

NATIONAL GROCERS BENEVOLENT FUND, trading as GROCERYAID

**A Company Limited by Guarantee
Registered Charity**

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31st MARCH 2023

**Registered Charity Number 1095897 (England & Wales) SC039255 (Scotland)
Company Registered in England and Wales Number 04620683**

Registered Office and Principal Address:

**2 Lakeside Business Park,
Swan Lane,
Sandhurst, Berkshire
GU47 9DN**

NATIONAL GROCERS BENEVOLENT FUND, trading as GROCERYAID
REPORT AND FINANCIAL STATEMENTS
YEAR ENDED 31st MARCH 2023

CONTENTS	Page
Legal and Administrative Details	3
Chair's Statement	4
Trustees' Report	8
Strategic Report	13
Independent Auditor's report	15
Consolidated Statement of Financial Activities (including Income and Expenditure account)	19
Consolidated and Charity Balance Sheets	20
Group Cash Flow Statement	22
Notes to the Financial Statements	23

LEGAL AND ADMINISTRATIVE DETAILS

Directors and Trustees

The directors of the charitable company ("the Charity") are its Trustees for the purposes of charity law and throughout this report are collectively referred to as the Trustees. An explanation of the method of appointment of Trustees is provided in the Trustees' Report.

The Trustees serving during the year and at the time the accounts were signed were:

R H Bartlett	
B W Dalla Mura	
L D Hendle	
M McKenzie	
H E Murray	
D Pervez	
M P Smith	
R A M Smith	Chair
L A Stigant	
H M Tatum	
H M Tucker	
J C Uttley	
D C Wheeler	Treasurer
M R Williamson	(Resigned 26 th February 2023)

Life Patrons	Lord Price CVO; Mike Coupe; Paul Monk
President	Allan Leighton
Chief Executive	Steve Barnes (Resigned 17 th March 2023), Mark Williamson (appointed as interim CEO on 17 th March 2023)
Company Secretary	Catherine Robinson-McCormick
Registered Office	2 Lakeside Business Park, Swan Lane, Sandhurst, Berkshire GU47 9DN
Website	www.groceryaid.org.uk
Email	info@groceryaid.org.uk
Independent Auditors	Moore Kingston Smith LLP, 9 Appold Street, London, EC2A 2AP
Bankers	Lloyds Bank, 24 Broad Street, Reading, Berkshire, RG1 2BT
Investment providers	CCLA Investment Management Limited, London Newton Investment Management Limited, London Rathbone Brothers Plc, London

TRUSTEES' REPORT FOR THE YEAR ENDED 31ST MARCH 2023

CHAIR'S STATEMENT

The Resolution Foundation has cited that "the typical working-age household faces an income fall of 4%, or £1,100, in 2022-23. But the greatest falls will be felt by the poorest quarter of households who are set to see their incomes fall by 6 %. This will see a further 1.3 million people fall into absolute poverty next year, including 500,000 children – the first time Britain has seen such a rise in poverty outside of recessions."

Likewise, colleagues in the grocery industry are struggling with the cost of living which, in some cases, is also affecting their mental health particularly where mortgage and rental costs are increasingly a worry. GroceryAid, thanks to the generosity of its supporters, are always ready to support industry colleagues in need.

Supporting Industry Colleagues

Demand for welfare support across the industry has risen significantly in the year ending 31st March 2023, due to higher interest rates, rents and price increases, and the total incidences of support have risen 44% compared to the prior year – with an expectation that even more colleagues will reach out for support this year.

The increased awareness being driven through our relationships with HR / People teams, wellbeing champions, mental health first aiders and employee voice groups, alongside an active community for our GA Engage webinars and the strong messaging being shared by Comms across all social media platforms has enabled us to reach even more colleagues this year and getting 'deeper' into organisations so we reach all areas of a business remains our priority.

GroceryAid works closely with senior industry colleagues to make sure that the Welfare offering remains relevant to those working in the industry today. As a result, during the year we were delighted to be able to begin working with GamCare to provide expert support to households where gambling is having a negative impact.

During the year to 31st March 2021, the Trustees designated £1.5M to offer enhanced mental health support, bereavement grants and crisis grants for grocery colleagues directly affected by the pandemic. The Covid-19 fund continued to support colleagues through to the end of October 2022. At this point any further applications relating to Covid-19 were dealt with as part of the core financial grants process and the remaining £0.2M of the original £1.5M designated fund was released into general funds.

In June 2022 we ran our School Essentials Grant for the third year running and awarded £651,600 in financial support, to enable over 4,000 children of grocery colleagues to start the academic year with a new uniform and equipment.

We also launched a cost-of-living grant in January 2023, in response to how the increase in cost of living was affecting households, to support the lowest paid colleagues in the industry.

As we progress through 2023, we expect continued growth in applications as the cost-of-living crisis deepens and will be continuing with the cost-of-living grant for the foreseeable future. The increase in use of our Partner Services is vital to ensuring we offer a full and holistic suite of services.

We will continue to work with the Welfare Strategy Group and our Service Partners to develop and grow our support for everyone in the industry who needs us and maintain our relationship as a trusted partner with businesses throughout the Trade.

Reaching Out and Raising Awareness

Raising awareness remains a key priority for GroceryAid and our focus is to ensure we reach all who need our support.

NATIONAL GROCERS BENEVOLENT FUND, trading as GROCERYAID

We have a strong focus on social media and digital channels and, with new ways of working learned through the pandemic, means we are able to reach far more colleagues through online presentations than we could ever have delivered face to face.

GroceryAid Day is a key annual event whereby we encourage the whole industry to raise awareness of the Charity. GroceryAid Day was held on 26th April 2022 and we saw 228 companies take part - an increase of 12% on the previous year. The activity on that day had an estimated reach of 5.9M individuals.

We re-launched the GroceryAid Awareness Network programme in January 2023. This is an initiative aimed at aspiring future leaders of the industry, from any area of an organization. It's a brilliant opportunity for young professionals within the industry to play a proactive role in creating awareness and understanding of the charity within their respective organisations. In return, members have the opportunity to learn and network with likeminded people.

GA Engage, a community for HR and internal communications professionals within the industry has grown significantly in the year, with 1,167 members as at 31st March 2023, compared to 869 as at 31st March 2022, an increase of 34%. GA Engage provides quarterly updates on our latest welfare and marketing initiatives so these can be shared internally within companies. We also provide monthly communications toolkits for companies to drive awareness of the support the charity can offer throughout the trade.

Our case study films allow us to emotionally engage with our supporters, the most recent being Helen's Story, launched in November 2022, which demonstrated the positive impact that our non-financial support can provide.

Fundraising

We had an excellent year in 2022 as we exceeded our fundraising targets for the year. This was against a backdrop of pressure in the industry from the cost of living crisis.

For the first year since before Covid we were able to run a full calendar of events:

- In May 2022, we ran the Windermere Row for the first time since 2019.
- In December we ran the Sainsbury's Big Bash for the first time. This event had been planned to run in both 2020 and 2021, but both had been cancelled due to Covid. This was GroceryAid's first £1.0M event, with 50% of the profits being shared with Comic Relief.
- The September cycling event, which had been held within the UK in 2021, was able to return to its preferred route: London to Paris. This was incredibly well received by the industry with 178 riders taking part (compared to 127 riders completing Bike to the Bard in 2021).

Our branch network, whose fundraising activities were significantly curtailed during Covid returned to a full calendar of events with the Scotland branch delivering the inaugural Checkout Scotland event in September 2022 and the Northern Ireland branch delivering its full calendar of events and significant additional fundraising activity. We are very grateful to all the Branch chairs and volunteers for their time and effort in raising funds and awareness for the Charity.

During the year, the South West branch closed, with Adrian Carne stepping down as Chair. Furthermore, in June 2023, the Northern and Northeast & York branches merged to form a single Northern branch, with both Andy Morrison, Dave Lamport, the respective Chairs of the individual branches stepping down. We are grateful to the outgoing Chairs and their committees for all they have done and achieved over the years.

