

GIROSCOPE LIMITED

England & Wales · Charity number 1117457

Details

Status	Registered
Legal form	Charitable company
Company number	02046356
Registered	2007-01-04
Register	View on the Charity Commission register

Contact

Address	69 Coltman Street Hull HU3 2SJ
Phone	01482576374
Email	info@giroscope.org.uk
Website	www.giroscope.org.uk

Activities

Objects: (1) TO ASSIST IN THE PROVISION OF AFFORDABLE HOUSING ACCOMMODATION FOR PERSONS IN CONDITIONS OF NEED, POVERTY OR DISTRESS ON TERMS APPROPRIATE TO THEIR MEANS.(2) THE RELIEF OF UNEMPLOYMENT FOR THE BENEFIT OF THE PUBLIC IN SUCH WAYS AS MAY BE THOUGHT FIT.

Activities: Giroscope buys and renovates empty property. We then let this property to people in housing need as well as to social enterprises and community organisations. We also provide training opportunities for disadvantaged people.

Classification

- **How:** Provides Buildings/facilities/open Space, Provides Services, Provides Advocacy/advice/information, Other Charitable Activities
- **What:** Education/training, The Prevention Or Relief Of Poverty, Accommodation/housing, Economic/community Development/employment
- **Who:** The General Public/mankind

Geography

- **Area of benefit:** NOT DEFINED. IN PRACTICE, HULL EAST YORKSHIRE.
- East Riding Of Yorkshire

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£1,454,753	£1,241,304	£5,381,956	21
2023-12-31	£1,197,919	£1,006,167	£5,168,507	18
2022-12-31	£1,152,764	£996,031	£4,976,755	19
2021-12-31	£1,039,277	£869,740	£4,820,022	15
2020-12-31	£922,524	£707,150	£3,729,773	12

Trustees

Name	Role	Appointed
ALAN BROCKLEHURST		
Dr Aviv Jacob Kruglanski		2024-04-12
Holly Galbraith		2020-01-20

GIROSCOPE LIMITED

England & Wales - Charity number 1117457

Accounts

REGISTERED COMPANY NUMBER: 02046356 (England and Wales)
REGISTERED CHARITY NUMBER: 1117457

Giroscope Limited
Report of the Trustees and
Financial Statements
for the Year Ended 31st December 2024

Sadofskys
Statutory Auditors
Princes House
Wright Street
Hull
East Yorkshire
HU2 8HX

Giroscope Limited

Contents of the Financial Statements
for the year ended 31st December 2024

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Giroscope Limited
Report of the Trustees
for the year ended 31st December 2024

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31st December 2024. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

A MESSAGE FROM THE ACTING CHAIRMAN

2024 was another year of growth and development at Giroscope.

Our boldest and most complex renovation project to date - the refurbishment of the former St Matthews Church - was substantially completed during 2024. We have started to use the building which has been particularly exciting after the long period of building works and have the opportunity to appreciate the design, materials and light within the different spaces. In October we held a 'soft launch' of the building, and a number of other events and meetings have started to be held in the space. We recruited a manager for the building towards the end of the year who started at the beginning of 2025.

Exciting developments were also made at the West Park Palace (former Premiere Bar) on Anlaby Road. In the aftermath of fire in the building in June 2023 we rethought some of our plans for the space taking advantage of the opportunities left following the fire: principally the substantially damaged roof. Working with Self Architects we developed the design for a winter garden, events space, community kitchen and workspace. The planning application for this design was submitted in June.

Work on Giroscope's empty property programme continued steadily during the year. We purchased and renovated 9 Graham Avenue. This property is the final empty/rundown property in a terrace of 11 houses of Airle Street. When we purchased our first property on this terrace in 2014 there was only one occupied property, and since then we have purchased a further 8 houses, making this one of the densest concentrations of Giroscope property in the neighbourhood. We also agreed the purchase of a block of four flats on Coltman Street and a three bed house off Mayfield Street, projects we plan to undertake in 2025.

Substantial improvements were also made to a number of properties from our existing stock during the year with insulation works to the 'room in the roof' of three properties completed and full refurbishment works completed on two older Giroscope properties to bring them up to current standards.

In October we collaborated with the University of Sheffield to rethink West Park. This live project, working with students from their architecture, landscape and urban design masters provides hands on experience enabling them to apply their skills on a real-world project. Through the six week project the students developed proposals that explored the potential of West Park, addressed the community's needs aiming to transform the park into a more dynamic and welcoming space.

Our work incubating a number of small social enterprises also made progress this year. We took over a local gardening/landscaping social enterprise from another local charity. Sycamore Gardening created 4 employment opportunities during the year with each person working through a paid work placement and then support to move into employment. This model has been a great way of creating real work opportunities for our beneficiaries, support their aspirations and work intensively with this group of people. The Computer Project adopted a similar model with a grant from 'Time after Time' e-waste fund, creating 2 part time posts for previous volunteers on the project.

The Volunteer Programme, providing work experience, training and support to people to help them move towards, and into employment, grew in 2024 with funding for the programme received from the UK Shared Prosperity Fund and the Bettys and Taylors Family Fund. The participants on the programme have the opportunity to complete work experience and develop their skills in the different social enterprises - bike repair, computer recycling, gardening/landscaping, catering and construction.

Through the completion of St Matthews we started conversations the knowledge transfer exchange team at the University of Hull about how we could collaborate with the university and leverage opportunities.

Giroscope Limited

Report of the Trustees **for the year ended 31st December 2024**

Finally, the community space at 46 Wellsted Street was opened early in the year. This building, once Giroscope's office, now provides a venue for a variety of activities for tenants and the local community. During the year we provided yoga, dance, film, children's activities during the school holidays, meditation, food, training, baby groups.

OBJECTIVES AND ACTIVITIES

Objectives and aims

The company's objects and principal activities were those of the purchasing, renovation and modernisation of housing in poor condition and the renting out of these houses to the unemployed and other disadvantaged groups in society.

ACHIEVEMENTS AND PERFORMANCE

At the end of the year Giroscope owned a total of 124 properties comprising 139 residential units (111 houses and 27 flats), 2 enterprise parks (comprising of offices and workshops), the former St Matthew's Church, a community shop, a café premises and our office at 69 Coltman Street. We also lease the former Prem Bar/West Park Palace (built as a cinema) from Hull City Council.

In 2024, over 140 people engaged with the Giroscope Volunteer Programme carrying out work experience across our four projects: construction, cooking, computer recycling, and our bike workshop.

Giroscope continues to offer guidance and support to new and emerging organisations interested in developing projects; bringing empty properties back into use, providing affordable housing and support, and those offering volunteer and training opportunities.

Giroscope continues to participate in wider discussions at a local, regional and national level on topics including community-based approaches to regeneration, affordable housing, empty homes, innovative approaches to shared living and self-help housing. A report sharing the good practice of Secure Futures, a youth project completed in partnership with the Vulcan Learning Centre was published this year.

FINANCIAL REVIEW

Principle funding sources

The principle funding source of the charity are the rents received from the tenants. This includes payments made from tenants and direct payments from Housing Benefit, for both supported and unsupported tenants.

The senior management team and other staff at Giroscope continue to seek funding to support the purchase and renovation of empty properties, the provision of additional support to our beneficiaries, and the regeneration of our neighbourhood.

This funding is primarily debt finance from our bankers. We also access both statutory and non-statutory grants and donations when opportunities arise. These come in the form of both capital and revenue grants.

Investment policy and objectives

Aside from retaining a prudent amount in reserves each year, most of the charity's funds are spent in the short term, so there are few funds for long term investment. Having considered the options available, the Management Committee has decided to invest the small amount it has available in an interest-bearing account.

Reserves policy

The Management Committee will be examining the charity's requirements for reserves in light of the main risks to the organisation.

It will establish a policy whereby the unrestricted funds not committed or invested in tangible fixed assets held by the charity should not exceed 6 months of expenditure.

The reserves are needed to meet the working capital requirements of the charity, and the Management Committee are confident that at this level they would be able to continue the current activities of the charity in the event of a significant drop in funding.

Giroscope Limited

Report of the Trustees **for the year ended 31st December 2024**

FUTURE PLANS

The charity plans to continue its activities outlined below, subject to satisfactory funding arrangements. In addition, it will look to develop other projects to help regenerate the neighbourhood in which we operate; increasing opportunities for people living there.

These will include:

- The further purchase and renovation of empty residential properties to let as affordable housing.
- The purchase and improvement of tenanted properties from the private rented sector.
- The purchase and renovation of empty non-residential space to provide affordable workspace for other social enterprises and start-up businesses in our community.
- The redevelopment of the former St Matthews Church and West Park Palace.
- Building on the success of the Giroscope Self-Build project we will investigate other new build opportunities as they arise.
- Develop our volunteer programme to provide a wide range of opportunities and holistic support for people excluded and disadvantaged in the employment market.

Giroscope will investigate opportunities that may arise, to acquire and improve property from the private rented sector in other neighbourhoods in west Hull. Working with other self-help housing projects across the north of England we plan to advocate and campaign for this work to be supported, highlighting its benefits from the creation of affordable, secure homes, work opportunities, neighbourhood revitalisation and rebuilding communities.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The organisation is a charitable company limited by guarantee, incorporated on 13th August 1986 and registered as a charity on 4th January 2007. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £1.

Recruitment and appointment of new trustees

The directors of the company are also charity trustees for the purposes of charity law and under the company's Articles are known as members of the Executive Committee. Under the requirements of the Memorandum and Articles of Association the members of the Management Committee will be elected to serve a period of three years after which they must be re-elected at the next Annual General Meeting. (Resolution of Annual General Meeting November 2006).

The Management Committee is made up of a mix of traditional business skills from their own particular area of responsibility. In an effort to maintain this broad skill mix and in the event of particular skills being lost due to retirements, individuals are approached to offer themselves for election to the Committee.

Organisational structure

Giroscope Limited has an Executive Committee of 3 members who meet quarterly and are responsible for the strategic direction and policy of the charity. At the end of the financial year the Management Committee had three members. These members are from a variety of backgrounds relevant to the work of the charity.

A scheme of delegation is in place and day to day responsibility for the provision of the services rests with the Co-ordinator. The Management Committee is responsible for ensuring that the charity pursues its Aims and Objectives as well as setting strategic policy. The Co-ordinator has responsibility for the individual supervision of the staff team and also ensuring that the team continue to develop their skills and working practices in line with good practice.

Giroscope Limited

Report of the Trustees **for the year ended 31st December 2024**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Induction and training of new trustees

All of our trustees are already familiar with the practical work of the charity and are encouraged to familiarise themselves with the staff and volunteers within the organisation.

Additionally, new trustees are invited and encouraged to attend an introductory meeting with the Chair of the Management Committee and familiarise themselves with the charity and the context within which it operates. This meeting covers:

- The obligations of Management Committee members
- The main documents which set out the operational framework for the charity including the Memorandum and Articles
- Resourcing and the current financial position as set out in the latest published accounts
- Future plans and objectives
- Charity Commission
- Company Law

A Trustees induction pack has also been prepared drawing information from the various Charity Commission publications signposted through the Commission's guide 'the Essential Trustee' as an 'aide memoir'. This is distributed to all new trustees along with the Memorandum and Articles and the latest financial statements.

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The charity has a Risk Register which identifies the risks to which the charity is exposed. Systems and procedures have been established to mitigate and manage the risks the charity faces. The Risk Register is reviewed as and when necessary, at a minimum at the quarterly Board Meetings.

Internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects.

Procedures are in place to ensure compliance with health and safety for all staff, volunteers, clients and visitors to Giroscope.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

02046356 (England and Wales)

Registered Charity number

1117457

Registered office

69 Coltman Street
Hull
East Yorkshire
HU3 2SJ

Trustees

A Brocklehurst Accountant
Miss H R Galbraith Architect
A Rodriguez Coromina Artist (resigned 11/4/24)
Dr A J Kruglanski Researcher (appointed 12/4/24)

Giroscope Limited

Report of the Trustees
for the year ended 31st December 2024

REFERENCE AND ADMINISTRATIVE DETAILS

Auditors

Sadofskys
Statutory Auditors
Princes House
Wright Street
Hull
East Yorkshire
HU2 8HX

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

Company law requires the trustees to prepare financial statements for each financial year. Under that law, the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing 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;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

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

AUDITORS

The auditors, Sadofskys, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Approved by order of the board of trustees on 24th September 2025 and signed on its behalf by:

A Brocklehurst - Trustee

Report of the Independent Auditors to the Trustees of
Giroscope Limited

Opinion

We have audited the financial statements of Giroscope Limited (the 'charitable company') for the year ended 31st December 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement 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 (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 31st December 2024 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; 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 Auditors' 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 charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Matters on which we are required to report by exception

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

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- the charitable company has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Report of the Independent Auditors to the Trustees of
Giroscope Limited

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, 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.

Our responsibilities for the audit of the financial statements

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators and the charities' legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees 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 Report of the Independent Auditors.

Report of the Independent Auditors to the Trustees of
Giroscope Limited

Use of our report

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

Sadofskys

Statutory Auditors

Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006

Princes House

Wright Street

Hull

East Yorkshire

HU2 8HX

24th September 2025

Giroscope Limited

Statement of Financial Activities
for the year ended 31st December 2024

	Notes	Unrestricted funds £	Restricted fund £	2024 Total funds £	2023 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	22,463	-	22,463	736
Charitable activities	4				
Renovation and letting of housing		76,588	257,934	334,522	217,788
Investment income	3	1,097,768	-	1,097,768	979,395
Total		<u>1,196,819</u>	<u>257,934</u>	<u>1,454,753</u>	<u>1,197,919</u>
EXPENDITURE ON					
Charitable activities	5				
Renovation and letting of housing		<u>989,304</u>	<u>252,000</u>	<u>1,241,304</u>	<u>1,006,167</u>
NET INCOME		207,515	5,934	213,449	191,752
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>5,108,613</u>	<u>59,894</u>	<u>5,168,507</u>	<u>4,976,755</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>5,316,128</u></u>	<u><u>65,828</u></u>	<u><u>5,381,956</u></u>	<u><u>5,168,507</u></u>

The notes form part of these financial statements

Giroscope Limited

Balance Sheet
31st December 2024

	Notes	Unrestricted funds £	Restricted fund £	2024 Total funds £	2023 Total funds £
FIXED ASSETS					
Tangible assets	11	43,857	-	43,857	45,404
Investments					
Investments	12	4,999	-	4,999	4,999
Investment property	13	9,619,448	-	9,619,448	9,179,553
		<u>9,668,304</u>	<u>-</u>	<u>9,668,304</u>	<u>9,229,956</u>
CURRENT ASSETS					
Debtors	14	75,895	-	75,895	51,994
Cash at bank and in hand		33,726	65,828	99,554	140,079
		<u>109,621</u>	<u>65,828</u>	<u>175,449</u>	<u>192,073</u>
CREDITORS					
Amounts falling due within one year	15	(199,000)	-	(199,000)	(218,979)
NET CURRENT ASSETS		<u>(89,379)</u>	<u>65,828</u>	<u>(23,551)</u>	<u>(26,906)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>9,578,925</u>	<u>65,828</u>	<u>9,644,753</u>	<u>9,203,050</u>
CREDITORS					
Amounts falling due after more than one year	16	(4,262,797)	-	(4,262,797)	(4,034,543)
NET ASSETS		<u>5,316,128</u>	<u>65,828</u>	<u>5,381,956</u>	<u>5,168,507</u>
FUNDS	19				
Unrestricted funds				5,316,128	5,108,613
Restricted funds				65,828	59,894
TOTAL FUNDS				<u>5,381,956</u>	<u>5,168,507</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31st December 2024.

The members have not deposited notice, pursuant to Section 476 of the Companies Act 2006 requiring an audit of these financial statements.

The trustees acknowledge their responsibilities for

- ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been audited under the requirements of Section 145 of the Charities Act 2011.

The notes form part of these financial statements

Giroscope Limited

Balance Sheet - continued

31st December 2024

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

The financial statements were approved by the Board of Trustees and authorised for issue on 24th September 2025 and were signed on its behalf by:

A J Kruglanski - Trustee

Giroscope Limited

Cash Flow Statement
for the year ended 31st December 2024

	Notes	2024 £	2023 £
Cash flows from operating activities			
Cash generated from operations	1	569,806	467,108
Interest paid		(331,234)	(280,497)
Net cash provided by operating activities		238,572	186,611
Cash flows from investing activities			
Purchase of tangible fixed assets		-	(450)
Purchase of investment property		(439,895)	(450,103)
Interest received		339	-
Net cash used in investing activities		(439,556)	(450,553)
Cash flows from financing activities			
New loans in year		324,025	451,500
Loan repayments in year		(163,566)	(163,966)
Net cash provided by financing activities		160,459	287,534
Change in cash and cash equivalents in the reporting period		(40,525)	23,592
Cash and cash equivalents at the beginning of the reporting period		140,079	116,487
Cash and cash equivalents at the end of the reporting period		99,554	140,079

The notes form part of these financial statements

Giroscope Limited

Notes to the Cash Flow Statement
for the year ended 31st December 2024

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2024 £	2023 £
Net income for the reporting period (as per the Statement of Financial Activities)	213,449	191,752
Adjustments for:		
Depreciation charges	1,547	1,960
Interest received	(339)	-
Interest paid	331,234	280,497
Increase in debtors	(23,901)	(16,494)
Increase in creditors	47,816	9,393
Net cash provided by operations	569,806	467,108

2. ANALYSIS OF CHANGES IN NET DEBT

	At 1/1/24 £	Cash flow £	At 31/12/24 £
Net cash			
Cash at bank and in hand	140,079	(40,525)	99,554
	<u>140,079</u>	<u>(40,525)</u>	<u>99,554</u>
Debt			
Debts falling due within 1 year	(173,466)	67,795	(105,671)
Debts falling due after 1 year	(4,034,543)	(228,254)	(4,262,797)
	<u>(4,208,009)</u>	<u>(160,459)</u>	<u>(4,368,468)</u>
Total	(4,067,930)	(200,984)	(4,268,914)

The notes form part of these financial statements

Giroscope Limited

Notes to the Financial Statements **for the year ended 31st December 2024**

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value.

