



ABILITY · EQUALITY · INDEPENDENCE

The Grace Eyre Foundation

Consolidated Report and Financial
Statements for year ended 31 March 2021

Charity No. 1020192 / Company No.02806429



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**THE GRACE EYRE FOUNDATION
TRUSTEES ANNUAL REPORT FOR THE YEAR ENDED
31 MARCH 2021**

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Office/Address: 36 Montefiore Road, Hove, East Sussex, BN3 6EP

Bankers: Barclays Bank PLC
139-142 North Street
Brighton
East Sussex, BN1 1RU

Independent Auditors: TC Group Limited
The Courtyard, Shoreham Road
Upper Beeding
Steyning
West Sussex, BN44 3TN

Legal Advisors: Griffith Smith LLP
47 Old Steine, Brighton
East Sussex, BN1 1NW

Company No: 02806429

Charity Registration No: 1020192

**Secretary/
Chief Executive Officer:** Eva Eriksson

Trustees/Directors: Liv Corbishley – Chair – elected 21.9.2020
Peter Begley – Treasurer
Peter Boorman
Helen Rice (Odeniyi) – Chair – resigned 10.11.2020
Ben Wood – resigned 21.9.2020
Tracy Cullen – resigned 27.9.2020
Jade Vallance
Joanna Holt
Kirsty Pentecost
Simon Owen
Samantha Boast
Karen Medcraft – elected 21.9.2020
Daniel Parsonage – elected 29.3.2021
Anna Cooley-Greene – elected 29.3.2021
Camilla Gauge – elected 29.3.2021

THE GRACE EYRE FOUNDATION TRUSTEES ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2021 - continued

The Trustees (who also act as Directors for Companies Act purposes) have pleasure in presenting their report and group financial statements for the year ended 31 March 2021.

The Trustees believe that the financial statements comply with the Charities Act 2011, Companies Act 2006, Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Charity's governing document.

STRUCTURE GOVERNANCE AND MANAGEMENT

The Grace Eyre Foundation is a charitable company limited by guarantee, incorporated on 2 April 1993 and registered with the Charity Commission on 23 April 1993. In the event of the company being wound up members are required to contribute an amount not exceeding £1. The governing document of the organisation is its Articles of Association.

The skills and knowledge of the Trustees, who also act as Directors of the Company, were reviewed during the year by the new Chair, Liv Corbishley to identify gaps with a view to ensuring that the Trustee body has an appropriate range of relevant skills and experience. Three trustees resigned during the year, one being the former Chair. Five new Trustees were recruited, one was elected as Chair. The charity is committed to ensuring that the voice of people with learning disabilities is reflected in decisions made by the board of trustees and two of the trustees has a learning disability and a target has been set of having five trustees with learning disabilities and/or autism by 2025.

The Trustees made further changes to the subsidiaries and closed down the Grace Eyre Housing CIC by transferring its staff, closing its bank account and are waiting for Companies House to formally agree the closure in the next financial year. It was agreed to carry on all activities carried out by the subsidiary as part of the charity. The committee structure remains the same; Audit & Risk Committee and a Remuneration Committee supports the work of the Board of Trustees. New Trustees have undertaken a thorough induction including meetings with managers, staff and beneficiaries and getting to know the key services delivered by the charity. Trustees have also undertaken training throughout the year even though this has been mainly limited to on-line training due to the Corona Virus Pandemic.

The Trustees have in place clear processes for decisions in relation to the charity's finances, human and other resources including setting the annual budget and deciding on major financial commitments, the strategic plan – Our Plan 2020-2025, the risk management plan, Health & Safety and other major policies and procedures. The Trustees have monitored the implementation of the new strategic plan - Our Plan 2020-2025 and are satisfied that considering the impact of the Corona Virus Pandemic, the charity has achieved some of what it set out in the first year of Our Plan 2020-2021. Further reviews of the remaining 4 years of the strategic plans will be prioritised.

THE GRACE EYRE FOUNDATION

TRUSTEES ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2021

– continued

At the annual away day held virtually in April 2021 (no away day was held during 2020), the Trustees debated the Code of Governance and Role of Trustees, an overview and refresh of Our Plan 2020-2025 and looked in particular at Income Diversification. The trustees noted some of the difficulties faced by the charity in regards to managing under the pandemic and in particular our day services which has had to close for long periods during the year. The charity had support from central government and local authorities through the furlough scheme and specific Covid Grants which mitigated the financial impact for the charity – however it was noted that low fee income from local authorities continue to place real difficulties in recruiting and retaining staff.

Risk Management

At their Audit & Risk Committee meeting, the Trustees debated and considered major risks affecting the charity. Issues in relation to new business and the Risk Management Plan are managed on a day-to-day basis by the Chief Executive and the Executive Team and monitored by the Audit & Risk Committee which report to the Board of Trustees.

As a charity, Grace Eyre closely monitors developments in both local and national policy. In recent years, significant changes have been required in how services for people with learning disabilities are delivered. We are fully committed to the emphasis on a person-centered approach with increased involvement of individuals who use our services and their carers in all aspects of service design and provision. Locally, in Brighton & Hove and West Sussex the organisation has been closely involved in the Learning Disability Partnership Board (or equivalent) and Provider Forums which has proved invaluable in establishing joint working and in planning future services.

The Charity employs a Chief Executive, Eva Eriksson, who with the Executive Team of Chris Bland, Tim Drew (left December 2020), Naomi Cox and Julie Rossiter (started January 2021) manages the charity's operations on a day to day basis.

PUBLIC BENEFIT

In shaping our objectives and planning our activities for the year, the Trustees have given consideration to the duties as set out in section 17(5) of the Charities Act 2011 to have due regard to public benefit. In particular, the Trustees have considered how the planned activities will contribute to the overall aims and objectives that they have set.

The Trustees believe that the following paragraphs, specifically on the Charter developed by people with learning disabilities, the Vision and Mission, relate in detail to the benefit that the charity provides to the public.

THE GRACE EYRE FOUNDATION
TRUSTEES ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH
2021 – continued

PURPOSE, CHARTER, VISION AND MISSION

Purpose:

The principal objective of the Grace Eyre Foundation is to support and assist people with learning disabilities, mental health needs, physical or sensory disabilities, old age or any other similar support need by arranging, providing or assisting in providing accommodation, employment, education, training, recreation, occupational activities and similar service

Our Charter states:

Our Charter is about living our lives in the way we want to, getting support from kind and friendly people:

1. We want to be listened to.
2. We want to be part of our communities.
3. We want to have strong and supported relationships.
4. We want to have good housing.
5. We want jobs.
6. We want to travel around where we live.
7. We want to try new things.
8. We want to be healthy.

Our Vision is:

For a society where people with learning disabilities and/or autism can fulfil their dreams and wishes, are respected as equal citizens and are part of and contribute to their communities.

