

Grace Foundation
(A Company Limited by Guarantee)

(Registered Number 5003276)
(Charity Number 1103021)

Annual Report and Financial Statements

Year Ended

31 August 2023

Grace Foundation
(A Company Limited by Guarantee)
Annual report and financial statements
for the year ended 31 August 2023

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Trustees

Lord Edmiston
Lady Edmiston
A M Edmiston

Secretary

G E Hutton

Correspondence address and registered office

The Gate, International Drive, Solihull, B90 4WA

Registered Charity number

1103021

Registered number

5003276

Auditors

Muras Baker Jones Limited, Regent House, Bath Avenue, Wolverhampton, WV1 4EG

Bankers

NatWest Bank PLC, St Philips Place, Birmingham, B3 2PP

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**Trustees' annual report (incorporating the Director's Report)
for the year ended 31 August 2023**

Trustees' Report

The Trustees have pleasure in submitting their Report and Financial Statements for the year ended 31 August 2023. The Foundation is a company limited by guarantee. The liability of members in the event of the charity being wound up is limited to a sum not exceeding ten pounds each. The company is governed by a Memorandum and Articles of Association which were last amended on 3 April 2004. The Memorandum of Association sets out the company's investment powers.

Reference and administrative detail

Grace Foundation is a registered charity, number 1103021.

The charity trustees during the year ended 31 August 2023 and at the date of signing this report were:

Lord Edmiston
Lady Edmiston
A M Edmiston

Objectives, Policies and Organisation

The Foundation was incorporated on 24 December 2003 with its objectives being the advancement, for the public benefit, education in the United Kingdom by promoting the establishment, maintenance, carrying on, management and development of schools with a Christian ethos and in accordance with Christian principles. The Trustees, who are Directors of the Company, are set out on the first page of these financial statements.

We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aim and objectives and in planning our future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives they have set.

Relationships with Other Bodies

During the year, The Foundation continued to contribute towards the work carried out by Tove Learning Trust who operate a chain of Academies based around the Midlands, Northamptonshire, and Milton Keynes. They provide education for pupils of different abilities between the ages of 11 and 19. In the 2022-23 Academic year they also worked with other Multi-Academy Trusts such as Invictus Education Trust and Mercian Trust to expand the work of the Grace Foundation Ethos Teams.

Developments, Activities and Achievements

Grace Foundation has had a significant impact in the 2022-23 academic year, focusing on building stronger foundations through the work of their Ethos Teams. With Ethos Teams in 12 partner schools across 3 Multi-Academy Trusts by September 2023, the organisation touches the lives of over 12,000 students daily. These Multi-Academy Trusts include Tove Learning Trust, Invictus Education Trust, and Mercian Trust.

Our Christian ethos remains at the heart of all we do with students and staff. As part of this we provide a perspective on Christianity within the school curriculum and support other key themes such as developing character and values and building healthy relationships. In addition to this our team pastorally support the wellbeing of students and their families.

Our headline impact figures include:

- 650,000+ Student Engagements (Curriculum, content, connection, or care)

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**Trustees' annual report (incorporating the Director's Report)
for the year ended 31 August 2023 (continued)**

-
- 20,000+ Family Support Interventions (Practical, emotional, relational or wellbeing support)
 - 8,000+ Support Group Places Taken (Wellbeing & behaviour interventions)
 - 3000+ Mentoring Sessions (One-to-One support)

The expansion to 12 Partner Schools within 3 Multi-Academy Trusts highlights the organisation's commitment to enhanced attendance, positive behaviour, healthier decision-making, improved relationships, and aspirations. The holistic approach includes support for well-being, championing families, enriching the curriculum, and improving OFSTED outcomes over time. The continued growth and adaptability demonstrate a commitment to laying a secure foundation for the future.

The introduction of a Quality Assurance Framework allows partner schools to assess Ethos Teams against key OFSTED Criteria, fostering progress towards excellence. A content refresh aligned with post-pandemic learning needs, an online toolkit, and an intranet support on-the-ground work with students, adapting to individual contexts.

Reserves Policy

The general funds are used by the Foundation to fund future distributions to the Academies and to maintain appropriate financial headroom.

