
Grace House North East

(A company limited by guarantee)

Trustees' Report and Financial Statements

For the year ended 31 March 2024

Grace House North East

Contents
for the year ended 31 March 2024

	Page
Details of the company	2
Trustees' annual report	3 to 11
Independent auditor's report	12 to 14
Statement of financial activities	15
Balance sheet	16
Statement of cash flows	17
Notes to the financial statements	18 to 28

Grace House North East

Details of the Company for the year ended 31 March 2024

Trustees	Mr S Briton	(Chair)
	Mr N Henry	(Vice Chair)
	Mrs C E Miller	(Treasurer)
	Cllr K Chequer	
	Mrs W Mustard	
	Mrs V J Norman	
	Mr C Pretty	

Company secretary	Mrs C E Miller
--------------------------	----------------

Company registered number	04419980
----------------------------------	----------

Charity registered number	1100682
----------------------------------	---------

Registered office	Bardolph Drive Southwick Sunderland SR5 2DE
--------------------------	------------------------------------------------------

Auditors	Glen C Rodger Limited Cragside House Heaton Road Newcastle upon Tyne NE6 1SE
-----------------	------------------------------------------------------------------------------------------

Grace House North East

Trustees' Annual Report for the year ended 31 March 2024

The trustees present their annual report together with the audited financial statements of Grace House North East (the charity) for the year ended 31 March 2024. The trustees confirm that the annual report and financial statements of the company comply with the current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

OBJECTIVES AND ACTIVITIES

Policies and objectives

The charity is constituted as a charitable company limited by guarantee and is governed by its Memorandum and Articles of Association. The objects of the charity as set out in its Memorandum and Articles of Association include:

Our values

Vision - Our vision is of a fairer world for disabled children, young people and their families.

Mission - Our mission is to support and inspire disabled children, young people and their families to manage the challenges of, and enjoy the benefits of, playing a full part in society.

Aim 1

To be the “go-to” organisation for disabled children, young people and their families by ensuring:

- A positive culture within the Charity;
 - That every contact is a positive experience;
 - We have an effective promotions plan to reach out to families needing support;
 - To continuously improve the quality and efficiency of the services that we provide to our children and their families;
- and
- Offer a range of specifically designed services in a fully adapted, welcoming building for delivery.

Aim 2

Improve resilience of disabled children, young people and families by ensuring:

- We equip Children, young people and families to deal with challenges;
 - We listen to the children and family voice;
 - Design services which support their needs;
 - To continuously improve the quality and efficiency of the services that we provide to our children and their families;
- and
- To work with staff and volunteers to deliver excellent services through a commitment to individual development.

Aim 3

Not to have the scope of our ambitions to be limited by our funding available by ensuring:

- Grace House has a mixed economy of income based on fundraising, grant and contract and enterprise income; and
- Grace House has a level of unrestricted income in compliance with Charity Commission recommendations.

Public benefit

The trustees have had regard to the Charity Commission's published guidance on their legal duty on Public Benefit, and due regard is paid to the guidance on public benefit when deciding on what new projects the charity should undertake, under the Charities Act 2011.

Grace House North East

Trustees' Annual Report for the year ended 31 March 2024

Principal activities

The key to our success will be making full use of our purpose-built facilities, having the best range of specialist equipment, investing in a team of highly committed, well-trained staff and volunteers, and having a positive attitude that anything is possible. The charity fulfils these aims and objectives by providing a range of support services for disabled children, young people and families.

These services are delivered from the purpose-built facility in Southwick, Sunderland. A business plan has been developed for 2024-27, outlining the proposed services and how they will be funded.

The main activities that will be undertaken in relation to the charitable purposes are:

- Whole family support services for those with a disabled child.

Volunteers

We have recruited new volunteers this year and these are disabled young people who have accessed our services and wish to remain connected to Grace House, they support with admin, reception and supporting youth groups. We have also recruited parent carers and they are supporting the parent carer support groups.

ACHIEVEMENT AND PERFORMANCE

Review of activities

Short breaks

During this year Sunderland City Council decided to move their short breaks provision to a different venue. This took place November 2023.

Once Place, Your Space

Our National Lottery Reaching Communities Fund, which aims to care for disabled children, young people, siblings and their parent carers. The funding has enabled Grace House to offer the following:

- Counselling – this now includes counselling for disabled children and siblings
- Holistic therapies including –Reiki training.

This project continues to show signs of growth and expansion, with families giving us positive feedback on this project, as it supports both their mental wellbeing. Referrals for the project are coming from many partners including TFC, CYPS and Camhs.

Additional funding for our counselling provision was also provided by Links for Life- Sunderland City Council, UKSPF, The Barbour Foundation, St James Place, and Rothley.

