

Company number: 3064176

Charity Number: 1047985



The Gloucestershire Resource Centre Limited

Trustees report and financial statements

For the year ended 31 March 2023

The Gloucestershire Resource Centre Limited
Reference and administration information

Company number 3064176

Charity number 1047985

Registered office and operational address City Works, Alfred Street, Gloucester, GL1 4DF

Also using the following names and known as “City Works”, “The Scrapstore” and “The GRC”

Trustees

Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:

Marian Marsh	Chair	
Barbara Devine	Vice Chair	
Joanne White	Treasurer	
Clare Banbury		
Mark Gale		
Angela Porter		
Catriona Reid		
Patricia Williams		
Eleanor Murray		appointed 27 May 2022
Elizabeth Hill	Secretary	appointed 1 May 2022
Linda Mathews	Secretary	resigned 30 April 2022

There were no trustees who held title to property belonging to the charity during the reporting period or at the date of this report.

Key management personnel

Chief Executive Officer:	
Elizabeth Hill	appointed 1 April 2022
Linda Mathews	retired 6 May 2022

Bankers

The Co-operative Bank
23A St Aldate Street, Gloucester, GL1 1RU

Solicitors

Willans LLP
28 Imperial Square, Cheltenham, GL50 1RH

Independent Examiner

Patrick Morrello ACA
Third Sector Accountancy Limited, Holyoake House, Hanover Street, Manchester, M60 0AS

The Gloucestershire Community Resource Centre Trustees' annual report for the year ended 31 March 2023

The Trustees present their report and the unaudited but independently examined financial statements for the year ended 31 March 2023. Included within the Trustees' report is the directors' report as required by company law.

Reference and administrative information set out on the previous page forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice - Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Objectives and activities

The charity's objects and principal activities are to:

- Serve and support member groups/individuals that provide play, care, education and creative activities primarily to young people and the disadvantaged.
- Promote re-use.

The mission statement reflects this: "The Gloucestershire Resource Centre seeks to increase opportunities for reaching and celebrating our own potential and appreciating it in other people through participation in arts, cultural and play activities."

The main activities are:

- the operation of a Scrapstore and resource centre to:
 - encourage participation in creative activities for all ages
 - promote re-use of surplus materials generated by businesses in creative activities
 - enrich children's play experiences
- to provide office and workshop spaces for numerous arts and community organisations, and small businesses, including a dance studio, meeting room, art space and studios, being a "community hub" especially for young people and the disadvantaged

The Trustees review the aims, objectives and activities of the charity each year. This report looks at what the Charity has achieved and the outcomes of its work in the reporting period. The Trustees report the success of each key activity and the benefits the charity has brought to those groups of people that it is set up to help. The review also helps the Trustees ensure the charity's aims, objectives and activities remained focused on its stated purposes.

The Trustees 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 its future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives that have been set.

Achievements and performance

The Charity's main activities and who it tries to help are described below. All its charitable activities focus on the operation of a Scrapstore and resource centre, creating a vibrant community hub, and are undertaken to further The Gloucestershire Community Resource Centre ("the GRC")'s charitable purposes for the public benefit.

The Gloucestershire Community Resource Centre

Trustees' annual report for the year ended 31 March 2023

Management and organisation

In May 2022 our CEO of 39 years retired. Trustees had undergone training to prepare and plan for the retirement of Linda Mathews, who had been key to much of the initial and latter development of the GRC. It was, therefore, quite hard to imagine the organisation without her. Fears were allayed, however, when Elizabeth Hill was appointed. Lin and Beth worked together for a handover period and Beth settled in extremely well, her previous experience, creativity and determination making her an excellent person to lead us onwards.

After many years, Patricia Williams stepped down as Chair of Trustees this year. Her commitment, fairness and kindness has been appreciated by all and we are pleased she will continue as a trustee. Marian Marsh was appointed as the new Chair in December. During the financial year also we welcomed new trustee, Eleanor Murray, to the board.

To aid staff in adapting to a new manager the new chair carried out staff appraisals, checking that roles and responsibilities were fair and to give everyone the opportunity to voice any concerns or aspirations that were not being met. The team are dedicated and hardworking, fully supporting Beth, but changes that are planned now highlight the lack of staff hours required to achieve them. This will need to be addressed going forward.

Trustees have needed to adapt, ready to support Beth when required as much as possible. Beth's appraisal was carried out and her probationary period completed most satisfactorily.

Scrapstore

This is the first full year of opening since the COVID-19 pandemic. It is still taking time to re-connect with businesses, members and partners and to build our services back towards where they were previously. Many of the businesses we collect materials from reduced their manufacturing during the pandemic and quite a few closed altogether. The number of businesses we collected from regularly in 2019 was 67, post-pandemic it was around 30. One of our challenges continues to be building up collection rounds and approaching new suppliers, which takes time.

