

Charity Registration No. 1088344

Company Registration No. 2229357 (England and Wales)

THE STOKE-ON-TRENT AND DISTRICT GINGERBREAD CENTRE

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

THE STOKE-ON-TRENT AND DISTRICT GINGERBREAD CENTRE

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

Mrs Eleanor Morrissey

Miss Fiona Miller

Mr Jack Brereton

Mr Malcolm Jolliffe

Mr Richard Adams

(Appointed 20 October 2022)

Mrs Charlotte Smith

(Appointed 26 January 2023)

Charity number

1088344

Company number

2229357

Registered office

Rothsay Court, Furnace Road, Stoke on Trent, ST3 4LY

Senior Management Team

Mr Trevor Cottam

Chief Executive Officer

Mrs Nikki Evans

Finance Manager

Ms Steph Hughes

Service Manager

Auditor

Geens Limited, Graphic House, 124 City Road, Stoke on Trent, ST4 2PH

Bankers

Barclays Bank, Leicester, LE87 2BB

THE STOKE-ON-TRENT AND DISTRICT GINGERBREAD CENTRE

CONTENTS

	Page
Trustees' report	1 - 5
Statement of trustees' responsibilities	6
Independent auditor's report	7 - 9
Statement of financial activities	10
Balance sheet	11
Statement of cash flows	12
Notes to the financial statements	13 - 27

THE STOKE-ON-TRENT AND DISTRICT GINGERBREAD CENTRE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2023

In our capacity as Trustees of The Gingerbread Centre, we are honoured to present the Trustees Report and audited financial statements for the fiscal year concluding on March 31, 2023. These financial statements adhere to the Statement of Recommended Practice Accounting and Reporting by Charities (SORP 2019) and fully meet the statutory requirements outlined in the charity's governing document.

Objectives and activities

Our core objectives and primary activities encompass the following:

1. Providing Support in Times of Need

Our foremost goal is to offer counselling, support, advice, and assistance within Stoke on Trent, Staffordshire, and the surrounding areas to individuals facing hardship, distress, or challenging circumstances.

2. Sheltering Vulnerable Families and Single Pregnant Women

We extend short-term, supported accommodation to vulnerable families and single pregnant women, providing a safe haven during their time of need.

Our decision-making process aligns meticulously with guidance provided by the Charity Commission, ensuring the charity's activities remain in harmony with our mission.

We confirm that we have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Achievements and performance

The Gingerbread Centre has been a steadfast pillar of support for vulnerable individuals in the Stoke-on-Trent region since its establishment in 1977, accumulating 46 years of dedicated service.

Our beneficiaries receive not only shelter but also personalised guidance tailored to their unique circumstances. This support transforms their outlook on life, enabling them to perceive new opportunities. We facilitate activities and situations that enhance their self-confidence and furnish them with the skills necessary to envisage a brighter future.

Our charitable operations span two dedicated centres:

Rothesay Court: Homeless Families Unit

Rothesay Court constitutes a sanctuary for homeless families, including single parents, expectant mothers, fathers, and couples. Comprising 22 units of supported accommodation, it offers seven resettlement support areas. This support encompasses vital life skills such as budgeting, building support networks, accessing training, securing stable housing, and transitioning to independent living.

Resettlement support is thoughtfully provided to families as they embark on the journey to establishing a new, secure home. Our dedicated staff collaborates closely with social care services, health professionals, midwives, local housing providers, and mental health services, while also forging partnerships with local charities and organisations. This multi-pronged approach seeks to empower residents to harness their own skills, knowledge, and resourcefulness to live independently. Personalised support plans, grounded in evidence-based tools, are individually crafted for each resident.

Our Activity Club, based at Rothesay Court, operates within a children and young people's activity centre, equipped with a purpose-built outdoor play area. The Activity Team extends its services to Catherine Court as well, ensuring families can access these enriching opportunities. In addition to a regular roster of internal activities, we organise numerous outings to local attractions, events, and leisure facilities, enriching the lives of those we serve.

THE STOKE-ON-TRENT AND DISTRICT GINGERBREAD CENTRE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Catherine Court: Teenage Parents Unit

Catherine Court offers accommodation-based support exclusively for expectant teenage mothers, teenage parents seeking to develop the skills necessary for effective parenting, and the pursuit of independent living in their own homes. The facility encompasses seven self-contained flats and four two-bedroom properties, providing 24-hour supported accommodation for pregnant or parenting teenagers aged 16-19, alongside their children. Floating support is available for up to three months following the transition to independent living.