Preparation of consolidated financial statements

The financial statements contain information about Giroscope Limited as an individual company and do not contain consolidated financial information as the parent of a group. The charity is exempt under Section 399(2A) of the Companies Act 2006 from the requirements to prepare consolidated financial statements.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Improvements to property	- not provided
Plant and machinery	- at variable rates on reducing balance
Fixtures and fittings	- at variable rates on reducing balance
Motor vehicles	- 25% on reducing balance

Investment property

Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in market value is transferred to a fair value reserve.

Related party exemption

The charitable company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Giroscope Limited

Notes to the Financial Statements - continued
for the year ended 31st December 2024

1. ACCOUNTING POLICIES - continued

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Government grants

Government grants are recognised using the accruals model. Grants of a revenue nature are credited to income so as to match them with the expenditure to which they relate.

Grants in respect of capital expenditure are credited to a deferred income account and are released to profit over the expected useful lives of the assets to which they relate.

A grant that becomes receivable as compensation for expenses or losses already incurred, or for the purpose of giving immediate financial support to the company with no future related costs, is credited to income in the period in which it becomes receivable.

2. DONATIONS AND LEGACIES

	2024	2023
	£	£
Donations	22,463	736

3. INVESTMENT INCOME

	2024	2023
	£	£
Rents received	1,097,429	979,395
Other interest received	339	-
	1,097,768	979,395

4. INCOME FROM CHARITABLE ACTIVITIES

	2024	2023
	£	£
Grants	257,934	118,524
Other income	76,588	99,264
	334,522	217,788

Other capital grants received during the year are:

	2024	2023
	£	£
Capital Grants received		
Hull City Council Right-To-Buy Replacement Grant	27,020	117,026
Architectural Heritage	8,190	14,100
Garfield Weston Foundation	-	20,000
Community Led Local Development (ERDF project)	-	38,085
The UK Shared Prosperity Fund	-	20,000
Locality	-	7,268
Pilgrim Trust	5,000	-

Giroscope Limited

Notes to the Financial Statements - continued
for the year ended 31st December 2024

4. INCOME FROM CHARITABLE ACTIVITIES - continued

	40,210	216,479

Grants received, included in the above, are as follows:

	2024	2023
	£	£
Hull and East Riding Charitable Trust	12,000	4,500
Hull Community Led Local Development	-	7,758
Bettys and Taylors Family Fund	36,721	-
Good Things Foundation	-	4,000
UK Cycling - Big Bike Revival	5,790	2,000
Charities Fund	-	59,894
Neighbourly	-	500
The UK Shared Prosperity Fund	133,041	39,872
Hubbub - Time After Time	53,100	-
Hull City Council - Healthy Holidays	1,738	-
Humberside Police Crime Commissioners Crime Reduction Fund	11,544	-
Joseph & Annie Cattle Trust	4,000	-
	257,934	118,524

5. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 6) £	Totals £
Renovation and letting of housing	870,620	370,684	1,241,304

6. SUPPORT COSTS

	Governance costs £
Renovation and letting of housing	370,684

7. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2024	2023
	£	£
Auditors' remuneration	5,688	5,100
Depreciation - owned assets	1,547	1,960
Other operating leases	1,625	-

Giroscope Limited

Notes to the Financial Statements - continued
for the year ended 31st December 2024

8. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31st December 2024 nor for the year ended 31st December 2023.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31st December 2024 nor for the year ended 31st December 2023.

9. STAFF COSTS

	2024	2023
	£	£
Wages and salaries	393,220	334,126
Social security costs	24,143	18,925
Other pension costs	7,491	6,488
	424,854	359,539

The average monthly number of employees during the year was as follows:

	2024	2023
Management and administration	9	7
Support	12	11
	21	18

No employees received emoluments in excess of £60,000.

10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted fund £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	736	-	736
Charitable activities			
Renovation and letting of housing	99,264	118,524	217,788
Investment income	979,395	-	979,395
Total	1,079,395	118,524	1,197,919
EXPENDITURE ON			
Charitable activities			
Renovation and letting of housing	935,427	70,740	1,006,167
NET INCOME	143,968	47,784	191,752
RECONCILIATION OF FUNDS			
Total funds brought forward	4,964,645	12,110	4,976,755

Giroscope Limited

Notes to the Financial Statements - continued
for the year ended 31st December 2024

10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted funds £	Restricted fund £	Total funds £
TOTAL FUNDS CARRIED FORWARD	5,108,613	59,894	5,168,507

11. TANGIBLE FIXED ASSETS

	Improvements to property £	Plant and machinery £	Fixtures and fittings £
COST			
At 1st January 2024 and 31st December 2024	38,474	7,370	23,464
DEPRECIATION			
At 1st January 2024	-	7,200	21,805
Charge for year	-	33	239
At 31st December 2024	-	7,233	22,044
NET BOOK VALUE			
At 31st December 2024	38,474	137	1,420
At 31st December 2023	38,474	170	1,659

	Motor vehicles £	Computer equipment £	Totals £
COST			
At 1st January 2024 and 31st December 2024	7,039	7,981	84,328
DEPRECIATION			
At 1st January 2024	5,183	4,736	38,924
Charge for year	464	811	1,547
At 31st December 2024	5,647	5,547	40,471
NET BOOK VALUE			
At 31st December 2024	1,392	2,434	43,857
At 31st December 2023	1,856	3,245	45,404

Giroscope Limited

Notes to the Financial Statements - continued
for the year ended 31st December 2024

12. FIXED ASSET INVESTMENTS

Shares in
group
undertakings
£

MARKET VALUE

At 1st January 2024 and
31st December 2024

4,999

NET BOOK VALUE

At 31st December 2024

4,999

At 31st December 2023

4,999

There were no investment assets outside the UK.

The company's investments at the balance sheet date in the share capital of companies include the following:

Giroscope Services Limited

Registered office: 69 Coltman Street, Hull, HU3 2SJ

Nature of business: Property and building repairs

Class of share:	%	holding
Ordinary		100

13. INVESTMENT PROPERTY

£

FAIR VALUE

At 1st January 2024

9,379,666

Additions

439,895

At 31st December 2024

9,819,561

AMORTISATION

At 1st January 2024
and 31st December 2024

200,113

NET BOOK VALUE

At 31st December 2024

9,619,448

At 31st December 2023

9,179,553

Fair value at 31st December 2024 is represented by:

	£	
Valuation in 2021		920,712
Cost		8,898,849
		9,819,561

Giroscope Limited

Notes to the Financial Statements - continued
for the year ended 31st December 2024

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024	2023
	£	£
Rent arrears	60,103	35,464
Other debtors	15,792	16,530
	<u>75,895</u>	<u>51,994</u>

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024	2023
	£	£
Bank loans and overdrafts (see note 17)	23,240	171,800
Other loans (see note 17)	82,431	1,666
Trade creditors	7,098	9,585
Social security and other taxes	6,717	6,700
Other creditors	74,066	24,428
Accrued expenses	5,448	4,800
	<u>199,000</u>	<u>218,979</u>

16. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2024	2023
	£	£
Bank loans (see note 17)	3,906,230	3,803,370
Other loans (see note 17)	356,567	231,173
	<u>4,262,797</u>	<u>4,034,543</u>

17. LOANS

An analysis of the maturity of loans is given below:

	2024	2023
	£	£
Amounts falling due within one year on demand:		
Bank loans	23,240	171,800
Other loans	82,431	1,666
	<u>105,671</u>	<u>173,466</u>
Amounts falling between one and two years:		
Bank loans - 1-2 years	3,906,230	3,803,370
Other loans - 1-2 years	356,567	231,173
	<u>4,262,797</u>	<u>4,034,543</u>

Giroscope Limited

Notes to the Financial Statements - continued
for the year ended 31st December 2024

18. SECURED DEBTS

The following secured debts are included within creditors:

	2024 £	2023 £
Bank loans	<u>3,929,470</u>	<u>3,975,170</u>

The bank loans are secured by way of a legal mortgage over the properties to which they relate and the bank overdraft is secured by way of a fixed and floating charge over the company's assets.

19. MOVEMENT IN FUNDS

	At 1/1/24 £	Net movement in funds £	At 31/12/24 £
Unrestricted funds			
General fund	5,108,613	207,515	5,316,128
Restricted funds			
Restricted	59,894	5,934	65,828
TOTAL FUNDS	<u>5,168,507</u>	<u>213,449</u>	<u>5,381,956</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,196,819	(989,304)	207,515
Restricted funds			
Restricted	257,934	(252,000)	5,934
TOTAL FUNDS	<u>1,454,753</u>	<u>(1,241,304)</u>	<u>213,449</u>

Comparatives for movement in funds

	At 1/1/23 £	Net movement in funds £	At 31/12/23 £
Unrestricted funds			
General fund	4,964,645	143,968	5,108,613
Restricted funds			
Restricted	12,110	47,784	59,894
TOTAL FUNDS	<u>4,976,755</u>	<u>191,752</u>	<u>5,168,507</u>

Giroscope Limited

Notes to the Financial Statements - continued
for the year ended 31st December 2024

19. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,079,395	(935,427)	143,968
Restricted funds			
Restricted	118,524	(70,740)	47,784
TOTAL FUNDS	<u>1,197,919</u>	<u>(1,006,167)</u>	<u>191,752</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1/1/23 £	Net movement in funds £	At 31/12/24 £
Unrestricted funds			
General fund	4,964,645	351,483	5,316,128
Restricted funds			
Restricted	12,110	53,718	65,828
TOTAL FUNDS	<u>4,976,755</u>	<u>405,201</u>	<u>5,381,956</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	2,276,214	(1,924,731)	351,483
Restricted funds			
Restricted	376,458	(322,740)	53,718
TOTAL FUNDS	<u>2,652,672</u>	<u>(2,247,471)</u>	<u>405,201</u>

Giroscope Limited

Notes to the Financial Statements - continued
for the year ended 31st December 2024

20. RELATED PARTY DISCLOSURES

The charitable company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

Giroscope Limited

Detailed Statement of Financial Activities
for the year ended 31st December 2024

	2024 £	2023 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	22,463	736
Investment income		
Rents received	1,097,429	979,395
Other interest received	339	-
	1,097,768	979,395
Charitable activities		
Grants	257,934	118,524
Other income	76,588	99,264
	334,522	217,788
Total incoming resources	1,454,753	1,197,919
EXPENDITURE		
Charitable activities		
Wages	393,220	334,126
Social security	24,143	18,925
Pensions	7,491	6,488
Other operating leases	1,625	-
Rates and water	30,340	20,507
Insurance	25,516	19,494
Light and heat	39,523	39,769
Telephone	8,533	6,204
Postage, stationery and advertising	8,657	4,971
Sundries	9,528	13,571
Motor expenses	14,095	13,102
Repairs and renewals	38,741	25,239
Sub contractors	238,498	172,863
Volunteer development costs	26,823	26,415
Bad debts	3,237	5,764
Donations	650	782
	870,620	708,220
Support costs		
Governance costs		
Auditors' remuneration	5,688	5,100
Legal fees	20,551	4,549
Bank charges	2,379	5,435
Credit card charges and interest	696	406
Carried forward	29,314	15,490

This page does not form part of the statutory financial statements

Giroscope Limited

Detailed Statement of Financial Activities
for the year ended 31st December 2024

	2024 £	2023 £
Governance costs		
Brought forward	29,314	15,490
Consultancy fees	8,589	-
Depreciation of tangible fixed assets	1,547	1,960
Other loan interest	12,500	6,000
Bank loan interest	318,734	274,497
	370,684	297,947
Total resources expended	1,241,304	1,006,167
Net income	213,449	191,752

GIROSCOPE LIMITED

England & Wales - Charity number 1117457

Accounts

REGISTERED COMPANY NUMBER: 02046356 (England and Wales)
REGISTERED CHARITY NUMBER: 1117457

Giroscope Limited
Report of the Trustees and
Financial Statements
for the Year Ended 31st December 2023

Sadofskys
Statutory Auditors
Princes House
Wright Street
Hull
East Yorkshire
HU2 8HX

Giroscope Limited

Contents of the Financial Statements
for the year ended 31st December 2023

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Giroscope Limited

Report of the Trustees **for the year ended 31st December 2023**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31st December 2023. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

A MESSAGE FROM THE ACTING CHAIRMAN

2023 proved to be another challenging year for Giroscope. With 2022 seeing UK Base Rate move from 0.25% - 3.5%, 2023 saw it move again from 3.5% - 5.25%. This combined with small increases in our loan margins over Base resulted in Giroscope having to pay over 8% for its debt finance.

Consequently, Giroscope completed no property purchases in 2023. The first time for many years this being the case. However, that did not stop us from having a very busy and productive year.

We completed the renovation of 18 Cadogan Street in April 2023, a property that we had bought the previous year in a very dilapidated state.

Work continued in a stop/start fashion on a very large renovation project, 14 Albert Avenue. This expansive, 7 bed, three-storey property requires a full schedule of works, and we hope to complete this later in 2024.

Following a fire in one of our properties on Airlie Street, caused by an electric scooter, another of our properties required a full schedule of works. We also fully renovated 51 Wellsted Street after it became vacant at the end of 2022. This included regularising the room in roof at the property. This continues an ongoing project whereby all third-floor attic rooms across the Giroscope estate are reconstructed with two skylight windows, new stairs and modern breathable insulation.

Late April in 2023 saw the official opening of the Giroscope self-build project. The three houses that we built had been completed in 2022. The event was well covered by the press and a large and broad range of guests attended the event hosted by our Project Manager Caroline Gore-Booth and the Architect Duncan Roberts.

Unfortunately, June brought another conflagration. The former Prem Bar/West Park Palace fell victim to an arson attack. Fortunately, the building was empty and awaiting renovation. We lost the entire roof in the fire. This has caused a delay in the planned renovation of the building, but has also afforded us an opportunity to rethink the design of the building. We hope to get a full planning application made in 2024.

Work continued at our largest renovation project to date, the renovation of the former St Matthews church on Boulevard. This included the installation of a substantial solar PV array on the entire south roof. We will endeavor to finish the project in October 2024.

2023 saw the commencement of a rethink of the governing structure of Giroscope. Previously the Housing Revenue Account had been able to subsidise the other activities of Giroscope, notably our volunteer projects. With the rise in interest rates, the increase in the costs of property renovation (labour and materials) and the relative diminution of Local Housing Allowance (LHA), on which we base our rents this became no longer feasible.

With this in mind we have began the journey whereby there will be a clearer division between the housing functions of Giroscope and its other functions around work experience, volunteering and enterprise development. We will look to set up our volunteering projects; gardening, bike project, computer project and cooking as separate companies, wholly owned by the charity Giroscope.

OBJECTIVES AND ACTIVITIES

Objectives and aims

The company's objects and principal activities were those of the purchasing, renovation and modernisation of housing in poor condition and the renting out of these houses to the unemployed and other disadvantaged groups in society.

Giroscope Limited

Report of the Trustees **for the year ended 31st December 2023**

ACHIEVEMENT AND PERFORMANCE

At the end of the year Giroscope owned a total of 123 properties comprising 138 residential units (111 houses and 27 flats), 2 enterprise parks (comprising of offices and workshops), the former St Matthew's church, a community shop, a café premises and our office at 69 Coltman Street.

We also lease the former Prem Bar/West Park Palace (built as a cinema) and a three bedroom flat from Hull City Council.

We continue to manage 6 privately owned properties on behalf of Hull City Council, who took over control from the absent owners via Empty Dwelling Management Orders. We are on the verge of completing the purchase of one of these properties, 94 Wellsted Street, and have had offers accepted on two more. Working with Hull City Council it is our intention to purchase all six.

In 2023, over 100 people engaged with the Giroscope Volunteer Programme carrying out work experience across our four projects: construction, cooking, computer recycling, and our bike workshop.

Giroscope continues to offer guidance and support to new and emerging organisations interested in developing projects; bringing empty properties back into use, providing affordable housing and support, and those offering volunteer and training opportunities.

Giroscope continues to participate in wider discussions at a local, regional and national level on topics including community-based approaches to regeneration, affordable housing, empty homes, innovative approaches to shared living and self-help housing. This included reports around the private rented sector produced by the New Economics Foundation.

FINANCIAL REVIEW

Principal funding sources

The principle funding source of the charity are the rents received from the tenants. This includes payments made from tenants and direct payments from Housing Benefit, for both supported and unsupported tenants.

The senior management team and other staff at Giroscope continue to seek funding to support the purchase and renovation of empty properties, the provision of additional support to our beneficiaries, and the regeneration of our neighbourhood.

This funding is primarily debt finance from our bankers. We also access both statutory and non-statutory grants and donations when opportunities arise. These come in the form of both capital and revenue grants.