In May we reinstated our multi-swaps, organising and facilitating 2 materials swaps on site with 9 other stores. Alongside providing our members with a variety of exciting new materials, this also gave us the opportunity to catch up with other projects. Most Scrapstores aren't lucky enough to have a car park with sufficient space to accommodate this type of event. Meeting with multiple stores enables us to network and share ideas that are key to developing our work.

In January we moved and updated our shop area, giving more floor space over to haberdashery, fabrics and individually priced items using a donation of shelving, wooden crates and racking from the closure of Worcester Scrapstore.

Our membership base has shifted over the last few years. It used to be that the majority of our members were groups and schools, now it is families/individuals. This year we made a few changes to increase the number of items and materials available to individual members, the introduction of fabric sales being part of this change. In total we organised 3 fabric sales over the year, all of which were extremely well attended. As well as generating significant income for us and diverting over 1.5 kilometres of fabric from the waste stream, these sales were also a very successful way of introducing new members to the Scrapstore.

This year we noticed that many of our school members were spending less, or not renewing their membership as budgets were squeezed and money prioritised for other areas. Of the 35 primary schools in Gloucester City, 34 previously had membership with us. This had dropped to 20 towards the end of the year. We were able to secure funding through the Community Investment Grant to provide membership and a trolley of resources to the 35 primary schools across the city. This funding helped support arts, creativity and play - areas first to be hit with

The Gloucestershire Community Resource Centre Trustees' annual report for the year ended 31 March 2023

financial cuts, but essential to supporting children's mental health and wellbeing. Feedback from Widden Primary, one of the schools that benefitted from this support: "We have recently begun the process of setting up Opal Play at the school and the GRC was a great place to start. There's a huge range of resources suitable for outdoor activities: reels, crates, tubes, netting, mannequins and much more readily available to grab and go, it's fantastic! For the quieter area activities, the wide range of other resources is equally as tempting, all you need is the imagination to decide what to do with it all! We left with two heaving trolleys and our creative minds buzzing with what we can snap up on our next visit! Thank you so much."

At the start of the year we worked with The Venture: White City to deliver 850 'Make & Play' bags and 750 'Builders Bags' as part of the Holiday Activities & Food project (HAF) for Gloucester City. Over two weeks we sourced, prepared, packed and delivered 1,600 bags to go out to local families to provide children with play and craft activities over the Easter holidays. During the Summer HAF project we were able to offer 16 families the opportunity of Scrapstore membership and a free bag of resources as part of funded activities. We also provided free craft activities for the families attending the HAF Family Fun Day.

We promoted the Scrapstore at The Red Dress Event held at the Friendship Café, and for Jubilee celebrations on Radio Gloucestershire. We also prioritised our time on social media to showcase new materials and promote the work of GRC, which continues to generate visits and new members to the Scrapstore and has been key to getting members back after COVID.

Volunteers

The GRC started the year with one regular volunteer, Sue, who has continued to give her time weekly over the past 6 years. During this financial year we welcomed 9 new volunteers on board. These volunteers have come from our membership base without us doing any sort of recruitment drive or push, we just said yes to people who offered their help. Their work sorting, cutting, processing and pricing materials has made a huge difference to how we sell and display items. It also enabled us to run 3 fabric sales over the year with hundreds of metres of fabric being measured, rolled and priced for (and during) these events. Alongside helping our work, volunteers have made friendships that now extend beyond their time here, supporting each other and meeting socially outside of GRC.

City Works - office and studio spaces

City Works continues to thrive as a community hub with 23 offices and 6 studio units in total. We started the year with 3 empty offices, but these were filled in November by new tenants FearLess, a charity working with perpetrators of domestic abuse. This meant that we were at full capacity for the remaining 5 months of the year.

Meeting rooms and studios

Art Room and Dance Studio bookings have increased at a slow rate, as budgeted for. There is still reduced uptake for activities and sessions with the impact of COVID-19 continuing to affect people's confidence about leaving the house and mixing with other people. Many of the sessions run here at City Works are for people with long term health conditions such as depression, anxiety, chronic fatigue or dementia – people at higher risk of becoming ill and less likely to leave the house after having isolated for a year. Course start dates were pushed back, but by the end of the year regular group bookings were beginning to return.

We welcomed a new organisation, School Of Larks, to our Dance Studio who used the space to provide HAF activities during the school holidays in aerial and circus skills.

We continued to offer free community play sessions to Tredworth Infant School who use our Dance Studio and Scrapstore resources for children to explore, create and play together. Feedback from sessions is incredibly positive: "A huge thank you, we have loved our sessions at the scrap store! You have been so accommodating and the sessions

The Gloucestershire Community Resource Centre

Trustees' annual report for the year ended 31 March 2023

have been amazing, not only creatively, but also for the children's mental health and to help them build relationships."