At The Gingerbread Centre, we are proud to maintain consistently high occupancy rates across both units throughout the year, attesting to the substantial demand for our services. It is noteworthy that we experienced a temporary dip in referrals during the Christmas season and the onset of the New Year, resulting in a slight increase in vacancies. This phenomenon, affecting providers citywide, remains unattributed to any definitive cause. Nevertheless, our referral rates and occupancy levels rebounded swiftly, allowing us to resume our essential mission without delay.

Financial review

Restricted funds for the year show a deficit of £10,467 (2022 - £30,727). The core charitable activities are primarily supported by two commissioned service contracts disclosed as restricted funds. During the financial year, these Supporting People contracts raised income of £220,770 compared to total costs of these activities of £234,090, a deficit of £13,320. Additional fundraising efforts brought in £5,990 so an overall deficit of £7,330 for the commissioned services. In this financial year we also showed a deficit in the Activity Club which is mostly funded by a restricted Children in Need grant.

In total we received unrestricted income of £744,736 (2022: £693,764) with unrestricted expenditure of £772,486 (2022: £689,101). After investment losses of £14,562 (2022: gain £11,923) the unrestricted fund deficit in the year was £42,312 (2022 surplus 16,586).

Reserves are held to ensure that the Charity has the ability to withstand any unforeseen drops in income and to provide capital for future strategic growth

At the balance sheet date the Charity had total reserves of £281,732 (2022: £334,511) of which £269,851 (2022: £312,163) are unrestricted reserves. The Management Committee considers the current reserves are an adequate buffer against risks that cannot be negated by other means, whilst underpinning the strategic plan for the future of the Charity.

At the balance sheet date the Charity held cash at bank and investments totalling £389,517 (2022: £403,499). As with reserves, these liquid funds provide a buffer against unforeseen drops in income or working capital providing security that the Charity will be able to meet its financial obligations as they fall due.

Aim of Reserves Policy

- To ensure Trustees comply with current legislation and recommendations from the Charity Commission regarding reserves and their use.
- To maintain a sufficient level of reserves to allow the charity to continue to operate for a period of up to 2 months, should a shortfall in income occur.
- To maintain a sufficient level of reserves to allow the charity to wind down, should it be necessary.
- To take account of potential financial risks to the charity.
- To prepare for contingencies that may arise from time to time.
- To ensure the level of reserves is reviewed on an annual basis.
- To ensure reserves are used to generate income.
- To ensure the management of reserves is exercised in the best interest of the charity.

THE STOKE-ON-TRENT AND DISTRICT GINGERBREAD CENTRE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Reserves Policy

It is our policy to assess the level of reserves required by using the Risk Identification approach, which is used by most charities.

When deciding the level of reserves held by the charity, consideration will be given to: cash flow, existing funds, future income streams, committed expenditure, changes in legislation, risk identification and the future needs of the charity. This approach ensures that the reserves held are not too high or too low, and that we hold sufficient reserves for any contingencies that may occur.

All financial calculations and risk assessments will be reviewed and updated annually.

An acceptable reserves level will be set based on covering identified risks.

The Board may release reserves for new projects and services, to assist the aims of the Charity, as long as the level of reserves remains above the minimum requirement, taking into consideration a deficit budget.

Unrestricted reserves will reduce in the event of an annual deficit.

Restricted funds are excluded from the Reserves Policy and are accounted for separately.

Trustees are empowered to invest unrestricted reserves in accordance with the Investment Policy.

Navigating Risks and Uncertainties

At the heart of The Gingerbread Centre's governance lies a robust risk management process. This process hinges on the meticulous upkeep and scrutiny of a comprehensive risk register. Within this register, we identify and evaluate major risks meticulously. These risks undergo regular review under the careful supervision of our Chief Officer and Management Committee during scheduled meetings. To effectively navigate these risks, we've established a set of systems and procedures.