- Hull City Council Right-To-Buy Replacement Grant
- Architectural Heritage Fund
- Sir James Reckitt Charity
- Garfield Weston Foundation
- Community Led Local Development (ERDF project)
- The UK Shared Prosperity Fund
- Community Ownership Revenue Fund (via Locality)

Investment policy and objectives

Aside from retaining a prudent amount in reserves each year, most of the charity's funds are spent in the short term, so there are few funds for long term investment. Having considered the options available, the Management Committee has decided to invest the small amount it has available in an interest-bearing account.

Giroscope Limited

Report of the Trustees **for the year ended 31st December 2023**

FINANCIAL REVIEW

Reserves policy

The Management Committee will be examining the charity's requirements for reserves in light of the main risks to the organisation.

It will establish a policy whereby the unrestricted funds not committed or invested in tangible fixed assets held by the charity should not exceed 6 months of expenditure.

The reserves are needed to meet the working capital requirements of the charity, and the Management Committee are confident that at this level they would be able to continue the current activities of the charity in the event of a significant drop in funding.

FUTURE PLANS

The charity plans to continue its activities outlined below, subject to satisfactory funding arrangements. In addition, it will look to develop other projects to help regenerate the neighbourhood in which we operate; increasing opportunities for people living there.

These will include:

- The further purchase and renovation of empty residential properties to let as affordable housing.
- The purchase and improvement of tenanted properties from the private rented sector.
- The purchase and renovation of empty non-residential space to provide affordable workspace for other social enterprises and start-up businesses in our community.
- The redevelopment of the former St Matthews church and the former Premiere Bar.
- Building on the success of the Giroscope self-build project we will investigate other new build opportunities as they arise.
- Develop our volunteer programme to provide a wide range of opportunities and holistic support for people excluded and disadvantaged in the employment market.

Giroscope will investigate opportunities that may arise, to acquire and improve property from the private rented sector in other neighbourhoods in west Hull. We will explore such opportunities in partnership with Hull City Council as they arise.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The organisation is a charitable company limited by guarantee, incorporated on 13th August 1986 and registered as a charity on 4th January 2007. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £1.

Recruitment and appointment of new trustees

The directors of the company are also charity trustees for the purposes of charity law and under the company's Articles are known as members of the Executive Committee. Under the requirements of the Memorandum and Articles of Association the members of the Management Committee will be elected to serve a period of three years after which they must be re-elected at the next Annual General Meeting. (Resolution of Annual General Meeting November 2006).

The Management Committee is made up of a mix of traditional business skills from their own particular area of responsibility. In an effort to maintain this broad skill mix and in the event of particular skills being lost due to retirements, individuals are approached to offer themselves for election to the Committee.

Giroscope Limited

Report of the Trustees **for the year ended 31st December 2023**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Organisational structure

Giroscope Limited has an Executive Committee of 3 members who meet quarterly and are responsible for the strategic direction and policy of the charity. At the end of the financial year the Management Committee had three members. These members are from a variety of backgrounds relevant to the work of the charity.

A scheme of delegation is in place and day to day responsibility for the provision of the services rests with the Co-ordinator. The Management Committee is responsible for ensuring that the charity pursues its Aims and Objectives as well as setting strategic policy. The Co-ordinator has responsibility for the individual supervision of the staff team and also ensuring that the team continue to develop their skills and working practices in line with good practice.

Induction and training of new trustees

All of our trustees are already familiar with the practical work of the charity and are encouraged to familiarise themselves with the staff and volunteers within the organisation.

Additionally, new trustees are invited and encouraged to attend an introductory meeting with the Chair of the Management Committee and familiarise themselves with the charity and the context within which it operates. This meeting covers:

- The obligations of Management Committee members
- The main documents which set out the operational framework for the charity including the Memorandum and Articles
- Resourcing and the current financial position as set out in the latest published accounts
- Future plans and objectives
- Charity Commission
- Company Law

A Trustees induction pack has also been prepared drawing information from the various Charity Commission publications signposted through the Commission's guide 'the Essential Trustee' as an 'aide memoir'. This is distributed to all new trustees along with the Memorandum and Articles and the latest financial statements.

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The charity has a Risk Register which identifies the risks to which the charity is exposed. Systems and procedures have been established to mitigate and manage the risks the charity faces. The Risk Register is reviewed as and when necessary, at a minimum at the quarterly Board Meetings.

Internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects.

Procedures are in place to ensure compliance with health and safety for all staff, volunteers, clients and visitors to Giroscope.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

02046356 (England and Wales)

Registered Charity number

1117457

Registered office

69 Coltman Street
Hull
East Yorkshire
HU3 2SJ

Giroscope Limited

Report of the Trustees
for the year ended 31st December 2023

Trustees

A Brocklehurst Accountant
R Amesbury Director (resigned 10/10/23)
Miss H R Galbraith Architect
A Rodriguez Coromina Artist (appointed 21/11/23) (resigned 11/4/24)
Dr A J Kruglanski (appointed 12/4/24)

Auditors

Sadofskys
Statutory Auditors
Princes House
Wright Street
Hull
East Yorkshire
HU2 8HX

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

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

AUDITORS

The auditors, Sadofskys, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Approved by order of the board of trustees on 3rd September 2024 and signed on its behalf by:

Dr A J Kruglanski - Trustee

Report of the Independent Auditors to the Trustees of
Giroscope Limited

Opinion

We have audited the financial statements of Giroscope Limited (the 'charitable company') for the year ended 31st December 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement 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 (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 31st December 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; 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 Auditors' 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 charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Matters on which we are required to report by exception

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

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- the charitable company has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Report of the Independent Auditors to the Trustees of Giroscope Limited

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, 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.

Our responsibilities for the audit of the financial statements

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators and the charities' legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees 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 Report of the Independent Auditors.

Report of the Independent Auditors to the Trustees of
Giroscope Limited

Use of our report

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

Sadofskys
Statutory Auditors
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006
Princes House
Wright Street
Hull
East Yorkshire
HU2 8HX

3rd September 2024

Giroscope Limited

Statement of Financial Activities
for the year ended 31st December 2023

	Notes	Unrestricted funds £	Restricted fund £	2023 Total funds £	2022 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	736	-	736	1,396
Charitable activities	4				
Renovation and letting of housing		99,264	118,524	217,788	275,080
Investment income	3	979,395	-	979,395	876,288
Total		1,079,395	118,524	1,197,919	1,152,764
EXPENDITURE ON					
Charitable activities	5				
Renovation and letting of housing		935,427	70,740	1,006,167	996,031
NET INCOME		143,968	47,784	191,752	156,733
RECONCILIATION OF FUNDS					
Total funds brought forward		4,964,645	12,110	4,976,755	4,820,022
TOTAL FUNDS CARRIED FORWARD		5,108,613	59,894	5,168,507	4,976,755

The notes form part of these financial statements

Giroscope Limited

Balance Sheet
31st December 2023

	Notes	Unrestricted funds £	Restricted fund £	2023 Total funds £	2022 Total funds £
FIXED ASSETS					
Tangible assets	11	45,404	-	45,404	46,914
Investments					
Investments	12	4,999	-	4,999	4,999
Investment property	13	9,179,553	-	9,179,553	8,729,450
		<u>9,229,956</u>	<u>-</u>	<u>9,229,956</u>	<u>8,781,363</u>
CURRENT ASSETS					
Debtors	14	51,994	-	51,994	35,500
Cash at bank		72,917	67,162	140,079	116,487
		<u>124,911</u>	<u>67,162</u>	<u>192,073</u>	<u>151,987</u>
CREDITORS					
Amounts falling due within one year	15	(211,711)	(7,268)	(218,979)	(195,586)
		<u>(86,800)</u>	<u>59,894</u>	<u>(26,906)</u>	<u>(43,599)</u>
NET CURRENT ASSETS					
		<u>(86,800)</u>	<u>59,894</u>	<u>(26,906)</u>	<u>(43,599)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>9,143,156</u>	<u>59,894</u>	<u>9,203,050</u>	<u>8,737,764</u>
CREDITORS					
Amounts falling due after more than one year	16	(4,034,543)	-	(4,034,543)	(3,761,009)
		<u>(4,034,543)</u>	<u>-</u>	<u>(4,034,543)</u>	<u>(3,761,009)</u>
NET ASSETS		<u>5,108,613</u>	<u>59,894</u>	<u>5,168,507</u>	<u>4,976,755</u>
FUNDS	19				
Unrestricted funds				5,108,613	4,964,645
Restricted funds				59,894	12,110
TOTAL FUNDS				<u>5,168,507</u>	<u>4,976,755</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31st December 2023.

The members have not deposited notice, pursuant to Section 476 of the Companies Act 2006 requiring an audit of these financial statements.

The trustees acknowledge their responsibilities for

- ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been audited under the requirements of Section 145 of the Charities Act 2011.

The notes form part of these financial statements

Giroscope Limited

Balance Sheet - continued

31st December 2023

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

The financial statements were approved by the Board of Trustees and authorised for issue on 3rd September 2024 and were signed on its behalf by:

A J Kruglanski - Trustee

Giroscope Limited

Cash Flow Statement
for the year ended 31st December 2023

	Notes	2023 £	2022 £
Cash flows from operating activities			
Cash generated from operations	1	467,108	333,845
Interest paid		(280,497)	(148,773)
Net cash provided by operating activities		186,611	185,072
Cash flows from investing activities			
Purchase of tangible fixed assets		(450)	(909)
Purchase of investment property		(450,103)	(515,914)
Net cash used in investing activities		(450,553)	(516,823)
Cash flows from financing activities			
New loans in year		451,500	1,586,200
Loan repayments in year		(163,966)	(1,133,615)
Net cash provided by financing activities		287,534	452,585
Change in cash and cash equivalents in the reporting period		23,592	120,834
Cash and cash equivalents at the beginning of the reporting period		116,487	(4,347)
Cash and cash equivalents at the end of the reporting period		140,079	116,487

The notes form part of these financial statements

Giroscope Limited

Notes to the Cash Flow Statement
for the year ended 31st December 2023

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2023 £	2022 £
Net income for the reporting period (as per the Statement of Financial Activities)	191,752	156,733
Adjustments for:		
Depreciation charges	1,960	2,282
Interest paid	280,497	148,773
(Increase)/decrease in debtors	(16,494)	81,842
Increase/(decrease) in creditors	9,393	(55,785)
Net cash provided by operations	467,108	333,845

2. ANALYSIS OF CHANGES IN NET DEBT

	At 1/1/23 £	Cash flow £	At 31/12/23 £
Net cash			
Cash at bank	116,487	23,592	140,079
	<u>116,487</u>	<u>23,592</u>	<u>140,079</u>
Debt			
Debts falling due within 1 year	(159,466)	(14,000)	(173,466)
Debts falling due after 1 year	(3,761,009)	(273,534)	(4,034,543)
	<u>(3,920,475)</u>	<u>(287,534)</u>	<u>(4,208,009)</u>
Total	(3,803,988)	(263,942)	(4,067,930)

The notes form part of these financial statements

Giroscope Limited

Notes to the Financial Statements for the year ended 31st December 2023

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Improvements to property	- not provided
Plant and machinery	- at variable rates on reducing balance
Fixtures and fittings	- at variable rates on reducing balance
Motor vehicles	- 25% on reducing balance

Investment property

Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in market value is transferred to a fair value reserve.

Related party exemption

The charitable company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Government grants

Government grants are recognised using the accruals model. Grants of a revenue nature are credited to income so as to match them with the expenditure to which they relate.

Giroscope Limited

Notes to the Financial Statements - continued
for the year ended 31st December 2023

1. ACCOUNTING POLICIES - continued

Government grants

Grants in respect of capital expenditure are credited to a deferred income account and are released to profit over the expected useful lives of the assets to which they relate.

A grant that becomes receivable as compensation for expenses or losses already incurred, or for the purpose of giving immediate financial support to the company with no future related costs, is credited to income in the period in which it becomes receivable.

2. DONATIONS AND LEGACIES

	2023	2022
	£	£
Donations	736	1,396
	<u>736</u>	<u>1,396</u>

3. INVESTMENT INCOME

	2023	2022
	£	£
Rents received	979,395	876,288
	<u>979,395</u>	<u>876,288</u>

4. INCOME FROM CHARITABLE ACTIVITIES

	2023	2022
	£	£
Grants	118,524	160,511
Other income	99,264	114,569
	<u>99,264</u>	<u>114,569</u>
	<u>217,788</u>	<u>275,080</u>

Other capital grants received during the year are:

	2023	2022
	£	£
Capital Grants received		
Hull City Council Right-To-Buy Replacement Grant	117,026	82,610
Architectural Heritage	14,100	-
Sir James Reckitt Charity	-	10,000
Garfield Weston Foundation	20,000	-
Community Led Local Development (ERDF project)	38,085	239,963
The UK Shared Prosperity Fund	20,000	-
Locality	7,268	-
	<u>216,479</u>	<u>332,573</u>

Grants received, included in the above, are as follows:

	2023	2022
	£	£
Hull and East Riding Charitable Trust	4,500	10,000
Sir James Reckitt Charity	-	85,000
Hull Community Led Local Development	7,758	28,133
Bettys and Taylors Family Fund	-	16,665
	<u>12,258</u>	<u>139,798</u>

Giroscope Limited

Notes to the Financial Statements - continued
for the year ended 31st December 2023

4. INCOME FROM CHARITABLE ACTIVITIES - continued

	2023	2022
	£	£
Brought forward	12,258	139,798
Good Things Foundation	4,000	-
Job retention scheme	-	2,986
NHS Social Prescribing Grant	-	8,715
Renew Community Fund	-	2,000
UK Cycling - Big Bike Revival	2,000	2,867
Two Ridings Community Foundation	-	1,930
Winter Warmth Community Foundation	-	2,215
Charities Fund	59,894	-
Neighbourly	500	-
The UK Shared Prosperity Fund	39,872	-
	<u>118,524</u>	<u>160,511</u>

5. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 6) £	Totals £
Renovation and letting of housing	<u>708,220</u>	<u>297,947</u>	<u>1,006,167</u>

6. SUPPORT COSTS

	Governance costs £
Renovation and letting of housing	<u>297,947</u>

7. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2023	2022
	£	£
Auditors' remuneration	5,100	4,800
Depreciation - owned assets	<u>1,960</u>	<u>2,282</u>

8. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31st December 2023 nor for the year ended 31st December 2022.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31st December 2023 nor for the year ended 31st December 2022.

Giroscope Limited

Notes to the Financial Statements - continued
for the year ended 31st December 2023

9. STAFF COSTS

	2023	2022
	£	£
Wages and salaries	334,126	361,602
Social security costs	18,925	21,955
Other pension costs	6,488	6,823
	<u>359,539</u>	<u>390,380</u>

The average monthly number of employees during the year was as follows:

	2023	2022
	7	8
Management and administration	11	11
Support	18	19

No employees received emoluments in excess of £60,000.

10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted fund £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	1,396	-	1,396
Charitable activities			
Renovation and letting of housing	114,569	160,511	275,080
Investment income	876,288	-	876,288
Total	<u>992,253</u>	<u>160,511</u>	<u>1,152,764</u>
EXPENDITURE ON			
Charitable activities			
Renovation and letting of housing	842,843	153,188	996,031
NET INCOME	149,410	7,323	156,733
RECONCILIATION OF FUNDS			
Total funds brought forward	4,815,235	4,787	4,820,022
TOTAL FUNDS CARRIED FORWARD	<u>4,964,645</u>	<u>12,110</u>	<u>4,976,755</u>

Giroscope Limited

Notes to the Financial Statements - continued
for the year ended 31st December 2023

11. TANGIBLE FIXED ASSETS

	Improvements to property £	Plant and machinery £	Fixtures and fittings £
COST			
At 1st January 2023	38,474	7,370	23,464
Additions	-	-	-
At 31st December 2023	38,474	7,370	23,464
DEPRECIATION			
At 1st January 2023	-	7,159	21,525
Charge for year	-	41	280
At 31st December 2023	-	7,200	21,805
NET BOOK VALUE			
At 31st December 2023	38,474	170	1,659
At 31st December 2022	38,474	211	1,939
	Motor vehicles £	Computer equipment £	Totals £
COST			
At 1st January 2023	7,039	7,531	83,878
Additions	-	450	450
At 31st December 2023	7,039	7,981	84,328
DEPRECIATION			
At 1st January 2023	4,564	3,716	36,964
Charge for year	619	1,020	1,960
At 31st December 2023	5,183	4,736	38,924
NET BOOK VALUE			
At 31st December 2023	1,856	3,245	45,404
At 31st December 2022	2,475	3,815	46,914

Giroscope Limited

Notes to the Financial Statements - continued
for the year ended 31st December 2023

12. FIXED ASSET INVESTMENTS

Shares in
group
undertakings
£

MARKET VALUE

At 1st January 2023 and
31st December 2023

4,999

NET BOOK VALUE

At 31st December 2023

4,999

At 31st December 2022

4,999

There were no investment assets outside the UK.