Our Mission is:

We will work towards delivering Our Charter, created by people with learning disabilities and/or autism who want to: be listened to; have access to housing; be part of their communities; have strong and supported relationships; have jobs; travel around; try new things and to be healthy.



THE GRACE EYRE FOUNDATION

TRUSTEES ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2021 – continued

The focus of our work

The Grace Eyre Foundation supports people with learning disabilities and/or autism through four key services: Active Lives, Shared Lives, Choices and Grace Eyre Housing.

Active Lives were providing day activities and projects for over 200 people with learning disabilities living across Sussex. When the Covid Pandemic started all day activities had to shut. During the autumn of 2020 some activities restarted slowly. Covid guidelines meant that all face to face activities were reduced to 20-30 people in a number of different locations. The Theatre closed completely and some of our projects such as the Travel Buddy project closed for periods of time. Grace Eyre Friendship Project moved all their activities on-line with great success. They went from around 30 members pre-pandemic to over 400 members at the end of the year. Sharing Our Voices, a heritage lottery funded project exploring the history of people with learning disabilities and the founder of the charity, Grace Eyre Woodhead, continued with their work and again moved a lot of activities on-line.

Shared Lives supports 80 people with learning disabilities and / or mental health needs, matching individuals with paid carers so that they can live and participate in the community, and providing on-going support. We returned a shared lives scheme in London Borough of Lambeth that we had managed for four years in May 2020.

Choices supports over 200 people and offers two types of services: supported living and community outreach support to individuals, with a flexible service varying from 24-hour daily support to 1 - 20 hours of support per week. A supported living service for people with learning disabilities and from a Jewish faith was transferred successfully in April 2020 during the pandemic from a national provider.

Grace Eyre Housing has now transferred from a CIC into the mainstream work of the Charity. It acts as landlord for 120 tenants living in their own accommodation. Grace Eyre Housing has grown significantly during the year largely due to partnership working with Brighton & Hove City Council, West Sussex County Council and private landlords in accessing suitable housing.



THE GRACE EYRE FOUNDATION
TRUSTEES ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2021
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Ensuring our work delivers good outcomes

Our aims and outcomes are captured in Grace Eyre's Strategic Plan for 2020 - 2025 – known as “Our Plan” which sets the direction for all of our work. “Our Plan” is reviewed annually with input from people who use our services, staff and trustees. In the review we identify what we have achieved and the outcomes of our work in the previous year. The review looks at the performance of each key activity and identifies benefits achieved as well as issues to be addressed in the coming year. The review process helps us ensure our aims, objectives and activities remains focused on our stated purpose.

Key aims and objectives of the strategic plan

The key aims and objectives of Our Plan 2020-2025 were as follows:

The overarching aim of the strategy is to build a growing, financially strong and high quality organisation that listened to and is led by people with learning disabilities and/or autism.

The main objectives are four fold:

1. Stakeholder objectives

- a. To ensure people who use our services, staff and volunteers are at the centre of the organisation.
- b. To support people with learning disabilities to take an active and meaningful role in leading and developing services.
- c. To ensure that strong relationships are developed with people who use our services, supporters and funders.

2. Financial Objectives

- a. To ensure full cost recovery is achieved for all contracts
- b. To meet capital and revenue targets in fundraising set each year.
- c. To grow trading income and meet targets set.

3. Operational Objectives

- a. Fundraising & Marketing Strategy – increase viability and credibility, improve internal and external communications and build the supporter base.
- b. Quality Management Framework – to ensure compliance with laws, regulators, contracts and Grace Eyre's own quality standards such as REACH and Real Tenancy Test.
- c. Employment – increase the number of people with learning disabilities and/or autism employed by Grace Eyre.
- d. Improve technology through Salesforce, assistive technology and data collection.
- e. Campaigning and Human Rights – campaigns to be led by people with learning disabilities promoting equity and human rights.
- f. Capital projects – Manage and deliver the ‘Big Build’ refurbishment of Montefiore Road.

THE GRACE EYRE FOUNDATION

TRUSTEES ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2021

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4. Learning & Development Objectives

- a. Develop organisational values, involving all stakeholders
- b. Become an employer of choice through attracting and retaining the right staff, opportunities for training and career progression and to be a real living wage employer
- c. Leadership – develop strong, collaborative leadership across the organisation, encourage new ideas and innovation and collaborate across services.
- d. Monitoring, evaluation and Impact – implement robust data collection to effectively measure our impact.
- e. Governance – provide information and support to enable trustees to have effective oversight of the charity.

Achievements and impact

Grace Eyre like most social care providers have continued to provide the majority of our services. The only service we had to close during the lockdowns has been Active Lives – our day services. Because this service delivers group activities it has been difficult to maintain the same level of services. However 85% of all our services have continued to deliver services to over 400 people with learning disabilities and/or autism across Brighton & Hove, West Sussex and parts of London.

Our staff have stepped up far beyond expectations and have continued to provide quality services in very difficult circumstances. The staff were recognised through bonus payments in recognition of their dedication.

There has been some outstanding work done during this period in trying to ensure people with learning disabilities could maintain social contact and to try and minimise loneliness and deteriorating mental health to many of the people we support. The use of technologies have enabled projects such as Grace Eyre Friendship, Sharing Our Voices as well as our outreach services and day activities to deliver meet ups and activities on-line. We have taken part in external and internal projects to enable individuals to learn about use of smart phones, tablets and laptops in order so that they can participate.

Stakeholders have played an important role during the Covid-19 pandemic. Without the collaboration and support by the local authorities and public health the charity would have struggled in the early days of the first lockdown in particular, in accessing Personal Protective Equipment (PPE) for our staff and later on in providing guidance when we experienced three separate breakouts of the virus. Our staff have stepped up and provided an amazing service during this time and they are the reason we have been able to continue to deliver high quality services.

Financially the charity have continued to make improvements to our financial management and in particular around ensuring our contracts are not loss making. Three of our key services, Shared Lives, Choices and Housing are now able to meet their overall costs with some smaller contracts at some concern. Ongoing negotiations are taking place with funding local authorities.

THE GRACE EYRE FOUNDATION

TRUSTEES ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2021

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However, Active Lives has gone from one of our more profitable services to now being loss making. This is entirely due to the Covid Pandemic as group activities were not possible. It is thanks to Brighton & Hove City Council continuing to block fund some placements that we have been able to continue to deliver, despite not being able to deliver to the same level. We have also been able to apply successfully for some grants to maintain some funding for our Theatre and to maintain some buildings. Staff have been furloughed at various times and at its peak, we have just over 100 staff on furlough.

Our Fundraising & Marketing Strategy have nearly achieved our targets around fundraising, particularly due to Covid related grants that have been available during this period.

Our Trading income has continued to perform well despite having to close our Café and Theatre. The majority of our trading income has come from Housing.

Operationally many of our objectives have had to be reviewed and mitigations put in place to ensure we could continue to perform. We have followed all the guidance from both central government and the local public health advice in the areas we operate.