Primary Risks In Focus

a) Loss of Supporting People contracts

In the midst of this fiscal year, we made a strategic decision to accept a 5% reduction in our Supporting People contract with Stoke LA. In exchange, we secured the continuation of this vital contract until April 2025. While this move has eased some financial pressure on our commissioned services, it has simultaneously heightened our reliance on voluntary contributions to bridge the funding gap required to maintain our existing service levels. To mitigate the risk of further cuts throughout the contract's remaining term, we have devised a multi-pronged approach, which includes:

- Sustaining exceptional performance outcomes.
- Achieving favourable service review reports.
- Forging close collaborations with commissioners, positioning us favourably for successful contract tenders.

b) Ensuring Financial Sustainability

Maintaining financial sustainability presents an ongoing challenge, given the stringent budgets associated with our primary contracts and the limited diversity in our income streams. In response, we are proactively crafting a robust fundraising strategy that now encompasses a dedicated focus on securing Trusts and Grants funding. Simultaneously, we are actively exploring partnerships and collaborative ventures with other service providers and organisations. Additionally, we're proactively pursuing service tenders for complementary offerings. The looming presence of rising living costs, surging energy prices, escalating inflation, and further calls for efficiencies and cost savings from our commissioned services portend an increased reliance on voluntary income in the foreseeable future.

THE STOKE-ON-TRENT AND DISTRICT GINGERBREAD CENTRE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

Safeguarding Reputation

The Gingerbread Centre enjoys a sterling reputation among local residents and stakeholder partners. To protect this invaluable asset, we are committed to a series of mitigating actions, foremost among them:

- Unwavering commitment to delivering exceptional service.
- Strict adherence to agreed-upon policies and procedures.
- A concerted focus on the recruitment, retention, and professional development of our dedicated staff.
- Roadmap for the Future

Our steadfast commitment to providing supported accommodation and related services at Rothesay Court and Catherine Court remains unwavering, contingent upon securing satisfactory funding arrangements.

Our strategic ambition centres on establishing the capacity to deliver our Supported Accommodation model to homeless families by acquiring our own property(ies). Such a "new" building would primarily supplant the accommodation at Rothesay Court and, ideally, replace Catherine Court's facilities. In addition to these benefits, it would usher in economies of scale, particularly in terms of staffing costs during evening, weekend, and night hours, aligning with our objective to eliminate lone working periods.

Our Trustees convene to chart the Charity's strategic course. They concur that diversifying our funding sources forms an integral component of our risk management strategy, ensuring the charity's financial sustainability while expanding our reach to serve more individuals in need.

Structure, governance and management

The Gingerbread Centre is a registered charity and is a company limited by guarantee and is constituted under a Memorandum of Association dated 18th April 2016.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mrs Eleanor Morrissey	
Miss Fiona Miller	
Mrs Adele Wakefield	(Resigned 29 December 2022)
Mrs Emma-Jayne Williams	(Resigned 8 September 2022)
Mr Jack Brereton	
Mr Malcolm Jolliffe	
Mr Paul Willstead	(Resigned 19 January 2023)
Mr Richard Adams	(Appointed 20 October 2022)
Mrs Charlotte Smith	(Appointed 26 January 2023)
Mrs Christine Fearn	(Appointed 17 November 2022 and resigned 23 April 2023)

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute an amount not exceeding £10 in the event of a winding up.

Recruitment and Appointment of the Management Committee

Under the requirements of the Memorandum and Articles of Association the members of the Management Committee shall retire from office in rotation every three years at the Annual General Meeting, after which they can be re-elected, if willing to stand and if the vacancy remains.

The Management Committee seeks to ensure that the needs of the organisation and its client group are appropriately reflected in the diversity of the trustee body. To maintain this broad mix of skills, members of the Management Committee are requested to complete a skills audit which is updated each year. If skills are lost or numbers of members decrease due to retirement, then recruitment will take place.

Introduction of new trustees is done via word of mouth and personal recommendation, or via a specialist recruitment agency.

THE STOKE-ON-TRENT AND DISTRICT GINGERBREAD CENTRE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

Organisation Structure

The Gingerbread Centre has a Management Committee who meet at least 4 times per year and who are responsible for the strategic direction and policy of the Charity. At present the Management Committee has eleven members from a variety of professional backgrounds relevant to the work of the charity.