We now have three strong regional fundraising branches – Scotland, Northern Ireland and Northern.

We continued to receive support from trusts and foundations that have their roots in the grocery industry to help those in need and we continued to receive strong levels of donations from organisations within the grocery industry itself.

Diversity and Inclusion in Grocery

During the year, the Charity continued to organize and deliver the Diversity & Inclusion in Grocery (DIG) programme. The programme was founded by five partners in 2019 and has seen enormous growth with 90

NATIONAL GROCERS BENEVOLENT FUND, trading as GROCERYAID

partners this year. The programme helps to connect the partners to accelerate their D&I journeys, provides the largest D&I event for the industry, a highly successful 12 month mentoring programme, monthly virtual learning labs and an interactive hub with over 1,350 users.

The programme's vision is to accelerate a truly diverse and inclusive grocery industry. We will achieve this by:

- **Leading** and being brave and bold, unafraid of making mistakes and pushing boundaries to continuously improve
- **Engaging** colleagues at every level in our member organisations to accelerate change
- **Connecting** our partner organisations to enable, support and grow

Collectively, our Partners have an estimated 1.1 million UK colleagues and an additional 4.5 million colleagues globally. Not only is D&I in Grocery a collaborative platform for colleagues across the industry to learn from each other, it is also a fundraising initiative. In the year ending 31st March 2023 it raised more than £720,000.

Our People, Our Volunteers, Our Supporters

On 17th March 2023, Steve Barnes, the CEO, stepped down after six successful years leading the charity for family reasons. Steve made a significant contribution to GroceryAid over the last six years, not least leading the charity through the pandemic. As Chief Executive, Steve played a key role in launching GroceryAid's emergency COVID-19 Fund to rapidly support key workers in the industry that were working on the frontline to help feed the nation. We wish him every success in the future.

Mark Williamson was appointed the interim CEO whilst the search and recruitment process for a permanent replacement was concluded and, whilst acting in this capacity, stood down from the Trustee Board as a director.

We are very grateful to Mark for acting as interim CEO who brought with him a wealth of experience of over 35 years in the grocery trade including multiple senior leadership positions at Waitrose and Sainsbury's and, up until 2017, sat on Waitrose's Management Board for 10 years as their Commercial Director.

On the 27th June we announced the appointment of Kieran Hemsworth as the Chief Executive of GroceryAid.

Kieran brings a wealth of executive experience spanning 30 years in the FMCG industry, holding senior positions at both globally renowned companies and home-grown British brands. With a background in corporate leadership, marketing and strategy, Kieran spent over 17 years at Coca-Cola ascending to European Operational Marketing Vice President, before taking on Managing Director roles at Ginsters and PZ Cussons. Most recently Kieran, has taken the time to complete an MBA.

Kieran joined GroceryAid on 4th September 2023 at which point Mark Williamson stepped down as Interim CEO, and was re-appointed as a Trustee.

During the year there were no other changes to the Trustee Board. I would like to thank the Trustee board for everything they have done over the last year which is really appreciated.

GroceryAid's work of providing vital emotional, practical and financial support services to the industry remains more critical than ever. GroceryAid today is supporting more people working in the grocery trade than ever before, funded by its generous partners and donors of retailers and manufacturers. Last year, the charity provided support to over 40,000 colleagues across the UK, an increase of 61% from the previous year.

During the year we invested in strengthening the GroceryAid team with recruitment in a number of key areas to support the ever-increasing numbers of colleagues in the industry who reach out for help and also to run an increasingly large calendar of events.

I am incredibly proud of the GroceryAid team along with our wonderful group of volunteers, who stretch themselves to do incredible things for grocery people in need. I am also humbled by the feedback we receive from beneficiaries which inspires us to work even harder on their behalf.

NATIONAL GROCERS BENEVOLENT FUND, trading as GROCERYAID

I would like to once again thank our supporters for their generosity and our team and its volunteers in enabling GroceryAid to be able to support industry colleagues when they need it most.

A handwritten signature in black ink, appearing to read 'Ruston Smith', with a stylized flourish at the end.

Ruston Smith
Chair of GroceryAid Trustees

TRUSTEES' REPORT FOR THE YEAR ENDED 31st MARCH 2023

STRUCTURE, GOVERNANCE AND MANAGEMENT

The National Grocers Benevolent Fund, trading as GroceryAid, is a registered charity in England and Wales (registration number 1095897) and Scotland (registration number SC039255) and is constituted as a company limited by guarantee (registration number 04620683).

The charity is run by 14 serving Trustees who are also directors and members of the limited company. In that capacity they select new members of the Board of Trustees.

Trustees are responsible for compliance with our legal and statutory requirements and the safe and effective running of the charity. They meet every quarter to discuss and review both the day-to-day operations and the strategic direction of the charity. In addition, the Trustees also meet on an ad hoc basis when required. The CEO, appointed by the Trustees as Chief Executive, manages the day-to-day operations of the charity and reports to the quarterly Trustee meetings and contributes to the discussions in an advisory capacity. The senior direct reports are Mandi Leonard, Welfare Director, Jane Hill, Fundraising Director and Catherine Robinson-McCormick, Finance Director.

Remuneration for key management personnel is determined by a sub-committee of the Trustee Board - the Remuneration Committee. This committee has specific delegated responsibilities to:

- Set the remuneration policy for directors (salary, pension and benefits) in line with the approach taken for GroceryAid's employees
- Determine salary levels for directors considering:
 - Individual directors' capabilities and contribution;
 - Salary levels for comparable roles in organisations identified as suitable benchmarks;
 - Salary levels across GroceryAid; and
 - Overall appropriateness given charitable purpose, stakeholder perception and affordability.
- Be kept informed by the Chief Executive of any significant changes in the remuneration arrangements for GroceryAid's employees.

The objectives of our senior remuneration policy are:

- To be able recruit and retain individuals who will lead the successful delivery of our mission, and
- To reward them fairly taking account of their contribution, market levels and levels within GroceryAid.

The Remuneration Committee meets at least twice annually and is chaired by Hayley Tatum.

Various Trustees and industry colleagues sit on one or more of our five sub-committees covering welfare, welfare strategy, finance, fundraising and remuneration. These committees consider each of their areas, in depth, and report to the Trustee Board on key developments, risks, plans and initiatives. Formal terms of reference exist for these committees, and these are set out in the GroceryAid Policy Document, which is reviewed and updated annually. This document also contains various processes and procedures to ensure that we have appropriate controls in place for the effective and efficient operation of the charity.

From 2018, it was agreed that Trustees can serve for a three-year period and may be re-elected to serve for two further three-year periods. All GroceryAid Trustees have signed an 'Eligibility to Serve' declaration form, and a Declaration of Interest and Connected Persons form. The possible existence of conflicts of interest is considered prior to the start of every meeting of the Board of Trustees. The Declaration of Interest and Connected Persons forms are completed annually and are held on file at the GroceryAid offices.

New Trustees, as a qualification, must have worked or currently work in any area within the grocery industry. All nominations are approved by the Board of Trustees. All new Trustees have a formal induction that covers the role of the charity and what is expected of them in their role as GroceryAid Trustees. Governance requirements of both Trustees and Senior Management are incorporated into the GroceryAid Policy Manual which forms part of ongoing training and updates at Trustee meetings.

No Trustees are paid by the charity for their services.

NATIONAL GROCERS BENEVOLENT FUND, trading as GROCERYAID

Charity law requires organisations to demonstrate explicitly that their aims are for public benefit. The charitable activities of GroceryAid are available to people in need who are, or have been, engaged in the grocery or provisions trade, greengrocers and the off-licence trade, in any capacity and for their surviving spouses, civil partners and dependent children. The Trustee Board have discussed the issue of public benefit and are confident that the breadth and scope of the work of the Charity, as disclosed in this Report, clearly falls within the guidelines set in Section 17 of the 2011 Charities Act.