With Warm Space funding from Gloucestershire City Council and volunteer support, we launched our 'Creative Welcome Space' in November, opening up our refreshment area for people to meet, chat and have a hot drink. This proved so successful that we have continued to run the weekly sessions. ASDA have provided us with ongoing tea, coffee and biscuit supplies. We have 12 regular attendees who tell us the group has made a huge impact to their mental health and wellbeing. Many have long term health conditions and anxiety. One attendee explains: "I can honestly say it has changed my life - I was struggling, my mental and physical health a mess, isolated, knowing virtually no one having moved as lockdown started. Now I have somewhere to go where I meet likeminded people, I've made new friends and have access to craft resources that I can afford. I have light at the end of a very long tunnel - I'm very grateful."

Beneficiaries of our services

Recovery from COVID, along with cost-of-living crisis is continuing to impact our membership numbers. At the start of the financial year we had just under 700 members, a huge drop from pre-pandemic numbers of well over 1,000. However, membership numbers continue to grow as activities resume and people return to us, and by the end of the year we had 870 members. The Scrapstore continues to support hundreds of schools, community artists and organisations promoting arts, play, creativity and wellbeing across Gloucestershire, many of which wouldn't be able to afford to run without access to our low-cost materials.

There are huge benefits for the organisations and individuals based here at City Works. Many of our tenants work collaboratively across projects and being based in the same building offers numerous opportunities for connecting and making the most of knowledge sharing and expertise. Many of the individuals and organisations within the building utilise materials from the Scrapstore. For tenants Play Gloucestershire and Read With Me, Scrapstore resources are key to supporting the delivery of their services to children and young people.

We also have one of the largest community owned solar installations in the region. This helps keep running costs to a minimum and benefits not only the GRC, but also those renting our offices or using the amenities - our solar panels producing a third of the electricity we use annually.

Financial review

Overview

We started the year with slow post-pandemic recovery, then the energy crisis hit which was a key driver in the cost-of-living crisis. Because of these added costs to our beneficiaries, we decided to keep membership and scrap prices at an affordable level, with no price increase.

In October we facilitated a meeting with tenants to talk through ideas and solutions around our energy usage, how we could collectively reduce the amount of energy we use and increasing contributions to our rising costs. Consulting with tenants we agreed a 10% rent increase. This was unavoidable with the huge increase in energy prices from the previous year. The additional rental income, along with a reduction in energy use, really helped us navigate this unpredicted additional cost.

The SOFA/Income & Expenditure account shows an overall surplus of £9,691 (2022: £5,033) for the year which was a very good result, given that there was very little grant income compared to the previous year.

Income

Scrap Sales performed much better than we had been predicted, helped significantly by our fabric sales.

The Gloucestershire Community Resource Centre Trustees' annual report for the year ended 31 March 2023

A major part of additional income for scrap sales came from the half-term HAF Project, that generated £13,500, and our Saturday Fabric Sales which generated over £7,000 in total.

Membership Subscriptions were predicted to remain low due the ongoing impact of the pandemic but continue to rise steadily. By the end of the year, group members were starting to return, we had attracted new members through our fabric sales and had exceeded our budget by nearly £2,800. We realise it is likely to take a further year or more to establish our membership base once again, due to the added impact of the cost-of-living crisis. However, as a low-cost environmental alternative we can already see members returning and we anticipate membership continuing to rise steadily going forward.

In March we applied for Community Investment Grant funding and received £2,275 which enabled us to issue £65 vouchers to all 35 Primary Schools in Gloucester to spend on an annual membership and a trolley of scrap resources.

We also received a total of £400 from Associated Suppliers - businesses that we collect from regularly that support the work of the charity with a small donation towards our collection's costs.

Rental Income has remained buoyant this year despite continued home working for some tenants, and City Works has been fully occupied since November.

Room Hire has continued to be affected by the pandemic, however groups have restarted and returned, albeit with reduced attendance. This is positive for our future recovery and we expect this area of income to continue to improve over the next financial year.

Other

We received a Warm Space grant of £404 from Gloucester City Council towards our Creative Welcome Space. Alongside this we also received £666 from Severn Wye Energy for a Target:2030 grant towards upgrading 30 of our lights to more energy efficient LED ones. We also received a donation from Ethical Giving of £1,500 towards our increased energy costs.

£3,636 was received from Gloucestershire Community Energy Co-op for the feed-in tariff from our solar panel installation.

Expenditure

Salaries

Expenditure increased in comparison with the previous financial year due to the Operations Assistant post being filled.

Heat & Light

We expected this area of expenditure to double due to the huge increase in energy prices going into the winter period. However, with a concerted effort to reduce consumption by tenants we were able to reduce the impact of these costs significantly. Increases to rental and room hire prices also helped alleviate some of these costs, as well as the upgrade of 30 of our lights to more energy efficient ones.