In July 2022 we saw the appointment of Trevor Cottam as CEO. A scheme of delegation is in place and day to day responsibility for the provision of services rests with the Chief Officer, along with the Senior Management team. The Chief Officer has responsibility for all aspects of the day to day operations of the Charity to ensure that it delivers the services specified, remains strategically relevant and that key performance indicators are met. The Chief Officer currently also has responsibility for funding and health and safety. The Head of Services is responsible for the day to day operational management of the supported accommodation at both Rothesay Court and Catherine Court. The Finance Manager has responsibility for all day-to-day financial matters of the organisation.

Induction and Training of Trustees

Most trustees are already familiar with the practical work of the Charity. New trustees are given relevant information about their roles and responsibilities and about the Charity in accordance with our policy for appointment of trustees. Trustees are encouraged to visit the Charity, to attend viewings of the premises, and informal meetings are held with the Chief Officer and staff. Training opportunities are circulated to trustees and they are involved in planning meetings with senior management.

During the Trustee induction new trustees are provided with a comprehensive handbook covering all relevant policies, procedures and other relevant information, such as a copy of the Essential Trustee.

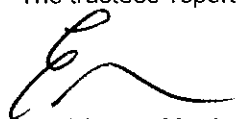
Remuneration Policy

Arrangements for setting the pay of the Charity's key personnel is currently the same as for all other employees. As part of the budget setting process for the new financial year, a salary increase option appraisal is taken for the trustees for discussion and decision, included is a simple benchmark of local salary rates for similar roles and this information feeds in to the discussion. The Management Committee then consider staff remuneration and salary increases in relation to their finances.

Auditor

In accordance with the company's articles, a resolution proposing that be reappointed as auditor of the company will be put at a General Meeting.

The trustees' report was approved by the Board of Trustees.



Mrs Eleanor Morrissey
Trustee

30 September 2023

THE STOKE-ON-TRENT AND DISTRICT GINGERBREAD CENTRE

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2023

The trustees who are also directors of The Stoke-on-Trent and District Gingerbread Centre for the purposes of company law, are responsible for preparing the Trustees' Annual Report (including the Strategic 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. Under company law the trustees must not approve the financial statements unless they are satisfied that they 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 2019 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

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.

THE STOKE-ON-TRENT AND DISTRICT GINGERBREAD CENTRE

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF THE STOKE-ON-TRENT AND DISTRICT GINGERBREAD CENTRE

Opinion

We have audited the financial statements of The Stoke-on-Trent and District Gingerbread Centre (the 'charity') for the year ended 31 March 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2023 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
 - sufficient accounting records have not been kept; or
 - the financial statements are not in agreement with the accounting records; or
 - we have not received all the information and explanations we require for our audit.
-

THE STOKE-ON-TRENT AND DISTRICT GINGERBREAD CENTRE

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE STOKE-ON-TRENT AND DISTRICT GINGERBREAD CENTRE

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

As part of our planning process:

- we enquired of management the systems and controls the charity has in place, the areas of the financial statements that are most susceptible to the risk of irregularities and fraud, whether there was any known, suspected or alleged fraud. the charity did not inform us of any known, suspected or alleged fraud.
- We obtained an understanding of the legal and regulatory frameworks applicable to the charity. We determined that the following were most relevant: the Charity SORP, FRS 102, Charities Act 2011, Companies Act 2006.
- We considered the incentives and opportunities that exist in the charity, including the extent of management bias, which present a potential for irregularities and fraud to be perpetuated, and tailored our risk assessment accordingly.
- Using our knowledge of the charity, together with the discussions held with the charity at the planning stage, we formed a conclusion the risk of misstatement due to irregularities including fraud and tailored our procedures according to this risk assessment.

The key procedures we undertook to detect irregularities including fraud during the course of the audit included:

- Identifying and testing journal entries and the overall accounting records, in particular those that were significant and unusual.
- Reviewing the financial statement disclosures and determining whether accounting policies have been appropriately applied.
- Reviewing and challenging the assumptions and judgements used by management in their significant accounting estimates.
- Assessing the extent of compliance, or lack of, with relevant laws and regulations.
- Assessing the validity of the classification of income, expenditure, assets and liabilities between unrestricted and restricted funds.
- Obtaining third party confirmation of material bank balances.
- Documenting and verifying all significant related party balances and transactions.
- Reviewing documentation such as charity board minutes for discussions of irregularities including fraud.