The Trustees have tried to maintain reserves by matching the level of incoming resources to the level of expenditure. The Trustees remain aware of the level of the funds and confirm that all reserves shall be used to pursue the Foundations future objectives. Unrestricted reserves were £183,061 as at 31 August 2023 (2022 – £141,254). The Foundation targets positive unrestricted reserves of at least £100,000.

Financial Review

The Foundation received income of £1,331,577 (2022 - £893,415) during the year. Total outgoing resources were £1,289,770 (2022- £888,722) for the year. The Foundation is dependent upon donations to safeguard its long term future and will primarily be funded by donations from I.M. Group Limited. The trustees have agreed budgeted charitable activity for the period of at least twelve months from the Balance Sheet date and have received assurances from the Directors of I.M. Group Limited that they will continue to make contributions in line with this budget.

Going Concern and risk review

Grace Foundation aims to continue and expand its current activity and will primarily be funded by donations from I.M. Group Limited. The trustees have agreed budgeted charitable activity for the period of at least twelve months from the Balance Sheet date and have received assurances from the Directors of I.M. Group Limited that they will continue to make contributions in line with this budget.

The charity has further sought assurances from the Directors of I.M. Group Limited of the financial strength and liquidity of I.M. Group Limited.

In addition to the above further sponsorship from Grace Charitable Trust enables us to securely expand into future partner schools.

The trustees have considered all reasonable risks associated with the operation of its business model for a period of at least 12 months from the date of signing the accounts. These risks include the potential resurgence of Covid-19 pandemic impacting social distancing and the ability of the business to perform its operations in school environments. Risks also include increasing pressures on salaries and the 'cost of living' crisis in the UK. The trustees consider that their close management style and controlled expenditure will give the company sufficient headroom to adapt the business model sufficiently to continue in operational existence and operate within its cash headroom.

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Trustees' annual report (incorporating the Director's Report)
for the year ended 31 August 2023 (continued)

Grace Foundation has taken assurances from the directors of I.M. Group Limited that the group will continue to make charitable donations to satisfy the ongoing working capital requirements of the charity for a period of at least twelve months from the approval date of these financial statements in order to allow Grace Foundation continue to satisfy its operational objectives and honour financial obligations as they fall due.

Trustee induction and training

A list of trustees is shown on the front sheet to the accounts.

The Appointer to the charity is Andrew Edmiston. The Appointer has the ultimate power to appoint and remove trustees. The key management personnel is Gary Spicer.

The training and induction provided for Trustees will depend on their existing experience. Where necessary induction will provide training on charity and educational legal and financial matters, induction tends to be done informally and is tailored specifically to the individual.

Trustees' responsibilities

The trustees, who are also directors 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 charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the incoming resources and application of resources, including the income and expenditure, 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 applicable Charities SORP;
- make judgments and accounting 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 charity will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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**Trustees' annual report (incorporating the Director's Report)
for the year ended 31 August 2023 (*continued*)**

Auditor

Each of the persons who is a trustee at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the charity's auditor is unaware; and
- they have taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

The trustees' annual report and the strategic report were approved on 24 May 2024 and signed on behalf of the board of trustees by:



A M Edmiston
Trustee

Date 24 May 2024

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Independent Auditor's Report to the Members of Grace Foundation
Year ended 31 August 2023

Opinion

We have audited the financial statements of Grace Foundation (the 'charity') for the year ended 31 August 2023 which comprise the statement of financial activities (including income and expenditure account), statement of financial position and the related notes, 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 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 charity's affairs as at 31 August 2023 and of 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;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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.

In connection with our audit of the financial statements, 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 audit or 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 or a material misstatement of the other information. 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.

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Independent Auditor's Report to the Members of Grace Foundation (*continued*)
Year ended 31 August 2023

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 for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- 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 the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' 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 trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors 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 charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity 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:

In planning and designing our audit tests we identify and assess the risks of material misstatement within the financial statements, whether due to fraud or error. Our assessment of these risks includes consideration of the nature of the industry and sector, the control environment and the business performance along with the results of our enquiries of management about their own identification and assessment of risks and irregularities. In common

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Independent Auditor's Report to the Members of Grace Foundation (*continued*)
Year ended 31 August 2023

with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. We also obtained an understanding of the legal and regulatory frameworks that the company operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the UK Companies Act, UK tax legislation and other laws and regulations identified as risk areas identified from our discussions with management.

