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Annual Report and Accounts

Year Ended 30 June 2024

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For Year Ended 30 June 2024**

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Company registration number
02930456

Independent Examiner
Mr Alberto Di Lorenzo FCA
HW Bedford Limited
First Floor, Woburn Court
2 Railton Road, Kempston
Bedford, MK42 7PN

Registered charity number
1041855

Trustees

Chair: Mr B Rose
Mr A Basu
Mrs K Boulton (elected 10th April 2024)
Ms S Cook (resigned 15th December 2023)
Ms A Kalombodza (re-elected 31st January 2024)
Ms N Mills-Robertson (re-elected 31st January 2024)
Mr C Murray
Mr M Parton (re-elected 31st January 2024)
Mr D Woolley (re-elected 23rd November 2023)

Chief Executive Officer

Ms E Garraway

Management Executive Team

Ms E Garraway
Ms A Asantewa
Ms A Barradell
Mr J Down

Company Secretary

Mr J Down

Registered address

The Old Warehouse, 31 Upper King Street, Royston, SG8 9AZ

Solicitors

Harbottle & Lewis LLP, 7 Savoy Court, London WC2R 0EX

Bankers

HSBC UK Bank Plc, 55 Corporation Street, Coventry, CV1 1GX

Report of the Trustees

The trustees present their annual report and financial statements of the charity for the year ended 30 June 2024. The trustees have adopted the provisions of the Statement of Recommended Practice for accounting and reporting by charities (in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preparing the annual report and financial statements of the charity.

Status and administration

The Charity was originally registered with the Charity Commission by Trust Deed in May 1991 under registration number 1041855. On 31 January 1995, it was wound up and reconstituted on 1 February 1995 as a company limited by guarantee, governed by its Memorandum and Articles of Association. The company registration number is 2930456.

The charity changed its name from "Youth at Risk (UK)" to "Grit: Breakthrough Programmes" with Companies House on the 9th June 2017 and with the Charity Commission on 10th August 2017.

Object of the charity

The principal activity of the charity is to advance the social education of

young people who are deemed to be at risk either from physical, mental or sexual abuse, drug or other substance abuse, criminal activity, poverty, homelessness, unemployment or illiteracy; to help them improve their condition and thereby become useful members of society.

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities and setting the grant making policy for the year and are satisfied that the charity is in compliance.

The trustees of Grit who served during the year were:

Chair: Mr B Rose
Mr A Basu
Mrs K Boulton (elected 10th April 2024)
Ms S Cook (resigned 15th December 2023)
Ms A Kalombodza (re-elected 31st January 2024)
Ms N Mills-Robertson (re-elected 31st January 2024)
Mr C Murray
Mr M Parton (re-elected 31st January 2024)
Mr D Woolley (re-elected 23rd November 2023)

The day to day running of the organisation is delegated to the CEO, Ellie Garraway.

A word from the CEO

This year has seen some significant highlights for Grit with independent evaluations finalised and demonstrating the high level of impact our training has had both for Local Authority teams and for Black students in university. Having demonstrable impact is critical at a time when resources (both financial and people) are stretched, and therefore justifying costs for our customer-base is ever more important. This places us in a strong position in our key 'markets' for the year ahead.

We've seen a year in which our main client base – universities – are undergoing huge financial difficulties resulting in restructures and funding reductions. This has affected the amount of work we've been able to deliver this year and is informing the way we spread our work for the year ahead. Our strong reputation means that many university partners are continuing to invest in Grit and we are also beginning to grow the work we deliver with secondary schools and to build the momentum of our work with local authorities based on the outstanding outcomes of our evaluation.

The year ahead looks set to be challenging but the recent change of government could present new opportunities for Grit and we recognise that, whilst resources may be tight, the appetite and need for Grit's work is growing. A student recently told us: *"Grit has given me a completely different way of looking at things, about how you get out what you put in. People genuinely need this. More people should do it."*

Our commitment is to seek out new funding avenues that will help to keep channelling the work we do towards those who need it most and we look forward to working with the new funding partnerships we have begun to develop as we enter 2024/25.

