and remuneration of key management personnel**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Salaries and wages	298,908	289,787
Social security costs	20,097	19,400
Pension Costs	25,516	18,883
<b>Total staff costs</b>	<u>344,521</u>	<u>328,070</u>
 Key Management Personnel Remuneration	 <u>127,516</u>	 <u>127,310</u>

No employees had employee benefits in excess of £60,000 (2018: Nil).

	<b>2019</b>	<b>2018</b>
	<b>No.</b>	<b>No.</b>
Average number of employees, analysed by function:		
Charity staff	22	15
	<u>22</u>	<u>15</u>

**12. Net income/(expenditure) for the year**

This is stated after charging:

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Depreciation	45,594	49,802
Independent Examiners' Fees	2,602	1,942
	<u>48,196</u>	<u>51,744</u>

**13. Tangible Fixed Assets**

	<b>Freehold Property £</b>	<b>Fixtures &amp; Fittings £</b>	<b>Motor Vehicles £</b>	<b>Total £</b>
<b>Cost or valuation</b>				
At 1 April 2018	328,707	255,331	38,736	622,774
Additions	-	4,800	-	4,800
Disposals	-	-	-	-
At 31 March 2019	<u>328,707</u>	<u>260,131</u>	<u>38,736</u>	<u>627,574</u>
 <b>Depreciation</b>				
At 1 April 2018	110,114	176,466	38,736	325,316
Charge for the year	6,574	39,020	-	45,594
Eliminated on disposals	-	-	-	-
At 31 March 2019	<u>116,688</u>	<u>215,486</u>	<u>38,736</u>	<u>370,910</u>
 <b>Netbook Value</b>				
At 31 March 2019	<u>212,019</u>	<u>44,645</u>	<u>-</u>	<u>256,664</u>
At 31 March 2018	<u>218,593</u>	<u>78,865</u>	<u>-</u>	<u>297,458</u>

**FLOURISH HOUSE**  
**(A company limited by guarantee)**

**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2019**

**14. Debtors**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Trade debtors	7,808	45,006
Other debtors	48,350	26,677
	<u>56,158</u>	<u>71,683</u>

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

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Trade creditors	12,817	2,322
Other creditors and accruals	6,834	55,000
	<u>19,651</u>	<u>57,322</u>

**16. Analysis of charitable funds**

<b>2018</b>	<b>Balance</b>				<b>Fund</b>
<b>Analysis of</b>	<b>b/fwd</b>	<b>Income</b>	<b>Expenditure</b>	<b>Transfers</b>	<b>c/fwd</b>
<b>Fund movements</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Unrestricted funds</b>					
Clubhouse Scotland	279	-	-	-	279
Fundraising	11,513	-	-	-	11,513
Future Property Works	10,222	-	-	-	10,222
Memberships	961	792	(972)	-	781
Tangible Fixed Assets	298,304	-	(49,804)	48,958	297,458
<b>Total designated funds</b>	<u>321,279</u>	<u>792</u>	<u>(50,776)</u>	<u>48,958</u>	<u>320,253</u>
General funds	195,993	355,997	(349,081)	(22,281)	180,628
<b>Total unrestricted funds</b>	<u>517,272</u>	<u>356,789</u>	<u>(399,857)</u>	<u>26,677</u>	<u>500,881</u>
<b>Restricted funds</b>					
Big Lottery	25,876	50,986	(40,267)	-	36,595
GCVS/ Voluntary Action Fund	-	24,506	(24,506)	-	-
Glasgow City Council	-	26,677	-	(26,677)	-
Henry Duncan Award	-	6,540	(2,552)	-	3,988
<b>Total restricted funds</b>	<u>25,876</u>	<u>108,709</u>	<u>(67,325)</u>	<u>(26,677)</u>	<u>40,583</u>
<b>TOTAL FUNDS</b>	<u>543,148</u>	<u>465,498</u>	<u>(467,182)</u>	<u>-</u>	<u>541,464</u>