The company's investments at the balance sheet date in the share capital of companies include the following:

Giroscope Services Limited

Registered office: 69 Coltman Street, Hull, HU3 2SJ

Nature of business: Property and building repairs

Class of share:	%	holding
Ordinary	100	

13. INVESTMENT PROPERTY

£

FAIR VALUE

At 1st January 2023
Additions

8,929,563

450,103

At 31st December 2023

9,379,666

AMORTISATION

At 1st January 2023
and 31st December 2023

200,113

NET BOOK VALUE

At 31st December 2023

9,179,553

At 31st December 2022

8,729,450

Fair value at 31st December 2023 is represented by:

Valuation in 2021	£	
		920,712
Cost		8,458,954
		9,379,666

Giroscope Limited

Notes to the Financial Statements - continued
for the year ended 31st December 2023

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Rent arrears	35,464	26,419
Other debtors	16,530	9,081
	<u>51,994</u>	<u>35,500</u>

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Bank loans and overdrafts (see note 17)	171,800	157,800
Other loans (see note 17)	1,666	1,666
Trade creditors	9,585	3,545
Social security and other taxes	6,700	6,507
Other creditors	24,428	21,568
Accrued expenses	4,800	4,500
	<u>218,979</u>	<u>195,586</u>

16. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2023	2022
	£	£
Bank loans (see note 17)	3,803,370	3,629,670
Other loans (see note 17)	231,173	131,339
	<u>4,034,543</u>	<u>3,761,009</u>

17. LOANS

An analysis of the maturity of loans is given below:

	2023	2022
	£	£
Amounts falling due within one year on demand:		
Bank loans	171,800	157,800
Other loans	1,666	1,666
	<u>173,466</u>	<u>159,466</u>
Amounts falling between one and two years:		
Bank loans - 1-2 years	3,803,370	3,629,670
Other loans - 1-2 years	231,173	131,339
	<u>4,034,543</u>	<u>3,761,009</u>

Giroscope Limited

Notes to the Financial Statements - continued
for the year ended 31st December 2023

18. SECURED DEBTS

The following secured debts are included within creditors:

	2023 £	2022 £
Bank loans	<u>3,975,170</u>	<u>3,787,470</u>

The bank loans are secured by way of a legal mortgage over the properties to which they relate and the bank overdraft is secured by way of a fixed and floating charge over the company's assets.

19. MOVEMENT IN FUNDS

	At 1/1/23 £	Net movement in funds £	At 31/12/23 £
Unrestricted funds			
General fund	4,964,645	143,968	5,108,613
Restricted funds			
Restricted	12,110	47,784	59,894
TOTAL FUNDS	<u>4,976,755</u>	<u>191,752</u>	<u>5,168,507</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,079,395	(935,427)	143,968
Restricted funds			
Restricted	118,524	(70,740)	47,784
TOTAL FUNDS	<u>1,197,919</u>	<u>(1,006,167)</u>	<u>191,752</u>

Comparatives for movement in funds

	At 1/1/22 £	Net movement in funds £	At 31/12/22 £
Unrestricted funds			
General fund	4,815,235	149,410	4,964,645
Restricted funds			
Restricted	4,787	7,323	12,110
TOTAL FUNDS	<u>4,820,022</u>	<u>156,733</u>	<u>4,976,755</u>

Giroscope Limited

Notes to the Financial Statements - continued
for the year ended 31st December 2023

19. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	992,253	(842,843)	149,410
Restricted funds			
Restricted	160,511	(153,188)	7,323
TOTAL FUNDS	<u>1,152,764</u>	<u>(996,031)</u>	<u>156,733</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1/1/22 £	Net movement in funds £	At 31/12/23 £
Unrestricted funds			
General fund	4,815,235	293,378	5,108,613
Restricted funds			
Restricted	4,787	55,107	59,894
TOTAL FUNDS	<u>4,820,022</u>	<u>348,485</u>	<u>5,168,507</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	2,071,648	(1,778,270)	293,378
Restricted funds			
Restricted	279,035	(223,928)	55,107
TOTAL FUNDS	<u>2,350,683</u>	<u>(2,002,198)</u>	<u>348,485</u>

Giroscope Limited

Notes to the Financial Statements - continued
for the year ended 31st December 2023

20. RELATED PARTY DISCLOSURES

The charitable company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

Giroscope Limited

Detailed Statement of Financial Activities
for the year ended 31st December 2023

	2023 £	2022 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	736	1,396
Investment income		
Rents received	979,395	876,288
Charitable activities		
Grants	118,524	160,511
Other income	99,264	114,569
	217,788	275,080
Total incoming resources	1,197,919	1,152,764
EXPENDITURE		
Charitable activities		
Wages	334,126	361,602
Social security	18,925	21,955
Pensions	6,488	6,823
Rates and water	20,507	26,884
Insurance	19,494	17,100
Light and heat	39,769	29,102
Telephone	6,204	6,229
Postage, stationery and advertising	4,971	4,209
Sundries	13,571	13,974
Motor expenses	13,102	15,716
Repairs and renewals	25,239	22,099
Sub contractors	172,863	259,411
Volunteer development costs	26,415	29,654
Bad debts	5,764	2,208
Donations	782	2,932
	708,220	819,898
Support costs		
Governance costs		
Auditors' remuneration	5,100	4,800
Legal fees	4,549	4,026
Bank charges	5,435	15,637
Credit card charges and interest	406	615
Depreciation of tangible fixed assets	1,960	2,282
Other loan interest	6,000	-
Bank loan interest	274,497	148,773
	297,947	176,133

This page does not form part of the statutory financial statements

Giroscope Limited

Detailed Statement of Financial Activities
for the year ended 31st December 2023

	2023 £	2022 £
Total resources expended	1,006,167	996,031
Net income	191,752	156,733

GIROSCOPE LIMITED

England & Wales - Charity number 1117457

Accounts

REGISTERED COMPANY NUMBER: 02046356 (England and Wales)
REGISTERED CHARITY NUMBER: 1117457

Giroscope Limited
Report of the Trustees and
Financial Statements
for the Year Ended 31st December 2022

Sadofskys
Statutory Auditors
Princes House
Wright Street
Hull
East Yorkshire
HU2 8HX

Giroscope Limited

Contents of the Financial Statements
for the year ended 31st December 2022

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Giroscope Limited

Report of the Trustees **for the year ended 31st December 2022**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31st December 2022. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

A MESSAGE FROM THE ACTING CHAIRMAN

In an unpredictable and uncertain property market and economic picture Giroscope cautiously expanded its property stock in 2022.

All three purchases in the year were off-market. 18 Cadogan Street, was purchased in late July. The property had been empty for over a year and was in both serious disrepair and full of furniture and possessions. After substantial internal and external works, the property was let in early December.

14 Albert Avenue was also purchased in late July of 2022. A very large property situated to the north of the Giroscope estate which requires considerable renovation. The property is now completely stripped out, new windows have been fitted and most of the subsidence issues have been addressed. The property will take some time to bring back to its former glory, and we expect to complete renovations in the summer of 2024.

The third property to be purchased in 2023 was 57 Bachelor Street. This was a property that had been leased from a private landlord for 10 years by Hull City Council. The property was tenanted and the lease was coming to an end. We approached the landlord, who was open to the idea of selling with the tenant in situ. Giroscope completed the purchase and the tenants have stayed in place without any disruption to their lives.

In October 2022 Giroscope paid back its loan facility with Social & Sustainable Capital (SASC) using long term loan debt finance from Handelsbanken, our principle bankers. This loan was taken out in December 2017 and unlocked a grant from Power to Change. These funds were used to construct the three house Giroscope self-build project.

When topped up with Right to Buy Replacement Grant fund from Hull City Council this pot of money enabled Giroscope to also complete some further purchase and renovate projects - mostly on Coltman Street, home to Giroscope HQ.

The self-build project was completed in 2022. The three houses were occupied one after another early in 2022. All the gardens and boundary works were completed in the Summer as the tenants had moved in. This included the completion of the two flood alleviation ponds at the front and rear of the properties.

These houses will join the rest of the Giroscope stock as social housing for the duration of their life. All the tenants moved into the new houses from existing Giroscope properties - freeing up three properties for people in housing need. Giroscope will explore further new build projects in the future.

Work continued throughout the year on the renovation of the former St Matthews church. A new floor was installed incorporating underfloor heating. The mezzanines were constructed above both aisles of the former church. These will provide office spaces as the building is developed into a community enterprise & training hub. Work is expected to be complete on the project in early 2024.

Some of the funding for the St Matthews project was from European Structural Investment Funds. in the case of St Matthews, the European Regional Development Fund (ERDF). This was finally spent out in April 2022. As well as providing capital funding for some of the renovation work at the former church, we also received ERDF to provide business development and support to new and existing enterprises in our community. We hope to continue this work in the future if funding becomes available.

OBJECTIVES AND ACTIVITIES

Objectives and aims

The company's objects and principal activities were those of the purchasing, renovation and modernisation of housing in poor condition and the renting out of these houses to the unemployed and other disadvantaged groups in society.

Giroscope Limited

Report of the Trustees **for the year ended 31st December 2022**

ACHIEVEMENT AND PERFORMANCE

At the end of the year Giroscope owned a total of 123 properties comprising 138 residential units (111 houses and 27 flats), 2 enterprise parks (comprising of offices and workshops), the former St Matthew's church, a community shop, a café premises and our office at 69 Coltman Street.

We also lease the former Premiere Bar (built as a cinema) and a three bedroom flat from Hull City Council.

We continue to manage 6 privately owned properties on behalf of Hull City Council, who took over control from the absent owners via Empty Dwelling Management Orders.

In 2022 Giroscope completed the construction of our first new build project of 3 houses to the rear of our offices at 69 Coltman Street.

We purchased 3 houses in 2022. 2 were completely derelict, and required a full schedule of works, whilst one was a tenanted property, that had formerly been leased to Hull City Council.

We completed a full renovation programme to 5 existing Giroscope properties, including regularising rooms in the roof, and improving thermal efficiency. We also commenced renovation works on the 2 newly acquired properties referred to above.

Later in the year we received recognition from the property charity LandAid, winning an award for our work supporting young homeless people.

In 2022, 103 people engaged with the Giroscope Volunteer Programme carrying out work experience across our five projects: construction, cooking, computer recycling, bike workshop and furniture.

Throughout 2022 Giroscope delivered over 50 business support outcomes. This included specialist support to new and existing local enterprises and pre-enterprise support to budding entrepreneurs.

Giroscope continues to offer guidance and support to new and emerging organisations interested in developing projects; bringing empty properties back into use, providing affordable housing and support, and those offering volunteer and training opportunities.

Giroscope continues to participate in wider discussions at a local, regional and national level on topics including community-based approaches to regeneration, affordable housing, empty homes, innovative approaches to shared living and self-help housing.

Giroscope Limited

Report of the Trustees **for the year ended 31st December 2022**

FINANCIAL REVIEW

Principal funding sources

The principle funding source of the charity are the rents received from the tenants. This includes payments made from tenants and direct payments from Housing Benefit, for both supported and unsupported tenants.

The senior management team and other staff at Giroscope continue to seek funding to support the purchase and renovation of empty properties, the provision of additional support to our beneficiaries, and the regeneration of our neighbourhood.

This funding is primarily debt finance from our bankers. We also access both statutory and non-statutory grants and donations when opportunities arise. These come in the form of both capital and revenue grants.

Giroscope received funding from the Hull Community Led Local Development Fund (European Social Fund and European Regional Development Fund), social prescribing funding from the NHS, and the Bettys and Taylors Family Fund. These contributed to Giroscope's volunteer programme, work experiences and other training.

The Sir James Reckitt Charitable Trust made two grants to Giroscope in 2022: £10,000 towards the refurbishment of 46 Wellsted Street and £85,000 from their Centenary Fund.

The Hull and East Riding Charitable Trust continued to support Giroscope's Emergency Fund that provides small grants to our tenants and volunteers.

In October 2022 Giroscope paid back its loan facility with Social and Sustainable Capital (SASC) using long term debt finance for Handelsbanken, our principle bankers. The loan was taken out in 2017 and unlocked a grant from Power to Change. These funds were used to construct the Giroscope self-build project and complete other house renovations.

We also received grants from UK Cycling, Two Ridings Community Foundation, Renew, and the Winter Warmth Community grant scheme.

Investment policy and objectives

Aside from retaining a prudent amount in reserves each year, most of the charity's funds are spent in the short term, so there are few funds for long term investment. Having considered the options available, the Management Committee has decided to invest the small amount it has available in an interest-bearing account.

Reserves policy

The Management Committee will be examining the charity's requirements for reserves in light of the main risks to the organisation.

It will establish a policy whereby the unrestricted funds not committed or invested in tangible fixed assets held by the charity should not exceed 6 months of expenditure.

The reserves are needed to meet the working capital requirements of the charity, and the Management Committee are confident that at this level they would be able to continue the current activities of the charity in the event of a significant drop in funding.

Giroscope Limited

Report of the Trustees **for the year ended 31st December 2022**

FUTURE PLANS

The charity plans to continue its activities outlined in the forthcoming years, subject to satisfactory funding arrangements. In addition, it will look to develop other projects to help regenerate Giroscope's neighbourhood, increase the opportunities and/or provide better support for people living there. These will include:

- The further purchase and renovation of empty residential properties to let as affordable housing.
- The purchase and renovation of empty non-residential space to provide affordable workspace for other social enterprises and start-up businesses in our community.
- The redevelopment of the former St Matthews Church.
- Development of a self-build housing model to construct affordable housing on the land to the rear of 69 Coltman Street or other vacant plots of land in our neighbourhood.
- Develop our volunteer programme to provide a wide range of opportunities and holistic support for people excluded and disadvantaged in the employment market.
- To continue to develop our trading subsidiary Giroscope Services Limited.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The organisation is a charitable company limited by guarantee, incorporated on 13th August 1986 and registered as a charity on 4th January 2007. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £1.

Recruitment and appointment of new trustees

The directors of the company are also charity trustees for the purposes of charity law and under the company's Articles are known as members of the Executive Committee. Under the requirements of the Memorandum and Articles of Association the members of the Management Committee will be elected to serve a period of three years after which they must be re-elected at the next Annual General Meeting. (Resolution of Annual General Meeting November 2006).

The Management Committee is made up of a mix of traditional business skills from their own particular area of responsibility. In an effort to maintain this broad skill mix and in the event of particular skills being lost due to retirements, individuals are approached to offer themselves for election to the Committee.

Organisational structure

Giroscope Limited has an Executive Committee of 3 members who meet quarterly and are responsible for the strategic direction and policy of the charity. At the end of the financial year the Management Committee had three members. These members are from a variety of backgrounds relevant to the work of the charity.

A scheme of delegation is in place and day to day responsibility for the provision of the services rests with the Co-ordinator. The Management Committee is responsible for ensuring that the charity pursues its Aims and Objectives as well as setting strategic policy. The Co-ordinator has responsibility for the individual supervision of the staff team and also ensuring that the team continue to develop their skills and working practices in line with good practice.

Giroscope Limited

Report of the Trustees **for the year ended 31st December 2022**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Induction and training of new trustees

All of our trustees are already familiar with the practical work of the charity and are encouraged to familiarise themselves with the staff and volunteers within the organisation.

Additionally, new trustees are invited and encouraged to attend an introductory meeting with the Chair of the Management Committee and familiarise themselves with the charity and the context within which it operates. This meeting covers:

- The obligations of Management Committee members
- The main documents which set out the operational framework for the charity including the Memorandum and Articles
- Resourcing and the current financial position as set out in the latest published accounts
- Future plans and objectives
- Charity Commission
- Company Law

A Trustees induction pack has also been prepared drawing information from the various Charity Commission publications signposted through the Commission's guide 'the Essential Trustee' as an 'aide memoir'. This is distributed to all new trustees along with the Memorandum and Articles and the latest financial statements.

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The charity has a Risk Register which identifies the risks to which the charity is exposed. Systems and procedures have been established to mitigate and manage the risks the charity faces. The Risk Register is reviewed as and when necessary, at a minimum at the quarterly Board Meetings.

Internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects.

Procedures are in place to ensure compliance with health and safety for all staff, volunteers, clients and visitors to Giroscope.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

02046356 (England and Wales)

Registered Charity number

1117457

Registered office

69 Coltman Street
Hull
East Yorkshire
HU3 2SJ

Trustees

A Brocklehurst Accountant
R Amesbury Director
Ms H R Galbraith Architect

Giroscope Limited

Report of the Trustees
for the year ended 31st December 2022

REFERENCE AND ADMINISTRATIVE DETAILS

Auditors

Sadofskys
Statutory Auditors
Princes House
Wright Street
Hull
East Yorkshire
HU2 8HX

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

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

AUDITORS

The auditors, Sadofskys, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Approved by order of the board of trustees on 12th September 2023 and signed on its behalf by:

R Amesbury - Trustee

Report of the Independent Auditors to the Trustees of
Giroscope Limited

Opinion

We have audited the financial statements of Giroscope Limited (the 'charitable company') for the year ended 31st December 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement 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 (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 31st December 2022 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; 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 Auditors' 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 charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Matters on which we are required to report by exception

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

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- the charitable company has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Report of the Independent Auditors to the Trustees of Giroscope Limited

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, 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.

Our responsibilities for the audit of the financial statements

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators and the charities' legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees 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 Report of the Independent Auditors.