Gardening activities

Supported by funding from Children In Need and Community Foundation Local Environmental Action fund, seeds of Potential fund. The funding means we have been able to deliver one to one sessions and fun day type gardening activities, the focus of these has been to develop accessible vegetable beds and to educate children and their families how to live a sustainable life at home. This year we have also been planting wildflowers to help with insects and the environment.

Grace House North East

Trustees' Annual Report for the year ended 31 March 2024

Work experience and life skills

Funded by The Will Charitable Trust, Community Foundation Platten Family, Community Foundation Wellesley Trust, Community Foundation Robert Wood Trust. Grace House has again offered work experience placements for disabled children and young people. We have developed virtual office with Grace House, so the young people have been able to use their creative skills developing posters, IT, petty cash, word processing, typing letters and minutes etc. We have also developed new partnerships with Home Grown and the Sunnyside Co-operative, Deigo's Joint, Clearly Drinks and Harrys gaming Shack which has enabled us to expand the opportunities we can offer the young people.

In addition we also held our second Careers Fair in February 2024; this was a fantastic success with many young people and their parents attending and also other partner organisations.

You Are Not Alone

This programme of activities provides support to the parent carers and the whole family. The activities vary from weekly Yoga sessions to Gong Baths, Mindfulness, Journalling, Poetry sessions, Pottery, working with Sunderland Glass Centre on an installation for Grace House which addressed the subject of disability. Outings to the local soft play which were specifically booked for the Grace House families.

Specialist Groups are also provided for Siblings and Dad's.

This was funded by The Community Fund Know Your Neighbourhood, Sir James Knott, Sunderland Culture- Space to Create Programme, Community Foundation- Linden Family, The Community Foundation- Muriel Campbell, National Lottery Sports England.

Youth groups

Grace House are now delivering weekly after School Youth Groups, the groups enjoy a variety of activities including cooking, attendance at the Grace House Ball, play games arts & crafts and sports funded by Children In Need, Community Foundation- Chrysalis and Daisy Marr, Community Foundation – Ringtons, The National Lottery Sports England, Youth Investment Fund. Community Foundation Muckles.

Family support and nurturing

This is going from strength to strength with the numbers of referrals increasing monthly, advice being delivered face to face either at a home visit or in Grace House. Funded by Postcode Lottery and Edward Gostling.

Holiday activities

At ever end of term we provided free nutritious meals to those children on Free School meals, with additional activities such as cookery classes and exercise.

Hardship vouchers

Hardship Vouchers provided by Sunderland City Council were distributed by the Grace House team to families requiring support.

Grace House North East

Trustees' Annual Report for the year ended 31 March 2024

Cost of living support including advice sessions from Citizens Advice

Grace House is working in partnership with the Citizen Advice to provide weekly sessions for parent carers to review their income, assist with form filling and review utility bills. We also have a regular lunch club for disabled young people 18 plus where they can come in for a free home cooked food and we also distribute food hampers.

Funded by Links for Life- UKSPF, Community Foundation Cost of Living grant, Community Resilience Community Foundation Grassroots Welfare Advice Warm Space, The Hospital of God, Sir John Priestman Charity Trust, Community Foundation- Newcastle Building Society- financial hardship.

Pre-school

Funded by Bailey Thomas providing pre-school sessions with disabled children, with parent carers attending.

Social group

This provides disabled young people 18 plus years with an opportunity to meet with their peers in a safe environment also enjoying activities such as going to the cinema and local areas of interest, they also learn how to cook and the benefits of healthy living including good personal hygiene. This has been funded by Co-op, Gentoo, Community Foundation P&G, The Tallulah Lewis Foundation.

Holiday activities

This provides disabled children and young people with opportunities to attend activities in the school holidays which are accessible, fun and affordable. The activities included things like Lego play, science experiments and animal education along with visits to soft play. Lunch bags are also given to the children. We also held a Colour Run with lots of additional activities including bouncy castle, magic show, animal petting zoo and a beat the goalie. This is funded by Community Foundation- Easter Play Groups, Community Foundation The 1989 Willan Charitable Trust. Community Chest North Area Committee.

FINANCIAL REVIEW

Income generated for the year is £724,631 (2023 - £617,224) with expenditure being £807,034 (2023 - £725,265) resulting in a deficit of £82,403 (2023 - £108,041), this is after charging depreciation of £70,593 (2023 - £77,220).

Of the results generated for the year a deficit of £23,910 (2023 - £7,817) relates to general unrestricted funds, a deficit of £69,932 (2023 - £31,233) relates to designated funds and a surplus of £11,439 (2023 - £68,991 deficit) relates to restricted funds.