OBJECTIVES & ACTIVITIES

The objectives of the charity are the provision of relief to persons in need, whether that be through ill health, disability, financial hardship or other disadvantage who:

- are or have been engaged in the grocery trade, in any capacity; or
- are the surviving spouse, civil partner or otherwise long-term partner or child (or other dependent or former dependent) of persons who have been engaged in the grocery trade

The term grocery trade means any work relating to the manufacturing, logistics, distribution or sales of groceries or other products typically sold in supermarkets, whether wholesale or retail. For the avoidance of doubt, this includes the off-licence trade.

Our vision is that everyone engaged in this trade can turn to us for help. Our long-term objectives are to work with the industry to identify and support those in need, to address social isolation through our Helpline and Carer's initiative and to enhance our income streams to further support our industry colleagues.

The key activities of the charity are providing emotional, practical and financial support to colleagues working in the grocery sector, who meet our eligibility criteria as agreed and regularly reviewed by the Trustees. This includes, but is not exclusive to:

- Non-repayable financial grants
- 24/7 freephone Helpline providing emotional and practical support
- Relationship counselling
- Legal advice
- Digital wellbeing support for adults and young people
- Online wellbeing platform
- Workplace critical incident support
- Managers support line
- Debt advice
- Online financial wellbeing
- Gambling addiction support

Emotional and practical support services are delivered in partnership with expert, third party organisations, to provide bespoke services to colleagues.

FUNDRAISING

The vast majority of the charity's income comes from the industry we work to support. This can be in the form of donations and/or by supporting regional and national fundraising events. The remainder is derived from the charity's investments.

GroceryAid fundraises through industry events organised by its branches and its central fundraising team who on occasion use the services of event management companies to assist in organising events. It also received donations during the year from other organisations which organised events for the industry.

NATIONAL GROCERS BENEVOLENT FUND, trading as GROCERYAID

No monies are raised by public collections. As a result the Charity can be sure there are no fundraising approaches made to vulnerable individuals. GroceryAid does not receive any support from either local or central government.

GroceryAid is registered with the Fundraising Regulator and follows the fundraising code. GroceryAid has not received any complaints about its fundraising activities.

PRINCIPAL RISKS & MITIGATIONS

Our Risk Management Policy seeks to identify any major risks to which the Charity may be exposed and that may affect the realisation of our goals.

Our short-term targets and long-term objectives are reviewed by the Trustee Board at our quarterly Trustee meetings. The Risk Assessment procedure is also regularly reviewed, and we can confirm systems are in place to mitigate those risks. This assessment forms part of our Policy Document which is updated and issued annually.

The Trustees consider the key risks facing GroceryAid are:

- Income generated from donations and other fundraising activities is insufficient to meet the needs of our beneficiaries. We manage this through review and discussions at each Trustee meeting and through our Fundraising Committee, led by the President of GroceryAid, that has over 50 senior members from the industry who meet three times per year to review and discuss our fundraising efforts.
- An unforeseen rise in the demand for GroceryAid's services result in a significant increase in the applications for help and support. We manage this risk through our Welfare Committee, Finance Committee and the Trustee Board who continually review our financial position.
- Financial and reputational damage that could occur in the event of a cyberattack on the organization. Cybercrime continues to rise in scale and complexity. We manage this risk through regular staff training combined with external penetration and phishing exercises undertaken to determine any potential areas of weakness.

RESERVES POLICY

The aim of our Reserves Policy is to ensure the sustainability of the Charity.

The Trustees have reviewed the Reserves Policy of the Charity as set out in the GroceryAid Policy Document. Sustainability of the fund is paramount to our beneficiaries and the Trustees believe that a minimum level of £5M of reserves is sufficient to cover three years beneficiary payments and the infrastructure required to administer these payments in a number of stress tested scenarios. As at 31st March 2023, GroceryAid's free reserves were £11.0M.

We are anticipating significant increase in applications for financial support through the year ending 31st March 2024 as the Cost of Living crisis continues to have a detrimental impact on households budgets for thousands of individuals and families within the Industry. We therefore, expect that the level of reserves will reduce over the next 12 months.

Furthermore, we continue to experience volatility in the market value of investments in response to the ongoing conflict in Ukraine and the Cost of Living Crisis.

NATIONAL GROCERS BENEVOLENT FUND, trading as GROCERYAID

GOING CONCERN

During the year to 31st March 2023, the Charity was able to run a full calendar of events for the first time since the start of the Covid-19 pandemic. The FY24 calendar of events are over 90% sold out and demand for tickets remains strong.

Careful cash management has ensured that that Charity has maintained a strong cash balance. Furthermore, over the last three years, the Charity has not needed to draw down on reserves.

The Trustees have assessed the principal risks and formulated a suitable reserves policy as stated above. A number of scenarios have been modelled based on different income and demand assumptions. Based on the results of these models and the level of reserves, the Trustees are satisfied that GroceryAid, the charitable organisation, has adequate resources to continue as a going concern.

INVESTMENT POLICY AND PERFORMANCE

As at 31st March 2023, GroceryAid's investment fund was valued at £9,583,054.

This is held by the Charity to underpin the value of Reserves retained to ensure the Charity's sustainability. The Trustees objective is that the Reserves do not decrease in real value by aiming to achieve long-term capital growth ahead of inflation.

The Reserves are also key in the provision of income to help fund current expenditure. To meet these objectives the Trustee Board has set a target return of CPI +3% per year over a rolling five-year period. This is a target and the Trustees acknowledge that due to fluctuations in markets this may not always be possible.

The GroceryAid Finance Committee is a sub-committee of the Trustee board and meets quarterly to review financial controls within the charity, oversee investment performance and recommend changes to the investments as necessary. Our Investment Policy allows us to manage the money we raise and the money we need to have in reserve for unforeseen eventualities.

At 31st March 2023, 99% of the reserves were invested in four Common Investment Funds. These are: Newton Growth and Income Fund for Charities, Newton Global Higher Income Fund, Rathbone's Core Investment Fund for Charities and CCLA Charities Property Fund. The remaining 1% is held in cash deposits.

With regard to ethical investing, the Trustees continue to be satisfied that our investment managers invest responsibly, having regard to the Environment, Social and Governance consideration and our managers exercise our stewardship responsibilities in an appropriate way. Any investments that may hamper the work of the Charity will be avoided as will those deemed inappropriate on moral grounds to avoid reputational damage to the charity, which could in turn negatively impact on fundraising activities. Investments that would pose a risk of significant financial detriment will also be avoided.

SUBSIDIARY COMPANY

The Charity has a wholly owned trading subsidiary which is incorporated in the U.K., GroceryAid Trading Limited, company registration No. 2952403. The company undertakes certain fundraising activities to raise money for its parent company, the National Grocers Benevolent Fund. The company utilises resources from the parent company, which it pays for on an arms-length basis as resources are required.

The company generated a profit for the year of £3.77M and had net assets of £3.89M at the Balance Sheet date.

The Charity will continue to use the Trading Company in future years and will continue to review whether certain fundraising activities are more appropriate for the Trading Company.

NATIONAL GROCERS BENEVOLENT FUND, trading as GROCERYAID

STATEMENT OF TRUSTEE'S RESPONSIBILITIES

The Trustees (who are also the directors of National Grocers Benevolent Fund for the purposes of company law) are responsible for preparing the Report of the Trustees 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 group and charitable company and of the incoming resources and application of resources, including the income and expenditure, of the 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 Statement of Recommended Practice;
- 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. The Trustees 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.

AUDITORS

A resolution will be proposed at the Annual General Meeting with regard to audit arrangements for the forthcoming financial year.

The charitable company has taken advantage of the small companies' exemptions in preparing this Trustees Report.