Report of the Independent Auditors to the Trustees of
Giroscope Limited

Use of our report

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

Sadofskys
Statutory Auditors
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006
Princes House
Wright Street
Hull
East Yorkshire
HU2 8HX

12th September 2023

Giroscope Limited

Statement of Financial Activities
for the year ended 31st December 2022

	Notes	Unrestricted funds £	Restricted fund £	2022 Total funds £	2021 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	1,396	-	1,396	1,056
Charitable activities	4				
Renovation and letting of housing		114,569	160,511	275,080	182,441
Investment income	3	876,288	-	876,288	855,780
Total		<u>992,253</u>	<u>160,511</u>	<u>1,152,764</u>	<u>1,039,277</u>
EXPENDITURE ON					
Charitable activities	5				
Renovation and letting of housing		<u>842,843</u>	<u>153,188</u>	<u>996,031</u>	<u>869,740</u>
Net gains on investments		<u>-</u>	<u>-</u>	<u>-</u>	<u>920,712</u>
NET INCOME		<u>149,410</u>	<u>7,323</u>	<u>156,733</u>	<u>1,090,249</u>
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>4,815,235</u>	<u>4,787</u>	<u>4,820,022</u>	<u>3,729,773</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>4,964,645</u></u>	<u><u>12,110</u></u>	<u><u>4,976,755</u></u>	<u><u>4,820,022</u></u>

The notes form part of these financial statements

Giroscope Limited

Balance Sheet
31st December 2022

	Notes	Unrestricted funds £	Restricted fund £	2022 Total funds £	2021 Total funds £
FIXED ASSETS					
Tangible assets	11	46,914	-	46,914	48,287
Investments					
Investments	12	4,999	-	4,999	4,999
Investment property	13	8,729,450	-	8,729,450	8,213,536
		<u>8,781,363</u>	<u>-</u>	<u>8,781,363</u>	<u>8,266,822</u>
CURRENT ASSETS					
Debtors	14	23,390	12,110	35,500	117,342
Cash at bank		<u>116,487</u>	<u>-</u>	<u>116,487</u>	<u>665</u>
		<u>139,877</u>	<u>12,110</u>	<u>151,987</u>	<u>118,007</u>
CREDITORS					
Amounts falling due within one year	15	(195,586)	-	(195,586)	(439,231)
NET CURRENT ASSETS		<u>(55,709)</u>	<u>12,110</u>	<u>(43,599)</u>	<u>(321,224)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>8,725,654</u>	<u>12,110</u>	<u>8,737,764</u>	<u>7,945,598</u>
CREDITORS					
Amounts falling due after more than one year	16	(3,761,009)	-	(3,761,009)	(3,125,576)
NET ASSETS		<u>4,964,645</u>	<u>12,110</u>	<u>4,976,755</u>	<u>4,820,022</u>
FUNDS	19				
Unrestricted funds				4,964,645	4,815,235
Restricted funds				<u>12,110</u>	<u>4,787</u>
TOTAL FUNDS				<u>4,976,755</u>	<u>4,820,022</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31st December 2022.

The members have not deposited notice, pursuant to Section 476 of the Companies Act 2006 requiring an audit of these financial statements.

The trustees acknowledge their responsibilities for

- ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been audited under the requirements of Section 145 of the Charities Act 2011.

The notes form part of these financial statements

Giroscope Limited

Balance Sheet - continued

31st December 2022

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

The financial statements were approved by the Board of Trustees and authorised for issue on 12th September 2023 and were signed on its behalf by:

R Amesbury - Trustee

Giroscope Limited

Cash Flow Statement
for the year ended 31st December 2022

	Notes	2022 £	2021 £
Cash flows from operating activities			
Cash generated from operations	1	333,845	328,461
Interest paid		(148,773)	(112,364)
Net cash provided by operating activities		<u>185,072</u>	<u>216,097</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(909)	(2,695)
Purchase of investment property		(515,914)	(336,018)
Net cash used in investing activities		<u>(516,823)</u>	<u>(338,713)</u>
Cash flows from financing activities			
New loans in year		1,586,200	2,701,120
Loan repayments in year		(1,133,615)	(2,689,989)
Net cash provided by financing activities		<u>452,585</u>	<u>11,131</u>
Change in cash and cash equivalents in the reporting period		<u>120,834</u>	<u>(111,485)</u>
Cash and cash equivalents at the beginning of the reporting period	2	<u>(4,347)</u>	<u>107,138</u>
Cash and cash equivalents at the end of the reporting period	2	<u><u>116,487</u></u>	<u><u>(4,347)</u></u>

The notes form part of these financial statements

Giroscope Limited

Notes to the Cash Flow Statement
for the year ended 31st December 2022

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2022 £	2021 £
Net income for the reporting period (as per the Statement of Financial Activities)	156,733	1,090,249
Adjustments for:		
Depreciation charges	2,282	2,419
Losses on investments	-	(920,712)
Interest paid	148,773	112,364
Decrease in debtors	81,842	54,272
Decrease in creditors	(55,785)	(10,131)
Net cash provided by operations	333,845	328,461

2. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2022 £	2021 £
Notice deposits (less than 3 months)	116,487	665
Overdrafts included in bank loans and overdrafts falling due within one year	-	(5,012)
Total cash and cash equivalents	116,487	(4,347)

3. ANALYSIS OF CHANGES IN NET DEBT

	At 1/1/22 £	Cash flow £	At 31/12/22 £
Net cash			
Cash at bank	665	115,822	116,487
Bank overdraft	(5,012)	5,012	-
	<u>(4,347)</u>	<u>120,834</u>	<u>116,487</u>
Debt			
Debts falling due within 1 year	(342,314)	182,848	(159,466)
Debts falling due after 1 year	(3,125,576)	(635,433)	(3,761,009)
	<u>(3,467,890)</u>	<u>(452,585)</u>	<u>(3,920,475)</u>
Total	<u>(3,472,237)</u>	<u>(331,751)</u>	<u>(3,803,988)</u>

The notes form part of these financial statements

Giroscope Limited

Notes to the Financial Statements **for the year ended 31st December 2022**

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Improvements to property	- not provided
Plant and machinery	- at variable rates on reducing balance
Fixtures and fittings	- at variable rates on reducing balance
Motor vehicles	- 25% on reducing balance

Investment property

Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in market value is transferred to a fair value reserve.

Related party exemption

The charitable company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Giroscope Limited

Notes to the Financial Statements - continued
for the year ended 31st December 2022

1. ACCOUNTING POLICIES - continued

Government grants

Government grants are recognised using the accruals model. Grants of a revenue nature are credited to income so as to match them with the expenditure to which they relate.

Grants in respect of capital expenditure are credited to a deferred income account and are released to profit over the expected useful lives of the assets to which they relate.

A grant that becomes receivable as compensation for expenses or losses already incurred, or for the purpose of giving immediate financial support to the company with no future related costs, is credited to income in the period in which it becomes receivable.

2. DONATIONS AND LEGACIES

	2022	2021
	£	£
Donations	1,396	1,056
	<u>1,396</u>	<u>1,056</u>

3. INVESTMENT INCOME

	2022	2021
	£	£
Rents received	876,288	855,780
	<u>876,288</u>	<u>855,780</u>

4. INCOME FROM CHARITABLE ACTIVITIES

		2022	2021
	Activity	£	£
Grants	Renovation and letting of housing	160,511	78,076
Other income	Renovation and letting of housing	114,569	104,365
		<u>275,080</u>	<u>182,441</u>

Other capital grants received during the year are:

	2022	2021
	£	£
Capital Grants received		
Hull City Council Right-To-Buy Replacement Grant	82,610	230,987
Sir James Reckitt Charity	10,000	-
Garfield Weston Foundation	-	30,000
Community Led Local Development (ERDF project)	239,963	18,879
	<u>332,573</u>	<u>279,866</u>

Grants received, included in the above, are as follows:

	2022	2021
	£	£
Hull and East Riding Charitable Trust	10,000	4,500
Sir James Reckitt Charity	85,000	-
Hull Community Led Local Development	28,133	26,054
Tudor Trust	-	2,000
Bettys and Taylors Family Fund	16,665	16,665
	<u>139,798</u>	<u>49,219</u>
Carried forward		

Giroscope Limited

Notes to the Financial Statements - continued
for the year ended 31st December 2022

4. INCOME FROM CHARITABLE ACTIVITIES - continued

	2022	2021
	£	£
Brought forward	139,798	49,219
Job retention scheme	2,986	9,725
Hull City Council Kickstart scheme	-	7,147
NHS Social Prescribing Grant	8,715	8,715
Sport England	-	3,270
Renew Community Fund	2,000	-
UK Cycling - Big Bike Revival	2,867	-
Two Ridings Community Foundation	1,930	-
Winter Warmth Community Foundation	2,215	-
	<u>160,511</u>	<u>78,076</u>

5. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 6) £	Totals £
Renovation and letting of housing	<u>819,898</u>	<u>176,133</u>	<u>996,031</u>

6. SUPPORT COSTS

	Governance costs £
Renovation and letting of housing	<u>176,133</u>

7. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2022	2021
	£	£
Auditors' remuneration	4,800	3,780
Depreciation - owned assets	<u>2,282</u>	<u>2,419</u>

8. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31st December 2022 nor for the year ended 31st December 2021.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31st December 2022 nor for the year ended 31st December 2021.

Giroscope Limited

Notes to the Financial Statements - continued
for the year ended 31st December 2022

9. STAFF COSTS

	2022 £	2021 £
Wages and salaries	361,602	273,291
Social security costs	21,955	10,637
Other pension costs	6,823	5,214
	<u>390,380</u>	<u>289,142</u>

The average monthly number of employees during the year was as follows:

	2022	2021
Management and administration	8	6
Support	11	9
	<u>19</u>	<u>15</u>

No employees received emoluments in excess of £60,000.

10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted fund £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	1,056	-	1,056
Charitable activities			
Renovation and letting of housing	116,090	66,351	182,441
Investment income	855,780	-	855,780
Total	<u>972,926</u>	<u>66,351</u>	<u>1,039,277</u>
EXPENDITURE ON			
Charitable activities			
Renovation and letting of housing	808,176	61,564	869,740
Net gains on investments	920,712	-	920,712
NET INCOME	1,085,462	4,787	1,090,249
RECONCILIATION OF FUNDS			
Total funds brought forward	3,729,773	-	3,729,773
TOTAL FUNDS CARRIED FORWARD	<u>4,815,235</u>	<u>4,787</u>	<u>4,820,022</u>

Giroscope Limited

Notes to the Financial Statements - continued
for the year ended 31st December 2022

11. TANGIBLE FIXED ASSETS

	Improvements to property £	Plant and machinery £	Fixtures and fittings £
COST			
At 1st January 2022	38,474	7,370	23,464
Additions	-	-	-
At 31st December 2022	38,474	7,370	23,464
DEPRECIATION			
At 1st January 2022	-	7,108	21,196
Charge for year	-	51	329
At 31st December 2022	-	7,159	21,525
NET BOOK VALUE			
At 31st December 2022	38,474	211	1,939
At 31st December 2021	38,474	262	2,268
	Motor vehicles £	Computer equipment £	Totals £
COST			
At 1st January 2022	7,039	6,622	82,969
Additions	-	909	909
At 31st December 2022	7,039	7,531	83,878
DEPRECIATION			
At 1st January 2022	3,739	2,639	34,682
Charge for year	825	1,077	2,282
At 31st December 2022	4,564	3,716	36,964
NET BOOK VALUE			
At 31st December 2022	2,475	3,815	46,914
At 31st December 2021	3,300	3,983	48,287

Giroscope Limited

Notes to the Financial Statements - continued
for the year ended 31st December 2022

12. FIXED ASSET INVESTMENTS

Shares in
group
undertakings
£

MARKET VALUE

At 1st January 2022 and
31st December 2022

4,999

NET BOOK VALUE

At 31st December 2022

4,999

At 31st December 2021

4,999

There were no investment assets outside the UK.

The company's investments at the balance sheet date in the share capital of companies include the following:

Giroscope Services Limited

Registered office: 69 Coltman Street, Hull, HU3 2SJ

Nature of business: Property and building repairs

Class of share:	%	holding
Ordinary	100	

13. INVESTMENT PROPERTY

£

FAIR VALUE

At 1st January 2022

8,413,649

Additions

515,914

At 31st December 2022

8,929,563

AMORTISATION

At 1st January 2022
and 31st December 2022

200,113

NET BOOK VALUE

At 31st December 2022

8,729,450

At 31st December 2021

8,213,536

Fair value at 31st December 2022 is represented by:

	£	
Valuation in 2021	920,712	
Cost	8,008,851	
		<u>8,929,563</u>

Giroscope Limited

Notes to the Financial Statements - continued
for the year ended 31st December 2022

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Rent arrears	26,419	58,841
Other debtors	9,081	58,501
	<u>35,500</u>	<u>117,342</u>

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Bank loans and overdrafts (see note 17)	157,800	345,660
Other loans (see note 17)	1,666	1,666
Trade creditors	3,545	43,346
Social security and other taxes	6,507	4,792
Other creditors	21,568	35,987
Accrued expenses	4,500	7,780
	<u>195,586</u>	<u>439,231</u>

16. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2022	2021
	£	£
Bank loans (see note 17)	3,629,670	3,115,571
Other loans (see note 17)	131,339	10,005
	<u>3,761,009</u>	<u>3,125,576</u>

17. LOANS

An analysis of the maturity of loans is given below:

	2022	2021
	£	£
Amounts falling due within one year on demand:		
Bank overdrafts	-	5,012
Bank loans	157,800	340,648
Other loans	1,666	1,666
	<u>159,466</u>	<u>347,326</u>
Amounts falling between one and two years:		
Bank loans - 1-2 years	3,629,670	3,115,571
Other loans - 1-2 years	131,339	10,005
	<u>3,761,009</u>	<u>3,125,576</u>

Giroscope Limited

Notes to the Financial Statements - continued
for the year ended 31st December 2022

18. SECURED DEBTS

The following secured debts are included within creditors:

	2022 £	2021 £
Bank overdraft	-	5,012
Bank loans	3,787,470	3,456,219
	3,787,470	3,461,231

The bank loans are secured by way of a legal mortgage over the properties to which they relate and the bank overdraft is secured by way of a fixed and floating charge over the company's assets.

19. MOVEMENT IN FUNDS

	At 1/1/22 £	Net movement in funds £	At 31/12/22 £
Unrestricted funds			
General fund	4,815,235	149,410	4,964,645
Restricted funds			
Restricted	4,787	7,323	12,110
TOTAL FUNDS	4,820,022	156,733	4,976,755

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	992,253	(842,843)	149,410
Restricted funds			
Restricted	160,511	(153,188)	7,323
TOTAL FUNDS	1,152,764	(996,031)	156,733

Giroscope Limited

Notes to the Financial Statements - continued
for the year ended 31st December 2022

19. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1/1/21 £	Net movement in funds £	At 31/12/21 £
Unrestricted funds			
General fund	3,729,773	1,085,462	4,815,235
Restricted funds			
Restricted	-	4,787	4,787
TOTAL FUNDS	<u>3,729,773</u>	<u>1,090,249</u>	<u>4,820,022</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	972,926	(808,176)	920,712	1,085,462
Restricted funds				
Restricted	66,351	(61,564)	-	4,787
TOTAL FUNDS	<u>1,039,277</u>	<u>(869,740)</u>	<u>920,712</u>	<u>1,090,249</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1/1/21 £	Net movement in funds £	At 31/12/22 £
Unrestricted funds			
General fund	3,729,773	1,234,872	4,964,645
Restricted funds			
Restricted	-	12,110	12,110
TOTAL FUNDS	<u>3,729,773</u>	<u>1,246,982</u>	<u>4,976,755</u>

Giroscope Limited

Notes to the Financial Statements - continued
for the year ended 31st December 2022

19. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	1,965,179	(1,651,019)	920,712	1,234,872
Restricted funds				
Restricted	226,862	(214,752)	-	12,110
TOTAL FUNDS	<u>2,192,041</u>	<u>(1,865,771)</u>	<u>920,712</u>	<u>1,246,982</u>

20. RELATED PARTY DISCLOSURES

The charitable company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

Giroscope Limited

Detailed Statement of Financial Activities
for the year ended 31st December 2022

	2022 £	2021 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	1,396	1,056
Investment income		
Rents received	876,288	855,780
Charitable activities		
Grants	160,511	78,076
Other income	114,569	104,365
	275,080	182,441
Total incoming resources	1,152,764	1,039,277
EXPENDITURE		
Charitable activities		
Wages	361,602	273,291
Social security	21,955	10,637
Pensions	6,823	5,214
Rates and water	26,884	21,615
Insurance	17,100	15,495
Light and heat	29,102	22,340
Telephone	6,229	5,641
Postage, stationery and advertising	4,209	4,430
Sundries	13,974	10,444
Motor expenses	15,716	6,691
Repairs and renewals	22,099	19,286
Sub contractors	259,411	305,311
Volunteer development costs	29,654	17,276
Bad debts	2,208	5,834
Donations	2,932	3,744
	819,898	727,249
Support costs		
Governance costs		
Auditors' remuneration	4,800	3,780
Legal fees	4,026	13,388
Bank charges	15,637	10,193
Credit card charges and interest	615	347
Depreciation of tangible fixed assets	2,282	2,419
Bank loan interest	148,773	112,364
	176,133	142,491
Total resources expended	996,031	869,740
Net income	156,733	169,537

This page does not form part of the statutory financial statements

GIROSCOPE LIMITED

England & Wales - Charity number 1117457

Accounts

REGISTERED COMPANY NUMBER: 02046356 (England and Wales)
REGISTERED CHARITY NUMBER: 1117457

Giroscope Limited
Report of the Trustees and
Financial Statements
for the Year Ended 31st December 2021

cbaSadofskys
Statutory Auditors
Princes House
Wright Street
Hull
East Yorkshire
HU2 8HX

Giroscope Limited

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for the year ended 31st December 2021**

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Giroscope Limited
Report of the Trustees
for the year ended 31st December 2021

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31st December 2021. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

A MESSAGE FROM THE ACTING CHAIRMAN

2021 was another positive, yet challenging year for Giroscope, as we finally began to move out of the restrictions placed upon us by the pandemic.