Building

We made the decision to have an independent Fire Risk Assessment which was conducted in February, the full cost of which was £554. Building work was also done on clearing the front gutters, replacing 2 water heaters and relaying a drainage gully across the car park.

The Gloucestershire Community Resource Centre

Trustees' annual report for the year ended 31 March 2023

Other

Our computers moved over to a cloud-based system at the start of the year so that we could have access for home working. This reduced costs, as we no longer needed to run a server.

Capital Expenditure

£2,220 was spent on upgrading fluorescent light fittings to energy efficient LED lights, and £876 was spent on a new laptop for the use of the CEO.

Financial summary

For the year the unrestricted income for the charity was £178,552 (2022: £134,544) and unrestricted expenditure was £169,527 (2022: £140,194) creating a surplus of £9,025 before fund transfers (2022: deficit of £5,650). The restricted income totalled £1,070 (2022: £20,000) and the associated restricted expenditure was £404 (2022: £9,317). £666 of the restricted income was used to fund capital expenditure and after accounting for that amount the year end movement in unrestricted funds was a surplus of £9,691 (2022: £7,550).

At the end of the year the charity's total funds consisted of £521,436 of which none were unrestricted (2022: £511,745 with nil restricted).

Of the unrestricted funds at the year end, £4,945 was designated shop stock. The building owned by the charity has a net book value of £443,800 including fittings and equipment, which is shown together with the net book value of the van £9,350 as the designated property assets fund totalling £453,150.

The GRC staff pension scheme is with the People's Pension ethical fund. Where it is possible, ethical funds are chosen.

Reserves policy

For our previous financial year £25,000 of the unrestricted funds was designated as a 'major change reserve' for contingency costs. However, we consider this was mis-named and this year we have incorporated the major change fund into the general undesignated fund or 'free reserves'.

The general undesignated fund at the year end was £63,341 - well in excess of £35,000 which is the estimated costs of redundancy were the charity to cease functioning. The balance of free reserves is held firstly to ensure that the charity is able to continue with its activities in the event of any temporary fall in revenue, and secondly to help meet major building repair costs should the need arise.

Plans for the future

The GRC is aware that the recovery to pre COVID levels of activity is going to take time. A flexible approach will be needed by the staff team to maximise the use of spaces within the building and in attracting lapsed members back and new users to the core services. Concerted activity via social media platforms will be needed to ensure the GRC's services stay at the forefront of people's minds.

Core Services: Ongoing effort is made to effectively deliver services with minimal administration, although the nature of what we do requires a tight membership system to ensure safety and to meet the requirements for insurance cover to be maintained. We continue to keep a high level of engagement with our users and respond to members feed-back wherever possible or appropriate.

The Gloucestershire Community Resource Centre

Trustees' annual report for the year ended 31 March 2023

Room Hire is primarily regular classes and activities returning, but at a reduced level. This will be the most challenging area to bring back to full capacity, although we are seeing a slow increase.

Use of the Dance Studio has been compromised due to sound bleed with the adjacent office during office hours. A small area has been set up within the Dance Studio as a meeting space so that we can offer this for small, quiet meetings during the day. The issue of access to the Dance Studio is a major challenge for the future. Full accessibility including sound separation would open this space up for regular and constant use and could generate significant revenue both in and out of office hours.

The future looks positive, however we are aware that the GRC's success relies, in part, on the health of the national network of Scrapstores, with whom we exchange materials. The COVID-19 pandemic has affected the national network of Scrapstores with many facing similar challenges to their core services as GRC. On from that we are all reliant upon the survival of the manufacturing industry in the UK. However, these are factors over which we have very little control. Building up our suppliers is key to future success.

There are also challenges facing us in funding large capital items such as replacement of old heating systems and addressing water ingress in the building.

Structure, governance and management

Legal structure and governing document

The organisation is a charitable company limited by guarantee without share capital which has been in operation since 1986; it was incorporated on 5 June 1995 and registered as a charity on 14 July 1995. The charitable company was established under a memorandum of association which confirms its objects and powers, and is governed under its articles of association.

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees was 9 (2022: 8). The trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

All trustees give their time voluntarily and receive no benefits from the charity, other than as disclosed in note 10 to the accounts. Any expenses reclaimed from the charity are set out in note 10 to the accounts.

Organisational Structure

The charity is governed by the Management Committee made up of 9 Trustees who meet quarterly and are responsible for the strategic direction and policy of the Charity. All Trustees have professional backgrounds and/or expertise relevant to the work of the Charity. The day-to-day management of the charity is delegated to Elizabeth Hill, the Chief Executive Officer.