Our team of staff have been exceptional this year in taking ownership of the values and journey of the organisation. They embody Grit's ambition to build communities in which people contribute and thrive and I have huge gratitude for their approach, energy and commitment. It also needs to be said that our amazing trainers, trustees, Advisory Board, volunteers and supporters enable us to continue to champion this way of working and inspire us to be our best - using our challenges as well as our strengths to grow and thrive.

Ellie Garraway, CEO

Review of 2023-24

Over the year we worked with 1,559 young people of which 90% report an increase in resilience

We worked with 350 adults, 5% more than our target. Over 90% said the programmes were good or excellent.

Grit in Universities

Demand for Grit remains strong, despite the financial challenges in the HE sector. We worked in 26 universities (the same as 2022/3) delivering a mix of programmes for students and staff. Our offer continues to develop: we have run a range of bespoke workshops for student leaders and mentors, for students repeating a year, and on employability and connection.

We continue to see impressive results against key indicators of long-term student success and achievement. 87% of students report an increased self-efficacy; 89% report an increased sense of belonging.

Our work with Black Student Leaders and Students of Colour continues to expand: this year we delivered in nine universities (up from three in 2021/2) and worked with double the number of students than in 2022/3. We also ran our first workshop on inclusive coaching practice for staff supporting Black students.

Grit in Schools

We ran major programmes in schools across London and the West Midlands, combining intensive workshops and coaching from local volunteers to support young people in Year 9 disengaged from education or exhibiting challenging behaviours.

82% of young people said they felt more optimistic about the year ahead

We have developed programmes supporting universities with their 'raising aspiration' and access work with local schools: with the University of Sheffield and white working class boys; and with Edge Hill university and Black learners in Liverpool schools.

Grit and Professionals

We've continued to work with local authority partners, exploring ways for staff to stay connected with the Grit methodology, and developed new leads generated by our evidence base (see below) which bodes well for work in the year ahead.

And we've been working with the Staff College, the leadership and development agency for local authorities.

Quality

Our current strategic priority is quality: it underpins all of our activity. We have updated curricula, upskilled our team of trainers and put in place processes to monitor the consistency of impact across workshops.

Impact

Independent, university-led evaluations of our work are producing results.

The evaluation of our work with local authority professionals provides strong evidence of sustained impact on cultural change and the results frontline workers are able to achieve; and positive findings are emerging from the evaluation of our work with students from racialised groups.

We have worked with universities as they evaluate Grit programmes in their own institutions. Again, they are reporting sustained, measurable positive impact of our work.

This brings academic rigour to our evidence base, attests to the quality of our work, and is a crucial element in our business development and communications strategy.

Communications

We have overhauled our marketing material for students and developed an alumni group with graduates of our Black Leaders.

Over the year we have been amplifying our voice in the HE sector and building quality relationships, moving clients from customer to partner. We have developed *Learning Networks* of university partners; co-authored 11 articles in reputable, well-read blogs; co-presented at 5 conferences; added 23 short films to our YouTube channel where students, staff and professionals talk about their Grit experience.

This drives new business and contributes towards our strategic objective: to extend the reach and impact of Grit.

People

We have been investing in the Grit staff team with a new performance management system. All staff and trainers have had DEI training and our quarterly Action Learning Set, *Conversations About Race*, continues.

Business Development

Grit remains financially stable and sustainable. We had an 69% repeat business rate with universities from last year and, at the close of our financial year 23/24, we have contracted around 69% of our target income for the coming year.

Our reserves remain at the target of a level equivalent to six months running costs. Grit is in good shape.

Future Plans

We will work to diversify our income base: grow the number of our university partners; and expand vertically in existing partner institutions on agendas around access to university, employability and apprenticeships.