THE STOKE-ON-TRENT AND DISTRICT GINGERBREAD CENTRE

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

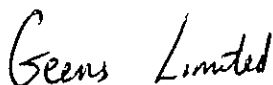
TO THE TRUSTEES OF THE STOKE-ON-TRENT AND DISTRICT GINGERBREAD CENTRE

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. The risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



30 September 2023

Geens Limited
Chartered Accountants
Statutory Auditor

Geens Limited is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under of section 1212 of the Companies Act 2006.

THE STOKE-ON-TRENT AND DISTRICT GINGERBREAD CENTRE

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2023

	Notes	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
<u>Income and endowments from:</u>							
Donations and legacies	2	46,865	26,912	73,777	58,184	22,502	80,686
Charitable activities	5	662,072	253,829	915,901	613,766	253,812	867,578
Other trading activities	3	20,284	-	20,284	16,568	-	16,568
Investments	4	4,511	-	4,511	4,077	-	4,077
Other income		11,004	-	11,004	1,169	-	1,169
Total income		744,736	280,741	1,025,477	693,764	276,314	970,078
<u>Expenditure on:</u>							
Raising funds	6	8,973	-	8,973	4,480	-	4,480
Charitable activities	7	763,513	291,208	1,054,721	684,621	307,041	991,662
Total expenditure		772,486	291,208	1,063,694	689,101	307,041	996,142
Net gains/(losses) on investments		(14,562)	-	(14,562)	11,923	-	11,923
Net movement in funds		(42,312)	(10,467)	(52,779)	16,586	(30,727)	(14,141)
Fund balances at 1 April 2022		312,163	22,348	334,511	295,577	53,075	348,652
Fund balances at 31 March 2023		269,851	11,881	281,732	312,163	22,348	334,511

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

THE STOKE-ON-TRENT AND DISTRICT GINGERBREAD CENTRE

BALANCE SHEET

AS AT 31 MARCH 2023

	Notes	2023 £	£	2022 £	£
Fixed assets					
Tangible assets	14		10,900		19,356
Investments	15		77,224		91,786
			<u>88,124</u>		<u>111,142</u>
Current assets					
Debtors	16	42,690		39,315	
Cash at bank and in hand		312,293		311,713	
		<u>354,983</u>		<u>351,028</u>	
Creditors: amounts falling due within one year	17	(161,375)		(127,659)	
Net current assets			<u>193,608</u>		<u>223,369</u>
Total assets less current liabilities			<u>281,732</u>		<u>334,511</u>
Income funds					
Restricted funds	20		11,881		22,348
<u>Unrestricted funds</u>					
Designated funds	21	63,041		58,055	
General unrestricted funds		<u>206,810</u>		<u>254,108</u>	
			<u>269,851</u>		<u>312,163</u>
			<u>281,732</u>		<u>334,511</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2023, although an audit has been carried out under section 144 of the Charities Act 2011.

The trustees acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and preparation of the financial statements

The trustees have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

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

The financial statements were approved by the Trustees on 30 September 2023


Mrs Eleanor Morrissey
Trustee

Company registration number 2229357

THE STOKE-ON-TRENT AND DISTRICT GINGERBREAD CENTRE

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2023

	Notes	2023 £	£	2022 £	£
Cash flows from operating activities					
Cash absorbed by operations	25		(3,931)		(27,483)
Investing activities					
Purchase of tangible fixed assets		-		(1,107)	
Investment income received		4,511		4,077	
Net cash generated from investing activities			4,511		2,970
Net cash used in financing activities			-		-
Net increase/(decrease) in cash and cash equivalents			580		(24,513)
Cash and cash equivalents at beginning of year			311,713		336,226
Cash and cash equivalents at end of year			312,293		311,713

THE STOKE-ON-TRENT AND DISTRICT GINGERBREAD CENTRE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

Charity information

The Stoke on Trent and District Gingerbread Centre Limited is a charitable company limited by guarantee incorporated in England and Wales. The registered office is Rothesay Court, Furnace Road, Stoke on Trent, ST3 4LY.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

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

The financial statements have been prepared under the historical cost convention unless otherwise stated in the relevant accounting policy.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Designated funds comprise funds which have been set aside at the discretion of the trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Rental income is recognised on an accruals basis.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Donated professional services are recognised in income at their fair value when their economic benefit is probable, it can be measured reliably and the Charity has control over the item. Fair value is determined on the basis of the value of the gift to the charity. For example the amount the charity would be willing to pay in the open market for such facilities and services. A corresponding amount is recognised in expenditure.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102).