The Quality Management framework has continued to be developed and in conjunction of keeping a majority of our data on the Salesforce platform, we can now report more accurately and timely on a number of quality measures.

Better and more widespread use of technology has been one of the positive outcomes from the pandemic. Staff and people who use our services have had a steep learning curve in using zoom and Microsoft teams in order to work from home where possible and to keep friendships going and mitigate against loneliness and isolation of the people we support.

Our Big Build – the refurbishment of our headquarters, theatre, art centre and flats is continuing to be developed and the charity has appointed architects, project management company and Triodos bank to develop our plans, costings and financial strength in managing this project.

Learning & Development has also been continued during the lockdowns and with most staff working from home. Two large training & development initiatives were started; REACH standards for supported living was rolled out across our supported living and outreach staff and our training initiative around Positive Behaviour Support was started during the second lockdown and has continued into the next financial year. This will give the charity a good platform to start delivering more complex services in the coming year under the transforming care agenda.

The board of trustees have seen three long serving trustees leave and five new trustees elected, one trustee having lived experience of learning disability. The governance has been reviewed by the new chair and a rolling discussion point at the board meetings is the Charity Governance Code for Trustees.

THE GRACE EYRE FOUNDATION

TRUSTEES ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2021

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Future Plans

The strategic plan – Our Plan 2020-2025 has been reviewed by the trustees and remains the plan going forward. The charity is conscious of the fact that the Covid Pandemic is continuing and will likely be a feature of the charities work for the next 1-2 years. A 'new normal' is being developed with strong emphasis on safety and in protecting our staff and people who use our services from the pandemic. Vaccinations are high amongst both staff and people who use our services and we see this as our most effective tool in mitigating against the pandemic. However, we are continuing to follow all best practice in social distancing, washing hands regularly and wearing face coverings.

We envisage all our services being back up and running by the autumn and winter of 2021 and staff returning to offices in our Head Office at the same time.

Our key priorities around user leadership still holds true and we will recruit to a third trustee and an Executive Director post with lived experience. At the same time, our employment project will continue to support the organisation in ensuring all our teams are employing people with lived experience of learning disability and/or autism.

Our journey of improving technology will be continued with a large survey taking place to gain a baseline of use of technology, internet and devices carried out amongst people who use our services. This will enable us to develop a strategy in 2022 to increase the use of data capturing, communication and assistive technologies to improve individual's lives.

Our growth strategy will be developed to encompass both geographical spread and developing more supported living services, transforming care services, high quality housing options for people and meaningful and community based activities and projects that enable the charity to meet its Charter. A new post of Director of Income Generation will be recruited to in order to meet our expectations around growth and profitability.

The 'Big Build' will move forward with submitting and receiving planning permission for the works and also starting the fundraising needed for the project. The total cost for the works will be £3.5Million and the fundraising target is £1Million.

Grace Eyre is developing our campaigning and the first campaign we will launch in 2021 will be around Health and people with learning disabilities and/or autism.

The Board of Trustees are mindful of future development needed in areas of digital and marketing to enable greater community engagement, investment and funding of the charity, especially with the aims of our strategic plan.

Grace Eyre staff remains our most valued asset and in recognition of this we intend to ensure our front facing staff will continue to receive a decent salary and terms and conditions. After our salary increase of 6-7% uplift to our support workers in April 2020, we are conducting a review of all salaries within the charity for decision by the board of trustees in March 2022.

THE GRACE EYRE FOUNDATION

TRUSTEES ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2021

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Investment Policy

Funds which are surplus to current working requirements are invested in cash deposit accounts with major banks or similar financial institutions.

Investments are reviewed periodically by the Trustees to maximise returns and to maintain capital value.

Financial Review

Against the backdrop of funding cuts, price freezes and uncertainties over the future funding of services, Grace Eyre Foundation made a surplus of £583,427 in 2020/21 compared to a surplus, before other gains, of £1,096,718 in 2019/20. We recognise that this has been an unusual year with the significant impact of the Covid pandemic affecting the Charity. The surplus that we recognised in this financial year was influenced by the grants and furlough received and we do not anticipate a continuation at this level and expect our surplus to follow a pre-Covid trend in the coming year.

Reserves Policy

The charity aims to ensure that sufficient reserves are maintained to enable the charity to ensure the continuation of its activities for a minimum period of two months. The trustees calculate the reserves as that part of the unrestricted income funds which is freely available after taking account of restricted funds allocated for specific purposes. The general unrestricted reserves currently stand at £1,279,461 at the end of 2020/21 (£1,847,120 in 2019/20).

The reserve requirement is calculated as follows:

	£
Total funds	3,295,654
Less fixed assets	1,829,689
Less restricted funds	186,504
Total free reserves	1,279,461
Provision for operating costs for two months based on 2020/21 budgeted expenditure	1,418,320

The level of free reserves is currently below the charity's target level and this shortfall is being tackled as part of the charity's Our Plan for 2020-2021.

STATEMENT OF TRUSTEES RESPONSIBILITIES

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

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

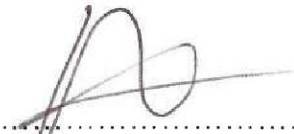
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures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

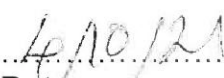
The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. The trustees are responsible for the maintenance and integrity of the corporate and financial information included in the company's website. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the trustees are aware, there is no relevant audit information (as identified by section 418 of the Companies Act 2006) of which the charity's auditors are unaware. Each trustee has taken all the steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Approved on behalf of the trustees on 20th September 2021 and signed on their behalf by:


.....
Liv Corbishley,
Chair


.....
Date

THE GRACE EYRE FOUNDATION REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE GRACE EYRE FOUNDATION

Opinion

We have audited the financial statements of The Grace Eyre Foundation ('the charitable company') for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cashflow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 March 2021 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

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

THE GRACE EYRE FOUNDATION REPORT OF THE INDEPENDENT AUDITORS (CONTINUED)

Other information

The other information comprises the information included in the annual report, including the trustees' report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report or the strategic report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 require(s) us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and

THE GRACE EYRE FOUNDATION

REPORT OF THE INDEPENDENT AUDITORS (CONTINUED)

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 require(s) us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns;
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

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

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

THE GRACE EYRE FOUNDATION

REPORT OF THE INDEPENDENT AUDITORS (CONTINUED)

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Extent to which the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit, in respect to fraud, are: to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses; and to respond appropriately to fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and its management.