We were able to purchase three properties over the course of the year. Two of these are adjoining properties, in a street off Hessle Road and have been empty for over 20 years. They require considerable works to bring them back into use. Renovation works are now well underway.

The second property was a large 4 bed house that required very little work and was soon occupied by an existing Giroscope tenant in need of a larger house. Evidence suggests that there is a clear shortage of larger properties available for social rent, so this represents an important acquisition for the charity.

In October Giroscope commenced work on proposals for a new loan facility with our bank (Handelsbanken). The intention would be to refinance an outstanding loan with our social investment partner (SASC), leaving a balance to purchase three more properties.

In September of 2021 Giroscope acquired the former Premiere Bar on Anlaby Road, Hull. This building, built as a cinema in 1914, has been a large, empty, eyesore for over a decade, on one of the main approach roads to the city. Giroscope acquired the building on lease from Hull City Council and have agreed to take over the freehold once certain remedial works have been completed. We are working with our partners, Integreat Plus and Lonsdale Community Centre, to bring this building back into use. As part of Giroscope's practical strategy for non-residential empty buildings we have found a 'meanwhile' use for the building as a temporary home for the Giroscope furniture project.

Giroscope's ongoing other non-residential project, the refurbishment of the former St Matthews Church began to gather pace in 2021. Progress has been made in the areas of design, planning, procurement and funding (Garfield Weston). Preparatory groundworks were completed in order that the full works can commence in 2022. Repairs to the ground floor leaded glass windows were completed by a local firm (Harrap) and the organ was carefully dismantled and removed to be reused in other churches around the world.

The three timber framed Community Self-Build houses under construction on land to the rear of Giroscope's HQ on Coltman Street, were brought to near completion in 2021. As 2021 came to an end the houses were being painted and snagged with a view to the first tenants moving in, early in 2022. We will still have external and landscape works to finish in 2022. This has been an exciting project for Giroscope as well as providing a steep learning curve! We hope we can continue to develop the house building arm of Giroscope in future years.

Giroscope welcomed several new staff members into the team in 2021. Becky joined our Housing Support team and Kay came on board to run Secure Futures (a joint project with Vulcan Learning Centre). In November 2021 we welcomed Sarah to manage and develop our Volunteer Programme.

As part of the European funded project to develop the former St Matthews Church into community enterprise space, we recruited Govind, to provide business support and development with new and existing enterprises in the neighbourhood, including those occupying Giroscope workshops and offices. Giroscope now has full time reception cover following the recruitment of Christina (initially on a Kickstart placement) and the return to work of Elener after maternity leave. This has led to a far more efficient office, and an improved service for people accessing our organisation.

2021 saw the continued development of two new Giroscope projects, namely the furniture project and the Giroscope cooking project. Oscar, who runs the cooking project went from part-time to full-time in August 2021. Giroscope commenced its healthy food delivery service to tenants, volunteers and other vulnerable people in our community as part of our response to the continuing pandemic.

The furniture project continued to provide services to Giroscope especially to our supported tenants as well as providing a valuable furniture recycling scheme to the neighbourhood.

Giroscope Limited

Report of the Trustees **for the year ended 31st December 2021**

Although the pandemic of 2020/21 provided many challenges for our organisation, Giroscope remained open the whole time and was able to respond quickly and effectively to the needs of our service users and the wider community.

OBJECTIVES AND ACTIVITIES

Objectives and aims

The company's objects and principal activities were those of the purchasing, renovation and modernisation of housing in poor condition and the renting out of these houses to the unemployed and other disadvantaged groups in society.

ACHIEVEMENT AND PERFORMANCE

In 2021 Giroscope completed the renovation of three newly acquired properties. At the end of the year Giroscope owned a total of 120 properties comprising 135 residential units (108 houses and 27 flats), 2 small enterprise parks (consisting of offices and workshops), the former St Matthew's church, a community shop unit, a café/restaurant premises and our offices at 69 Coltman Street.

As the year came to an end the Volunteer Programme finally got back to full strength following the global pandemic. Giroscope continue to participate in wider discussions at a local, regional and national level on topics including community-based approaches to regeneration, affordable housing, empty homes, innovative approaches to shared living and self-help housing.

Giroscope continues to offer guidance and support to new and emerging organisations interested in developing projects, bringing empty properties back into use, providing affordable housing and support and those offering volunteer and training opportunities.

FINANCIAL REVIEW

Principal funding sources

The principle funding source of the charity are the rents received from the tenants, including Enhanced Housing Benefit (supported tenants) on thirty of our tenancies.

The staff and Management Committee seek funding to support the purchase and renovation of empty properties, the provision of additional support to our beneficiaries and the regeneration of our neighbourhood.

Giroscope received funding from the Hull Community Led Local Development (European Social Fund and European Regional Development Fund), social prescribing funding from the NHS, and the Bettys and Taylors Family Fund. These contributed to Giroscope's volunteer programme, work experiences and other training. Garfield Weston contributed towards the capital costs of refurbishing the former St Matthew's Church.

The capital work renovating empty properties and the new construction of the Community Self Build project was funded by social investment from Social and Sustainable Capital blended with grant funding from Power to Change, and Hull City Council's Right-to-Buy Replacement Grant Fund.

The Hull and East Riding Charitable Trust continued to support Giroscope's Emergency Fund that provides small grants for our tenants and volunteers.

The charity received a small amount of funding via the Government's job retention scheme (furlough scheme).

Investment policy and objectives

Aside from retaining a prudent amount in reserves, each year most of the charity's funds are spent in the short term so there are few funds for long term investment. Having considered the options available, the Management Committee has decided to invest the small amount it has available in an interest-bearing account.

Giroscope Limited

Report of the Trustees **for the year ended 31st December 2021**

FINANCIAL REVIEW

Reserves policy

The Management Committee will be examining the charity's requirements for reserves in light of the main risks to the organisation.

It will establish a policy whereby the unrestricted funds not committed or invested in tangible fixed assets held by the charity should not exceed 6 months of expenditure.

The reserves are needed to meet the working capital requirements of the charity, and the Management Committee are confident that at this level they would be able to continue the current activities of the charity in the event of a significant drop in funding.

FUTURE PLANS

The charity plans to continue its activities outlined in the forthcoming years, subject to satisfactory funding arrangements. In addition, it will look to develop other projects to help regenerate Giroscope's neighbourhood, increase the opportunities and/or provide better support for people living there. These will include:

- The further purchase and renovation of empty residential properties to let as affordable housing.
- The purchase and renovation of empty non-residential space to provide affordable workspace for other social enterprises and start-up businesses in our community.
- The redevelopment of the former St Matthews Church.
- Development of a self-build housing model to construct affordable housing on the land to the rear of 69 Coltman Street or other vacant plots of land in our neighbourhood.
- Develop our volunteer programme to provide a wide range of opportunities and holistic support for people excluded and disadvantaged in the employment market.
- To continue to develop our trading subsidiary Giroscope Services Limited.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The organisation is a charitable company limited by guarantee, incorporated on 13th August 1986 and registered as a charity on 4th January 2007. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £1.

Recruitment and appointment of new trustees

The directors of the company are also charity trustees for the purposes of charity law and under the company's Articles are known as members of the Executive Committee. Under the requirements of the Memorandum and Articles of Association the members of the Management Committee will be elected to serve a period of three years after which they must be re-elected at the next Annual General Meeting. (Resolution of Annual General Meeting November 2006).

The Management Committee is made up of a mix of traditional business skills from their own particular area of responsibility. In an effort to maintain this broad skill mix and in the event of particular skills being lost due to retirements, individuals are approached to offer themselves for election to the Committee.

Organisational structure

Giroscope Limited has an Executive Committee of 3 members who meet quarterly and are responsible for the strategic direction and policy of the charity. At the end of the financial year the Management Committee had three members. These members are from a variety of backgrounds relevant to the work of the charity.

A scheme of delegation is in place and day to day responsibility for the provision of the services rests with the Co-ordinator. The Management Committee is responsible for ensuring that the charity pursues its Aims and Objectives as well as setting strategic policy. The Co-ordinator has responsibility for the individual supervision of the staff team and also ensuring that the team continue to develop their skills and working practices in line with good practice.

Giroscope Limited

Report of the Trustees **for the year ended 31st December 2021**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Induction and training of new trustees

All of our trustees are already familiar with the practical work of the charity and are encouraged to familiarise themselves with the staff and volunteers within the organisation.

Additionally, new trustees are invited and encouraged to attend an introductory meeting with the Chair of the Management Committee and familiarise themselves with the charity and the context within which it operates. This meeting covers:

- The obligations of Management Committee members
- The main documents which set out the operational framework for the charity including the Memorandum and Articles
- Resourcing and the current financial position as set out in the latest published accounts
- Future plans and objectives
- Charity Commission
- Company Law

A Trustees induction pack has also been prepared drawing information from the various Charity Commission publications signposted through the Commission's guide 'the Essential Trustee' as an 'aide memoir'. This is distributed to all new trustees along with the Memorandum and Articles and the latest financial statements.

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The charity has a Risk Register which identifies the risks to which the charity is exposed. Systems and procedures have been established to mitigate and manage the risks the charity faces. The Risk Register is reviewed as and when necessary, at a minimum at the quarterly Board Meetings.

Internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects.

Procedures are in place to ensure compliance with health and safety for all staff, volunteers, clients and visitors to Giroscope.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

02046356 (England and Wales)

Registered Charity number

1117457

Registered office

69 Coltman Street
Hull
East Yorkshire
HU3 2SJ

Trustees

A Brocklehurst Accountant
R Amesbury Director
Ms H R Galbraith Architect

Giroscope Limited

Report of the Trustees
for the year ended 31st December 2021

REFERENCE AND ADMINISTRATIVE DETAILS

Auditors

cbaSadofskys
Statutory Auditors
Princes House
Wright Street
Hull
East Yorkshire
HU2 8HX

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

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

AUDITORS

The auditors, cbaSadofskys, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Approved by order of the board of trustees on 9th September 2022 and signed on its behalf by:

R Amesbury - Trustee

Report of the Independent Auditors to the Trustees of
Giroscope Limited

Opinion

We have audited the financial statements of Giroscope Limited (the 'charitable company') for the year ended 31st December 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement 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 (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 31st December 2021 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; 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 Auditors' 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 charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Matters on which we are required to report by exception

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

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- the charitable company has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Report of the Independent Auditors to the Trustees of
Giroscope Limited

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, 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.

Report of the Independent Auditors to the Trustees of Giroscope Limited

Our responsibilities for the audit of the financial statements

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charity through discussions with the trustees and other management, and from our commercial knowledge and experience of the charity sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charity, including the Charities Act 2011, the Charities Statement of Recommended Practice (SORP), taxation legislation, data protection, anti-bribery, employment, environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators and the charities' legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees 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 Report of the Independent Auditors.

Report of the Independent Auditors to the Trustees of
Giroscope Limited

Use of our report

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

cbaSadofskys
Statutory Auditors
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006
Princes House
Wright Street
Hull
East Yorkshire
HU2 8HX

9th September 2022

Giroscope Limited

Statement of Financial Activities
for the year ended 31st December 2021

	Notes	Unrestricted funds £	Restricted fund £	2021 Total funds £	2020 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	1,056	-	1,056	924
Charitable activities					
Renovation and letting of housing		116,090	66,351	182,441	184,956
Investment income	3	855,780	-	855,780	736,140
Other income		-	-	-	504
Total		972,926	66,351	1,039,277	922,524
EXPENDITURE ON					
Charitable activities					
Renovation and letting of housing	5	808,176	61,564	869,740	707,150
Net gains on investments		920,712	-	920,712	-
NET INCOME		1,085,462	4,787	1,090,249	215,374
RECONCILIATION OF FUNDS					
Total funds brought forward		3,729,773	-	3,729,773	3,514,399
TOTAL FUNDS CARRIED FORWARD		4,815,235	4,787	4,820,022	3,729,773

The notes form part of these financial statements

Giroscope Limited

Balance Sheet
31st December 2021

	Notes	Unrestricted funds £	Restricted fund £	2021 Total funds £	2020 Total funds £
FIXED ASSETS					
Tangible assets	11	48,287	-	48,287	48,011
Investments					
Investments	12	4,999	-	4,999	4,999
Investment property	13	8,213,536	-	8,213,536	6,956,806
		<u>8,266,822</u>	<u>-</u>	<u>8,266,822</u>	<u>7,009,816</u>
CURRENT ASSETS					
Debtors	14	112,555	4,787	117,342	171,614
Cash at bank		665	-	665	107,138
		<u>113,220</u>	<u>4,787</u>	<u>118,007</u>	<u>278,752</u>
CREDITORS					
Amounts falling due within one year	15	(439,231)	-	(439,231)	(234,472)
		<u>(326,011)</u>	<u>4,787</u>	<u>(321,224)</u>	<u>44,280</u>
NET CURRENT ASSETS					
		<u>(326,011)</u>	<u>4,787</u>	<u>(321,224)</u>	<u>44,280</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>7,940,811</u>	<u>4,787</u>	<u>7,945,598</u>	<u>7,054,096</u>
CREDITORS					
Amounts falling due after more than one year	16	(3,125,576)	-	(3,125,576)	(3,324,323)
		<u>(3,125,576)</u>	<u>-</u>	<u>(3,125,576)</u>	<u>(3,324,323)</u>
NET ASSETS		<u>4,815,235</u>	<u>4,787</u>	<u>4,820,022</u>	<u>3,729,773</u>
FUNDS	19				
Unrestricted funds				4,815,235	3,729,773
Restricted funds				4,787	-
TOTAL FUNDS				<u>4,820,022</u>	<u>3,729,773</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31st December 2021.

The members have not deposited notice, pursuant to Section 476 of the Companies Act 2006 requiring an audit of these financial statements.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been audited under the requirements of Section 145 of the Charities Act 2011.

The notes form part of these financial statements

Giroscope Limited

Balance Sheet - continued

31st December 2021

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

The financial statements were approved by the Board of Trustees and authorised for issue on 9th September 2022 and were signed on its behalf by:

R Amesbury - Trustee

Giroscope Limited

Cash Flow Statement
for the year ended 31st December 2021

	Notes	2021 £	2020 £
Cash flows from operating activities			
Cash generated from operations	1	328,461	364,986
Interest paid		(112,364)	(116,139)
Net cash provided by operating activities		216,097	248,847
Cash flows from investing activities			
Purchase of tangible fixed assets		(2,695)	(3,939)
Purchase of investment property		(336,018)	(477,987)
Sale of tangible fixed assets		-	1,010
Interest received		-	4
Net cash used in investing activities		(338,713)	(480,912)
Cash flows from financing activities			
New loans in year		2,701,120	427,500
Loan repayments in year		(2,689,989)	(126,876)
Net cash provided by financing activities		11,131	300,624
Change in cash and cash equivalents in the reporting period		(111,485)	68,559
Cash and cash equivalents at the beginning of the reporting period	2	107,138	38,579
Cash and cash equivalents at the end of the reporting period	2	(4,347)	107,138

The notes form part of these financial statements

Giroscope Limited

Notes to the Cash Flow Statement
for the year ended 31st December 2021

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2021 £	2020 £
Net income for the reporting period (as per the Statement of Financial Activities)	1,090,249	215,374
Adjustments for:		
Depreciation charges	2,419	1,904
Losses on investments	(920,712)	-
Profit on disposal of fixed assets	-	(504)
Interest received	-	(4)
Interest paid	112,364	116,139
Decrease in debtors	54,272	12,030
(Decrease)/increase in creditors	(10,131)	20,047
Net cash provided by operations	328,461	364,986

2. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2021 £	2020 £
Notice deposits (less than 3 months)	665	107,138
Overdrafts included in bank loans and overdrafts falling due within one year	(5,012)	-
Total cash and cash equivalents	(4,347)	107,138

3. ANALYSIS OF CHANGES IN NET DEBT

	At 1/1/21 £	Cash flow £	At 31/12/21 £
Net cash			
Cash at bank	107,138	(106,473)	665
Bank overdraft	-	(5,012)	(5,012)
	<u>107,138</u>	<u>(111,485)</u>	<u>(4,347)</u>
Debt			
Debts falling due within 1 year	(132,436)	(209,878)	(342,314)
Debts falling due after 1 year	(3,324,323)	198,747	(3,125,576)
	<u>(3,456,759)</u>	<u>(11,131)</u>	<u>(3,467,890)</u>
Total	<u>(3,349,621)</u>	<u>(122,616)</u>	<u>(3,472,237)</u>

The notes form part of these financial statements

Giroscope Limited

Notes to the Financial Statements **for the year ended 31st December 2021**

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Improvements to property	- not provided
Plant and machinery	- at variable rates on reducing balance
Fixtures and fittings	- at variable rates on reducing balance
Motor vehicles	- 25% on reducing balance

Investment property

Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in market value is transferred to a fair value reserve.

Related party exemption

The charitable company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Giroscope Limited

Notes to the Financial Statements - continued
for the year ended 31st December 2021

1. ACCOUNTING POLICIES - continued

Government grants

Government grants are recognised using the accruals model. Grants of a revenue nature are credited to income so as to match them with the expenditure to which they relate.