BY ORDER OF THE TRUSTEES

Ruston Smith (Chair)



xxth November 2023

STRATEGIC REPORT FOR THE YEAR ENDED 31st MARCH 2023

PERFORMANCE

Demand for our welfare services has continue to grow through the year. We continue to support both our working colleagues and those who have retired from the trade.

During the year to 31st March 2023:

- GroceryAid spent £5.6M to support grocery colleagues coping with financial, emotional and practical challenges during the year ending 31st March 2023.
- There was a 35% increase in applications for our core GroceryAid financial support grants. In addition, we increased the School Essential grant fund from £0.5M to £0.65M.
- We provided 40,587 incidences of emotional, practical and financial support, an increase of 44% on the previous year, due to increased awareness and support provided on the cost of living crisis
- Calls to GroceryAid's Helpline were up by 15%. Our Helpline provides problem-solving information and emotional support to anybody working in the industry and their partners/spouses.
- Demand for our digital support services increased by 180%, which includes website support and referrals for Rightsteps, Kooth, StepChange and GamCare
- For a fifth year running, our largest percentage of referrals came from companies in our industry – awareness of GroceryAid is growing where we need it.

FINANCIAL REVIEW

Our operational annual surplus was £0.2M, which combined with a net loss on investments of £0.6M, resulted in an overall deficit of £0.4M. In comparison, in the year to 31st March 2022, there was an annual deficit of £0.1M, which combined with a net gain on investments of £0.7M, resulted in an overall surplus of £0.6M.

Total income for the period amounted to £14.0M, an increase of £2.6M compared to the prior year and reflects the enhanced events calendar run in the year combined with an increase in corporate donations.

Total costs of £13.9M were £2.3M higher than the previous year, and reflect increased welfare spend, combined with the costs incurred through an enhanced calendar of events compared to the prior year (including £0.5M donated to Comic Relief as part of the profit share agreement for the Sainsbury's Big Bash event). Despite this donation, net contribution from centrally run events was £0.6M higher than the previous year.

As at 31st March 2023, cash at bank and in hand was £4.9M, £0.9M higher than the prior year.

FUTURE PLANS

Strategy and Business Plan

Our priorities for 2023/24 to further our charitable objects and deliver public benefit are to:

- Raise over £7.5M (net) through fundraising
- Look to expand and develop the fundraising calendar of events
- Ensure the maximum proportion of every pound spent by companies supporting GroceryAid flows through to beneficiaries
- Continue to drive greater awareness of GroceryAid's services throughout our industry to reach out to more colleagues who need our support

NATIONAL GROCERS BENEVOLENT FUND, trading as GROCERYAID

- Continue to expand and embed the Diversity and Inclusion in Grocery Programme, a programme created by the industry, for the industry in order to move the dial in D&I

BY ORDER OF THE TRUSTEES

Ruston Smith (Chair)

A handwritten signature in black ink, appearing to be 'Ruston Smith', written over a faint rectangular stamp.

14th November 2023

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF NATIONAL GROCERS BENEVOLENT FUND, TRADING AS GROCERYAID

Opinion

We have audited the financial statements of National Grocers Benevolent Fund (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2023 which comprise the Group Statement of Financial Activities, the Group and Parent Charitable Company Balance Sheets, the Group Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 group's and the parent charitable company's affairs as at 31 March 2023 and of the group's incoming resources and application of resources, including its income and expenditure, 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 and the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and 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 group's and parent charitable company'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, except to the extent otherwise explicitly stated in our report, 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

NATIONAL GROCERS BENEVOLENT FUND, trading as GROCERYAID

otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements 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.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the [strategic report and the] trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' annual report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report.

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Act 2011 require us to report to you if, in our opinion:

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

Responsibilities of trustees

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

In preparing the financial statements, the trustees are responsible for assessing the group and parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or parent 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 the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts.

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

NATIONAL GROCERS BENEVOLENT FUND, trading as GROCERYAID

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

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the group and parent charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group and parent charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or parent charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit report.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

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.

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

NATIONAL GROCERS BENEVOLENT FUND, trading as GROCERYAID

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are the Companies Act 2006, the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council
- We obtained an understanding of how the charitable company complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and, in respect of the consolidated financial statements, to the charity's trustees, as a body, in accordance with Chapter 3 of Part 8 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the charitable company's members and trustees those matters which we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the charitable company, the charitable company's members, as a body, and the charity's trustees, as a body, for our audit work, for this report, or for the opinion we have formed.

Handwritten signature of Luke Holt in black ink, reading "Moore Kingston Smith LLP" with a subscript "2" below the "P".

Luke Holt (Senior Statutory Auditor)
for and on behalf of Moore Kingston Smith LLP, Statutory Auditor

21 November 2023
9 Appold Street
London
EC2A 2AP

Moore Kingston Smith LLP is eligible to act as auditor in terms of Section 1212 of the Companies Act 2006.

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST MARCH 2023**

	Note	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Total 2022 £
Income from:					
Donations and legacies	4	1,655,561	591,000	2,246,561	2,260,179
Central fundraising	5	11,857,851	-	11,857,851	9,282,502
Branch fundraising	6	227,009	-	227,009	217,135
Investment Income	7	275,053	-	275,053	239,497
Other Income – gross gain on sale of property		-	-	-	228,000
Total Income		14,015,474	591,000	14,606,474	12,227,313
Expenditure on:					
Cost of raising funds					
Central fundraising	5	8,748,848	-	8,748,848	6,743,730
Branch fundraising	6	95,353	-	95,353	39,961
Charitable activities					
Grants	8	3,130,130	421,404	3,551,534	3,975,225
Goods and services	8	1,874,750	135,096	2,009,846	1,624,549
Other Expenses	10	-	-	-	3,019
Total Expenditure		13,849,080	556,500	14,405,580	12,386,484
Net gains/(losses) on investments	15	(580,862)	-	(580,862)	724,618
Net income/(expenditure) and net movement in funds		(414,468)	34,500	(379,968)	565,447
Reconciliation of funds:					
Total funds brought forward from previous year		12,934,114	20,250	12,954,366	12,388,919
Total funds carried forward		12,519,646	54,750	12,574,396	12,954,366

The statement of financial activities includes all gains and losses recognised in the period. All of the above amounts relate to continuing activities.

The notes on pages 23-39 form part of these financial statements.

NATIONAL GROCERS BENEVOLENT FUND, trading as GROCERYAID

**CONSOLIDATED BALANCE SHEET
AT 31ST MARCH 2023**

		Group		Charity	
	Notes	2023 £	2022 £	2023 £	2022 £
Fixed Assets					
Tangible assets	13	1,445,896	1,251,721	1,445,896	1,251,721
Intangible assets	14	38,082	49,689	38,082	49,689
Investments	15	9,583,054	9,902,993	9,593,054	9,912,993
Total fixed assets		11,067,032	11,204,403	11,077,032	11,214,403
Current Assets					
Debtors	16	6,098,408	3,870,486	1,029,344	389,317
Cash at bank and in hand	17	4,869,375	4,011,005	2,179,762	929,774
Total current assets		10,967,783	7,881,491	3,209,106	1,319,091
CREDITORS: Amounts falling due within one year	18	(9,460,419)	(6,131,528)	(5,601,651)	(1,223,732)
NET CURRENT ASSETS		1,507,364	1,749,963	(2,392,545)	95,359
NET ASSETS		12,574,396	12,954,366	8,684,487	11,309,762

NATIONAL GROCERS BENEVOLENT FUND, trading as GROCERYAID**FUNDS**

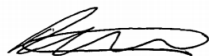
Unrestricted income fund	20	12,574,396	12,558,620	8,684,487	10,914,056
Designated fund	20	-	375,496	-	375,496
Restricted income fund	20	-	20,250	-	20,250
TOTAL FUNDS		<u>12,574,396</u>	<u>12,954,366</u>	<u>8,684,487</u>	<u>11,309,762</u>

These accounts have been prepared in accordance with provisions applicable to companies' subject to the small companies regime within part 15 of the Companies Act 2006.