We will grow our income from trusts & foundations and corporates, enabling us to innovate and find new ways to deliver Grit to more at risk young people.

Financial Review

2023/24 has been a year of political uncertainty, very challenging economic conditions and funding issues in Higher Education (our key market). In response we undertook a significant review of our cost base, bearing down on all outgoings and reviewing resources against current and predicted activity levels, taking appropriate action to work towards a balance.

Alongside this we developed a programme of work to diversify our income streams in the year ahead. As a result we remain well-placed to continue the delivery of our current three-year strategy, designed to keep the charity proficient.

The income profile of the charity has continued to shift. Traded income accounted for 92% of income (as against 83% for the previous year and 62% three years ago), with the balance coming from trusts & foundations and individual donations.

Traded income is made up of sales of programmes to universities, school, colleges and local authorities.

This year Grit is reporting a deficit of £84,571. Trustees recognise that this result is a considerable achievement in difficult circumstances.

The charity wishes to thank all the funders who have supported it during the year. We are extremely grateful to the Julia & Hans Rausing Trust, the Porticus Foundation and all the other trusts and foundations that have contributed to the charity and its programmes.

Thanks are also due to all the individuals, especially the volunteers, who have supported Grit during the year.

Unrestricted reserves policy

Our policy remains to have unrestricted reserves equating to six months running costs (£280,824). Reserves now stand at £277,987.

Trustees Responsibilities

The trustees (who are also directors of Grit: Breakthrough Programmes 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
- 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 proper 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.

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.

All of the current trustees have taken all the steps that they ought to have taken to make themselves aware of any information needed by the company's auditors for the purposes of their audit and to establish that the auditors are aware of that information.

The directors are not aware of any relevant audit information of which the auditors are unaware.

On behalf of the Board



16/10/2024.

Mr B Rose

Trustee and Chair

Management, Structure and Governance

Organisational structure

The directors of the company are also charity trustees for the purposes of charity law and under the company's Articles are also members of the company. The directors are the only members of the company.

Under the requirements of the Memorandum and Articles of Association one-third of the directors shall retire from office each year (on a length of service basis) and are eligible for re-election.

Once appointed, any necessary training needs for trustees are identified by the directors and appropriate training is organised.

The trustees have continued to monitor, on a quarterly basis (monthly for financial results and forecasts), the charity's activities, to ensure they are operated on a proper basis.

Management structures

The level of eight trustees is considered sufficient for the current needs of the charity but the matter is under continuous review.

The remuneration of key management personnel who are not trustees is recommended by the CEO and approved by the Chair of the Board of Trustees on behalf of the trustees.

Ben Rose, Chair of Grit, also chairs the Advisory Board who continue to be immensely supportive; the charity is greatly indebted to each and every one of them. They actively support the

charity both through individual counsel and their attendance at Advisory Board meetings. The members of the Advisory Board are:

Colleen Amos, co-founder and CEO of the Amos Bursary

Lord Blunkett, Member of the House of Lords and Former Home Secretary

Sir Les Ebdon, CBE, DL, former Vice Chancellor of Bedfordshire University and former Director of the Office of Fair Access

Professor Sherria Hoskins, Executive Dean of the Faculty of Science and Health, University of Portsmouth

Amira Mansour, Senior Learning and Development Advisor, GAM Investments

Lord Mendelsohn, Member of the House of Lords International Relations and Defence Committee

Helen Millichap, Metropolitan Police Deputy Assistant Commissioner for Local Policing

Lord Neuberger, former President of the Supreme Court of the United Kingdom

Eunice Simmons, Vice-Chancellor and Principal at the University of Chester

Emily Sun, A leadership and strategy consultant, specialising in youth sector organisational development

Brigadier Simon Waddington, Ex-British Defence Adviser to Pakistan.

Dawn Warwick, former Director of Children's Services and social care specialist

Grit's Management Executive Team meets monthly.