**FLOURISH HOUSE**  
**(A company limited by guarantee)**

**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2019**

**16. Analysis of charitable funds (continued)**

2019 Analysis of Fund movements	Balance b/fwd £	Income £	Expenditure £	Transfers £	Fund c/fwd £
<b>Unrestricted funds</b>					
Clubhouse Scotland	279	-	-	-	279
Fundraising	11,513	-	-	-	11,513
Future Property Works	10,222	-	-	-	10,222
Memberships	781	975	(478)	-	1,278
Tangible Fixed Assets	297,458	-	(45,594)	4,800	256,664
<b>Total designated funds</b>	<b>320,253</b>	<b>975</b>	<b>(46,072)</b>	<b>4,800</b>	<b>279,956</b>
General funds	180,628	345,214	(364,015)	(4,800)	157,027
<b>Total unrestricted funds</b>	<b>500,881</b>	<b>346,189</b>	<b>(410,087)</b>	<b>-</b>	<b>436,983</b>
<b>Restricted funds</b>					
Area Partnership	-	2,652	(1,300)	-	1,352
Big Lottery	36,595	55,034	(44,342)	-	47,287
DRS – Courtyard Café	-	26,367	(16,574)	-	9,793
Henry Duncan Award	3,988	-	(3,988)	-	-
Voluntary Action Fund	-	29,055	(29,055)	-	-
<b>Total restricted funds</b>	<b>40,583</b>	<b>113,108</b>	<b>(95,259)</b>	<b>-</b>	<b>58,432</b>
<b>TOTAL FUNDS</b>	<b>541,464</b>	<b>459,297</b>	<b>(505,346)</b>	<b>-</b>	<b>495,415</b>

a) The unrestricted funds are available to be spent for any of the purposes of the charity.

b) The Trustees have created the following designated funds:

Clubhouse Scotland - we hold this money on behalf of Clubhouse Scotland, which is an informal network of 3 Scottish Clubhouse Projects who aim to advance the Clubhouse Model in Scotland and provide effective liaison with the affiliated bodies of Clubhouse Scotland and Clubhouse International.

Fundraising - the Flourish House Fundraising budget is made up of monies generated through events and activities organised by staff and Members throughout the year. This year events included a jumble sale and the sale of donated items through eBay.

Future Property Works - this property reserve represents amounts designated towards future capital improvements. The tangible fixed assets designated fund represents the amount of the charity's funds tied up in fixed assets.

Memberships - the company membership fee.

Tangible Fixed Assets - the amount of the charity's funds tied up in fixed assets.

c) The charity received the following restricted funds:

Area Partnership - to refurbish and furnish the dining area in Flourish House.

Big Lottery - a grant to fund the employment of two development workers to support the beneficiaries.

DRS - to develop additional trading income and improve financial sustainability.



**FLOURISH HOUSE**  
**(A company limited by guarantee)**

**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2019**

**16. Analysis of charitable funds (continued)**

GCVS - from Glasgow Transformation Grant Fun.

Glasgow City Council - for installing a platform lift, roof lights and light tunnels.

Henry Duncan Award - to deliver the Money Advice Service for adults with enduring mental health issues.

Voluntary Action Fund - grant to provide wellbeing activity and services to older adults with mental illness.

d) Transfers comprise of a fixed asset addition in the year.

**17. Net assets over funds**

<b>2018</b>	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Total 2018 £</b>
Fixed assets	297,458	-	297,458
Debtors	71,683	-	71,683
Bank & Cash	189,062	40,583	229,645
Creditors due < 1 year	(57,322)	-	(57,322)
	500,881	40,583	541,464
<b>2019</b>	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Total 2019 £</b>
Fixed assets	256,664	-	256,664
Debtors	28,642	27,516	56,158
Bank & Cash	171,328	30,916	202,244
Creditors due < 1 year	(19,651)	-	(19,651)
	436,983	58,432	495,415

**18. Government Grants**

NHS - the charity received £250,000 from the NHS during the year in relation to the charity's annual contract. The grant was fully expended during the year.

Big Lottery Fund - the charity received £55,034 from the Big Lottery Fund during the year to support the five year Employability and Entrepreneurship project. This fund had a balance brought forward from the prior year of £36,595. During the year £44,342 was spent, leaving a balance of £47,287 at the year end.

**FLOURISH HOUSE**  
**(A company limited by guarantee)**

**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2019**

**18. Government Grants (continued)**

Glasgow City Council - the charity received £29,019 from Glasgow City Council during the year. £2,652 of this was received for the purpose of refurbishing and furnishing the dining area in Flourish House, during the year £1,300 was spent, leaving a balance of £1,352. The remaining £26,367 was received towards the Courtyard Café to develop additional trading income and improve the financial stability of the charity, £16,574 was spent during the year, leaving a balance of £9,793.

**19. Lease Commitments**

At the balance sheet date, amounts due under operating lease commitments for equipment were as follows:

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Lease commitments falling due within 1 year	1,029	772
Lease commitments falling due in more than 1 year but less than 5 years	3,344	4,373
	<u>4,373</u>	<u>5,145</u>