Recruitment and Appointment of Management Committee

The Directors of the company are also the Charity Trustees for the purposes of charity law, and are known as members of the Management Committee. Under the requirements of the Memorandum and Articles of Association the members of the Management Committee are elected to serve for a period of three years after which they must be re-elected by the charity membership. Trustees who served in the financial year and up to the date of approval of the report were:

Marian Marsh (Chair)	Patricia Williams	Mark Gale
Barbara Devine (Vice Chair)	Clare Banbury	Angela Porter
Joanne White (Treasurer)	Catriona Reid	Eleanor Murray

The Gloucestershire Community Resource Centre Trustees' annual report for the year ended 31 March 2023

The Gloucestershire Resource Centre supports the creative ambitions of groups and individuals within the county through a subscription-based membership scheme. Its strength as an organisation lies in the fact that it actively seeks to recruit Management Committee members from within its membership or those who have worked or volunteered within membership organisations in the past. This gives the Management Committee a diversity of expertise and leadership experience.

Trustee Induction and Training

Most trustees are recruited from the charity's membership and are therefore familiar with the work and aims of the charity. Upon appointment, new trustees meet with the Chief Executive who provides the background and context of the charity and discusses:

- The obligations of Management Committee members
- The main documents which set out the operational framework of the Charity
- The financial position of the Charity as detailed in its latest accounts
- The history of the Charity, as well as its plans for the future

All new and existing Trustees are actively encouraged to participate in local training opportunities that aim to strengthen understanding of Trustee responsibilities and governance.

Related parties and relationships with other organisations

The GRC works closely and regularly with other Scrapstores nationally for the exchange of surplus materials. In addition, the relationship we have with Associate Members that represent our long standing suppliers of the Scrapstore, companies that release their surplus materials on a regular basis and who are invited to make a financial contribution through an annual membership subscription.

Related parties and the transactions with them are described in note 10 to the accounts.

Risk Management

The Management Committee governs the Charity in line with the strategy for meeting its aims and states any associated developments and risks over ensuing years. The Trustees monitor performance against the goals set at quarterly meetings. A thorough annual review takes place in which potential risks are assessed and relevant strategies examined.

Internal risks to the Charity have been minimised by the authorisation procedures to safeguard finances from misappropriation and mismanagement.

As at 31 March 2023 the main risks facing the charity were considered to be:

- Ongoing recessionary climate and impact of COVID-19 leading to closure of other Scrapstores within the region and the country. This could result in less surplus being available to exchange within the national network.
- Financial constraints that continue to adversely affect the GRC's members resulting in diminished budgets or groups closing down.
- Need to build up the GRC's reserves to cover unexpected capital costs associated with owning and running a large building exacerbated by the drop in income due to COVID 19.
- Staffing changes due to retirement of long serving staff.
- Minimal staff base, leading to difficulties in providing cover for sickness and holidays.

The Gloucestershire Community Resource Centre
Trustees' annual report for the year ended 31 March 2023

Statement of responsibilities of the trustees

The trustees (who are also directors of GRC for the purposes of company law) are responsible for preparing the trustees' annual 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 group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group 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 judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the charity will continue in operation

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable group 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.

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

This report has been prepared in accordance with the provisions applicable to companies subject to the small companies' regime of the Companies Act 2006.

30 / 10 / 2023

The trustees' annual report has been approved by the trustees on and signed on their behalf by:

M. Marsh

.....

Marian Marsh, Chair of Trustees

Independent examiner's report to the trustees of
The Gloucestershire Community Resource Centre
For the year ended 31 March 2023

I report on the accounts of the charity for the year ended 31 March 2023 set out on pages 12 to 25.

Respective responsibilities of trustees and examiner

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

It is my responsibility to:

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

Basis of independent examiner's statement

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

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

1. which gives me reasonable cause to believe that, in any material respect, the requirements:
 - to keep accounting records in accordance with section 130 of the Charities Act; and
 - to prepare accounts which accord with the accounting records and comply with the accounting requirements of the Charities Acthave not been met; or
2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Patrick Morrello ACA
Third Sector Accountancy Limited
Holyoake House
Hanover Street
Manchester
M60 0AS

Date: 31 / 10 / 2023

The Gloucestershire Resource Centre Limited
Statement of Financial Activities
(including Income and Expenditure account)
for the year ended 31 March 2023