THE GRACE EYRE FOUNDATION

REPORT OF THE INDEPENDENT AUDITORS (CONTINUED)

Our approach was as follows:

- We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general sector experience, and through discussion with the trustees and other management (as required by auditing standards), and discussed with the trustees and other management the policies and procedures regarding compliance with laws and regulations (see below);
- We identified the following areas as those most likely to have such an effect: health and safety; General Data Protection Regulation (GDPR); fraud; bribery and corruption, and employment law. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the trustees and other management and inspection of regulatory and legal correspondence, if any. The identified actual or suspected non-compliance was not sufficiently significant to our audit to result in our response being identified as a key audit matter.
- We considered the legal and regulatory frameworks directly applicable to the financial statements reporting framework (FRS 102, the Companies Act 2006 and the Charities Act 2011) and the relevant tax compliance regulations in the UK;
- We considered the nature of the group's operations, the control environment and financial performance.
- We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit;
- We considered the procedures and controls that the group has established to address risks identified, or that otherwise prevent, deter and detect fraud; and how senior management monitors those programmes and controls.

Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Where the risk was considered to be higher, we performed audit procedures to address each identified fraud risk. These procedures included: testing manual journals; reviewing the financial statement disclosures and testing to supporting documentation; performing analytical procedures; and enquiring of management, and were designed to provide reasonable assurance that the financial statements were free from fraud or error.

THE GRACE EYRE FOUNDATION REPORT OF THE INDEPENDENT AUDITORS (CONTINUED)

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of our report

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

TC Group

Mr Mark Cummins FCCA (Senior Statutory Auditor)
for and on behalf of TC Group
Statutory Auditors

Dated: 7th October 2021
Office: Steyning, West Sussex

THE GRACE EYRE FOUNDATION
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME
AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2021

	Note	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
INCOME FROM:					
Donations	4	908,180	119,278	1,027,458	158,344
Investments	5	1,713	-	1,713	2,494
Charitable Activities	7	7,304,990	-	7,304,990	8,121,409
Raising funds	6	15,094	-	15,094	67,570
Gain on disposal of fixed asset		-	-	-	1,039,122
Grace Eyre Housing		1,247,121	-	1,247,121	863,196
TOTAL INCOME		9,477,098	119,278	9,596,376	10,252,135
EXPENDITURE ON:					
Raising funds	9	119,410	-	119,410	38,653
Charitable activities	10	7,733,230	121,732	7,854,962	8,379,180
Grace Eyre Housing	13	1,038,577	-	1,038,577	737,584
TOTAL EXPENDITURE		8,891,217	121,732	9,012,949	9,155,417
NET INCOME/EXPENDITURE		585,881	(2,454)	583,427	1,096,718
Gain/(loss) on defined benefit pension schemes	28	-	-	-	39,000
NET MOVEMENT IN FUNDS		585,881	(2,454)	583,427	1,135,718
RECONCILIATION OF FUNDS:					
TOTAL FUNDS BROUGHT FORWARD		2,523,269	188,958	2,712,227	1,576,509
TOTAL FUNDS CARRIED FORWARD	23	3,109,150	186,504	3,295,654	2,712,227

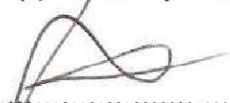
- The statement of financial activities incorporates the income and expenditure account.
- All the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movement in funds are disclosed in Note 24 to the financial statements.
- The notes on pages 23 to 40 form part of these financial statements.

**THE GRACE EYRE FOUNDATION
CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2021**

	Notes	2021	2020
		£	£
Fixed Assets			
Tangible fixed assets	17	1,829,689	1,903,525
Current Assets			
Debtors	19	1,810,409	1,028,029
Cash at bank and in hand		<u>641,223</u>	<u>1,596,352</u>
		2,451,632	2,624,381
Current Liabilities			
Amounts falling due within one year	20	<u>(985,667)</u>	<u>(847,224)</u>
Net Current Assets		<u>1,465,965</u>	<u>1,777,157</u>
Total Assets Less Current Liabilities		<u>3,295,654</u>	<u>3,680,682</u>
Amounts falling due after more than one year	21	-	(968,455)
Defined benefit pension scheme liability	28	<u>-</u>	<u>-</u>
Net Assets		<u>3,295,654</u>	<u>2,712,227</u>
Funds	23		
Unrestricted funds		1,390,484	1,304,603
Designated funds		1,539,122	1,039,122
Revaluation reserve		179,544	179,544
Restricted funds		<u>186,504</u>	<u>188,958</u>
		3,295,654	2,712,227

Company Number: 02806429

Approved by the Trustees on 20th September 2021 and signed on their behalf by:


.....
Liv Corbishley


.....
Peter Begley

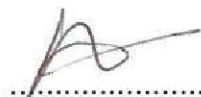
The notes on pages 23 to 40 form part of these financial statements.

THE GRACE EYRE FOUNDATION
CHARITY BALANCE SHEET
AS AT 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
Fixed Assets					
Tangible fixed assets	17	1,829,689		657,126	
Fixed asset investments	18	-		4	
Total Fixed Assets		1,829,689		657,130	
Current Assets					
Debtors	19	1,810,409	1,519,817		
Cash at bank and in hand		<u>641,223</u>	<u>1,486,861</u>		
		2,451,632	3,006,678		
Creditors: amounts falling due within one year	20	<u>(985,667)</u>	<u>(616,561)</u>		
Net Current Assets		1,465,965		2,390,117	
Total Assets Less Current Liabilities		3,295,654		3,047,247	
Amounts falling due after more than one year	21	-		(354,039)	
Defined benefit pension scheme liability	28	-		-	
Net Assets		3,295,654		2,693,208	
Funds	23				
Unrestricted funds		1,390,484	1,285,584		
Designated funds		1,539,122	1,039,122		
Revaluation reserve		179,544	179,544		
Restricted funds		<u>186,504</u>	<u>188,958</u>		
		3,295,654	2,693,208		

Company Number: 02806429

Approved by the Trustees on 20th September 2021 and signed on their behalf by:



.....
Liv Corbishley



.....
Peter Begley

The notes on pages 23 to 40 form part of these financial statements

THE GRACE EYRE FOUNDATION
CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2021

	Notes	2021		2020	
		£	£	£	£
<i>Cash used in operating activities</i>	27		(530,194)		155,157
<i>Cash flow from investing activities</i>					
Interest Income	5	1,713		2,494	
Proceeds from sale of assets		-		1,262,500	
Payments to acquire tangible fixed assets	17	(49,320)		(122,878)	
Cash provided by/(used in) investing activities			(47,607)		1,142,116
<i>Cash flows from financing activities</i>					
Repayments of borrowing		(377,328)		(18,198)	
Cash generated/ (used) in financial activities			(377,328)		(18,198)
Increase/(decrease) in cash			(955,129)		1,279,075
Analysis of net cash/(debt)		At 1 April 2020	Cash	Non-cash changes	At 31 March 2021
		£	£	£	£
Cash at bank and in hand		1,596,352	(955,129)	-	641,223

1. STATUTORY INFORMATION

The Grace Eyre Foundation is a company, limited by guarantee of £1, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. ACCOUNTING POLICIES

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year and in the preceding year.

Basis of Preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2015) – Charities SORP (FRS102) and the Companies Act 2006.