The charity has continued to receive support from individuals, groups, communities and companies and the trustees acknowledge with gratitude the support received. To date the funds have still been raised, in the main, from the community through donations and participation in events, together with grants and corporate donations.

Fundraising

The charity has continued to receive support from individuals, groups, communities and companies throughout this year and the trustees acknowledge with gratitude the support received.

Donations

We are indebted to groups and the thousands of individual donors who continue to fundraise and donate to the charity in so many even despite the cost of living crisis.

Grace House North East

Trustees' Annual Report for the year ended 31 March 2024

Events

Community and Corporate fundraising has always played such an important part of the Grace House development and despite the challenge of the economic crisis we have been able to hold several events including a Golf Day, Grace House Ball, Race for Grace, Car Boot Sales, Christmas Fayre and many more.

Corporate fundraising

Our thanks go:

- CMYK
- Aniseed Creative
- Dodio
- Greenarch Wealth Management
- Margaret Rose Events
- MINT Business Club
- Richard Reed
- SP Data Services
- Sunderland Empire
- Team Valley Group
- Unite Group
- Vibrant Colour
- Parker Hannifin
- TriPak
- Fundraise and Recycle
- North Durham Networking
- Hamlyn Associates
- WorkerBee
- RSA
- Baker Hughes
- ResQ
- North East Chamber of Commerce
- North East Military Ball

Grace House North East

Trustees' Annual Report for the year ended 31 March 2024

Grants

We are also very grateful to the following grant making trusts and organisations who have very generously supported our requests for funding for equipment and projects to enhance our service offer:

- The National Lottery Community Fund – Reaching Communities Fund
- The National Lottery Community Fund -Know Your Neighbourhood
- Children In Need small and large grants
- Cultural Spring- Space to Create programme
- UKSPF - Sunderland Council
- Baily Thomas
- The Barbour Foundation
- Seeds of Potential
- North Area Committee - Community Chest Southwick Ward
- Edward Gostling
- Sunderland City Council including North Area
- Community Resilience – Warm Space
- The Will Charitable Trust
- The Hospital of God
- Sir John Priestman
- The Joicey Trust
- Co-op
- Sir James Knott
- Postcode Neighbourhood Trust
- Rothley
- Gentoo
- The National Lottery Sports England
- Tallulah Lewis
- The Community Foundation, the umbrella organisation for:
 - Chrysalis and Daisy Marr-Easter Play Groups
 - Local Environment Action-Grassroots Welfare Advice
 - Linden Family
 - Muckles
 - Muriel Campbell
 - Newcastle Building Society
 - Platten family
 - P&G,
 - Wellesley
 - Ringtons
 - Robert Wood
 - The 1989 Willian Charitable Trust
- Youth Investment fund.

Grace House North East

Trustees' Annual Report for the year ended 31 March 2024

Reserves policy

The charitable company has a policy to retain sufficient funds to cover administration costs for the next six months while raising additional funds towards the Charities objectives.

At the end of the year, unrestricted free reserves (not tied up in fixed assets) amounted to £357,438 which is above the target set of £250,000. Services being developed will have regard for ongoing funding streams available to the charity.

Going concern

After making appropriate enquiries, the trustees have a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

Investment policy

The charity's policy for the investment of its funds is to keep them in deposit. This policy is based on:

- the need to eliminate risk in relation to funds raised towards the Charity's objectives, and
- the need to have funds readily available when required.

The policy will be kept under review as the operations of Grace House develop.

Plans for future periods

Grace House continues to work to a 3 year strategy, in the coming year we intend to develop paths to diversify our income streams and to assist the sustainability of the Charity.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The charity is constituted as a charitable company limited by guarantee, governed by its Memorandum and Articles of Association, and is a registered charity number 1100682.

Overall responsibility for the affairs of the charity rests with the board of trustees which makes all major policy and financial decisions. Implementation of policies and decisions are delegated to the Executive Officer who liaises closely with the Chairman of the trustees.

Method of appointing, induction and training of trustees

New trustees are found from the contacts and personal knowledge of existing trustees. The aim of the trustees in making appointments is to have a range of skills, qualifications and experience suited to achieving the objectives of the charity.

On appointment trustees are provided with copies of the Governance Handbook, Memorandum and Articles of Association, the most recent audited financial statements and copies of minutes of trustees' meetings. The experience of the persons appointed usually means that they have a good understanding of the responsibilities of a charity trustee, but where necessary, guidance is provided by the Secretary. Relevant Charity Commission publications are also available to the trustees.

Grace House North East

Trustees' Annual Report for the year ended 31 March 2024

Remuneration of staff

Salary levels for the Chief Executive are reviewed annually by the board, in line with market rates for similar positions.