Grants in respect of capital expenditure are credited to a deferred income account and are released to profit over the expected useful lives of the assets to which they relate.

A grant that becomes receivable as compensation for expenses or losses already incurred, or for the purpose of giving immediate financial support to the company with no future related costs, is credited to income in the period in which it becomes receivable.

2. DONATIONS AND LEGACIES

	2021 £	2020 £
Donations	1,056	924

3. INVESTMENT INCOME

	2021 £	2020 £
Rents received	855,780	736,136
Deposit account interest	-	4
	855,780	736,140

4. INCOME FROM CHARITABLE ACTIVITIES

	2021 £	2020 £
Grants	78,076	108,967
Other income	104,365	75,989
	182,441	184,956

Other capital grants received during the year are:

	2021 £	2020 £
Capital Grants received		
Power To Change Grant	-	62,500
Hull City Council Right-To-Buy Replacement Grant	230,987	41,911
Architectural Heritage	-	7,570
Garfield Weston Foundation	30,000	-
War Memorials Trust	-	2,453
Community Led Local Development (ERDF project)	18,879	-
	279,866	114,434

Giroscope Limited

Notes to the Financial Statements - continued
for the year ended 31st December 2021

4. INCOME FROM CHARITABLE ACTIVITIES - continued

Grants received, included in the above, are as follows:

	2021	2020
	£	£
Hull and East Riding Charitable Trust	4,500	4,500
Lloyds Bank Foundation	-	23,200
Hull Community Led Local Development	26,054	16,493
Tudor Trust	2,000	12,000
Bettys and Taylors Family Fund	16,665	16,665
Land Aid	-	8,318
Martin Lewis Coronavirus Emergency Fund	-	7,755
Good Things Foundation	-	5,600
Duke of Edinburgh Award Scheme	-	550
Tesco Bags of Help Covid-19 Communities Fund	-	500
Rank Foundation	-	486
Leftfield - Fix your bike voucher scheme	-	150
Job retention scheme	9,725	12,750
Hull City Council Kickstart scheme	7,147	-
NHS Social Prescribing Grant	8,715	-
Sport England	3,270	-
	<u>78,076</u>	<u>108,967</u>

5. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 6) £	Totals £
Renovation and letting of housing	<u>727,249</u>	<u>142,491</u>	<u>869,740</u>

6. SUPPORT COSTS

	Governance costs £
Renovation and letting of housing	<u>142,491</u>

7. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2021	2020
	£	£
Auditors' remuneration	3,780	3,780
Depreciation - owned assets	2,419	1,904
Surplus on disposal of fixed assets	-	(504)
	<u> </u>	<u> </u>

Giroscope Limited

Notes to the Financial Statements - continued
for the year ended 31st December 2021

8. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31st December 2021 nor for the year ended 31st December 2020.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31st December 2021 nor for the year ended 31st December 2020.

9. STAFF COSTS

	2021	2020
	£	£
Wages and salaries	273,291	207,101
Social security costs	10,637	14,743
Other pension costs	5,214	4,032
	<u>289,142</u>	<u>225,876</u>

The average monthly number of employees during the year was as follows:

	2021	2020
Management and administration	6	5
Support	9	7
	<u>15</u>	<u>12</u>

No employees received emoluments in excess of £60,000.

10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted fund £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	924	-	924
Charitable activities			
Renovation and letting of housing	184,956	-	184,956
Investment income	736,140	-	736,140
Other income	504	-	504
Total	<u>922,524</u>	<u>-</u>	<u>922,524</u>
EXPENDITURE ON			
Charitable activities			
Renovation and letting of housing	707,150	-	707,150
NET INCOME	215,374	-	215,374
RECONCILIATION OF FUNDS			
Total funds brought forward	3,514,399	-	3,514,399

Giroscope Limited

Notes to the Financial Statements - continued
for the year ended 31st December 2021

10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted funds £	Restricted fund £	Total funds £
TOTAL FUNDS CARRIED FORWARD	3,729,773	-	3,729,773

11. TANGIBLE FIXED ASSETS

	Improvements to property £	Plant and machinery £	Fixtures and fittings £
COST			
At 1st January 2021	38,474	7,370	23,464
Additions	-	-	-
At 31st December 2021	38,474	7,370	23,464
DEPRECIATION			
At 1st January 2021	-	7,044	20,809
Charge for year	-	64	387
At 31st December 2021	-	7,108	21,196
NET BOOK VALUE			
At 31st December 2021	38,474	262	2,268
At 31st December 2020	38,474	326	2,655

	Motor vehicles £	Computer equipment £	Totals £
COST			
At 1st January 2021	7,039	3,927	80,274
Additions	-	2,695	2,695
At 31st December 2021	7,039	6,622	82,969
DEPRECIATION			
At 1st January 2021	2,639	1,771	32,263
Charge for year	1,100	868	2,419
At 31st December 2021	3,739	2,639	34,682
NET BOOK VALUE			
At 31st December 2021	3,300	3,983	48,287
At 31st December 2020	4,400	2,156	48,011

Giroscope Limited

Notes to the Financial Statements - continued
for the year ended 31st December 2021

12. FIXED ASSET INVESTMENTS

Shares in
group
undertakings
£

MARKET VALUE

At 1st January 2021 and
31st December 2021

4,999

NET BOOK VALUE

At 31st December 2021

4,999

At 31st December 2020

4,999

There were no investment assets outside the UK.

The company's investments at the balance sheet date in the share capital of companies include the following:

Giroscope Services Limited

Registered office: 69 Coltman Street, Hull, HU3 2SJ

Nature of business: Property and building repairs

Class of share:	%	holding
Ordinary	100	

13. INVESTMENT PROPERTY

£

FAIR VALUE

At 1st January 2021

7,156,919

Additions

336,018

Revaluation

920,712

At 31st December 2021

8,413,649

AMORTISATION

At 1st January 2021
and 31st December 2021

200,113

NET BOOK VALUE

At 31st December 2021

8,213,536

At 31st December 2020

6,956,806

Fair value at 31st December 2021 is represented by:

	£	
Valuation in 2021	920,712	
Cost	7,492,937	
		<u>8,413,649</u>

Giroscope Limited

Notes to the Financial Statements - continued
for the year ended 31st December 2021

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Rent arrears	58,841	23,127
Other debtors	58,501	148,487
	<u>117,342</u>	<u>171,614</u>

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Bank loans and overdrafts (see note 17)	345,660	130,770
Other loans (see note 17)	1,666	1,666
Trade creditors	43,346	67,058
Social security and other taxes	4,792	3,995
Other creditors	35,987	27,383
Accrued expenses	7,780	3,600
	<u>439,231</u>	<u>234,472</u>

16. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2021	2020
	£	£
Bank loans (see note 17)	3,115,571	3,312,652
Other loans (see note 17)	10,005	11,671
	<u>3,125,576</u>	<u>3,324,323</u>

17. LOANS

An analysis of the maturity of loans is given below:

	2021	2020
	£	£
Amounts falling due within one year on demand:		
Bank overdrafts	5,012	-
Bank loans	340,648	130,770
Other loans	1,666	1,666
	<u>347,326</u>	<u>132,436</u>
Amounts falling between one and two years:		
Bank loans - 1-2 years	3,115,571	3,312,652
Other loans - 1-2 years	10,005	11,671
	<u>3,125,576</u>	<u>3,324,323</u>

Giroscope Limited

Notes to the Financial Statements - continued
for the year ended 31st December 2021

18. SECURED DEBTS

The following secured debts are included within creditors:

	2021 £	2020 £
Bank overdraft	5,012	-
Bank loans	3,456,219	3,443,422
	<u>3,461,231</u>	<u>3,443,422</u>

The bank loans are secured by way of a legal mortgage over the properties to which they relate and the bank overdraft is secured by way of a fixed and floating charge over the company's assets.

19. MOVEMENT IN FUNDS

	At 1/1/21 £	Net movement in funds £	At 31/12/21 £
Unrestricted funds			
General fund	3,729,773	1,085,462	4,815,235
Restricted funds			
Restricted	-	4,787	4,787
TOTAL FUNDS	<u>3,729,773</u>	<u>1,090,249</u>	<u>4,820,022</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	972,926	(808,176)	920,712	1,085,462
Restricted funds				
Restricted	66,351	(61,564)	-	4,787
TOTAL FUNDS	<u>1,039,277</u>	<u>(869,740)</u>	<u>920,712</u>	<u>1,090,249</u>

Comparatives for movement in funds

	At 1/1/20 £	Net movement in funds £	At 31/12/20 £
Unrestricted funds			
General fund	3,514,399	215,374	3,729,773
TOTAL FUNDS	<u>3,514,399</u>	<u>215,374</u>	<u>3,729,773</u>

Giroscope Limited

Notes to the Financial Statements - continued
for the year ended 31st December 2021

19. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	922,524	(707,150)	215,374
TOTAL FUNDS	<u>922,524</u>	<u>(707,150)</u>	<u>215,374</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1/1/20 £	Net movement in funds £	At 31/12/21 £
Unrestricted funds			
General fund	3,514,399	1,300,836	4,815,235
Restricted funds			
Restricted	-	4,787	4,787
TOTAL FUNDS	<u>3,514,399</u>	<u>1,305,623</u>	<u>4,820,022</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	1,895,450	(1,515,326)	920,712	1,300,836
Restricted funds				
Restricted	66,351	(61,564)	-	4,787
TOTAL FUNDS	<u>1,961,801</u>	<u>(1,576,890)</u>	<u>920,712</u>	<u>1,305,623</u>

Giroscope Limited

Notes to the Financial Statements - continued
for the year ended 31st December 2021

20. RELATED PARTY DISCLOSURES

The charitable company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

Giroscope Limited

Detailed Statement of Financial Activities
for the year ended 31st December 2021

	2021 £	2020 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	1,056	924
Investment income		
Rents received	855,780	736,136
Deposit account interest	-	4
	855,780	736,140
Charitable activities		
Grants	78,076	108,967
Other income	104,365	75,989
	182,441	184,956
Other income		
Gain on sale of tangible fixed assets	-	504
Total incoming resources	1,039,277	922,524
EXPENDITURE		
Charitable activities		
Wages	273,291	207,101
Social security	10,637	14,743
Pensions	5,214	4,032
Rates and water	21,615	25,867
Insurance	15,495	15,599
Light and heat	22,340	22,370
Telephone	5,641	4,909
Postage, stationery and advertising	4,430	3,460
Sundries	10,444	12,140
Motor expenses	6,691	8,048
Repairs and renewals	19,286	15,686
Sub contractors	305,311	218,924
Volunteer development costs	17,276	15,031
Bad debts	5,834	2,814
Donations	3,744	5,185
	727,249	575,909
Support costs		
Governance costs		
Auditors' remuneration	3,780	3,780
Legal fees	13,388	4,830
Carried forward	17,168	8,610

This page does not form part of the statutory financial statements

Giroscope Limited

Detailed Statement of Financial Activities
for the year ended 31st December 2021

	2021 £	2020 £
Governance costs		
Brought forward	17,168	8,610
Bank charges	10,193	4,580
Credit card charges and interest	347	8
Depreciation of tangible fixed assets	2,419	1,904
Bank loan interest	112,364	116,139
	142,491	131,241
Total resources expended	869,740	707,150
Net income	169,537	215,374

GIROSCOPE LIMITED

England & Wales - Charity number 1117457

Accounts

REGISTERED COMPANY NUMBER: 02046356 (England and Wales)
REGISTERED CHARITY NUMBER: 1117457

Giroscope Limited
Report of the Trustees and
Financial Statements
for the Year Ended 31st December 2020

cbaSadofskys
Statutory Auditors
Princes House
Wright Street
Hull
East Yorkshire
HU2 8HX

Giroscope Limited

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for the year ended 31st December 2020**

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Giroscope Limited

Report of the Trustees **for the year ended 31st December 2020**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31st December 2020. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

A MESSAGE FROM THE ACTING CHAIRMAN

2020 was a strange and challenging year, yet in spite of all of the challenges, we managed to keep supporting our tenants, volunteers and our local community.

Over the last year many of the problems faced by the people with whom we work, have been exacerbated, as people have become more isolated and subject to greater levels of stress. Our response to the COVID-19 pandemic adapted to the lockdowns and restrictions, as well as changes in our user's situations and circumstances. Initially our work was mainly reactive: providing support over the telephone to check in and make sure that people were managing, offering food parcels and providing activities to keep people occupied.

The distribution of food has been one of the biggest ways our organisation has supported our tenants, volunteers and local community over the last year. We have concentrated on distributing healthy, fresh food, including fresh fruit and vegetables.

During the year we distributed 59 devices (laptops, computers, tablets and smartphones) to enable children to access online teaching from home, and adults who were shielding, to get online and be more connected.

Seven empty properties were renovated during the year: five flats in 167 Coltman Street were completed and two long-term empty houses. The flats at 167 Coltman Street were finished in February 2020 and 7 new tenants moved into the building. This was an interesting project where we installed our first air source heat pumps, triple glazed windows with wall, floor and roof insulation to improve the energy performance and comfort of the building.

The Community Self Build project made substantial progress during 2020. The structural frames for the first property were constructed and raised in February. Progress was interrupted during the first lockdown, but work continued steadily with a small team for the rest of the year.

Progress was also made on the redevelopment of the former St Matthews Church. We obtained planning permission in December for works to the building to create workspace and new community spaces and facilities within the building. We plan to start the construction works in 2021.

OBJECTIVES AND ACTIVITIES

Objectives and aims

The company's objects and principal activities were those of the purchasing, renovation and modernisation of housing in poor condition and the renting out of these houses to the unemployed and other disadvantaged groups in society.

ACHIEVEMENT AND PERFORMANCE

In 2020 the organisation completed the renovation of seven properties; two houses and five flats in the same building. During the year we also purchased five new properties. At the end of the year Giroscope owned a total of 114 properties: 129 residential units (102 houses and 27 flats) as well as 5 non-residential buildings providing workspace to 15 organisations. At the end of the year Giroscope provided housing to over 320 people. 16 bed-spaces across 6 different properties are ring-fenced for young people who are homeless or at risk of homelessness. During the year 22 young people, at risk of homelessness were housed in these properties.

Giroscope continue to participate in wider discussions at a local, regional and national level on topics including community-based approaches to regeneration, affordable housing, empty homes and self-help housing.

Giroscope continues to offer guidance and support to new or emerging organisations interested in developing projects bringing empty properties back into use, providing affordable housing and support offering volunteering or training opportunities.

Giroscope Limited

Report of the Trustees **for the year ended 31st December 2020**

FINANCIAL REVIEW

Principal funding sources

The principle funding source of the charity are the rents received from the tenants. Giroscope now has an agreement in place for us to receive enhanced housing benefit up to 30 tenants that need additional support.

The staff and Management Committee seek funding to support renovating empty properties, provide additional support to our beneficiaries or regenerate our neighbourhood.

Giroscope received funding from the Lloyds Bank Foundation, Hull Community Led Local Development and the Bettys and Taylors Family Fund contributed towards the volunteer programme and other training opportunities.

The capital work renovating empty properties and the new construction of the Community Self Build project was funded by social investment from Social and Sustainable capital blended with grant funding from Power to Change and Hull City Council's Right-to-Buy Replacement grant fund.

Grants received from the Martin Lewis Coronavirus Emergency Fund, the Good Things Foundation, The Tudor Trust and LandAid supported some of our activity to respond to the COVID-19 pandemic. The Hull and East Riding Charitable Trust continued to support Giroscope's Emergency Fund that provides small grants for our tenants and volunteers.

Investment policy and objectives

Aside from retaining a prudent amount in reserves, each year most of the charity's funds are spent in the short term so there are few funds for long term investment. Having considered the options available, the Management Committee has decided to invest the small amount it has available in an interest-bearing account.

Reserves policy

The Management Committee will be examining the charity's requirements for reserves in light of the main risks to the organisation.

It will establish a policy whereby the unrestricted funds not committed or invested in tangible fixed assets held by the charity should not exceed 6 months of expenditure.

The reserves are needed to meet the working capital requirements of the charity, and the Management Committee are confident that at this level they would be able to continue the current activities of the charity in the event of a significant drop in funding.

FUTURE PLANS

The charity plans to continue its activities outlined in the forthcoming years, subject to satisfactory funding arrangements. In addition, it will look to develop other projects to help regenerate Giroscope's neighbourhood, increase the opportunities and/or provide better support for people living there. These will include:

- The further purchase and renovation of empty residential properties to let as affordable housing.
- The purchase and renovation of empty non-residential space to provide affordable workspace for other social enterprises and start-up businesses in our community.
- The redevelopment of the former St Matthews Church.
- Development of a self-build housing model to construct affordable housing on the land to the rear of 69 Coltman Street or other vacant plots of land in our neighbourhood.
- Develop our volunteer programme to provide a wide range of opportunities and holistic support for people excluded and disadvantaged in the employment market.
- To continue to develop our trading subsidiary Giroscope Services Limited.

Giroscope Limited

Report of the Trustees **for the year ended 31st December 2020**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The organisation is a charitable company limited by guarantee, incorporated on 13th August 1986 and registered as a charity on 4th January 2007. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £1.

Recruitment and appointment of new trustees

The directors of the company are also charity trustees for the purposes of charity law and under the company's Articles are known as members of the Executive Committee. Under the requirements of the Memorandum and Articles of Association the members of the Management Committee will be elected to serve a period of three years after which they must be re-elected at the next Annual General Meeting. (Resolution of Annual General Meeting November 2006).