The Grace Eyre Foundation meets the definition of a public benefit entity under FRS102. Assets and Liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s). There are no material uncertainties about The Grace Eyre Foundation's ability as a going concern. The trustees assessment of going concern includes taking into account any potential impact of the COVID-19 pandemic, which is further detailed in the trustees' report.

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 £.

The Statement of Financial Activities and Balance Sheet consolidate the financial statements of the Charity and its previously wholly owned subsidiary undertaking, Grace Eyre Housing CIC. The trading activities of the Grace Eyre Housing CIC are now included within the results of the Foundation as it is in the process of being dissolved.

The principal accounting policies adopted in the preparation of the financial statements are set out below.

(a) Income

All incoming resources are recorded net of taxes and are included in the Statement of Financial Activities (SOFA) when the Charity has entitlement to the funds, it is possible that they will receive the resources and the monetary value can be measured with sufficient reliability.

Grants, donations and gifts and are included in full in the SOFA when receivable. Grants, where entitlement is not conditional on the delivery of a specific performance by the Charity, are recognised when the Charity becomes unconditionally entitled to the grant.

Donations are credited to income when received and are included in the unrestricted funds if not destined for specific purposes.

Investment income is included when receivable.

THE GRACE EYRE FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 MARCH 2021 - continued

(b) Expenditure

Expenditure is accounted for on an accruals basis. Certain expenditure is apportioned to cost categories based on the estimated amount attributable to that activity in the year. The irrecoverable element of VAT is included with the item of expense to which it relates.

Charitable activities comprise the costs associated with attracting donations and grants and the costs of trading for fundraising purposes. It also includes those costs incurred by the Charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

(c) Fund accounting

The Charity has two types of funds for which it is responsible and which require separate disclosure.

Unrestricted Funds

Funds which are expendable at the discretion of the Trustees in furtherance of the objects of the Charity. Within unrestricted funds are designated funds which have been ring-fenced by the trustees for certain projects.

Restricted Funds

These funds are subject to specific trusts, which may be declared by the donor with their authority and are expendable at the discretion of the Trustees in furtherance of some particular aspect of the objects of the Charity.

(d) Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

(e) Investments

Investments are shown in the Balance Sheet at their historic cost. The investments held are those in wholly owned trading subsidiaries.

(f) Fixed assets

Fixed assets are stated at cost less accumulated depreciation. The costs of minor additions or those costing below £1,000 are not capitalised. Depreciation is charged in the year after the total cost of the asset is incurred. The assets are now depreciated on a straight line basis over their estimated useful lives as follows:

Freehold/Leasehold Buildings	40 years (previously 25 years)
Property Improvements	15 years (or the lease length whichever is shorter)
Equipment	5 years
Motor Vehicles	4 years
IT Projects	5 years
IT Equipment	2 years
Asset under construction	Not depreciated

The charity carries out regular impairment reviews of its fixed assets.

(g) Capitalisation policy

Existing land and buildings are capitalised at the cost of purchase, plus any incidental expenses incurred in the purchase. If Grace Eyre undertakes a major building project, all directly attributable costs incurred in bringing the asset into existence is capitalised. Furniture and equipment will be capitalised if the asset is intended for use on an on-going basis and costs over £1,000.

(h) Revaluation policy

The freehold building at Montefiore Road was revalued in 1997 and the amount of the revaluation has been included in the accounts since that date. The revalued amounts are treated as deemed costs. As no further revaluation has been taken into the accounts, a decision has been made this year to discontinue with the policy of revaluation of freehold buildings, in line with paragraph 264 of the Charities SORP.

(i) Pension costs

The charity operates five defined contribution pension schemes, a Royal London Stakeholder Pension Plan for all eligible staff, and two West Sussex County Council Pension Funds, one East Sussex County Council Pension Fund and one NHS Pension Fund for TUPE staff. Contributions payable to the charity's pension schemes are charged to the SOFA in the period to which they relate. See further details in Note 28.

(j) Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

(k) Debtors

Trade and other debtors are recognised at the settlement amount due.

(l) 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.

(m) Cash at bank and in hand

Cash at bank and in hand includes bank accounts, 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 deposits or similar account.

(n) Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

THE GRACE EYRE FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 –
continued

(n) Critical accounting estimates and judgements (continued)

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised.

The trustees do not consider that there are any critical estimates or areas of judgement that need to be brought to the attention of the readers of the financial statements.

3. COMPARATIVE CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 MARCH 2020

	Unrestricted Funds £	Restricted Funds £	Total 2020 £
Income From			
Donations	23,973	134,371	158,344
Investments	2,494	-	2,494
Charitable Activities	8,118,840	2,569	8,121,409
Raising Funds	67,570	-	67,570
Gain on disposal of fixed asset	1,039,122	-	1,039,122
Grace Eyre Housing CIC	863,196	-	863,196
Purple Playhouse Theatre CIC	-	-	-
TOTAL INCOME	10,115,195	136,940	10,252,135
EXPENDITURE ON:			
Raising funds	38,653	-	38,653
Charitable activities	8,253,176	126,004	8,379,180
Grace Eyre Housing CIC	737,584	-	737,584
Purple Playhouse Theatre CIC	-	-	-
TOTAL EXPENDITURE	9,029,413	126,004	9,155,417
NET INCOME/EXPENDITURE	1,085,782	10,936	1,096,718
LOSS ON DEFINED BENEFIT PENSION	39,000	-	39,000
NET MOVEMENT IN FUNDS	1,124,782	10,936	1,135,718
RECONCILIATION OF FUNDS:			
TOTAL FUNDS BROUGHT FORWARD	1,398,487	178,022	1,576,509
TOTAL FUNDS CARRIED FORWARD	2,523,269	188,958	2,712,227

GRACE EYRE FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH
2021 – continued

4. GRANTS AND DONATIONS

	Restricted £	Unrestricted £	Total 2021 £	Total 2020 £
Grant Income & Donations				
Grace Eyre Friendship Brighton & Hove				
Friarsgate Trust	-	-	-	2,500
BHCC	49,773	-	49,773	8,628
General Donations	-	1,400	1,400	8
Open Market Project				
Brighton and Hove City Council	9,231	-	9,231	9,231
Shared Lives Plus				
Shared Lives 16+	-	-	-	10,000
Sports for All				
Sport in Sussex	9,225	-	9,225	-
On Your Side sports	7,258	-	7,258	-
Tennis Sussex	540	-	540	400
Sharing Our Voices				
National Heritage	-	-	-	24,850
The Lawson Trust	-	-	-	2,500
Mayors Charities Foundation	-	-	-	2,830
Travel Buddy				
Big Lottery Fund	35,962	-	35,962	72,532
Atoz Creatives	-	-	-	1,300
Other donations and grants				
Covid-19 grants	-	465,242	465,242	-
Covid-19 furlough scheme	-	431,088	431,088	-
Work Buddy	7,289	-	7,289	-
Other	-	10,450	10,450	23,573
	119,278	908,180	1,027,458	158,344

Included in other donations and grants above is £896,330 (2020: £Nil) relating to one off support for Covid-19.