Fundraising Statement

Grit's income comes from a mix of traded income (sales of programmes to universities, schools and local authorities), trusts and foundations, and donations from individual supporters. Donations are solicited by personal requests from senior staff, trustees and the Advisory Board. The charity carries out no fundraising with the general public, either in-house or third party.

Risk management

The charity maintains a Risk Register identifying high level risks. The register is used by the Management Executive to identify potential risks and put in place strategies to reduce or avoid negative impact.

The trustees continue to assess the major risks to which the charity is exposed including those related to its operations and finances.

The trustees are satisfied, having regard to the size and objects of the charity that appropriate measures are in place to manage its exposure to risk.

Grit: Breakthrough Programmes (Limited by Guarantee)

Independent Examiner's Report to the Trustees of Grit: Breakthrough programmes

I report to the charity trustees on my examination of the accounts of the Company for the year ended 30 June 2024.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

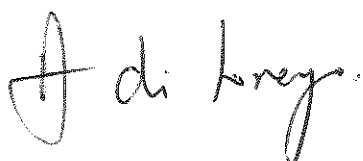
Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act').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

Independent examiner's statement

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

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

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



Alberto Di Lorenzo FCA
HW Bedford Limited
First Floor, Woburn Court
2 Railton Road, Kempston
Bedford, MK42 7PN

Date: 18/10/2024

Grit: Breakthrough Programmes (Limited by Guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)

For the Year Ended 30 June 2024

	Notes	Unrestricted Funds 2024 £	Restricted Funds 2024 £	Total 2024 £	Unrestricted Funds 2023 £	Restricted Funds 2023 £	Total 2023 £
Income and Endowments From							
Donations and legacies	(2)	7,490	50,000	57,490	126,039	7,106	133,145
Charitable activities	(2)	707,824		707,824	698,969	-	698,969
Investments & Other	(2)	1,616	-	1,616	1,500	-	1,500
Total Income and Endowments		<u>716,930</u>	<u>50,000</u>	<u>766,930</u>	<u>826,508</u>	<u>7,106</u>	<u>833,614</u>
Expenditure							
Raising Funds	(3)	-	-	-	-	-	-
Charitable activities	(3)	795,501	50,000	845,501	859,418	46,706	906,124
Other	(3)	6,000	-	6,000	10,399	-	10,399
Total Expenditure		<u>801,501</u>	<u>50,000</u>	<u>851,501</u>	<u>869,817</u>	<u>46,706</u>	<u>916,523</u>
Net income/(expenditure) for the year		(84,571)	-	(84,571)	(43,309)	(39,600)	(82,909)
Gross transfer between funds		-	-	-	-	-	-
Net movement in funds for the year		<u>(84,571)</u>	<u>-</u>	<u>(84,571)</u>	<u>(43,309)</u>	<u>(39,600)</u>	<u>(82,909)</u>
Fund balances b/fwd at 1 July		362,558	-	362,558	405,867	39,600	445,467
Fund balances c/fwd at 30 June		<u>277,987</u>	<u>-</u>	<u>277,987</u>	<u>362,558</u>	<u>-</u>	<u>362,558</u>

The notes form part of these financial statements

Grit: Breakthrough Programmes (Limited by Guarantee)**BALANCE SHEET****For the Year Ended 30 June 2024****Company number: 02930456**

		2024	2023
	Notes	£	£
FIXED ASSETS			
Fixed assets	(6)	6,659	9,835
		<u>6,659</u>	<u>9,835</u>
CURRENT ASSETS			
Debtors	(7)	105,307	79,246
Cash at bank		<u>207,902</u>	<u>433,645</u>
		313,209	512,891
CREDITORS			
Amounts falling due within one year	(8)	(41,881)	(160,168)
		<u></u>	<u></u>
NET CURRENT ASSETS		<u>271,328</u>	<u>352,723</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>277,987</u>	<u>362,558</u>
NET ASSETS		<u>277,987</u>	<u>362,558</u>
FUNDS			
Unrestricted funds	(10)	277,987	362,558
Restricted funds	(10)	<u>-</u>	<u>-</u>
TOTAL FUNDS		<u>277,987</u>	<u>362,558</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 30 June 2024.