THE STOKE-ON-TRENT AND DISTRICT GINGERBREAD CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

Income from government grants, are 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.

1.5 Expenditure

Liabilities are recognised as resources expended where there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under appropriate headings. Where costs cannot be directly attributed to particular headings (support costs) they have been allocated to activities on a basis consistent with use of the resources.

The cost of Raising Funds include costs of generating voluntary income and fund raising trading plus a share of support costs.

Charitable Activities comprise those activities set out in detail in the report of the trustees

Governance costs are those associated with the governance arrangements of the charity which relate to the general running of the charity. This includes internal and external audit, insurance costs, legal advice for trustees and costs associated with constitutional and statutory requirements such as the cost of trustee meetings and preparing the statutory accounts, plus a share of support costs.

Support costs are those costs incurred in the support of the fund raising, governance and charitable activities which cannot be directly attributed. They have been attributed to activities as described in the notes to the financial statements.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures, fittings and equipment	Straight line - 12.5% to 33.33%
----------------------------------	---------------------------------

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.8 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

THE STOKE-ON-TRENT AND DISTRICT GINGERBREAD CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

1.10 Financial instruments

The charitable company only has financial assets and 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 any bank loans which are measured at amortised cost using the effective interest method.

1.11 Taxation

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

1.12 Employee benefits

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

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

1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

FOR THE YEAR ENDED 31 MARCH 2023

- 16 -

THE STOKE-ON-TRENT AND DISTRICT GINGERBREAD CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

3 Other trading activities

	Unrestricted funds	Unrestricted funds
	2023	2022
	£	£
Fundraising events	20,284	16,568

4 Investments

	Unrestricted funds	Unrestricted funds
	2023	2022
	£	£
Income from unlisted investments	3,962	3,962
Bank Interest	549	115
	4,511	4,077

5 Charitable activities

	2023	2022
	£	£
Accommodation and support	881,752	834,484
Activity club	33,059	33,094
Other income	1,090	-
	915,901	867,578
Analysis by fund		
Unrestricted funds	662,072	613,766
Restricted funds	253,829	253,812
	915,901	867,578

THE STOKE-ON-TRENT AND DISTRICT GINGERBREAD CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

6 Raising funds

	Unrestricted funds	Unrestricted funds
	2023	2022
	£	£
Fundraising and publicity		
Other fundraising costs	8,973	4,480
	<u>8,973</u>	<u>4,480</u>

THE STOKE-ON-TRENT AND DISTRICT GINGERBREAD CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

7	Charitable activities	Accommodation and support	Activity club	Total 2023	Accommodation and support	Activity club	Total 2022	Accommodation and support	Activity club	Total 2022
		2023 £	2023 £	£	2023 £	2023 £	2022 £	2022 £	2022 £	£
	Staff costs	626,104	33,281	659,385	558,151	31,699	589,850			
	Depreciation and impairment	2,120	-	2,120	5,756	-	5,756			5,756
	Recruitment and training	9,030	408	9,438	6,095	844	6,939			
	Travel	1,113	-	1,113	226	-	226			226
	Premises	273,352	7,937	281,289	280,176	10,045	290,221			290,221
		911,719	41,626	953,345	850,404	42,588	892,992			892,992
	Share of support costs (see note 9)	90,003	-	90,003	86,336	-	86,336			86,336
	Share of governance costs (see note 9)	11,373	-	11,373	12,334	-	12,334			12,334
		1,013,095	41,626	1,054,721	949,074	42,588	991,662			991,662
	Analysis by fund									
	Unrestricted funds	763,513	-	763,513	684,621	-	684,621			684,621
	Restricted funds	249,582	41,626	291,208	264,453	42,588	307,041			307,041
		1,013,095	41,626	1,054,721	949,074	42,588	991,662			991,662

THE STOKE-ON-TRENT AND DISTRICT GINGERBREAD CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

8 Description of charitable activities

Accommodation and support

Accommodation and support

Offers supported accommodation for homeless families and expectant teenage mothers.

Activity club

The activity club encourages interaction through play between children and their parents to build on family relationships.