	Note	Unrestricted funds £	Restricted funds £	Total funds 2023 £	<i>Unrestricted funds £</i>	<i>Restricted funds £</i>	<i>Total funds 2022 £</i>
Income from:							
Grants and donations	3	1,830	1,070	2,900	11,978	20,000	31,978
Charitable activities	4	87,626	-	87,626	43,469	-	43,469
Rental income and interest received	5	89,096	-	89,096	79,097	-	79,097
Total income		178,552	1,070	179,622	134,544	20,000	154,544
Expenditure on:							
Raising funds	6	62,063	-	62,063	73,810	2,517	76,327
Charitable activities	7	107,464	404	107,868	66,384	6,800	73,184
Total expenditure		169,527	404	169,931	140,194	9,317	149,511
Net income/(expenditure) for the year	8	9,025	666	9,691	(5,650)	10,683	5,033
Transfer between funds		666	(666)	-	13,200	(13,200)	-
Net movement in funds for the year		9,691	-	9,691	7,550	(2,517)	5,033
Reconciliation of funds							
Total funds brought forward		511,745	-	511,745	504,195	-	504,195
Total funds carried forward		521,436	-	521,436	511,745	(2,517)	509,228

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The Gloucestershire Resource Centre Limited

Company number 3064176

Balance sheet as at 31 March 2023

	Note	2023	2022
		£	£
Fixed assets			
Tangible assets	13	453,150	456,984
Total fixed assets		453,150	456,984
Current assets			
Stock		4,945	8,374
Debtors	14	14,613	16,058
Cash at bank and in hand	15	82,800	60,239
Total current assets		102,358	84,671
Liabilities			
Creditors: amounts falling due in less than one year	16	(34,072)	(29,910)
Net current assets		68,286	54,761
Total assets less current liabilities		521,436	511,745
Net assets		521,436	511,745
The funds of the charity:			
Restricted income funds	17	-	-
Unrestricted income funds	18	521,436	511,745
Total charity funds		521,436	511,745

For the year in question, the company was entitled to exemption from an audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006,
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

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

The notes on pages 12 to 24 form part of these accounts.

Approved by the trustees on 30 / 10 / 2023 and signed on their behalf by:

M. Marsh
Marian Marsh (Trustee, Chair)

Jo White
Joanne White (Trustee, Treasurer)

1 Accounting policies

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

a 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 (FRS 102) issued in October 2019 - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Gloucestershire Resource Centre Limited 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.

The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £ sterling.

b Judgments and estimates

The trustees have made no key judgments which have a significant effect on the accounts.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next reporting period.

c Preparation of the accounts on a going concern basis

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

The Trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves of the charity to be able to continue as a going concern.

d Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

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

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

e Interest receivable

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

f Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of charity.

Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose.

Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity.

g Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds comprise the costs of commercial trading including and their associated support costs.
- Expenditure on charitable activities includes the costs of provision of facilities, staffing and materials undertaken to further the purposes of the charity and their associated support costs.
- Other expenditure represents those items not falling into any other heading.

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

h Tangible fixed assets

Individual fixed assets costing £500 or more are capitalised at cost and are depreciated over their estimated useful economic lives on a straight line basis as follows:

Freehold land and building	0%
Fixtures and fittings	7%
Equipment	25%
Vehicles	25%

The trustees consider that there should be nil depreciation charged on the freehold building. Since the charity keeps the property in very good condition it is obvious that the residual value will exceed the carrying value.

Notes to the accounts for the year ended 31 March 2023 (continued)

i Stock

Stock that is purchased for resale is included at the lower of cost or net realisable value. In general, cost is determined on a first in, first out basis. Net realisable value is the price at which stocks can be sold in the normal course of business after allowing for the costs of realisation. Provision is made where necessary for obsolete, slow moving, and defective stocks. Donated items of stock are not valued in the accounts since the cost of doing so would outweigh any benefit to the users of the accounts.

j Debtors

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

k Cash at bank and in hand

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

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 Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

n Pensions

Employees of the charity are entitled to join a defined contribution 'money purchase' scheme. The charity's contribution is restricted to the contributions disclosed in note 9. There were no outstanding contributions at the year end. The costs of the defined contribution scheme are included within the charitable activities costs.

2 Legal status of the charity

The charity is a company limited by guarantee registered in England and Wales 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 trustee member of the charity. The registered office address is disclosed on the "Reference and administration information" page.

The Gloucestershire Resource Centre Limited

Notes to the accounts for the year ended 31 March 2023 (continued)

3 Income from grants and donations

	Unrestricted £	Restricted £	Total 2023 £	<i>Unrestricted £</i>	<i>Restricted £</i>	<i>Total 2022 £</i>
Donations	330	-	330	275	-	275
Ethical Giving	1,500	-	1,500	-	-	-
Severn Wye Target 2030	-	666	666	-	-	-
Gloucestershire CC Warm Spaces grant	-	404	404	-	-	-
Covid-19 CJRS grant	-	-	-	11,703	-	11,703
Power to Change	-	-	-	-	20,000	20,000
Gloucestershire Community Foundation						
Total	1,830	1,070	2,900	11,978	20,000	31,978