The financial statements were approved by the Board of Trustees and authorised for issue on the 14th November 2023 and signed on their behalf by:



Ruston Smith, Chair, GroceryAid Trustees



David Wheeler, Treasurer GroceryAid

Charity Number 1095897

Company Number: 04620683

NATIONAL GROCERS BENEVOLENT FUND, trading as GROCERYAID

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST MARCH 2023**

		2023	2022
	Note	£	£
NET CASH USED IN OPERATING ACTIVITIES	23	1,115,062	1,703,345
CASH FLOWS FROM INVESTING ACTIVITIES			
Dividends, Interest and Rents for Investment		275,053	239,497
Purchase of property, plant and equipment		(264,623)	(178,967)
Purchase of intangible assets		(6,199)	(17,180)
Proceeds from the sale of investments		-	228,000
Purchase of investments		(260,923)	(231,031)
Net cash provided by investing activities		(256,692)	40,319
Change in cash and cash equivalents in the reporting period		858,370	(1,663,027)
Cash and cash equivalents at the beginning of the reporting period		4,011,005	5,674,032
Cash and cash equivalents at the end of the reporting period	24	4,869,375	4,011,005

NATIONAL GROCERS BENEVOLENT FUND, trading as GROCERYAID
Notes to the Financial Statements for the year ended 31st March 2023

1. Accounting policies

The principal accounting policies of the charity are as follows:

a) **General information**

The charity is a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is 2 Lakeside Business Park, Swan Lane, Sandhurst, Berkshire, GU47 9DN.

b) **Statement of compliance and basis of preparation**

The financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), and the Companies Act 2006.

These financial statements have been prepared under the historical cost convention, except for investments which are included at fair value.

The charity constitutes a public benefit entity as defined by FRS 102, and has taken regard of the charity commissions guidance on public benefit, including 'Public Benefit: running a charity (PB2).

The financial statements are prepared in sterling, which is the functional currency of the entity, and are rounded to the nearest £.

c) **Going Concern**

The financial statements are prepared on a going concern basis which assumes that the company will continue in operational existence for the foreseeable future.

For the first year since the year ending 31 March 2020, the Charity was able to run every event in the planned calendar without any Covid-19 restrictions or cancellations.

The Trustees have assessed the principal risks and formulated a suitable reserves policy as stated above. A number of scenarios have been modelled based on different income and demand assumptions. Based on the results of these models and the level of reserves, the Trustees are satisfied that GroceryAid, the charitable company, will be able to continue its operations and meet its liabilities as they fall due for at least twelve months from the date of approval of the financial statements. The charitable company therefore continues to adopt the going concern basis in preparing its financial statements.

d) **Method of consolidation**

The financial statements consolidate the results and position of the subsidiary undertaking (see note 3) and all of the Charity's branches on a line-by-line basis in both the Statement of Financial Activities (including income and expenditure account) and the Balance Sheet.

e) **Incoming resources**

Income is recognised when the charity has entitlement, it is probable that the amount will be received, and it can be measured reliably as follows:

Voluntary income

Income from donations is accounted for on a receipt.

Grant income

Grants are recognised when any conditions for entitlement are met. Grants received before the conditions for entitlement have been met are deferred and included in creditors at the year end.

NATIONAL GROCERS BENEVOLENT FUND, trading as GROCERYAID
Notes to the Financial Statements for the year ended 31st March 2023

Legacies

Income from legacies is accounted for on a receivable basis being included at the earliest of the date of receipt or at the point which notification is received, provided that there is sufficient evidence to provide the necessary probability that the legacy will be received.

Central and branch fundraising

Income from fundraising is accounted for on a receivable basis. Income associated with a particular event is reported only upon that event having taken place, with income received in advance of events being treated as deferred income.

Investment income

Income from investments is accounted for on a receivable basis.

Gifts in Kind and Donated Services

Items donated to the charity to assist with particular fundraising events are recognised in the financial statements at market value as income to and resources expended against the respective activities. The donation of services to the charity is similarly recognised within the financial statements by the inclusion of a charge to expenditure and a corresponding credit to income, based on the estimated market value.

f) **Resources expended**

Resources expended are accounted for on an accruals basis. The inclusion of costs within the various categories of expenditure was made on the following basis:

Costs of raising funds

This category is used to record any costs which are associated with the cost of raising funds from whatever source and will include costs incurred in attracting donations and sponsorship.

Investment management fees

The cost of managing the Charity's investment funds is not charged separately by the investment managers but is instead effectively recovered by way of a deduction from the funds.

Charitable activities

This category is used to record expenditure incurred in fulfilling the Charity's objectives: it includes the payment of monetary grants to beneficiaries, expenditure made in providing beneficiaries with goods and services, and the costs of distributing and administering such direct charitable provision. The cost of such provision, and that in respect of monetary grants in particular, is recognised when award of the grant has been communicated to the beneficiary. Grants are awarded on an annual basis and are subject to annual review.

Governance

This category comprises costs incurred in the general management of the Charity, as distinct from that concerned directly with the conduct of the Charity's operational activities, and includes those costs associated with ensuring that the Charity complies with applicable laws and regulations, to include the preparation of information required for public accountability.

Allocation and apportionment of costs

Expenditure is classified according to the above headings that aggregate all costs related to those categories, whether they be directly attributable or apportioned as such. The bases of the apportionment of costs are consistent with the use of the staff resources under each heading.

g) **Creditors**

Creditors 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 are normally recognised at their settlement amount after allowing for any trade discounts due.

NATIONAL GROCERS BENEVOLENT FUND, trading as GROCERYAID
Notes to the Financial Statements for the year ended 31st March 2023

h) **Judgements and key sources of estimation uncertainty**

The preparation of the financial statements requires management to make estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for income and expenditure during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

The key assumptions involving estimation uncertainty at the balance sheet date that have a risk of causing a material adjustment to the carrying amounts of assets or liabilities within the next financial year are as follows:

Useful life of Tangible and Intangible fixed assets

Both Tangible and Intangible fixed assets are depreciated over their useful lives. The actual lives of the asset and residual values are assessed annually and may vary depending on a number of factors. The useful life is set depending upon asset class. The Trustees believe this is an appropriate methodology for valuing these fixed assets.

i) **Tangible fixed assets**

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the asset and residual values are assessed annually and may vary depending on a number of factors. Residual value assessments consider issues such as the remaining life of the asset and projected disposal values.

All assets costing over £1,000 are capitalised subject to considerations as to the likely useful life of each item. Tangible fixed assets are stated at cost. Depreciation is calculated to write off the cost of fixed assets over their estimated useful lives by equal annual instalments at the following rates:

Improvements to freehold	2% per annum
Freehold buildings	1% per annum
Office equipment	20% per annum
Furniture fixtures and fittings	10% per annum

No depreciation is provided on freehold land.

j) **Intangible assets**

All assets costing over £1,000 are capitalised subject to considerations as to the likely useful life of each item. Intangible fixed assets are stated at cost. Depreciation is calculated to write off the cost of fixed assets over their estimated useful lives by equal annual instalments at the following rates:

Software	20% per annum
----------	---------------

k) **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 the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Current assets and current liabilities are measured at the cash or consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

l) **Investments**

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the bid price. Gains and losses on the disposal and revaluation of investments are charged or credited to the

NATIONAL GROCERS BENEVOLENT FUND, trading as GROCERYAID
Notes to the Financial Statements for the year ended 31st March 2023

Statement of Financial Activities. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the statement of financial activities. The charity does not acquire put options, derivatives or other complex financial instruments.