9 Support costs

	Support costs	Governance costs	2023	Support costs	Governance costs	2022
	£	£	£	£	£	£
Staff costs	26,242	4,631	30,873	28,075	4,954	33,029
Depreciation	6,336	-	6,336	6,251	-	6,251
Recruitment and training	1,562	-	1,562	6,309	-	6,309
Travel	43	-	43	16	-	16
Office premises	10,284	-	10,284	9,804	-	9,804
Other core costs	45,536	-	45,536	35,881	-	35,881
Accountancy	-	5,765	5,765	-	5,768	5,768
Other governance costs	-	977	977	-	1,612	1,612
	<u>90,003</u>	<u>11,373</u>	<u>101,376</u>	<u>86,336</u>	<u>12,334</u>	<u>98,670</u>
Analysed between						
Charitable activities	<u>90,003</u>	<u>11,373</u>	<u>101,376</u>	<u>86,336</u>	<u>12,334</u>	<u>98,670</u>

10 Trustees

No trustees received any remuneration in the year. No trustees received reimbursement of expenses in the current year.

11 Auditor's remuneration

Fees payable to the charity's auditor and associates:

	2023	2022
	£	£
Audit of the charity's annual accounts	<u>3,530</u>	<u>3,350</u>
Non-audit services		
All other non-audit services	<u>2,235</u>	<u>2,418</u>

THE STOKE-ON-TRENT AND DISTRICT GINGERBREAD CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

12 Employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
Charitable activities	31	31
Management and administration of the charity	3	3
Total	34	34

Employment costs

	2023 £	2022 £
Wages and salaries	626,777	570,123
Social security costs	42,233	33,429
Other pension costs	21,248	19,327
	690,258	622,879

There were no employees whose annual remuneration was more than £60,000.

13 Taxation

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

14 Tangible fixed assets

	Fixtures, fittings and equipment £
Cost	
At 1 April 2022	57,784
At 31 March 2023	57,784
Depreciation and impairment	
At 1 April 2022	38,428
Depreciation charged in the year	8,456
At 31 March 2023	46,884
Carrying amount	
At 31 March 2023	10,900
At 31 March 2022	19,356

THE STOKE-ON-TRENT AND DISTRICT GINGERBREAD CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

15 Fixed asset investments

	Unlisted investments £
Cost or valuation	
At 1 April 2022	91,786
Valuation changes	(14,562)
At 31 March 2023	77,224
Carrying amount	
At 31 March 2023	77,224
At 31 March 2022	91,786

16 Debtors

	2023 £	2022 £
Amounts falling due within one year:		
Trade debtors	41,351	32,800
Prepayments and accrued income	1,339	6,515
	42,690	39,315

17 Creditors: amounts falling due within one year

	Notes	2023 £	2022 £
Other taxation and social security		13,865	15,222
Deferred income	18	44,210	44,438
Trade creditors		42,501	11,670
Other creditors		52,405	48,851
Accruals and deferred income		8,394	7,478
		161,375	127,659

18 Deferred income

	2023 £	2022 £
Other deferred income	44,210	44,438

THE STOKE-ON-TRENT AND DISTRICT GINGERBREAD CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

18	Deferred Income	(Continued)	
		2023	2022
		£	£
	Deferred income is included within:		
	Current liabilities	44,210	44,438
		<u> </u>	<u> </u>
	Movements in the year:		
	Deferred income at 1 April 2022	44,438	62,281
	Released from previous periods	(228)	(17,843)
		<u> </u>	<u> </u>
	Deferred income at 31 March 2023	44,210	44,438
		<u> </u>	<u> </u>

This income has been deferred to the following year due to the timing of the company's entitlement to it.

19 Retirement benefit schemes

Defined contribution schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £21,248 (2022 - £19,327).

THE STOKE-ON-TRENT AND DISTRICT GINGERBREAD CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

20 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds			Movement in funds			
	Balance at 1 April 2021	Incoming resources	Resources expended	Balance at 1 April 2022	Incoming resources	Resources expended	Balance at 31 March 2023
	£	£	£	£	£	£	£
Children in Need	-	42,918	(42,588)	329	35,560	(41,626)	(5,737)
Big Lottery CCTV	7,271	-	(1,229)	6,042	-	(1,229)	4,813
RC Supporting People	(1,291)	118,625	(120,609)	(3,275)	117,963	(133,585)	(18,897)
CC Supporting People	12,910	109,093	(103,730)	18,273	108,798	(100,199)	26,872
Community Volunteer	6,307	-	(6,307)	-	-	-	-
The National Lottery Fund	475	-	(475)	-	-	-	-
RC Children's Play Area	22,152	5,739	(27,891)	-	11,110	(9,720)	1,390
Other COVID 19 Grants	5,251	(61)	(4,212)	979	-	(979)	-
Working With Families	-	-	-	-	7,310	(3,870)	3,440
	<u>53,075</u>	<u>276,314</u>	<u>(307,041)</u>	<u>22,348</u>	<u>280,741</u>	<u>(291,208)</u>	<u>11,881</u>