Partnerships

Grace House North East currently has no formal contractual relationships with partner organisations other than contractual relationships with service suppliers, but a contract with Sunderland Care and Support (Holding Company) Limited is in development. This ended November 2023.

Risk management

The trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the charity and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks. Going forward, the trustees are closely monitoring the occupancy levels of the short break service and the change to another provider, to continually assess its financial viability and its place in the market. This is potentially vulnerable to central government social and economic policy, local government spending reviews and changing models of family support services.

Grace House North East

Trustees' Annual Report for the year ended 31 March 2024

STATEMENT OF TRUSTEE RESPONSIBILITIES

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

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those 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 accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity 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 to enable them to ensure that the statements comply with the requirements of the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Disclosure of information to the auditor

In so far as each trustee is aware:

- there is no relevant audit information of which the charity's auditor is unaware; and
- that trustee has taken all the steps that ought to have been taken as a trustees in order to be aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

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

This report was approved by the trustees on 16 September 2024 and signed on their behalf by:

Mr S Briton
Trustee

Independent Auditor's Report to the Members of

Grace House North East

for the year ended 31 March 2024

Opinion

We have audited the financial statements of Grace House North East (the 'charitable company') for the year ended 31 March 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK 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 2024, and its 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.

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 entity'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 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.

Independent Auditor's Report to the Members of

Grace House North East

for the year ended 31 March 2024

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

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

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page **X**, 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 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 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

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.

Independent Auditor's Report to the Members of
Grace House North East
for the year ended 31 March 2024

We obtained an understanding of the legal and regulatory framework applicable to both the charitable company itself and the industry in which it operates. We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our sector experience and through discussion with the directors and other management. The most significant were identified as the Charities Act 2011, the Companies Act 2006, UK GAAP (FRS102) and relevant tax legislation. We considered the extent of compliance with those laws and regulations as part of our procedures on the related financial statements. Our audit procedures included:

- making enquires of trustees and management as to where they consider there to be a susceptibility to fraud and whether they have any knowledge or suspicion of fraud;
- obtaining an understanding of the internal controls established to mitigate risks related to fraud or noncompliance with laws and regulations;
- assessing the risk of management override including identifying and testing journal entries;
- confirmation received directly from the banks to verify the balance at 31 March 2024;

Our audit did not identify any key audit matters relating to the detection of irregularities including fraud. However, despite the audit being planned and conducted in accordance with ISAs (UK) there remains an unavoidable risk that material misstatements in the financial statements may not be detected owing to inherent limitations of the audit, and that by their very nature, any such instances of fraud or irregularity likely involve collusion, forgery, intentional misrepresentations, or the override of internal controls.

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

Use of our Report

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

Thomas Duffy (Senior Statutory Auditor)

for and on behalf of Glen C Rodger Limited, Registered Auditors
Cragside House
Heaton Road
Newcastle upon Tyne
NE6 1SE

16 September 2024

Grace House North East

Statement of Financial Activities (incorporating the Income and Expenditure Account) for the year ended 31 March 2024

	Notes	Unrestricted funds £	Restricted funds £	Designated funds £	Total 2024 £	Total 2023 £
Income from:						
<u>Incoming resources from generated funds</u>						
Donations and legacies	4	121,422	-	-	121,422	107,288
Charitable activities	5	137,242	377,947	-	515,189	436,654
Other trading activities	6	54,914	-	-	54,914	53,094
Other income	7	11,230	-	3,970	15,200	4,214
Investments	8	17,906	-	-	17,906	15,974
Total income		<u>342,714</u>	<u>377,947</u>	<u>3,970</u>	<u>724,631</u>	<u>617,224</u>
Expenditure on:						
<u>Costs of generating funds</u>						
Costs of raising funds	9	59,500	557	-	60,057	55,836
Charitable activities	10	277,009	369,375	100,593	746,977	669,429
Total expenditure		<u>336,509</u>	<u>369,932</u>	<u>100,593</u>	<u>807,034</u>	<u>725,265</u>
Net income/(expenditure) before transfers		6,205	8,015	(96,623)	(82,403)	(108,041)
Transfers between funds		(30,115)	3,424	26,691	-	-
Net movement in funds		<u>(23,910)</u>	<u>11,439</u>	<u>(69,932)</u>	<u>(82,403)</u>	<u>(108,041)</u>
Reconciliation of funds						
Total fund brought forward		331,348	180,915	2,939,376	3,451,639	3,559,680
Total funds carried forward		<u>307,438</u>	<u>192,354</u>	<u>2,869,444</u>	<u>3,369,236</u>	<u>3,451,639</u>