The members have not required the company to obtain an audit of its financial statements for the year ended 30 June 2024 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

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

The notes form part of these financial statements

Grit: Breakthrough Programmes (Limited by Guarantee)

BALANCE SHEET

For the Year Ended 30 June 2024

Company number 02930456

These financial statements have been prepared in accordance with the provisions applicable to charitable companies' subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on16/10/2024..... and were signed on its behalf by:



.....
Mr B Rose – Trustee and Chair

The notes form part of these financial statements

Grit: Breakthrough Programmes**STATEMENT OF CASH FLOWS**
For the Year Ended 30 June 2024

	Notes	2024 £	2023 £
Cash flows from operating activities			
Cash generated from operations	(1)	(227,359)	(108,348)
Net cash from operating activities		<u>(227,359)</u>	<u>(108,348)</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		-	(2,012)
Interest received		1,616	1,500
Net cash from investing activities		<u>1,616</u>	<u>(512)</u>
Cash flows from financing activities			
Cash generated from operations		-	-
Net cash from financing activities		<u>-</u>	<u>-</u>
Increase/(Decrease) in cash and cash equivalents	(2)	(225,743)	(108,860)
Cash and cash equivalents at beginning of year		<u>433,645</u>	<u>542,505</u>
Cash and cash equivalents at end of year		<u>207,902</u>	<u>433,645</u>

The notes form part of these financial statements

Grit: Breakthrough Programmes

NOTES TO THE STATEMENT OF CASH FLOWS For the Year Ended 30 June 2024

(1) Reconciliation of net income to cash generated from operations

	2024 £	2023 £
Net income/(expenditure) for the year	(84,571)	(82,909)
Depreciation charges	3,176	4,117
Loss on disposal of investments	-	1
Finance income	(1,616)	(1,500)
	<u>(83,011)</u>	<u>(80,291)</u>
 (Increase)/decrease in trade and other debtors	 (26,061)	 (16,791)
Increase (Decrease) in trade and other creditors	<u>(118,287)</u>	<u>(11,266)</u>
Cash generated from operations	<u>(227,359)</u>	<u>(108,348)</u>

(2) Cash and cash equivalents

The amounts disclosed on the statement of cash flows in respect of cash and cash equivalents are in respect of these Statement of financial position amounts:

	30.6.24 £	1.7.23 £
Cash and cash equivalents	207,902	433,645
	<u>207,902</u>	<u>433,645</u>
	<u><u>207,902</u></u>	<u><u>433,645</u></u>
	 30.6.23 £	 1.7.22 £
Cash and cash equivalents	433,645	542,505
	<u>433,645</u>	<u>542,505</u>
	<u><u>433,645</u></u>	<u><u>542,505</u></u>

The notes form part of these financial statements

Grit: Breakthrough Programmes
For the Year Ended 30 June 2024
Notes to the Financial Statements

1. ACCOUNTING POLICIES

a) Basis of Accounting

Grit: Breakthrough Programmes is a charity based in the United Kingdom. The address of the principle office is given in the charity information on page 1 of these financial statements. The nature of the charity's operations and principal activities are to support or to promote such charitable purposes as the Trustee's in their absolute discretion determine.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective October 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities Act 2011 and the Companies Act 2006.

The financial statements have been prepared on a going concern basis. The Trustees have reviewed and considered relevant information, including the annual budget and future cash flows in making their assessment. They believe that the charity will continue to have adequate cash resources in order to pay all of its creditors as they fall due for the foreseeable future and at least 12 months from the date of signing of these financial statements.