m) **Fund accounting**

Funds held by the charity as unrestricted funds are free for the Trustees to use for any purpose in furtherance of the charitable objects as set out in the Charity's Reserves policy. Designated funds are those that have been set aside by Trustees for specific purposes. Restricted funds are subject to specific conditions imposed by the donors. At the year end, any restricted fund deficits can be eliminated by a transfer from unrestricted funds unless the Trustees are of the opinion that such deficits will be eliminated by future giving. There are no transfers out of restricted fund unless approval is given by the donors.

n) **Pension costs**

Pension contributions are charged in the financial statements as they become payable.

o) **Publicity**

Costs associated with the objective of raising awareness of the Charity and its profile, particularly within the grocery trade, are included under this sub-heading within Central Fundraising. This policy was adopted on the basis that increasing awareness of the Charity, particularly within the grocery industry, should enhance its relevance and influence and so, in turn, better enable it to raise funds through its various activities.

p) **Irrecoverable VAT**

Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

2. Results of the parent undertaking

The gross income and result of the parent charity excluding those of its subsidiary were as follows:

	2023	2022
	£	£
Gross income	6,029,799	5,536,229
Net movement in funds	(1,674,610)	1,479,823

3. Subsidiary undertaking

The charity has a wholly owned trading subsidiary, GroceryAid Trading Limited, by virtue of the ownership of that company's entire share capital of 10,000 ordinary £1 shares, to which all voting rights are attached. The subsidiary is incorporated in the U.K., company registration number 02952403. GroceryAid Trading Limited may be used to operate certain activities that might be regarded as trading. The Trading Company's registered office is 2 Lakeside Business Park, Swan Lane, Sandhurst, GU47 9DN. The subsidiary donates its taxable profit to the National Grocers Benevolent Fund under the Gift Aid scheme. A summary of its trading results for the year to 31st March 2022 is shown below and accounts will be filed with the Registrar of Companies.

NATIONAL GROCERS BENEVOLENT FUND, trading as GROCERYAID
Notes to the Financial Statements for the year ended 31st March 2023

Profit and Loss Account - Summary	2023	2022
	£	£
Turnover	10,988,891	7,184,325
Net Profit/(Loss) and Retained Reserves	3,770,993	1,966,727

The subsidiary's net assets were comprised as follows:

Debtors	8,811,858	3,594,605
Cash at Bank	2,689,614	3,081,231
Creditors	(7,601,562)	(5,021,232)
Net Assets/(Liabilities)	3,899,910	1,654,604

4. Voluntary Income – Donations and Legacies

	2023	2022
	£	£
Donations - unrestricted	1,655,561	1,413,513
Voluntary Income – restricted:		
Grant from Leverhulme Trade Charities Trust	466,000	746,666
Funds for retailer hardship fund	125,000	100,000
TOTAL	2,246,561	2,260,179

In accordance with FRS 102 and the Charities SORP (FRS 102), the economic contribution of general volunteers is not recognised in the accounts.

5. Fundraising – all Unrestricted

Central fundraising	2023		
	<u>Income</u>	<u>Expenses</u>	<u>Surplus</u>
Central fundraising - unrestricted	10,856,966	(5,754,362)	5,102,604
Allocated support costs	-	(1,895,834)	(1,895,834)
PR Marketing	-	(97,767)	(97,767)
Total current central fundraising	10,856,966	(7,747,963)	3,109,003
Gifts in Kind	1,000,885	(1,000,885)	-
Total	11,857,851	(8,748,848)	3,109,003

Central fundraising	2022		
	<u>Income</u>	<u>Expenses</u>	<u>Surplus</u>
Central fundraising - unrestricted	8,683,550	(4,595,016)	4,088,534

NATIONAL GROCERS BENEVOLENT FUND, trading as GROCERYAID
Notes to the Financial Statements for the year ended 31st March 2023

Allocated support costs		(1,549,762)	(1,549,762)
PR Marketing	35,910	(35,910)	-
Total current central fundraising	8,719,460	(6,180,688)	2,538,772
Gifts in Kind	563,042	(563,042)	-
Total	9,282,502	(6,743,730)	2,538,772

PR Marketing costs includes the estimated value of discounted advertisements placed in various trade publications of £91,284 (2022: ££35,910) and related development work. This support is to help raise the awareness of the work of the charity and its fundraising efforts.

6. Branch fundraising

	Income	2023 Expenses	Surplus	2022 Surplus
	£	£	£	£
Total Branch Fundraising	227,009	(95,353)	131.656	177,174

Gifts in Kind are included in the individual branch fundraising income and expenses above amounting to £nil in total (2022£nil)

7. Investment income

	2023 Unrestricted Funds	2023 Total Funds	2022 Total Funds
	£	£	£
Dividend and other investment income	274,538	274,538	238,814
Bank deposit interest receivable	515	515	20
Other investment income	-	-	228,663
Total Investment Income	275,053	275,053	467,497

8. Charitable expenditure

2023	Unrestricted Funds	Restricted Funds	Total Funds
	£	£	£
Monetary Grants	2,143,796	421,404	2,565,200
Provision of goods and services	1,452,036	135,096	1,587,132
Allocated support costs	1,409,048	-	1,409,048
Total	5,004,880	556,500	5,561,380

NATIONAL GROCERS BENEVOLENT FUND, trading as GROCERYAID
Notes to the Financial Statements for the year ended 31st March 2023

2022

	Unrestricted Funds £	Restricted Funds £	Total Funds £
Monetary Grants	2,501,340	736,138	3,237,478
Provision of goods and services	1,192,593	115,778	1,308,371
Allocated support costs	1,053,925	-	1,053,925
Total	4,747,858	851,916	5,599,774

The grants paid to individuals are to relieve financial hardship in accordance with the objects of the Charity. The provision of goods and services includes one-off crisis payments, provision of basic essentials, helpline facilities, respite and other goods and services in furtherance of the charity's objects.

9. Governance costs

	2023 £	2022 £
Audit – Current year	24,097	28,127
Audit – Relating to Prior year	-	-
Meetings	82	36
Legal advice	155,422	78,256
Trustees' expenses	-	887
Trustees' indemnity insurance	5,218	6,372
	184,819	113,678

10. Other Expenses

	2023 £	2022 £
Legal advice	-	-
Release of other creditor	-	-
Prior year	-	3,020
	-	3,020

11. Support Costs

2023	Central Fundraising £	Charitable Activities £	Governance £	Total
-------------	--------------------------------------	--	-------------------------	--------------

NATIONAL GROCERS BENEVOLENT FUND, trading as GROCERYAID
Notes to the Financial Statements for the year ended 31st March 2023

Staff related costs	1,580,522	785,821	222,716	2,589,059
Direct costs (note 9)	-	-	184,819	184,819
Overheads	373,842	184,179	31,512	589,533
Governance costs	-	439,047	(439,047)	-
Total allocation	1,954,364	1,409,047	-	3,363,411

2022	Central Fundraising £	Charitable Activities £	Governance £	Total
Staff related costs	1,236,533	633,528	143,484	2,013,545
Direct costs (note 9)	-	-	113,678	113,678
Overheads	294,225	143,385	19,850	457,460
Governance costs	-	277,012	(277,012)	-
Total allocation	1,530,758	1,053,925	-	2,543,683

The costs shown above are not specific to any one activity and have been allocated on the basis of a judgement as to the proportion of time spent on each of the activities.

12. Staff costs

	2023 £	2022 £
Salaries	1,892,259	1,544,389
Termination payments	27,350	-
Temp Staff	55,168	52,741
Employer's National Insurance	210,664	166,054
Pension contributions	212,603	121,087
Health insurance	22,282	12,040
	2,420,326	1,896,311

The average monthly head count was 41 staff (2022: 36 Staff) and the average monthly number of employees (including casual and part-time staff) during the year was as follows:

	2023	2022
Charitable welfare	15.3	14.4
Fundraising	23.9	19.9
Governance	2.2	1.7
Average Headcount	41.4	36.0

7 out of the total of 41 employees at the year-end are part-time (2022: 8 out of 36 employees). There were 6 employees (2022: 4 employees) with emoluments above £60,000 per annum.