The notes on pages 18 to 28 form part of these financial statements

Grace House North East

Balance Sheet

Company Number: 04419980

As at 31 March 2024

	Notes	£	2024 £	2023 £
Fixed assets				
Tangible assets	16		2,819,444	2,909,376
Investments	17		215,729	108,955
			<u>3,035,173</u>	<u>3,018,331</u>
Current assets				
Debtors	18	160,257	97,638	
Cash at bank and in hand		240,170	397,274	
		<u>400,427</u>	<u>494,912</u>	
Creditors:				
Amounts falling due within one year	19	(66,364)	(61,604)	
NET CURRENT ASSETS			<u>334,063</u>	<u>433,308</u>
NET ASSETS			<u><u>3,369,236</u></u>	<u><u>3,451,639</u></u>
FUNDS				
Unrestricted funds			307,438	331,348
Designated funds			2,869,444	2,939,376
Restricted funds			192,354	180,915
	20		<u><u>3,369,236</u></u>	<u><u>3,451,639</u></u>

The financial statements were approved by the Board of Trustees on 16 September 2024 and were signed on their behalf by:

Mrs C E Miller
Trustee

The notes on pages 18 to 28 form part of these financial statements

Grace House North East

Statement of Cash Flows

As at 31 March 2024

	Notes	2024 £	2023 £
Net cash flow from operating activities:			
Net cash provided by operating activities	24	(91,545)	(54,167)
Cash flows from investing activities			
Interest received		17,906	9,380
Payments to acquire tangible fixed assets		(270)	(15,987)
Payments to acquire investments		(106,774)	-
Proceeds from sale of tangible fixed assets		23,579	-
		<u>(65,559)</u>	<u>(6,607)</u>
Change in cash and cash equivalents in the reporting period		(157,104)	(60,774)
Cash and cash equivalents at the beginning of the period		397,274	458,048
Cash and cash equivalents at the end of the period		<u>240,170</u>	<u>397,274</u>
Cash and cash equivalents consist of:			
Cast at bank and in hand		<u>240,170</u>	<u>397,274</u>

Grace House North East

Notes to the Financial Statements for the year ended 31 March 2024

1. Accounting Policies

Basis of preparation of the financial statements

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

Grace House North East meets the definition of a public benefit under FRS 102. The financial statements are prepared under the historical cost convention or transaction value unless otherwise stated in the relevant accounting policy note(s). The financial statements are prepared in Sterling which is the functional currency of the charity and rounded to the nearest £.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

Going concern

After making appropriate enquiries, the trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

Fund accounting

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

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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

Income

All income is recognised once the company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

For legacies, entitlement is taken as the earlier of the date on which either: the company is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the company has been notified of the executor's intention to make a distribution. Where legacies have been notified to the company, or the company is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Gifts in kind donated for distribution are included at valuation and recognised as income when they are distributed to the projects. Gifts donated for resale are included as income when they are sold. Donated facilities are included at the value to the company where this can be quantified and a third party is bearing the cost. No amounts are included in the financial statements for services donated by volunteers.

Donated services or facilities, which comprise donated services, are included in income at a valuation which is an estimate of the financial cost borne by the donor where such a cost is quantifiable and measurable. No income is recognised where there is no financial cost borne by a third party.

Grace House North East

Notes to the Financial Statements for the year ended 31 March 2024

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

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

Other income is recognised in the year in which it is receivable and to the extent the goods have been provided or on completion of the service.

Expenditure

Expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity, including those incurred in connection with the administration of the charity and compliance with constitutional and statutory requirements.

Costs of raising funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

All resources expended are inclusive of irrecoverable VAT.

Tangible fixed assets and depreciation

All assets costing more than £500 are capitalised.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is not charged on freehold land. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Long term leasehold property	2% straight line
Motor vehicles	25% reducing balance
Fixtures and fittings	15% reducing balance
Computer equipment	15% reducing balance
Other fixed assets	15% reducing balance

Debtors

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

Cash at bank and in hand

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

Liabilities and provisions

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Grace House North East

Notes to the Financial Statements for the year ended 31 March 2024

Impairment of fixed assets

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in profit or loss unless the asset is carried at a revalued amount where the impairment loss is a revaluation decrease.

Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

Financial instruments

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

Critical accounting estimates and areas of judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Trustees do not consider that there are any significant areas of judgement or estimation required in the preparation of the financial statements.