The presentational currency is £ sterling and rounded to the nearest pound.

b) Significant judgement and estimates

The preparation of the financial statements requires management to make judgements, estimates and assumptions which impact on the reported amounts of assets and liabilities. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

c) Fund accounting

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

Trade income (fees from universities, schools and local authorities) has been designated "unrestricted".

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

Investment income is allocated to the appropriate fund.

d) Income & Endowments

Income from donations and grants, including capital grants, is included in the Statement of Financial activities when they are receivable i.e. the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy, except as follows:

- When donors specify that donations and grants given to the charity must be used in future accounting periods, the income is deferred until those periods
- When donors impose conditions, which have to be fulfilled before the charity becomes entitled to use such income, the income is deferred and not included in incoming resources until the pre-conditions for use have been met.

When donors specify that donations and grants, including capital grants, are for particular restricted purposes, which do not amount to pre-conditions regarding entitlement, this income is included in incoming resources of restricted funds when receivable.

This page does not form part of the statutory financial statements

Grit: Breakthrough Programmes
For the Year Ended 30 June 2024
Notes to the Financial Statements

e) Expenditure

Expenditure is included in the Statement of Financial Activities on an accruals basis, inclusive of any VAT which cannot be recovered.

Certain expenditure is directly attributable to specific activities and has been included in those costs categories. Certain other costs, which are attributable to more than one activity, are apportioned across cost categories according to time or the nature of the activity undertaken.

Raising funds

Costs of raising funds are those costs incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities.

Charitable activities

Charitable activities represent expenses incurred in the running of specific programmes and training courses.

Other costs

Other costs are governance costs that are those incurred in connection with administration of the Charity and compliance with constitutional and statutory requirements.

Programme support and administration costs

Programme support and administration costs are those costs incurred directly in support of expenditure on the objects of the Charity. These costs are apportioned to the charitable activities on a reasonable and consistent basis, based on time and resources spent on each area.

f) Fixed assets

Fixed assets are stated at cost, or estimated market value at the date of receipt where assets have been donated to the charity.

The cost of minor additions or those costing in the region of £100 or below are not capitalised.

Depreciation is provided to write off the cost less estimated residual values of all fixed assets over their expected useful lives at the following rates:

Leasehold improvements: Over the remaining term of the lease

Office equipment: 33% per annum reducing balance

Furniture, fixtures and fittings: 25% per annum reducing balance

g) Financial instruments

The charity has elected to apply the provisions of section 11 'Basic Financial Instruments' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's statement of financial position when the charity becomes party to contractual provisions of the instrument.

Basic financial assets

Basic financial assets, which include debtors, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Grit: Breakthrough Programmes
For the Year Ended 30 June 2024
Notes to the Financial Statements – continued

Basic financial liabilities

Basic financial liabilities, including creditors and loans that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

h) Leased assets

Where assets are financed by leasing agreements that give rights approximating to ownership (finance leases), the assets are treated as if they had been purchased outright. The amount capitalised is the present value of the minimum lease payments payable over the term of the lease. The corresponding leasing commitments are shown as amounts payable to the lessor. Depreciation on the relevant assets is charged to the statement of financial activities.

Lease payments are analysed between capital and interest components. The interest element of the payment is charged to the statement of financial activities over the period of the lease and is calculated so that it represents a constant proportion of the balance of capital repayments outstanding. The capital part reduces the amounts payable to the lessor.

All other leases are treated as operating lease. Their annual rentals are charged to the statement of financial activities on a straight-line basis over the term of the lease.

i) Pension costs

The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. Contributions payable are charged to the statement of financial activities in the year they are payable. Differences between contributions payable and contributions actually paid are shown in either accruals or prepayments in the balance sheet.

j) Basis of consolidation

The consolidated accounts incorporate the results of Grit: Breakthrough Programmes (“the Charity”) and its subsidiary undertaking on a line-by-line basis. The consolidated entity is referred to as “the Group”. No separate company Statement of Financial Activities (SOFA) has been prepared for the Charity as permitted by section 408 of the Companies Act 2006 and paragraph 397 of the SORP.

k) Related party disclosure

The charity has taken advantage of exemptions contained within Accounting and Reporting by Charities (FRS102) and has therefore not disclosed transactions with entities which form part of the group.

l) Corporation tax

In common with other charities, the charity does not pay tax on most types of income as long as it uses the money for charitable purposes. Also, in common with other charities, the charity can claim back tax that has been deducted on, for example, bank interest and donations.