4 Income from charitable activities

	Unrestricted £	Restricted £	Total 2023 £	<i>Unrestricted £</i>	<i>Restricted £</i>	<i>Total 2022 £</i>
Donations from scrap	39,899	-	39,899	22,880	-	22,880
Subscriptions and memberships	19,330	-	19,330	10,641	-	10,641
HAF programme - activity packs	13,500	-	13,500	-	-	-
Charitable shop sales	14,897	-	14,897	9,948	-	9,948
Total	87,626	-	87,626	43,469	-	43,469

The Gloucestershire Resource Centre Limited

Notes to the accounts for the year ended 31 March 2023 (continued)

5 Rental income and interest received

	Unrestricted £	Restricted £	Total 2023 £	<i>Unrestricted £</i>	<i>Restricted £</i>	<i>Total 2022 £</i>
Rent and associated charges	76,575	-	76,575	70,392	-	70,392
Room hire	8,179	-	8,179	5,394	-	5,394
Feed-in Tariff	3,636	-	3,636	3,293	-	3,293
Income from bank deposits	706	-	706	11	-	11
Investment interest received	-	-	-	7	-	7
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	89,096	-	89,096	79,097	-	79,097
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

6 Cost of raising funds

	Unrestricted £	Restricted £	2023 £	<i>Unrestricted £</i>	<i>Restricted £</i>	<i>2022 £</i>
Staff costs - building management	29,028	-	29,028	52,155	-	52,155
Premises costs for rented space	27,837	-	27,837	21,655	2,517	24,172
Depreciation	5,198	-	5,198	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	62,063	-	62,063	73,810	2,517	76,327
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

7 Analysis of expenditure on charitable activities

	Total 2023 £	Total 2022 £
Staff costs	65,150	26,505
Premises costs	8,223	6,597
Insurance	9,997	9,564
Professional fees	5,455	15,017
Cost of goods sold	10,292	5,880
Vehicle costs	1,174	3,030
General office costs	359	1,541
Publicity and marketing	239	330
Volunteer expenses and training	540	204
Bank charges	698	476
Other expenses	649	117
Depreciation	1,732	3,813
Surplus on disposal of asset	-	(250)
Independent examiner's fee	360	360
	<hr/>	<hr/>
	107,868	73,184
	<hr/>	<hr/>
Restricted expenditure	404	6,800
Unrestricted expenditure	107,464	66,384
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	107,868	73,184
	<hr/>	<hr/>

8 Net income/(expenditure) for the year

This is stated after charging/(crediting):	2023 £	2022 £
Depreciation	6,930	3,813
Accountancy	1,080	1,080
Independent examiner's fee	360	360
	<hr/>	<hr/>

Notes to the accounts for the year ended 31 March 2023 (continued)

9 Staff costs

Total staff costs during the year were as follows:

	2023 £	2022 £
Wages and salaries	90,581	76,383
Social security costs	1,936	1,562
Pension costs	1,661	715
	<hr/>	<hr/>
	94,178	78,660
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No employees has employee benefits in excess of £60,000 (2022: Nil).

The average number of staff employed during the period was 5 (2022: 5).

The average full time equivalent number of staff employed during the period was 3 (2022: 3).

The key management personnel of the charity comprise the trustees and the Chief Executive Officer. The total employee benefits of the key management personnel of the charity were £28,346 (2022: £29,684).

10 Trustee remuneration and expenses, and related party transactions

Neither the management committee nor any persons connected with them received any remuneration or reimbursed expenses during the year (2022: Nil) except for the related party transaction shown below.

One trustee, Joanne White, is being paid for her role as Treasurer of the charity to ensure robust financial oversight following the retirement of the Financial Officer in 2018. This is invoiced via Co-operative Futures and amounted to £840 for the year (2021: £1,200). This is allowed as per article no 5 in the charity's Memorandum & Articles of Association and the Charity Commission has been informed.

No members of the management committee received travel and subsistence expenses during the year (2022: £Nil).

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.

No trustee or other person related to the charity had any personal interest in any contract or transaction entered into by the charity, including guarantees, during the year (2022: nil).

11 Government grants

The government grants recognised in the accounts were as follows:

	2023 £	2022 £
Severn Wye Target 2030	666	-
Gloucestershire CC Warm Spaces grant	404	-
Covid-19 CJRS grant	-	11,703
Power to Change	-	20,000
	<hr/>	<hr/>
	1,070	31,703
	<hr/>	<hr/>

There were no unfulfilled conditions and contingencies attaching to the grants.

12 Corporation tax

The charity is exempt from tax on income and gains falling within Chapter 3 of Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the charity.