2. Company status

The company is a company limited by guarantee. The members of the company are the trustees named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

Grace House North East

Notes to the Financial Statements for the year ended 31 March 2024

3. Statement of financial activities for the prior year

	Notes	Unrestricted funds £	Restricted funds £	Designated funds £	Total 2023 £
Income from:					
<u>Incoming resources from generated funds</u>					
Donations and legacies	4	107,288	-	-	107,288
Charitable activities	5	108,840	327,814	-	436,654
Other trading activities	6	53,094	-	-	53,094
Other income	7	4,214	-	-	4,214
Investments	8	15,974	-	-	15,974
Total income		<u>289,410</u>	<u>327,814</u>	<u>-</u>	<u>617,224</u>
Expenditure on:					
<u>Costs of generating funds</u>					
Costs of raising funds	9	55,836	-	-	55,836
Charitable activities	10	192,558	399,651	77,220	669,429
Total expenditure		<u>248,394</u>	<u>399,651</u>	<u>77,220</u>	<u>725,265</u>
Net income/(expenditure) before transfers		41,016	(71,837)	(77,220)	(108,041)
Transfers between funds		(48,833)	2,846	45,987	-
Net movement in funds		<u>(7,817)</u>	<u>(68,991)</u>	<u>(31,233)</u>	<u>(108,041)</u>
Reconciliation of funds					
Total fund brought forward		339,165	249,906	2,970,609	3,559,680
Total funds carried forward		<u>331,348</u>	<u>180,915</u>	<u>2,939,376</u>	<u>3,451,639</u>

4. Donations and legacies

	Unrestricted funds £	Restricted funds £	Total 2024 £	Total 2023 £
Donations	12,615	-	12,615	42,732
Corporate sponsorship	51,440	-	51,440	49,534
Legacies	57,367	-	57,367	15,022
	<u>121,422</u>	<u>-</u>	<u>121,422</u>	<u>107,288</u>

Grace House North East

Notes to the Financial Statements for the year ended 31 March 2024

5. Charitable activities

	Unrestricted funds	Restricted funds	Total 2024	Total 2023
	£	£	£	£
SCAS income	70,844	-	70,844	81,998
Grant income	42,431	377,947	420,378	330,981
Community activities	23,967	-	23,967	23,675
	<u>137,242</u>	<u>377,947</u>	<u>515,189</u>	<u>436,654</u>

Grants received during the period:

	2024	2023
	£	£
The National Lottery Community Fund - Reaching Communities	13,331	60,892
The National Lottery Fund - Awards for All	-	9,954
Children in Need	37,112	41,633
Sir James Knott	-	6,000
Charities Aid Foundation	-	49,250
Sunderland City Council	42,888	63,538
Linden Family	-	4,500
Community Foundation	50,087	49,482
Wellesley Trust	-	20,000
1989 Willian Trust	9,970	9,923
Sainsburys	-	500
St James Place Charitable Trust	-	2,500
Together for Children	13,194	9,642
Postcode Neighbourhood Trust	25,000	-
Strategic Advice Services	18,260	-
Youth Investment Fund	87,630	-
The National Lottery Community Fund - Know Your Neighbour	89,963	-
Edward Gosling	10,000	-
Other < £5,000	22,943	3,167
	<u>420,378</u>	<u>330,981</u>

6. Other trading activities

	2024	2023
	£	£
Events	21,369	11,939
Room hire	32,339	40,675
Shop sales	1,206	480
	<u>54,914</u>	<u>53,094</u>

7. Other income

	2024	2023
	£	£
Other income	11,230	4,214
Gain on disposal of tangible fixed assets	3,970	-
	<u>15,200</u>	<u>4,214</u>

Grace House North East

Notes to the Financial Statements for the year ended 31 March 2024

8. Investment income

The charitable company's investment income arises from interest on money held in interest bearing deposit accounts and accrued interest on the Charity's investment portfolio.

9. Costs of raising funds

	2024	2023
	£	£
Wages and salaries	42,723	31,925
Events	17,334	23,911
	<u>60,057</u>	<u>55,836</u>

10. Expenditure on charitable activities

	Activities undertaken directly	Support costs	Total 2024	Total 2023
	£	£	£	£
Wages and salaries	247,117	32,535	279,652	286,069
Direct costs	54,201	-	54,201	40,454
Premises costs	68,792	-	68,792	81,239
Insurances	6,898	-	6,898	8,560
Motor and travel expenses	3,975	-	3,975	4,787
Office expenses	13,207	-	13,207	15,054
Repairs	173,827	-	173,827	40,999
Advertising and marketing	4,681	-	4,681	7,512
Legal and professional fees	47,122	4,680	51,802	90,599
Training costs	675	-	675	134
Depreciation	70,593	-	70,593	77,220
Other costs	18,674	-	18,674	16,802
	<u>709,762</u>	<u>37,215</u>	<u>746,977</u>	<u>669,429</u>