Grit: Breakthrough Programmes
For the Year Ended 30 June 2024
Notes to the Financial Statements - continued

2. INCOME AND ENDOWMENTS

	2024	2023
	£	£
Donations from individuals	4,140	33,089
Donations from charitable foundations	53,350	100,056
	<u>57,490</u>	<u>133,145</u>
Charitable activities		
Trade income (for personal development programmes for young people and the adults that work with them)	707,824	698,969
Other		
Investment income- bank interest receivable	1,616	1,500
	<u>1,616</u>	<u>1,500</u>

All income arises in connection with the charity's principal activity. The income resources were all generated in the United Kingdom.

3. ANALYSIS OF CHARITABLE ACTIVITIES AND OTHER COSTS

	Programme expenditure	Core expenditure	Governance	2024	2023
				£	£
Salaries and benefits	-	438,296	-	438,296	391,357
Social security costs	-	38,584	-	38,584	28,973
Contractors and freelancers	194,879	-	-	194,879	252,464
Travel and subsistence	53,836	5,040	-	58,876	66,497
Support and infrastructure costs	19,271	-	-	19,271	27,637
Telecoms and computer expenses	-	45,031	-	45,031	30,032
Loss on disposal of investments	-	-	-	-	1
Professional fees	614	32,435	-	33,049	50,043
Independent examination	-	-	6,000	6,000	10,399
Depreciation	-	3,176	-	3,176	4,117
Exceptional training costs	-	935	-	935	43,850
Other costs	-	13,404	-	13,404	11,153
Total costs for the year	268,600	576,901	6,000	851,501	916,523

Grit: Breakthrough Programmes
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Notes to the Financial Statements - continued

Costs are directly attributable to the activity undertaken, any apportioned costs are apportioned on a basis of time and nature of the activities undertaken.

	2024	2023
	£	£
Other services – Independent Examination	6,000	10,399
	<u>6,000</u>	<u>10,399</u>

4. STAFF COSTS

Details of the staff costs are shown in note 3.

1 employee received remuneration in the band £80,000-£90,000 per annum (2023: 1 in the band £80,000-£90,000 per annum) and the company made pension contributions totalling £6,327 (2023: £ 5,897).

The average number of employees during the year 12 (2023:10).

The charity operates a defined contribution pension scheme, the assets of which are held outside the charity. The charity contributed a total of £18,896 (2023: £15,707) on behalf of all employees during the year. At the yearend, £2,633 (2023: £5,345) contributions were outstanding.

5. TRUSTEES' REMUNERATION AND BENEFITS

None of the members of the Board of trustees received any remuneration during this year or last year. During the year, no trustees (2023: £Nil) received reimbursement of charity related expenditure (2023: £Nil).

The trustee indemnity is included as part of the charity's general indemnity insurance and covers the trustees' liability in respect of neglect and breach of trust or duty to the charity.