We communicated relevant identified laws and regulations and potential fraud risks to all engagement team members including internal specialists, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

After consideration of the above risks we then carried out audit procedures including the following:

- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of management meetings;
- enquiring of management and reviewing any correspondence with legal advisors concerning actual and potential litigation and claims;
- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

There are inherent limitations in our audit procedures described above. The more removed that the laws and regulations are from financial transactions the less likely it is that we would be aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any. Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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.

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Independent Auditor's Report to the Members of Grace Foundation (*continued*)
Year ended 31 August 2023

Use of our report

This report is made solely to the charity'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 charity'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 charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.



Oliver Ross BSC (Hons) FCA (Senior Statutory Auditor)

For and on behalf of
Muras Baker Jones Limited
Chartered accountants & statutory auditor
Regent House
Bath Avenue
Wolverhampton
West Midlands
WV1 4EG

24 May 2024

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**Statement of financial activities (including income and expenditure account)
for the year ended 31 August 2023**

	Note	2023 £	2022 £
Income from:			
Donations	2	1,331,577	893,415
Grant income	3	-	-
		<hr/>	<hr/>
Total Income		1,331,577	893,415
Expenditure on:			
Charitable expenditure	4	1,289,770	888,722
		<hr/>	<hr/>
Net income	6	41,807	4,693
Fund balance brought forward at 1 September	12	141,254	136,561
		<hr/>	<hr/>
Fund balances carried forward at 31 August	12	183,061	141,254
		<hr/>	<hr/>

All disclosures relate only to continuing operations.

There are no recognised gains or losses other than those disclosed above.


The notes on pages 13 to 19 form part of these financial statements.

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**Statement of financial position
as at 31 August 2023**

<i>Company number 5003276</i>	Note	2023 £	2023 £	2022 £	2022 £
Non-current assets					
Tangible fixed assets	8		2,583		942
Current assets					
Debtors	9	10,465		5,924	
Cash at bank and in hand		225,063		180,282	
Creditors: amounts falling due within one year	10	(55,050)		(45,894)	
Net current assets			180,478		140,312
Total assets less current liabilities			183,061		141,254
The funds of the charity:					
Unrestricted funds	12		183,061		141,254

These financial statements were approved by the Board of Trustees and authorised for issue on 24 May 2024, and are signed on behalf of the Board by:



A M Edmiston
Trustee

Date 24 May 2024

The notes on pages 13 to 19 form part of these financial statements.

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**Statement of cash flows
as at 31 August 2023**

	Note	2023 £	2022 £
Cash flows from operating activities			
Cash provided by operating activities	14	47,364	(2,132)
Cash flows from investing activities			
Purchase of equipment		(2,583)	-
(Decrease)/increase in cash and cash equivalents in the year		44,781	(2,132)
Cash and cash equivalents at the beginning of the year		180,282	182,414
Total cash and cash equivalents at the end of the year		225,063	180,282
Analysis of cash and cash equivalents			
Cash at bank and in hand		225,063	180,282

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Notes to the accounts
for the year ended 31 August 2023

1 Accounting policies

Basis of preparation

The financial statements have been prepared in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and comply with the Statement of Recommended Practice (SORP) Accounting and Reporting by Charities FRS 102 effective from January 2019. The financial statements are prepared under the historic cost convention.

The financial statements are prepared in pound sterling (£) and the figures are rounded to the nearest £.

Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing the Financial Statements, management is required to make estimates and assumptions which affect reported income, expenses, assets, liabilities and disclosure of contingent assets and liabilities. Use of available information and application of judgement are inherent in the formation of estimates, together with expectations of future events that are believed to be reasonable under the circumstances. Actual results in the future could differ from such estimates.

There are not considered to be any key areas of judgement in these financial statements.