11. Support costs

	2024	2023
	£	£
Salary costs	<u>32,535</u>	<u>34,263</u>

12. Governance costs

	2024	2023
	£	£
Audit fee	<u>4,680</u>	<u>4,620</u>

Grace House North East

Notes to the Financial Statements for the year ended 31 March 2024

13. Depreciation

	2024	2023
	£	£
Depreciation of tangible fixed assets owned by the charity	<u>70,593</u>	<u>77,220</u>

14. Auditor's remuneration

	2024	2023
	£	£
Auditor's remuneration	<u>4,680</u>	<u>4,750</u>

15. Staff costs

Staff costs were as follows:

	2024	2023
	£	£
Wages and salaries	299,152	296,922
Social security costs	17,409	15,993
Other pension costs	5,814	5,079
	<u>322,375</u>	<u>317,994</u>

The average number of persons employed by the company during the year was as follows:

	2024	2023
	No	No
Administration	18	21
Fundraising	1	1
	<u>19</u>	<u>22</u>

No employee received remuneration amounting to more than £60,000 in either year.

During the year, trustees received no remuneration or reimbursement of expenses.

The trustees consider the Chief Executive and the Office & Finance Co-ordinator to be key management personnel for the charity. The aggregate remuneration (including all benefits) paid to them during the year amounted to £69,584 (2023 - £68,526).

Grace House North East

Notes to the Financial Statements for the year ended 31 March 2024

16. Tangible fixed assets

	Long term leasehold property £	Motor vehicles £	Plant and machinery £	Total £
Cost				
At 1 April 2023	3,247,029	28,781	274,676	3,550,486
Additions	-	-	270	270
Disposals	-	(28,781)	(47,673)	(76,454)
At 31 March 2024	<u>3,247,029</u>	<u>-</u>	<u>227,273</u>	<u>3,474,302</u>
Accumulated depreciation				
At 1 April 2023	420,003	24,726	196,381	641,110
Additions	59,941	-	10,652	70,593
Disposals	-	(24,726)	(32,119)	(56,845)
At 31 March 2024	<u>479,944</u>	<u>-</u>	<u>174,914</u>	<u>654,858</u>
Net book value				
At 31 March 2024	<u>2,767,085</u>	<u>-</u>	<u>52,359</u>	<u>2,819,444</u>
At 31 March 2023	<u>2,827,026</u>	<u>4,055</u>	<u>78,295</u>	<u>2,909,376</u>

17. Fixed asset investments

	2024 £	2023 £
Fixed term bonds	<u>215,729</u>	<u>108,955</u>

18. Debtors

	2024 £	2023 £
Trade debtors	55,377	34,709
Prepayments and accrued income	101,317	62,929
Other debtors	3,563	-
	<u>160,257</u>	<u>97,638</u>

19. Creditors: amounts falling due within one year

	2024 £	2023 £
Trade creditors	32,956	40,401
Other taxes and social security	8,064	3,577
Other creditors	2,435	2,435
Accruals and deferred income	22,909	15,191
	<u>66,364</u>	<u>61,604</u>

Grace House North East

Notes to the Financial Statements for the year ended 31 March 2024

20. Statement of funds

<u>For the year ended 31 March 2024</u>	Brought forward £	Income £	Expenditure £	Transfers in/out £	Carried forward £
Unrestricted funds					
General fund	331,348	342,714	(336,509)	(30,115)	307,438
Capital fund	2,909,376	3,970	(70,593)	(23,309)	2,819,444
Maintenance fund	30,000	-	(30,000)	50,000	50,000
	<u>3,270,724</u>	<u>346,684</u>	<u>(437,102)</u>	<u>(3,424)</u>	<u>3,176,882</u>
Restricted funds					
Counselling & consultation	56,964	84,030	(84,362)	-	56,632
Gardening	-	9,882	(9,882)	-	-
Work experience	51,565	10,489	(24,958)	-	37,096
Short breaks & family activities	32,458	8,732	(44,614)	3,424	-
Coronavirus support grants	689	-	(689)	-	-
Cost of living crisis	30,154	112,183	(51,220)	-	91,117
Equipment	183	-	-	-	183
Youth groups	8,902	152,631	(154,207)	-	7,326
	<u>180,915</u>	<u>377,947</u>	<u>(369,932)</u>	<u>3,424</u>	<u>192,354</u>
Total funds	<u><u>3,451,639</u></u>	<u><u>724,631</u></u>	<u><u>(807,034)</u></u>	<u><u>-</u></u>	<u><u>3,369,236</u></u>
<u>For the year ended 31 March 2023</u>	Brought forward £	Income £	Expenditure £	Transfers in/out £	Carried forward £
Unrestricted funds					
General fund	339,165	289,410	(248,394)	(48,833)	331,348
Capital fund	2,970,609	-	(77,220)	15,987	2,909,376
Maintenance fund	-	-	-	30,000	30,000
	<u>3,309,774</u>	<u>289,410</u>	<u>(325,614)</u>	<u>(2,846)</u>	<u>3,270,724</u>
Restricted funds					
Counselling & consultation	77,144	76,108	(96,288)	-	56,964
Gardening	18,168	28,917	(47,085)	-	-
Work experience	97,389	120,288	(168,958)	2,846	51,565
Short breaks & family activities	46,710	37,540	(51,792)	-	32,458
Coronavirus support grants	5,877	-	(5,188)	-	689
Cost of living crisis	-	55,559	(25,405)	-	30,154
Equipment	183	-	-	-	183
Youth groups	4,435	9,402	(4,935)	-	8,902
	<u>249,906</u>	<u>327,814</u>	<u>(399,651)</u>	<u>2,846</u>	<u>180,915</u>
Total funds	<u><u>3,559,680</u></u>	<u><u>617,224</u></u>	<u><u>(725,265)</u></u>	<u><u>-</u></u>	<u><u>3,451,639</u></u>