13 Fixed assets: tangible assets

Cost	Freehold land and building £	Fixtures and equipment £	Vehicles £	Total £
At 1 April 2022	664,954	70,533	13,200	748,687
Additions	-	3,096	-	3,096
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2023	664,954	73,629	13,200	751,783
	<hr/>	<hr/>	<hr/>	<hr/>
Depreciation				
At 1 April 2022	252,050	39,103	550	291,703
Charge for the year	-	3,630	3,300	6,930
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2023	252,050	42,733	3,850	298,633
	<hr/>	<hr/>	<hr/>	<hr/>
Net book value				
At 31 March 2023	412,904	30,896	9,350	453,150
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2022	412,904	31,430	12,650	456,984
	<hr/>	<hr/>	<hr/>	<hr/>

Following a survey in June 2014 the land and premises were valued at £957,000. The survey was conducted to determine a realistic value of the land and property, and also for insurance purposes.

Notes to the accounts for the year ended 31 March 2023 (continued)

14 Debtors

	2023 £	2022 £
Trade debtors	13,242	14,390
Prepayments and accrued income	1,371	1,668
	<hr/>	<hr/>
	14,613	16,058
	<hr/>	<hr/>

15 Cash at bank and in hand

	2023 £	2022 £
Short term deposits	-	-
Cash at bank and on hand	82,800	60,239
	<hr/>	<hr/>
	82,800	60,239
	<hr/>	<hr/>

16 Creditors: amounts falling due within one year

	2023 £	2022 £
Trade creditors	3,264	3,723
Other creditors and accruals	8,926	7,184
Prepaid rental income	20,297	16,643
Taxation and social security costs	1,585	2,360
	<hr/>	<hr/>
	34,072	29,910
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Notes to the accounts for the year ended 31 March 2023 (continued)

17 Analysis of movements in restricted funds

	Balance at 1 April 2022 £	Income £	Expenditure £	Transfers £	Balance at 31 March 2023 £
Severn Wye Target 2030	-	666	-	(666)	-
Gloucestershire CC Warm Spaces grant	-	404	(404)	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total	-	1,070	(404)	(666)	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

The grant from Severn Wye Target 2030 (funded by the European Regional Development Fund) was towards the cost of upgrading lighting to LED. The transfer reflects the use of the restricted fund to contribute to the capital cost of the LED upgrade.

The grant from Gloucestershire County Council was to provide a "creative warm space" on Wednesdays from January-April 2023 and cover costs including heat and light, refreshments and craft materials.

Comparative period

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers £	Balance at 31 March 2022 £
Power to Change Gloucestershire Community Foundation	-	20,000	(6,800)	(13,200)	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total	2,517	-	(2,517)	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total	2,517	20,000	(9,317)	(13,200)	-
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The grant from Power to Change provided funding to restart the Scrapstore, including purchasing a new second hand van, initial vehicle expenses, employing a part time employee to engage with businesses and recommence collections, and professional fees. The transfer of £13,200 reflects the use of the restricted fund to buy the van. The van is not subject to a restriction so the funds have been released to unrestricted funds.

The grant from Gloucestershire Community Foundation was to cover additional costs relating to cleaning and other health and safety provision with regard to preventing the spread of Covid-19.

Notes to the accounts for the year ended 31 March 2023 (continued)

18 Analysis of movement in unrestricted funds

	Balance at 1 April 2022 £	Income £	Expenditure £	Transfers £	As at 31 March 2023 £
General fund	21,387	178,552	(169,527)	32,929	63,341
Designated major change reserve fund	25,000	-	-	(25,000)	-
Designated shop stock	8,374	-	-	(3,429)	4,945
Designated property assets fund	456,984	-	-	(3,834)	453,150
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	511,745	178,552	(169,527)	666	521,436
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Comparative period					
	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers £	As at 31 March 2022 £
General fund	24,786	134,544	(140,194)	2,251	21,387
Designated major change reserve	25,000	-	-	-	25,000
Designated shop stock	9,680	-	-	(1,306)	8,374
Designated property assets fund	444,729	-	-	12,255	456,984
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	504,195	134,544	(140,194)	13,200	511,745
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

Name of unrestricted fund	Description, nature and purposes of the fund
General fund	The free reserves after allowing for all designated funds
Designated major change reserve	Held in order to meet statutory obligations should the charity undergo significant changes to its operation
Designated stock reserves	It is essential for the charity to maintain a certain level of stock which is not readily convertible into cash, the trustees think it prudent to exclude stock from free reserves
Designated property assets fund	The fixed assets are essential for the future operation of the charity and so are excluded from free reserves.

19 Analysis of net assets between funds

	General fund £	Designated funds £	Restricted funds £	Total 2023 £
Tangible fixed assets	453,150	-	-	453,150
Net current assets/(liabilities)	(389,809)	458,095	-	68,286
Total	63,341	458,095	-	521,436
Comparative period				
	General fund £	Designated funds £	Restricted funds £	Total 2022 £
Tangible fixed assets	456,984	-	-	456,984
Net current assets/(liabilities)	(435,597)	490,358	-	54,761
Total	21,387	490,358	-	511,745