5. INVESTMENT INCOME

	2021 £	2020 £
Interest from investment funds	<u>1,713</u>	<u>2,494</u>

6. RAISING FUNDS

	2021 £	2020 £
Angel Cake Café & Catering	1,326	67,570
Fundraising income	13,768	-
	<u>15,094</u>	<u>67,570</u>

GRACE EYRE FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH
2021 – continued

7. CHARITABLE ACTIVITIES

	2021	2020
	£	£
Active Lives	925,176	1,253,558
Shared Lives	1,935,479	2,826,621
Choices	<u>4,444,335</u>	<u>4,041,230</u>
	<u>7,304,990</u>	<u>8,121,409</u>

This income is made up as follows:

	2021	2020
	£	£
Brighton & Hove City Council	4,424,865	4,277,584
West Sussex County Council	1,646,773	1,532,895
Other Local Authorities	1,072,979	1,814,925
Individual Budgets	<u>160,373</u>	<u>496,005</u>
	<u>7,304,990</u>	<u>8,121,409</u>

8. NET INCOME

	2021	2020
	£	£
This is stated after charging:		
Depreciation	123,156	129,107
Auditor's remuneration	<u>13,800</u>	<u>15,500</u>

THE GRACE EYRE FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 -
continued

9. RAISING FUNDS	2021	2020
	£	£
Staff Costs	113,201	32,004
Direct Costs	<u>6,209</u>	<u>6,649</u>
	<u>119,410</u>	<u>38,653</u>

10. COST OF CHARITABLE ACTIVITIES

	Active Lives £	Shared Lives £	Choices £	2021 Total £	2020 Total £
Staff Costs	939,923	155,575	3,415,856	4,511,354	4,442,982
Direct Costs	109,137	1,705,330	141,868	1,956,335	2,508,685
Administrative Expenses	48,019	6,750	102,088	156,857	283,176
Depreciation	3,218	369	3,718	7,305	3,069
Governance Costs	7,805	14,634	26,341	48,780	40,041
Support Costs	<u>187,893</u>	<u>352,299</u>	<u>634,139</u>	<u>1,174,331</u>	<u>1,101,227</u>
Total Costs	<u>1,295,995</u>	<u>2,234,957</u>	<u>4,324,010</u>	<u>7,854,962</u>	<u>8,379,180</u>

	Active Lives Unrestricted 2021 £	Active Lives Restricted 2021 £	Active Lives Total 2021 £
Staff Costs	842,766	97,157	939,923
Direct Costs	101,338	7,799	109,137
Administrative Expenses	31,243	16,776	48,019
Depreciation	3,218	-	3,218
Governance Costs	7,805	-	7,805
Support Costs	<u>187,893</u>	-	<u>187,893</u>
Total Costs	<u>1,174,263</u>	<u>121,732</u>	<u>1,295,995</u>

THE GRACE EYRE FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 -
continued

11. GOVERNANCE COSTS

	2021	2020
	£	£
Audit	13,800	15,500
Other services from auditors	5,775	10,300
Legal & professional fees	<u>29,205</u>	<u>14,241</u>
Total	<u>48,780</u>	<u>40,041</u>

12. SUPPORT COSTS

	2021	2020
	£	£
Staff Costs	605,343	702,605
Premises	12,117	2,543
Communication & IT	242,532	120,290
Administrative Expenses	233,925	176,017
Travel	2,472	8,686
Depreciation	76,629	84,580
Insurance	1,313	6,506
Total Support Costs	<u>1,174,331</u>	<u>1,101,227</u>

13. GRACE EYRE HOUSING COSTS

	2021	2020
	£	£
Staff Costs	195,620	156,188
Legal and professional fees	14,095	5,254
Administration expenses	10,204	11,839
Housing costs	758,238	490,475
Travel	3,625	3,746
Depreciation	39,222	41,458
Insurance	10,685	3,310
Bank Charges	86	118
Loan Interest	<u>6,802</u>	<u>25,196</u>
Total	<u>1,038,577</u>	<u>737,584</u>

THE GRACE EYRE FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 -
continued

15. STAFF COSTS AND NUMBERS

	2021 £	2020 £
Staff costs were as follows:		
Salaries and wages	4,812,897	4,678,503
Social Security costs	367,816	337,062
Pension contributions	244,805	318,214
Total	<u>5,425,518</u>	<u>5,333,779</u>

Number of employees at 31 March 2021 was 263, full time equivalent 174 (2020: 317 FTE 167). Of these 253 (168 FTE) staff were employed in furtherance of our charitable activities and 10 (6 FTE) undertook administrative roles.

One employee received emoluments exceeding £60,000 (2020: one).

The majority of staff are contracted into the state pension scheme. Provision for additional pension to staff is made by payment into five defined contribution schemes, a Royal London Stakeholder Pension Plan and two West Sussex County Council, one East Sussex County Council and the NHS Pension Funds for TUPE staff.

During the year a restructuring of services was undertaken with roles within the organisation being made redundant. The total cost of redundancies and associated pay in the year was £36,099.

The directors consider the board of directors, who are the charity's trustees, and the Executive Group comprise the key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day to day basis. All directors give of their time freely and no director received remuneration in the year. Details of directors' expenses and related party transactions are disclosed in note 16 to the accounts.

The pay of the senior staff is reviewed annually by the Remuneration Committee and benchmarked against the Voluntary Sector Salary Survey (XPert HR 2016). The current target is to reach 80% of median senior manager pay. Performance of senior managers, affordability and financial performance of the charity are also taken into consideration when agreeing remuneration. The total of employee benefits of key management personnel was £270,021 for 2021 (£301,610 for 2020) (including employer's national insurance and pension contributions).

16. TRUSTEE REMUNERATION AND REIMBURSED EXPENSES

The Trustees received no remuneration during the year in their capacity as Trustees (2020: £Nil). No expenses were claimed during the year (2020: £Nil).

THE GRACE EYRE FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 MARCH 2021 - continued

17. TANGIBLE FIXED ASSETS

Group

	Freehold Property £	Leasehold Property £	Equipment £	Motor vehicles £	Asset under construction £	Total £
Cost						
1 April 2020	1,306,078	1,352,451	506,447	12,024	22,428	3,199,428
Additions	26,465	-	22,855	-	-	49,320
Reanalysis	22,428	-	-	-	(22,428)	-
31 March 2021	1,354,971	1,352,451	529,302	12,024	-	3,248,748
Depreciation						
1 April 2020	701,000	188,499	394,380	12,024	-	1,295,903
Depreciation charge	19,733	47,400	56,023	-	-	123,156
31 March 2021	720,733	235,899	450,403	12,024	-	1,419,059
NBV						
31 March 2021	634,238	1,116,552	78,899	-	-	1,829,689
31 March 2020	605,078	1,163,952	112,067	-	-	1,903,525

The freehold property at Montefiore was re-valued at £500,000 in April 1997 and this value has been included in the Accounts since that date.