The transfers relate to capital assets purchased, once the assets are acquired these are transferred to the capital fund. In the current year an amount has also been transferred to the newly created maintenance fund, to set aside funds for the maintenance of the property.

Grace House North East

Notes to the Financial Statements for the year ended 31 March 2024

Counselling and consultation: the provision of professional assistance and guidance in resolving personal or psychological problems.

Garden: the garden in short breaks provides disabled children and young people with a variety of safe outdoor activities including a forest school, green house, poly tunnel and raised beds for growing veg in.

Work experience: providing disabled young people with the work experience opportunities including admin, reception and some gardening tasks whilst being supported by staff.

Short breaks and family activities:

Family activities - provides safe whole family activities and parent carer support groups which focus on either creative or therapeutic activities including bowl and bite, Gong baths, trips to Washington Wetlands and mindfulness sessions.

Family support - providing support to parent carers after their child's diagnosis and help them with the complex social care system

VR Fund - providing an amazing experience for children of all ages, giving them a change to go to the moon or to the deepest ocean.

Coronavirus support: provides support such as telephone support, activity packs, nurturing, therapies including family counselling and mindfulness, etc.

Business development & sustainability Enterprise Social Investment; business development, helping to develop a business plan for a soft play and residential care.

Equipment: provides support to purchase a new bedroom hoist

Youth Groups: providing disabled young people with an opportunity to socialize with their peers and have fun.

Cost of Living Crisis: to help tackle the increase in costs associated with the cost of living crisis.

21. Net analysis of funds

	Unrestricted funds	Restricted funds	Designated funds	Total funds
<u>For the year ended 31 March 2024</u>	£	£	£	£
Fixed assets	215,729	-	2,819,444	3,035,173
Current assets/liabilities	91,709	192,354	50,000	334,063
	<u>307,438</u>	<u>192,354</u>	<u>2,869,444</u>	<u>3,369,236</u>
	Unrestricted funds	Restricted funds	Designated funds	Total funds
<u>For the year ended 31 March 2023</u>	£	£	£	£
Fixed assets	108,955	-	2,909,376	3,018,331
Current assets/liabilities	222,393	180,915	30,000	433,308
	<u>331,348</u>	<u>180,915</u>	<u>2,939,376</u>	<u>3,451,639</u>

Grace House North East

Notes to the Financial Statements for the year ended 31 March 2024

22. Pension commitments

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £5,814 (2023 - £5,079). Contributions totalling £nil (2023 - £nil) were payable to the fund at the balance sheet date and are included in creditors.

23. Related party transactions

	2024 £	2023 £
Debere Limited		
Mrs C E Miller, Trustee, is a director of Debere Limited.		
During the period, software costs of £859 were recharged to the charity by Debere Limited and event sales of £65 were made to Debere Limited.		
Amount due from/(to) the related party	<u>(84)</u>	<u>(46)</u>
Quantify R&D Ltd		
Mr S Briton, Trustee, is a director of Quantify R&D Ltd.		
During the period, event sales of £505 were made to Quantify R&D Ltd.		
Amount due from/(to) the related party	<u>-</u>	<u>-</u>

24. Reconciliation of net income/(expenditure) to net cash flow from operating activities

	2024 £	2023 £
Operating (deficit)/surplus	(82,403)	(108,041)
Investment income	(17,906)	(15,974)
Depreciation of tangible fixed assets	70,593	77,220
Profit on disposal of tangible fixed assets	(3,970)	-
(Increase) in debtors	(62,619)	(35,384)
Increase in creditors	4,760	28,012
Net cash flow from operating activities	<u>(91,545)</u>	<u>(54,167)</u>