NATIONAL GROCERS BENEVOLENT FUND, trading as GROCERYAID
Notes to the Financial Statements for the year ended 31st March 2023

The number of senior post holders and other staff who receive emoluments, excluding pension contributions but including benefits in kind, in the following ranges were:

	2023	2022
£60,000 to £69,999	1	-
£70,000 to £79,999	1	-
£80,000 to £89,999	-	1
£90,000 to £99,999	1	1
£100,000 to £109,999	1	1
£110,000 to £119,999	1	-
£120,000 to £129,999	-	-
£130,000+	1	1

(ii) The pension arrangements operated by the charity are for all members of staff and provide benefits on a defined contribution basis. Contributions paid in accordance with the rules of the scheme are charged to the statement of financial activities as they become payable. The cost for the year was £212,603 (2022: £121,087) and there were no outstanding or prepaid contributions at the balance sheet date.

(iii) The charity holds an investment bond, valued in the accounts at £427 (2022: £945), which is used to supplement the pension of a former Director General.

(iv) Funds belonging to the Charity have been used for the purchase of insurance to indemnify the Trustees against the consequences of any neglect or default on their part. The cost recognised for the year in providing that insurance was £5,218 (2022: £6,372).

(v) The key management personnel of the charity comprise the Trustees, Chief Executive, Fundraising Director, Welfare Director and Finance Director & Company Secretary. The total employee benefits of the key management personnel of the charity were £647,383 (2022: £510,993).

(vi) During the period, termination payments were made to one individual (2022: nil)

13. Tangible assets

	Freehold land and buildings £	Office Equipment £	Furniture, fixtures and fittings £	Total £
<u>Cost:</u>				
Brought forward	1,312,288	125,333	38,789	1,476,410
Additions	242,730	21,893	-	264,623
Disposals	-	(37,691)	(5,876)	(43,567)
Carried forward	1,555,018	109,535	32,913	1,697,466
<u>Depreciation</u>				
Brought forward	151,295	61,746	11,647	224,688
Charge for year	43,197	20,618	3,146	66,961
Disposals	-	(34,202)	(5,877)	(40,079)
Carried forward	194,492	48,162	8,916	251,570

NATIONAL GROCERS BENEVOLENT FUND, trading as GROCERYAID
Notes to the Financial Statements for the year ended 31st March 2023

Net book value carried forward	1,360,526	61,373	23,997	1,445,896
Net book value brought forward	1,160,993	63,587	27,142	1,251,722

All of the Charity group's fixed assets were held for functional charity use and all assets are used in the running and administration of the Charity.

14. Intangible assets

	Website £	Software £	Total £
<u>Cost:</u>			
Brought forward	39,176	145,062	184,238
Additions	6,200	-	6,200
Disposals	-	-	-
Carried forward	45,376	145,062	190,438
<u>Depreciation</u>			
Brought forward	13,021	121,528	134,549
Charge for year	8,765	9,042	17,807
Disposals	-	-	-
Carried forward	21,786	130,570	152,356
Net book value carried forward	23,590	14,492	38,082
Net book value brought forward	26,155	23,534	49,689

15. Investments

	Group		Charity	
	2023	2022	2023	2022
<u>Analysis of Movement of Investments</u>				
Market value at beginning of year	9,912,993	8,957,345	9,912,993	8,957,345
Additions to investments at cost	260,923	231,030	260,923	231,030
Disposals at market value	-	-	-	-
Net gain/(loss) on revaluation	(580,862)	724,618	(580,862)	724,618
Market value at end of year	9,593,054	9,912,993	9,593,054	9,912,993
<u>Investments held</u>				
Listed investments	9,583,054	9,902,993	9,583,054	9,902,993
Investments in subsidiary undertakings	-	-	10,000	10,000
Total investments held	9,583,054	9,902,993	9,593,054	9,912,993

Unrestricted fund investments consist of a portfolio of listed investments managed on the charity's behalf by professional fund managers. The following investments make up more than 5% of the total investment portfolio:

NATIONAL GROCERS BENEVOLENT FUND, trading as GROCERYAID
Notes to the Financial Statements for the year ended 31st March 2023

	% of total	Market Value
BNY Mellon Global Income Fund Newton Inst Shares 1	17%	£1,608,453
Newton Growth and Income Fund for Charities Inc Class	30%	£2,892,541
Rathbones Core Investment Fund for Charities	39%	£3,711,033
CCLA COIF Charities Property Fund	14%	£1,368,057

16. Debtors

	Group		Charity	
	2023	2022	2023	2022
Current:				
Trade debtors	4,032,275	2,279,639	797,859	77,175
Amounts due from subsidiary undertaking			-	113,439
Other debtors	1,836,148	1,333,029	1,500	1,500
Prepayments	134,652	141,517	134,652	80,901
Accrued income	87,222	108,190	87,222	108,191
	6,090,297	3,862,375	1,021,233	381,206
 Loans receivable secured on property	 8,111	 8,111	 8,111	 8,111
	6,098,408	3,870,486	1,029,344	389,317

17. Cash at bank and in hand

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Head office bank current account	1,925,933	925,429	1,925,934	925,429
Head office deposit accounts	251,925	74	251,925	74
Trading Co bank account	2,689,614	3,081,231	-	-
Branch bank accounts *	1,903	4,271	1,903	4,271
	4,869,375	4,011,005	2,179,762	929,774

*Deposit account in Northern Ireland only.

18. Creditors: amounts falling due within one year

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Trade creditors	(987,378)	(1,091,151)	(124,545)	(176,211)

NATIONAL GROCERS BENEVOLENT FUND, trading as GROCERYAID
Notes to the Financial Statements for the year ended 31st March 2023

Other creditors	(7,006,922)	(667,526)	(791,983)	(667,526)
Accruals	(105,500)	(196,822)	(60,929)	(155,546)
Deferred income	(1,360,619)	(4,176,029)	(881,400)	(224,449)
Amounts due to subsidiary undertaking	-	-	(3,742,794)	-
	(9,460,419)	(6,131,528)	(5,601,651)	(1,223,732)

Movement on deferred income balances was as follows:

Balance brought forward	(4,176,029)	(1,032,172)	(375,799)	(744,217)
Released to statement of financial activities	4,176,029	1,032,172	375,799	744,217
Fund raising proceeds received	(1,360,619)	(4,176,029)	(881,400)	(375,799)
Balance carried forward	(1,360,619)	(4,176,029)	(881,400)	(375,799)

19. Commitments under operating lease

	2023	2022
	£	£
Office equipment		
Amounts to be paid		
Within 1 year	3,577	8,625
Between 2 - 5 Years	5,864	17,269
Over 5 Years	-	-
	9,441	25,894

Operating lease costs in the year ending 31st March 2023, were £5,850. (2022: £5,748)

20. Funds

At the balance sheet date restricted funds were represented by current assets with the balance of the Charity's assets and liabilities were representing the unrestricted funds.

The Designated Funds represent two funds:

- 1) The balance of funds designated by the Trustees to offer enhanced mental health support, bereavement grants and crisis grants for grocery people directly afflicted by Covid-19
- 2) The gross funds received by the sale of the property were designated by the Trustees to be used for the refurbishment of the Sandhurst office. As at the end of FY23, there were no unspent funds in either of these categories.

The Restricted Funds comprise:

- 1) The unspent funds received from a retailer for a hardship fund administered by the charity for their employees only.
- 2) The Leverhulme Trade Charities Trust grant received during the year, which can only be used for certain categories of our beneficiaries. During 2022, the Leverhulme Trade Charities Trust also converted the fund it had available for the support of critical incidents to a one-off donation for the purposes of School Essential Grants. As at the end of FY23, there were no unspent funds in either of these categories.