The historical cost of the freehold land and property is considered to be £9,388.

No depreciation is charged on the estimated value of land of £100,000 which is included in the freehold property.

THE GRACE EYRE FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 MARCH 2021– continued

18. INVESTMENTS

The wholly owned subsidiary Grace Eyre Housing CIC, which is incorporated in England and Wales, manages 80 properties with 116 bed spaces – for the benefit of people with learning disabilities and mental health issues. The Charity owns the entire issued share capital of 3 ordinary shares of £1 each. The company is Registered Number 07581137 (England and Wales) and is registered at 36 Montefiore Road, Hove, East Sussex. The company transferred its business to Grace Eyre Foundation on 31 March 2020 and ceased operations from this date. The company is currently being dissolved.

Grace Eyre Housing CIC's results are included in the Grace Eyre Foundation consolidated accounts.

	2021	2020
	£	£
Brought forward	4	4
Disposals	(4)	-
Carried forward	<u>-</u>	<u>4</u>

A summary of the results for the year are shown below:

	Grace Eyre Housing CIC	Purple Playhouse Theatre CIC	Total Year Ended 2021	Total Year Ended 2020
	£	£	£	£
Turnover	-	-	-	863,196
Administrative expenses	-	-	-	(900,610)
Profit/(loss) for the financial year	<u>-</u>	<u>-</u>	<u>-</u>	<u>(37,414)</u>

The total shareholder funds for Grace Eyre Housing CIC at the year end were £Nil (2020: £23,482).

THE GRACE EYRE FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 MARCH 2021 - continued

19. DEBTORS

	2021		2020	
	Group	Charity	Group	Charity
	£	£	£	£
Trade Debtors	1,454,819	1,454,819	801,028	792,704
Prepayments and accrued income	355,590	355,590	227,001	255,843
Amounts owed by group undertakings	-	-	-	471,270
	1,810,409	1,810,409	1,028,029	1,519,817

A significant amount of the trade debtors balance recorded above has been received in the current financial year.

20. CREDITORS

Amount falling due within 1 year

	2021		2020	
	Group	Charity	Group	Charity
	£	£	£	£
Trade creditors	239,696	239,696	160,669	144,154
Other creditors	127,092	127,092	197,128	153,989
Accruals and deferred income	618,879	618,879	489,427	318,418
	985,667	985,667	847,224	616,561

21. CREDITORS

Amount falling after 1 year

	2021		2020	
	Group	Charity	Group	Charity
	£	£	£	£
Other loans 1-2 years	-	-	68,705	23,290
Other loans 2-5 years	-	-	206,114	69,870
Other loans more than 5 years by instalments	-	-	693,636	260,879
	-	-	968,455	354,039

The company took out a loan on 30th June 2017 for £405,000 to fund expansion of Grace Eyre Housing's property portfolio. The loan is conditional on a charge over 36 Montefiore Road, Hove. The loan was redeemed on 30 June 2020.

THE GRACE EYRE FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
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22. FINANCIAL COMMITMENTS

At 31 March 2021 the company had total commitments under non-cancellable operating leases as follows:

	Other		Land and buildings	
	2021	2020	2021	2020
	£	£	£	£
Within one year	31,766	31,766	165,520	112,297
Between two and five years	32,445	64,211	40,673	141,020
More than 5 years	-	-	74,093	84,893
Total	64,211	95,977	280,286	338,210

23. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds	Revaluation Reserve	Restricted Funds	Total 2021
	£	£	£	£
Group and charity				
Tangible fixed assets	1,650,145	179,544	-	1,829,689
Net current assets	2,265,128	-	186,504	2,451,632
Long term liabilities	(985,667)	-	-	(985,667)
Provisions	-	-	-	-
Net assets at 31 March 2021	2,929,606	179,544	186,504	3,295,654

THE GRACE EYRE FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 MARCH 2021 - continued

ANALYSIS OF NET ASSETS BETWEEN FUNDS FOR THE YEAR ENDED 31 MARCH 2021

	Unrestricted Funds	Revaluation Reserve	Restricted Funds	Total 2021
Group	£	£	£	£
Tangible fixed assets	1,723,981	179,544	-	1,903,525
Net current assets	1,588,199	-	188,958	1,777,157
Long term liabilities	(968,455)	-	-	(968,455)
Provision	-	-	-	-
Net assets at 31 March 2020	2,343,725	179,544	188,958	2,712,227
Charity				
Tangible fixed assets	477,586	179,544	-	657,130
Net current assets	2,201,159	-	188,958	2,390,117
Long term liabilities	(354,039)	-	-	(354,039)
Provision	-	-	-	-
Net assets at 31 March 2020	2,324,706	179,544	188,958	2,693,208

24. MOVEMENT IN FUNDS

	Balance at 1 April 2020	Incoming Resource	Outgoing Resource	Balance at 31 March 2021
	£	£	£	£
Restricted Funds/Projects				
The National Lotteries	93,804	-	-	93,804
Charities Grant				
Allotment Project	1	-	-	1
Art Studio	(7,513)	-	-	(7,513)
Drama Project	5,046	-	-	5,046
Friendship Project - Brighton & Hove	2,442	49,773	(17,436)	34,779
Open Market Project	769	9,231	(17,172)	(7,172)
Shared Lives 16+	6,107	-	-	6,107
Sharing Our Voices	20,896	-	(19,258)	1,638
Sport Other (Football, Swimming, Tennis)	(2,906)	17,023	(8,883)	5,234
Theatre Refurbishment	(1,778)	-	-	(1,778)
Travel Buddy	69,806	35,962	(58,983)	46,785
Work Buddy	-	7,289	-	7,289
Walsingham Road Centre Refurbishment Project	2,284	-	-	2,284
Total Restricted Funds	188,958	119,278	(121,732)	186,504

THE GRACE EYRE FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 MARCH 2021 - continued

	Balance at 1 April 2020 £	Incoming Resource £	Outgoing Resource £	Transfers £	Balance at 31 March 2021 £
Revaluation reserve	179,544	-	-	-	179,544
General funds	1,064,819	9,477,098	(8,651,433)	(500,000)	1,390,484
Designated funds	1,039,122	-	-	500,000	1,539,122
Grace Eyre Housing Purple Playhouse Theatre	239,784 - -	- - -	(239,784) - -	- - -	- - -
Defined pension scheme	-	-	-	-	-
Total unrestricted	<u>2,523,269</u>	<u>9,477,098</u>	<u>(8,891,217)</u>	<u>500,000</u>	<u>3,109,150</u>
Total Funds	<u>2,712,227</u>	<u>9,596,376</u>	<u>(9,012,949)</u>	<u>500,000</u>	<u>3,295,654</u>

Purpose of general funds

General funds are unrestricted funds that the Trustees are free to spend on anything within the charitable objects.