Grit: Breakthrough Programmes
For the Year Ended 30 June 2024

Notes to the Financial Statements - continued

6. FIXED ASSETS

	Office fittings £	Charity Furniture fixtures and equipment £	Total £
COST			
At 1 July 2023	28,297	8,489	36,786
Additions	-	-	-
Disposals	-	-	-
At 30 June 2024	<u>28,297</u>	<u>8,489</u>	<u>36,786</u>
DEPRECIATION			
At 1 July 2023	19,372	7,579	26,951
Charge for the year	2,948	228	3,176
Disposals	-	-	-
At 30 June 2024	<u>22,320</u>	<u>7,807</u>	<u>30,127</u>
NET BOOK VALE			
At 30 June 2024	<u>5,977</u>	<u>682</u>	<u>6,659</u>
At 30 June 2023	<u>8,925</u>	<u>910</u>	<u>9,835</u>

The closing net book value represents fixed assets used for the support and administration of the charity

7. DEBTORS

	2024 £	2023 £
Trade Debtors	22,262	25,144
Other debtors	72,560	45,000
Prepayments and accrued income	<u>10,485</u>	<u>9,102</u>
	<u>105,307</u>	<u>79,246</u>

8. CREDITORS

	2024 £	2023 £
Trade Creditors	16,442	6,582
Taxation and social security	10,064	9,874
Accruals	9,418	39,723
Other creditors	4,457	7,729
Deferred income (note 10)	<u>1,500</u>	<u>96,260</u>
	<u>41,881</u>	<u>160,168</u>

This page does not form part of the statutory financial statements

Grit: Breakthrough Programmes
For the Year Ended 30 June 2024
Notes to the Financial Statements - continued

9. DEFERRED INCOME

Deferred income comprises of money received in advance of programmes, which are yet to start or have started but not been completed and deferred element relates to the element of the programme to be completed in the forthcoming year.

	2024	2023
	£	£
Balance at 1 July 2022	96,260	99,817
Amount released to incoming resources	(96,260)	(577,900)
Amount deferred in year	1,500	574,343
	<u>1,500</u>	<u>96,260</u>

10. MOVEMENT IN FUNDS

	At 1 July 2023	Incoming resources	Resources expended	Transfer	At 30 June 2024
	£	£	£	£	£
Unrestricted funds	362,558	716,930	(801,501)	-	277,987
Restricted funds (see note 12)	-	50,000	(50,000)	-	-
	<u>362,558</u>	<u>766,930</u>	<u>(851,501)</u>	<u>-</u>	<u>277,987</u>

The unrestricted funds represent the free funds of the charity that are not designed or restricted for particular purposes, this includes traded income received via schools, universities and local authorities.

The restricted funds represent donations and grants from various statutory Authorities, Foundations, Trusts, Individuals and other corporate bodies to undertake specific programmes to improve the social education of young people.

Grit: Breakthrough Programmes
For the Year Ended 30 June 2024
Notes to the Financial Statements - continued

11. ANALYSIS OF RESTRICTED FUNDS

	At 1 July 2023	Incoming resources	Resources expended	Transfer	At 30 June 2024
	£	£	£	£	£
Julia and Hans Rausing Trust	-	50,000	(50,000)	-	-
	<u>-</u>	<u>50,000</u>	<u>(50,000)</u>	<u>-</u>	<u>-</u>

12. COMMITMENTS UNDER OPERATING LEASES

Minimum lease payments under non-cancellable operating leases fall due as follows:

	Charity	
	2024	2023
	£	£
Within one year	6,215	6,734
Between one and five years	-	6,215
	<u>6,215</u>	<u>12,949</u>

13. CONTROLLING PARTY

In the opinion of the trustees the Charity has no single controlling entity.

14. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds	Restricted Funds	Total	Total
	2024	2024	2024	2023
	£	£	£	£
Fund balances at 30 June are represented by:				
Fixed assets	6,659	-	6,659	9,835
Current assets	313,209	-	313,209	512,891
Current liabilities	(41,881)	-	(41,881)	(160,168)
	<u>277,987</u>	<u>-</u>	<u>277,987</u>	<u>362,558</u>

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Grit: Breakthrough Programmes
For the Year Ended 30 June 2024
Notes to the Financial Statements – continued

15. RELATED PARTY DISCLOSURES

Except as set out in Note 5, there were no related party transactions for the years ended 30th June 2023 and 2024.

16. LEGAL STATUS

The charity is a company limited by guarantee and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.