NATIONAL GROCERS BENEVOLENT FUND, trading as GROCERYAID
Notes to the Financial Statements for the year ended 31st March 2023

GROUP	Brought forward	Income	Expenditure	Gains/ (losses)	Transfers	Carried forward
Year to 31 March 2023						
General funds						
Unrestricted fund	12,558,620	14,015,475	(13,725,749)	(580,862)	306,912	12,574,396
Designated funds – Covid 19	278,590	-	(123,332)	-	(155,258)	-
Designated funds – office refurb	96,904	-	-	-	(96,904)	-
Total general funds	12,934,114	14,015,475	(13,849,081)	(580,862)	54,750	12,574,396
Restricted funds						
Leverhulme Trade Charities Trust	-	466,000	(466,000)	-	-	-
Retailer hardship fund	20,250	125,000	(90,500)	-	(54,750)	-
Total restricted funds	20,250	591,000	(556,500)	-	(54,750)	-
Total funds	12,954,366	14,606,475	(14,405,581)	(580,862)	-	12,574,396

CHARITY	Brought forward	Income	Expenditure	Gains/ (losses)	Transfers	Carried forward
Year to 31 March 2023						
General funds						
Unrestricted fund	10,914,016	5,438,799	(7,394,379)	(580,862)	306,912	8,684,487
Designated funds – Covid 19	278,590	-	(123,332)	-	(155,258)	-
Designated funds – office refurb	96,904	-	-	-	(96,904)	-
Total general funds	11,289,510	5,438,799	(7,517,711)	(580,862)	54,750	8,684,487
Restricted funds						
Leverhulme Trade Charities Trust	-	466,000	(466,000)	-	-	-
Retailer hardship fund	20,250	125,000	(90,500)	-	(54,750)	-
Total restricted funds	20,250	591,000	(556,500)	-	(54,750)	-
Total funds	11,309,761	6,029,799	(8,074,211)	(580,862)	-	8,684,487

NATIONAL GROCERS BENEVOLENT FUND, trading as GROCERYAID
Notes to the Financial Statements for the year ended 31st March 2023

GROUP & CHARITY	Brought forward	Income	Expenditure	Gains/ (losses)	Transfers	Carried forward
Year to 31 March 2022						
General funds						
Unrestricted fund	11,470,288	11,152,647	(10,920,027)	724,617	131,096	12,558,621
Designated funds – Covid 19	893,131	-	(614,541)	-		278,590
Designated funds – office refurb	-	228,000	-	-	(131,096)	96,904
Total general funds	12,363,419	11,380,647	(11,534,568)	724,617	-	12,934,114
Restricted funds						
Leverhulme Trade Charities Trust	-	746,666	(746,666)	-	-	0
Retailer hardship fund	25,500	100,000	(105,250)	-	-	20,250
Total restricted funds	25,500	846,666	(851,916)	-	-	20,250
Total funds	12,388,919	12,227,313	(12,386,484)	724,617	-	12,954,365

During the year ending 31st March 2022, a property that had been owned by the Charity was sold for £228,000. The funds, net of fees was set aside as a designated fund to be used for the refurbishment of the Sandhurst Head office.

21. Net assets

2023 Consolidated Group	Unrestricted Funds	Restricted Funds	Total
	£	£	£
Tangible fixed assets	1,445,896	-	1,445,896
Intangible fixed assets	38,082	-	38,082
Investments	9,583,054	-	9,583,054
Current assets	10,913,033	54,750	10,967,783
Current liabilities	((9,460,419))	-	((9,460,419))
Total	12,519,646	54,750	12,574,396
2023 Charity	Unrestricted Funds	Restricted Funds	Total
	£	£	£
Tangible fixed assets	1,445,896	-	1,445,896
Intangible fixed assets	38,082	-	38,082
Investments	9,593,054	-	9,593,054
Current assets	3,154,355	54,750	3,209,105
Current liabilities	(5,601,650)	-	(5,601,650)
Total	8,629,737	54,750	8,684,487

NATIONAL GROCERS BENEVOLENT FUND, trading as GROCERYAID
Notes to the Financial Statements for the year ended 31st March 2023

2022 Consolidated Group	Unrestricted Funds	Restricted Funds	Total
	£	£	£
Tangible fixed assets	1,251,721	-	1,251,721
Intangible fixed assets	49,689	-	49,689
Investments	9,902,993	-	9,902,993
Current assets	7,861,241	20,250	7,881,491
Current liabilities	(6,131,528)	-	(6,131,528)
Total	12,934,116	20,250	12,954,366

2022 Charity	Unrestricted Funds	Restricted Funds	Total
	£	£	£
Tangible fixed assets	1,251,721	-	1,251,721
Intangible fixed assets	49,689	-	49,689
Investments	9,912,993	-	9,912,993
Current assets	1,298,841	20,250	1,319,091
Current liabilities	(1,223,732)	-	(1,223,732)
Total	11,289,512	20,250	11,309,762

22. Legal status of the Charity

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

23. Reconciliation of Net Incoming Resources to Net Cash (Outflow)/Inflow from Operating Activities

	2023	2022
	£	£
Net income/(expenditure) for the reporting period	(379,968)	565,446
Income from investments	(274,538)	(467,476)
Interest receivable	(515)	(20)
(Gains)/losses on investments	(580,862)	(724,617)
Depreciation & Amortisation	84,768	49,131
Loss (Profit) on sale of fixed assets	3,487	16,840
(Increase)/Decrease in debtors	(2,227,924)	(2,032,531)
Increase/(Decrease) in creditors	3,328,891	889,882
Net cash (outflow)/inflow from operating activities	(1,115,062)	(1,703,345)

NATIONAL GROCERS BENEVOLENT FUND, trading as GROCERYAID
Notes to the Financial Statements for the year ended 31st March 2023

24. Reconciliation of Net cash Flow Movement in Net Funds

	2023	2022
	£	£
Increase/(decrease) in cash in the period	858,370	(1,663,027)
Change in net funds	858,370	(1,663,027)
Net funds at 1 April	4,011,005	5,674,032
Net funds at 31 March	4,869,375	4,011,005

25. Analysis of changes in Net Funds

	1-Apr-2022	Cash flows	31-Mar-2023
	£	£	£
Cash at bank	4,011,005	858,370	4,869,375

26. Related party transactions

During the year ending 31st March 2023, there were no related party transactions (2022: nil).

27. Parent company Statement of Financial Activity

	Unrestricted Funds	Restricted Funds	Total 2023	Total 2022
	£	£	£	£
Income from:				
Donations and legacies	3,181,249	591,000	3,772,249	2,260,179
Central fundraising	1,755,488	-	1,755,488	2,591,418
Branch fundraising	227,009	-	227,009	217,135
Investment Income	275,053	-	275,053	467,497
Total Income	5,438,799	591,000	6,029,799	5,536,229
Expenditure on:				
Cost of generating funds				
Central fundraising	32,417,478	-	32,417,478	2,019,373
Branch fundraising	95,353	-	95,353	39,961
Charitable activities				
Grants	3,130,130	421,404	3,551,534	3,975,225
Goods and services	1,874,750	135,096	2,009,846	1,624,549
Other Expenses	-	-	-	3,020

NATIONAL GROCERS BENEVOLENT FUND, trading as GROCERYAID
Notes to the Financial Statements for the year ended 31st March 2023

Total Expenditure	7,517,711	556,500	8,074,211	7,622,127
Net gains/(losses) on investments	(580,862)	-	(580,862)	724,617
Net income/(expenditure) and net movement in funds	(2,659,774)	34,500	(2,625,274)	(1,401,282)
Reconciliation of funds:				
Total funds brought forward from previous year	11,289,511	20,250	11,309,761	12,711,043
Total funds carried forward	8,629,737	54,750	8,684,487	11,309,761