Purpose of designated funds

Designated funds are unrestricted funds that the Trustees have designated towards funding for the Big Build (£1,344,122) and the Fundraising/Marketing initiative (£195,000).

Purpose of revaluation reserve

A revaluation reserve fund of £179,544 was created when the Montefiore property was revalued in 1997 to recognise the equity in our Balance Sheet.

Purpose of restricted funds

Restricted funds are funds provided to undertake specific projects of work. In the period to 31 March 2021 this included funds from:

Grant Making

Active Sussex - Supported our 'Sports for All in Sussex' project, which helps people to lead healthy lives by participating in regular sport and physical activity.

Big Lottery Fund – Reaching Communities - Supported our 'Travel Buddy Brighton & Hove Project', which helps people to travel around where they live independently and safely, by learning skills and making journeys with a volunteer buddy.

Big Lottery Fund –Supported our 'Friendship' project, which helps people to have strong and supported relationships, seeing people when and where they want to.

Brighton & Hove City Council - Supported our 'Art Studio' project, helping people to try new things and to be part of their communities through volunteering and employment skills.

THE GRACE EYRE FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 MARCH 2021 - continued

Brighton & Hove City Council - Supported our 'Friendship' project, which helps people to have strong and supported relationships, seeing people when and where they want to.

European Social Fund – Supported our 'Let's work together project', which supports adults with learning disabilities and/or autism and their employers in the workplace.

National Lottery Heritage Grant & The Lawson Trust – Supporting "Sharing Our Voices" which was a project that trained volunteers to carry out interviews and history research in researching and documenting the life and work of Grace Eyre Woodhead, launching a website and delivering a film that dramatized the experience of people with learning disabilities then and now.

Trusts and Foundations

Brighton District Nursing Association Trust - Supported our 'Sports for All in Sussex' project, which helps people to lead healthy lives by participating in regular sport and physical activity.

Charlotte Marshall Charitable Trust - Supported our 'Drama' project, which helps people to lead healthy lives and have creative minds by participating in the performing arts.

David Solomons Charitable Trust - Supported our 'Drama' project, which helps people to lead healthy lives and have creative minds by participating in the performing arts.

Ernest Kleinwort Charitable Trust - Supported our 'Drama' project, which helps people to lead healthy lives and have creative minds by participating in the performing arts.

Garfield Western Foundation - Supported our 'Art Studio' project, helping people to try new things and to be part of their communities through volunteering and employment skills.

Heart Research UK - Supported our 'Sports for All in Sussex' project, which helps people to lead healthy lives by participating in regular sport and physical activity.

Mencap Brighton & Hove - Supported our 'Friendship' project, which helps people to have strong and supported relationships, seeing people when and where they want to.

Middlesex Sports Foundation - Supported our 'Sports for All in Sussex' project, which helps people to lead healthy lives by participating in regular sport and physical activity.

Peter Harrison Foundation - Supported our 'Sports for All in Sussex' project, which helps people to lead healthy lives by participating in regular sport and physical activity.

Tennis Sussex - Supported our 'Sports for All in Sussex' project, which helps people to lead healthy lives by participating in regular sport and physical activity.

The Assheton-Smith Charitable Trust - Supported our 'Friendship' project, which helps people to have strong and supported relationships, seeing people when and where they want to.

The Friarsgate Trust - Supported our 'Friendship' project, which helps people to have strong and supported relationships, seeing people when and where they want to.

THE GRACE EYRE FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 MARCH 2021 – continued

25. ULTIMATE CONTROLLING PARTY

The Charity is controlled by the Board of Trustees. Details of Trustees can see found in the Reference and Administrative Details section on page 2.

26. TRANSACTIONS WITH RELATED PARTIES

The Charity has taken advantage of the exemptions conferred by FRS 102 not to make disclosure in respect of transactions with related parties eliminated on consolidation. Two Directors, Kirsty Pentecost and Karen Metcalf, receive services from Grace Eyre Foundation.

There were no other related party transactions in the year

27. NET CASH (OUTFLOW)/INFLOW FROM OPERATING ACTIVITIES

	2021	2020
	£	£
Net income/(expenditure)	583,427	1,135,718
Interest receivable	(1,713)	(2,494)
Gain on disposal of fixed assets	-	(1,039,122)
Depreciation of tangible fixed assets	123,156	129,107
Increase/(decrease) in provisions	-	(39,000)
(Increase)/decrease in debtors	(782,380)	(144,601)
Increase/(decrease) in creditors	(452,684)	115,549
	<u>(530,194)</u>	<u>155,157</u>

28. LOCAL GOVERNMENT PENSION SCHEME

The charity is one of several employing bodies included within the Local Government Pension Scheme (LGPS) which is administered by East Sussex County Council.

The LGPS is a funded defined benefit scheme, with assets held in separate trustee administered funds. Contributions to the schemes are determined by qualified actuaries on the basis of triennial valuations using the projected unit method. The scheme is a multi-employer pension scheme.

The following information is based upon full actuarial valuations of the funds at 31 March 2021 by qualified independent actuaries for the entire East Sussex Council Pension Fund.

THE GRACE EYRE FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 MARCH 2021 - continued

28. LOCAL GOVERNMENT PENSION SCHEME - continued

The principal actuarial assumptions used by the actuaries were as follows:

	2021	2020
	%	%
<i>Discount rate at 31 March</i>	1.95	2.3
<i>Expected return on assets at 31 March</i>	21.3	4.2
<i>Rate of increase in pensions payment</i>	2.85	1.8
<i>Rate of increase in salaries</i>	2.85	1.8

The post retirement mortality assumptions used to value the benefit obligation are based on the Fund's Vita Curves with improvements in line with the CMI 2013 model assuming long term improvements of 1.25% p.a. Based on these assumptions, the average future life expectancy of an average male reaching age 65 in 2021 is 21 years. The life expectancy of a female member reaching age 65 in 2021 is projected to be 24 years.

The expected return on plans' assets is based on market expectations for investment returns over the life of the related obligation.

The major categories of plan asset as a percentage of the total plans' assets, are as follows:

	2021	2020
	%	%
<i>Equities</i>	76	71
<i>Bonds</i>	15	17
<i>Property</i>	8	10
<i>Cash</i>	2	2

The major categories of plan asset as a percentage of the total plans' assets, are as follow:

	2021	2020
	£'000	£'000
Fair value of Employer Assets	2,856	2,357
Present Value of Funded Liabilities	(3,123)	(2,498)
(Deficit) / Surplus	(267)	(141)
Liability covered by East Sussex County Council	578	578
Deficit recognised in the accounts	-	-

The pension fund was transferred on 1 July 2017 from East Sussex County Council. The Council will cover any deficit in the pension fund up to this date. Any subsequent deficits will be covered by the charity.