Going concern

Grace Foundation aims to continue and expand its current activity and will primarily be funded by donations from I.M. Group Limited. The trustees have agreed budgeted charitable activity for the period of at least twelve months from the Balance Sheet date and have received assurances from the Directors of I.M. Group Limited that they will continue to make contributions in line with this budget.

The charity has further sought assurances from the Directors of I.M. Group Limited of the financial strength and liquidity of I.M. Group Limited.

The trustees have considered all reasonable risks associated with the operation of its business model for a period of at least 12 months from the date of signing the accounts. Risks include increasing pressures on salaries and the 'cost of living' crisis in the UK. The trustees consider that their close management style and controlled expenditure will give the company sufficient headroom to adapt the business model sufficiently to continue in operational existence and operate within its cash headroom.

Grace Foundation has taken assurances from the directors of I.M. Group Limited that the group will continue to make charitable donations to satisfy the ongoing working capital requirements of the charity for a period of at least twelve months from the approval date of these financial statements in order to allow Grace Foundation to continue to satisfy its operational objectives and honour financial obligations as they fall due.

The Trustees confirm that at the time of approving the financial statements, there are no material uncertainties regarding the foundations ability to continue operational existence for the foreseeable future. Accordingly, the trustees consider it appropriate to prepare these financial statements on a going concern basis.

Fund accounting

Unrestricted funds

Unrestricted funds comprise the accumulated deficit/surplus on the statement of financial activities. They are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and are retained for working capital purposes.

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

1 Accounting policies

Basis of preparation (continued)

Income

Donations and other income are recognised within the statement of financial activities when receivable.

Expenditure

Expenditure has been charged to the statement of financial activities on an accruals basis.

Government grants

Government grants are recognised when it is reasonable to expect that the grants will be received and that all related conditions will be met usually on submission of a valid claim for payment.

Direct charitable expenditure relates to the donations made in the period. Donations payable are payments made to third parties in the furtherance of the charitable objectives of the Trust.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the management of the charity.

Operating leases

Rentals applicable to operating leases are charged to the Statement of Financial Activity over the period in which the cost is incurred.

Financial instruments

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

Pension costs

Contributions to the company's defined contribution pension scheme are charged to the profit and loss account in the period in which they become payable.

Taxation

The company is a charity within the meaning of Para 1 Schedule 6 Finance Act 2010. Accordingly the company is potentially exempt from taxation in respect of income or capital gains within categories covered by Chapter 3 of Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes. No tax charge arose in the period.

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

1 Accounting policies

Basis of preparation (continued)

Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by management.

The company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the company. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to the statement of financial activities during the period in which they are incurred.

Depreciation is provided on the following basis:

Computer equipment	-	25% straight line
Furniture	-	20% straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within administrative expenses in the Statement of financial activities

2 Donations

	2023 £	2022 £
Donations	1,331,577	890,000
Other income	-	3,415
	<u>1,331,577</u>	<u>893,415</u>

3 Grants

	2023 £	2022 £
Government grants	-	-
	<u>-</u>	<u>-</u>

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

4	Direct charitable expenditure	2023	2022
		£	£
	Ethos Teams Programme costs	204,443	140,649
	Personnel costs	928,243	684,526
	Governance costs (note 5)	94,335	6,045
	Depreciation	942	943
	Tove Learning Trust	61,307	51,559
	Donations to Audacious Church	500	5,000
		<u>1,289,770</u>	<u>888,722</u>

Ethos Fund expenses includes travel, meeting, phone costs and Education support costs.

5	Governance costs	2023	2022
		£	£
	Bank charges	13	9
	Legal and professional fees	91,335	2,756
	Auditors remuneration/Independent examiner fees	3,000	3,280
		<u>94,348</u>	<u>6,045</u>

6	Net income	2023	2022
		£	£
	Net income is stated after charging:		
	Depreciation	942	943
	Auditors remuneration/Independent examiner fees	3,000	3,280
		<u>3,942</u>	<u>4,223</u>

7	Staff costs	2023	2022
		£	£
	Salaries	739,785	530,210
	National insurance	64,217	37,164
	Pension costs	71,477	50,021
		<u>875,479</u>	<u>617,396</u>

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

Average number of persons employed by the charity during the year (excluding Trustees) analysed by function:

	Number 2023	Number 2022
Management and administration of the charity	6	7
Ethos and support workers	23	16

There is one employee included above whose earnings (including taxable benefits in kind) exceeded £60,000. (2022 - £Nil).