THE STOKE-ON-TRENT AND DISTRICT GINGERBREAD CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

20 Restricted funds

(Continued)

Children in Need

This project provides an activity club to parents and children of vulnerable families facing homelessness. It also supports children and young people to increase their level of social integration, improve their well-being and develop pride.

Big Lottery CCTV

Funding for the provision of CCTV at Catherine Court.

Supporting People - Rothesay Court

Funding for the provision of Accommodation and Support at Rothesay Court.

Supporting People - Catherine Court

Funding for the provision of Accommodation and Support at Catherine Court.

Community Volunteer

Funding for a community volunteer coordinator.

The National Lottery Fund

This is a fund to improve digital communication access and skills of residents and has been used to purchase computer and IT equipment.

RC Children's play area

Funding for the development of a children's play area, supported by the Denise Coates Foundation, B&Q, Synthetic Solution, Co-Op, Barrett Homes, Screwfix Foundation, Premission Homes and UK Healthcare.

Other COVID 19 Grants

This relates to various grants received in response to the COVID 19 pandemic.

Working with Families

Funding to support family wellbeing through activities, days out and workshops.

THE STOKE-ON-TRENT AND DISTRICT GINGERBREAD CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

21 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Movement in funds			Movement in funds			
	Balance at 1 April 2021	Incoming resources	Resources expended	Balance at 1 April 2022	Incoming resources	Resources expended	Balance at 31 March 2023
	£	£	£	£	£	£	£
Emergency fund	10,714	3,184	(11,718)	2,181	7,825	(8,929)	1,077
Furniture renewals	46,464	9,411	-	55,875	6,089	-	61,964
	<u>57,178</u>	<u>12,595</u>	<u>(11,718)</u>	<u>58,056</u>	<u>13,914</u>	<u>(8,929)</u>	<u>63,041</u>

Emergency Fund

A hardship fund for residents.

Furniture renewals

A fund for the cyclical renewal of furniture in resident accommodation.

22 Analysis of net assets between funds

	Unrestricted funds 2023	Restricted funds 2023	Total Unrestricted funds 2023	Restricted funds 2022	Total
	£	£	£	£	£
Fund balances at 31 March 2023 are represented by:					
Tangible assets	6,087	4,813	10,900	13,314	19,356
Investments	77,224	-	77,224	91,786	91,786
Current assets/(liabilities)	186,540	7,068	193,608	16,306	223,369
	<u>269,851</u>	<u>11,881</u>	<u>281,732</u>	<u>22,348</u>	<u>334,511</u>

23 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2023 £	2022 £
Within one year	4,538	4,538
Between two and five years	7,255	11,794
	<u>11,793</u>	<u>16,332</u>

THE STOKE-ON-TRENT AND DISTRICT GINGERBREAD CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

24 Related party transactions

Other than remuneration to key management personnel there were no disclosable related party transactions during the year (2022 - none).

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2023 £	2022 £
Aggregate compensation	116,478	116,973

In addition to the above remuneration, an amount of £Nil (2022: £14,040) was paid for services provided by an interim Chief Executive.

25 Cash generated from operations

	2023 £	2022 £
Deficit for the year	(52,779)	(14,141)
Adjustments for:		
Investment income recognised in statement of financial activities	(4,511)	(4,077)
Fair value gains and losses on investments	14,562	(11,923)
Depreciation and impairment of tangible fixed assets	8,456	12,007
Movements in working capital:		
(Increase)/decrease in debtors	(3,375)	7,206
Increase in creditors	33,944	1,288
(Decrease) in deferred income	(228)	(17,843)
Cash absorbed by operations	(3,931)	(27,483)

26 Analysis of changes in net funds

The charity had no debt during the year.