No trustees received any emoluments or were reimbursed any expenses during the year.

The key management personnel comprise the trustees whose employee benefits total £Nil (2022 - £Nil).

8 Fixed assets

	Computer Equipment £	Furniture £	Total £
Cost			
At 1 September 2022	5,008	0	5,008
Additions	1,046	1,537	2,583
Disposals	0	0	0
	<hr/>	<hr/>	<hr/>
At 31 August 2023	6,054	1,537	7,591
	<hr/>	<hr/>	<hr/>
Depreciation			
At 1 September 2022	4,066	0	4,066
Provided for during the year	942	0	942
	<hr/>	<hr/>	<hr/>
At 31 August 2023	5,008	0	5,008
	<hr/>	<hr/>	<hr/>
Net book value			
At 31 August 2023	1,046	1,537	2,583
	<hr/>	<hr/>	<hr/>
At 31 August 2022	942	0	942
	<hr/>	<hr/>	<hr/>

9 Debtors

	2023 £	2022 £
Prepayments	5,888	5,924
Other debtors	4,577	-
	<hr/>	<hr/>
	10,465	5,924
	<hr/>	<hr/>

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

10 Creditors: amounts falling due within one year

	2023 £	2022 £
Accruals and deferred income	38,365	28,787
Other creditors	0	5,037
Taxation and social security	16,685	12,070
	<u>55,050</u>	<u>45,894</u>

11 Financial Instruments

	2023 £	2022 £
Financial assets		
Cash and cash equivalents	225,063	180,282
	<u>225,063</u>	<u>180,282</u>
Financial liabilities		
Financial liabilities measured at amortised costs	55,050	45,894
	<u>55,050</u>	<u>45,894</u>

Financial assets measured at amortised cost comprise other debtors and prepayments. Financial assets also include cash and cash equivalents.

Financial liabilities measured at amortised cost comprise other creditors and accruals.

12 Movement in funds

	At 1 September 2022 £	Incoming resources £	Outgoing resources £	At 31 August 2023 £
Unrestricted funds	141,254	1,331,577	(1,289,770)	183,061
	<u>141,254</u>	<u>1,331,577</u>	<u>(1,289,770)</u>	<u>183,061</u>
Movement in funds (prior year)				
	At 1 September 2021 £	Incoming resources £	Outgoing resources £	At 31 August 2022 £
Unrestricted funds	136,561	893,415	(888,722)	141,254
	<u>136,561</u>	<u>893,415</u>	<u>(888,722)</u>	<u>141,254</u>

Grace Foundation
(A Company Limited by Guarantee)

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

13 Pensions

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension charge amounted to £71,477 (2022 - £50,021). There were outstanding contributions of £Nil (2022 - £5,037) at the end of the financial year.

14 Reconciliation of income/(expenditure) in funds to net cash flow from operating activities

	2023 £	2022 £
Net income for the year	41,807	4,693
Add back depreciation charge	942	943
(Increase) in debtors	(4,541)	(3,547)
Increase in creditors	9,156	(4,221)
	<hr/>	<hr/>
Net cash provided by operating activities	47,364	(2,132)
	<hr/>	<hr/>

15 Related party transactions

During the year the company was invoiced £65,486 (2022 - £51,559) by Tove Learning Trust, a company in which Lord and Lady Edmiston are directors.

The charity deals with Tove Learning Trust on an arm's length basis. £10,163 remained outstanding at 31 August 2023 (2022 - £9,766)

During the year donations of £1,212,000 (2022 - £870,000) were received from I.M.Group Limited, a company in which Lord Edmiston indirectly owns 100% of the issued share capital.

Radical Outreach Limited is a company owned and controlled by a family member of Lady Edmiston. During the year Radical Outreach Limited provided consultancy services to Grace Foundation and invoiced £27,572 (2022 - £29,106) in respect of those services. £2,486 remained outstanding at 31 August 2023 (2022 - £Nil).