The Management Committee is made up of a mix of traditional business skills from their own particular area of responsibility. In an effort to maintain this broad skill mix and in the event of particular skills being lost due to retirements, individuals are approached to offer themselves for election to the Committee.

Organisational structure

Giroscope Limited has an Executive Committee of 3 members who meet quarterly and are responsible for the strategic direction and policy of the charity. At the end of the financial year the Management Committee had three members. These members are from a variety of backgrounds relevant to the work of the charity.

A scheme of delegation is in place and day to day responsibility for the provision of the services rests with the Co-ordinator. The Management Committee is responsible for ensuring that the charity pursues its Aims and Objectives as well as setting strategic policy. The Co-ordinator has responsibility for the individual supervision of the staff team and also ensuring that the team continue to develop their skills and working practices in line with good practice.

Induction and training of new trustees

All of our trustees are already familiar with the practical work of the charity and are encouraged to familiarise themselves with the staff and volunteers within the organisation.

Additionally, new trustees are invited and encouraged to attend an introductory meeting with the Chair of the Management Committee and familiarise themselves with the charity and the context within which it operates. This meeting covers:

- The obligations of Management Committee members
- The main documents which set out the operational framework for the charity including the Memorandum and Articles
- Resourcing and the current financial position as set out in the latest published accounts
- Future plans and objectives
- Charity Commission
- Company Law

A Trustees induction pack has also been prepared drawing information from the various Charity Commission publications signposted through the Commission's guide 'the Essential Trustee' as an 'aide memoir'. This is distributed to all new trustees along with the Memorandum and Articles and the latest financial statements.

Giroscope Limited

Report of the Trustees **for the year ended 31st December 2020**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The charity has a Risk Register which identifies the risks to which the charity is exposed. Systems and procedures have been established to mitigate and manage the risks the charity faces. The Risk Register is reviewed as and when necessary, at a minimum at the quarterly Board Meetings.

Internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects.

Procedures are in place to ensure compliance with health and safety for all staff, volunteers, clients and visitors to Giroscope.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

02046356 (England and Wales)

Registered Charity number

1117457

Registered office

69 Coltman Street
Hull
East Yorkshire
HU3 2SJ

Trustees

A Brocklehurst - Accountant
R Amesbury - Director
Ms H R Galbraith - Director (appointed 20/1/20)

Auditors

cbaSadofskys
Statutory Auditors
Princes House
Wright Street
Hull
East Yorkshire
HU2 8HX

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

Giroscope Limited

Report of the Trustees
for the year ended 31st December 2020

STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

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

AUDITORS

The auditors, cbaSadofskys, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Approved by order of the board of trustees on 24th May 2021 and signed on its behalf by:

R Amesbury - Trustee

Report of the Independent Auditors to the Trustees of
Giroscope Limited

Opinion

We have audited the financial statements of Giroscope Limited (the 'charitable company') for the year ended 31st December 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement 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 (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 31st December 2020 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; 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 Auditors' 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 charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Matters on which we are required to report by exception

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

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- the charitable company has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Report of the Independent Auditors to the Trustees of
Giroscope Limited

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, 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.

Report of the Independent Auditors to the Trustees of
Giroscope Limited

Our responsibilities for the audit of the financial statements

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors 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:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of the pharmaceutical industry;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, UK tax legislation, and data protection, anti-bribery, employment, environmental, health and safety legislation along with industry specific regulations and requirements such as compliance with regulations set out by the Department of Health and the Medicines and Healthcare products Regulatory Agency (MHRA);
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in note 2 were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators, and the company's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become 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.

Report of the Independent Auditors to the Trustees of
Giroscope Limited

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 Report of the Independent Auditors.

Use of our report

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

cbaSadofskys
Statutory Auditors
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006
Princes House
Wright Street
Hull
East Yorkshire
HU2 8HX

24th May 2021

Giroscope Limited

Statement of Financial Activities
for the year ended 31st December 2020

	Notes	Unrestricted funds £	Restricted fund £	2020 Total funds £	2019 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	924	-	924	727
Charitable activities	4				
Renovation and letting of housing		184,956	-	184,956	153,549
Investment income	3	736,140	-	736,140	603,629
Other income		504	-	504	-
Total		922,524	-	922,524	757,905
EXPENDITURE ON					
Charitable activities	5				
Renovation and letting of housing		707,150	-	707,150	614,403
NET INCOME		215,374	-	215,374	143,502
RECONCILIATION OF FUNDS					
Total funds brought forward		3,514,399	-	3,514,399	3,370,897
TOTAL FUNDS CARRIED FORWARD		3,729,773	-	3,729,773	3,514,399

The notes form part of these financial statements

Giroscope Limited

Balance Sheet
31st December 2020

	Notes	Unrestricted funds £	Restricted fund £	2020 Total funds £	2019 Total funds £
FIXED ASSETS					
Tangible assets	11	48,011	-	48,011	46,482
Investments					
Investments	12	4,999	-	4,999	4,999
Investment property	13	6,956,806	-	6,956,806	6,478,819
		7,009,816	-	7,009,816	6,530,300
CURRENT ASSETS					
Debtors	14	171,614	-	171,614	183,644
Cash at bank		107,138	-	107,138	38,579
		278,752	-	278,752	222,223
CREDITORS					
Amounts falling due within one year	15	(234,472)	-	(234,472)	(171,991)
NET CURRENT ASSETS		44,280	-	44,280	50,232
TOTAL ASSETS LESS CURRENT LIABILITIES		7,054,096	-	7,054,096	6,580,532
CREDITORS					
Amounts falling due after more than one year	16	(3,324,323)	-	(3,324,323)	(3,066,133)
NET ASSETS		3,729,773	-	3,729,773	3,514,399
FUNDS	19				
Unrestricted funds				3,729,773	3,514,399
TOTAL FUNDS				3,729,773	3,514,399

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31st December 2020.

The members have not deposited notice, pursuant to Section 476 of the Companies Act 2006 requiring an audit of these financial statements.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been audited under the requirements of Section 145 of the Charities Act 2011.

The notes form part of these financial statements

Giroscope Limited

Balance Sheet - continued
31st December 2020

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

The financial statements were approved by the Board of Trustees and authorised for issue on 24th May 2021 and were signed on its behalf by:

R Amesbury - Trustee

Giroscope Limited

Cash Flow Statement
for the year ended 31st December 2020

	Notes	2020 £	2019 £
Cash flows from operating activities			
Cash generated from operations	1	364,986	267,152
Interest paid		(116,139)	(97,820)
Net cash provided by operating activities		<u>248,847</u>	<u>169,332</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(3,939)	(1,395)
Purchase of investment property		(477,987)	(320,649)
Sale of tangible fixed assets		1,010	-
Interest received		4	-
Net cash used in investing activities		<u>(480,912)</u>	<u>(322,044)</u>
Cash flows from financing activities			
New loans in year		427,500	287,574
Loan repayments in year		(126,876)	(90,002)
Net cash provided by financing activities		<u>300,624</u>	<u>197,572</u>
Change in cash and cash equivalents in the reporting period		<u>68,559</u>	<u>44,860</u>
Cash and cash equivalents at the beginning of the reporting period		<u>38,579</u>	<u>(6,281)</u>
Cash and cash equivalents at the end of the reporting period		<u><u>107,138</u></u>	<u><u>38,579</u></u>

The notes form part of these financial statements

Giroscope Limited

Notes to the Cash Flow Statement
for the year ended 31st December 2020

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2020	2019
	£	£
Net income for the reporting period (as per the Statement of Financial Activities)	215,374	143,502
Adjustments for:		
Depreciation charges	1,904	1,979
Profit on disposal of fixed assets	(504)	-
Interest received	(4)	-
Interest paid	116,139	97,820
Decrease in debtors	12,030	507
Increase in creditors	20,047	23,344
Net cash provided by operations	364,986	267,152

2. ANALYSIS OF CHANGES IN NET DEBT

	At 1/1/20	Cash flow	At 31/12/20
	£	£	£
Net cash			
Cash at bank	38,579	68,559	107,138
	<u>38,579</u>	<u>68,559</u>	<u>107,138</u>
Debt			
Debts falling due within 1 year	(90,002)	(42,434)	(132,436)
Debts falling due after 1 year	(3,066,133)	(258,190)	(3,324,323)
	<u>(3,156,135)</u>	<u>(300,624)</u>	<u>(3,456,759)</u>
Total	(3,117,556)	(232,065)	(3,349,621)

The notes form part of these financial statements

Notes to the Financial Statements
for the year ended 31st December 2020

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Improvements to property	- not provided
Plant and machinery	- at variable rates on reducing balance
Fixtures and fittings	- at variable rates on reducing balance
Motor vehicles	- 25% on reducing balance

Investment property

Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in market value is transferred to a fair value reserve.

Related party exemption

The charitable company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Giroscope Limited

Notes to the Financial Statements - continued
for the year ended 31st December 2020

1. ACCOUNTING POLICIES - continued

Government grants

Government grants are recognised using the accruals model. Grants of a revenue nature are credited to income so as to match them with the expenditure to which they relate.

Grants in respect of capital expenditure are credited to a deferred income account and are released to profit over the expected useful lives of the assets to which they relate.

A grant that becomes receivable as compensation for expenses or losses already incurred, or for the purpose of giving immediate financial support to the company with no future related costs, is credited to income in the period in which it becomes receivable.

2. DONATIONS AND LEGACIES

	2020 £	2019 £
Donations	924	727
	<u> </u>	<u> </u>

3. INVESTMENT INCOME

	2020 £	2019 £
Rents received	736,136	603,629
Deposit account interest	4	-
	<u> </u>	<u> </u>
	<u>736,140</u>	<u>603,629</u>

4. INCOME FROM CHARITABLE ACTIVITIES

	Activity	2020 £	2019 £
Grants	Renovation and letting of housing	108,967	100,012
Other income	Renovation and letting of housing	75,989	53,537
		<u> </u>	<u> </u>
		<u>184,956</u>	<u>153,549</u>

Other capital grants received during the year are:

	2020 £	2019 £
Capital Grants received	£	£
Power To Change Grant	62,500	61,000
Hull City Council Right-To-Buy Replacement Grant	41,911	195,003
Architectural Heritage	7,570	-
Worshipful Company of Glaziers	-	1,000
War Memorials Trust	2,453	18,770
LandAid	-	38,767
	<u> </u>	<u> </u>
	<u>114,434</u>	<u>314,540</u>

Giroscope Limited

Notes to the Financial Statements - continued
for the year ended 31st December 2020

4. INCOME FROM CHARITABLE ACTIVITIES - continued

Grants received, included in the above, are as follows:

	2020	2019
	£	£
National Lottery Awards for All	-	10,000
Hull and East Riding Charitable Trust	4,500	2,000
Architectural Heritage Fund	-	6,207
Lloyds Bank Foundation	23,200	23,200
Hull Community Led Local Development	16,493	42,887
Yorkshire Bank Bike Library	-	3,718
Tudor Trust	12,000	12,000
Bettys and Taylors Family Fund	16,665	-
Land Aid	8,318	-
Martin Lewis Coronavirus Emergency Fund	7,755	-
Good Things Foundation	5,600	-
Duke of Edinburgh Award Scheme	550	-
Tesco Bags of Help Covid-19 Communities Fund	500	-
Rank Foundation	486	-
Leftfield - Fix your bike voucher scheme	150	-
Job retention scheme	12,750	-
	<u>108,967</u>	<u>100,012</u>

5. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 6) £	Totals £
Renovation and letting of housing	<u>575,909</u>	<u>131,241</u>	<u>707,150</u>

6. SUPPORT COSTS

	Governance costs £
Renovation and letting of housing	<u>131,241</u>

7. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2020	2019
	£	£
Auditors' remuneration	3,780	3,420
Depreciation - owned assets	1,904	1,979
Surplus on disposal of fixed assets	<u>(504)</u>	<u>-</u>

Notes to the Financial Statements - continued
for the year ended 31st December 2020

8. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31st December 2020 nor for the year ended 31st December 2019.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31st December 2020 nor for the year ended 31st December 2019.

9. STAFF COSTS

	2020	2019
	£	£
Wages and salaries	207,101	172,797
Social security costs	14,743	10,424
Other pension costs	4,032	2,691
	225,876	185,912

The average monthly number of employees during the year was as follows:

	2020	2019
Management and administration	5	4
Support	7	7
	12	11

No employees received emoluments in excess of £60,000.

10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted fund £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	727	-	727
Charitable activities			
Renovation and letting of housing	153,549	-	153,549
Investment income	603,629	-	603,629
Total	757,905	-	757,905
EXPENDITURE ON			
Charitable activities			
Renovation and letting of housing	614,403	-	614,403
NET INCOME	143,502	-	143,502
RECONCILIATION OF FUNDS			
Total funds brought forward	3,370,897	-	3,370,897

Notes to the Financial Statements - continued
for the year ended 31st December 2020

10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted funds £	Restricted fund £	Total funds £
TOTAL FUNDS CARRIED FORWARD	3,514,399	-	3,514,399

11. TANGIBLE FIXED ASSETS

	Improvements to property £	Plant and machinery £	Fixtures and fittings £
COST			
At 1st January 2020	38,474	7,370	23,464
Additions	-	-	-
Disposals	-	-	-
At 31st December 2020	38,474	7,370	23,464
DEPRECIATION			
At 1st January 2020	-	6,964	20,353
Charge for year	-	80	456
Eliminated on disposal	-	-	-
At 31st December 2020	-	7,044	20,809
NET BOOK VALUE			
At 31st December 2020	38,474	326	2,655
At 31st December 2019	38,474	406	3,111

	Motor vehicles £	Computer equipment £	Totals £
COST			
At 1st January 2020	5,010	3,927	78,245
Additions	3,939	-	3,939
Disposals	(1,910)	-	(1,910)
At 31st December 2020	7,039	3,927	80,274
DEPRECIATION			
At 1st January 2020	3,393	1,053	31,763
Charge for year	650	718	1,904
Eliminated on disposal	(1,404)	-	(1,404)
At 31st December 2020	2,639	1,771	32,263
NET BOOK VALUE			
At 31st December 2020	4,400	2,156	48,011
At 31st December 2019	1,617	2,874	46,482

Giroscope Limited

Notes to the Financial Statements - continued
for the year ended 31st December 2020

12. FIXED ASSET INVESTMENTS

Shares in
group
undertakings
£

MARKET VALUE

At 1st January 2020 and
31st December 2020

4,999

NET BOOK VALUE

At 31st December 2020

4,999

At 31st December 2019

4,999

There were no investment assets outside the UK.

The company's investments at the balance sheet date in the share capital of companies include the following:

Giroscope Services Limited

Registered office: 69 Coltman Street, Hull, HU3 2SJ

Nature of business: Property and building repairs

Class of share:	%	
Ordinary	holding	
		100

13. INVESTMENT PROPERTY

£

FAIR VALUE

At 1st January 2020
Additions

6,678,932

477,987

At 31st December 2020

7,156,919

AMORTISATION

At 1st January 2020
and 31st December 2020

200,113

NET BOOK VALUE

At 31st December 2020

6,956,806

At 31st December 2019

6,478,819

Giroscope Limited

Notes to the Financial Statements - continued
for the year ended 31st December 2020

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£	£
Rent arrears	23,127	42,470
Other debtors	148,487	141,174
	<u>171,614</u>	<u>183,644</u>

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£	£
Bank loans and overdrafts (see note 17)	130,770	88,336
Other loans (see note 17)	1,666	1,666
Trade creditors	67,058	58,018
Social security and other taxes	3,995	3,453
Other creditors	27,383	17,098
Accrued expenses	3,600	3,420
	<u>234,472</u>	<u>171,991</u>

16. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2020	2019
	£	£
Bank loans (see note 17)	3,312,652	3,052,796
Other loans (see note 17)	11,671	13,337
	<u>3,324,323</u>	<u>3,066,133</u>

17. LOANS

An analysis of the maturity of loans is given below:

	2020	2019
	£	£
Amounts falling due within one year on demand:		
Bank loans	130,770	88,336
Other loans	1,666	1,666
	<u>132,436</u>	<u>90,002</u>
Amounts falling between one and two years:		
Bank loans - 1-2 years	3,312,652	3,052,796
Other loans - 1-2 years	11,671	13,337
	<u>3,324,323</u>	<u>3,066,133</u>

Giroscope Limited

Notes to the Financial Statements - continued
for the year ended 31st December 2020

18. SECURED DEBTS

The following secured debts are included within creditors:

	2020 £	2019 £
Bank loans	<u><u>3,443,422</u></u>	<u><u>3,141,132</u></u>

The bank loans are secured by way of a legal mortgage over the properties to which they relate and the bank overdraft is secured by way of a fixed and floating charge over the company's assets.

19. MOVEMENT IN FUNDS

	At 1/1/20 £	Net movement in funds £	At 31/12/20 £
Unrestricted funds			
General fund	3,514,399	215,374	3,729,773
TOTAL FUNDS	<u><u>3,514,399</u></u>	<u><u>215,374</u></u>	<u><u>3,729,773</u></u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	922,524	(707,150)	215,374
TOTAL FUNDS	<u><u>922,524</u></u>	<u><u>(707,150)</u></u>	<u><u>215,374</u></u>

Comparatives for movement in funds

	At 1/1/19 £	Net movement in funds £	At 31/12/19 £
Unrestricted funds			
General fund	3,370,897	143,502	3,514,399
TOTAL FUNDS	<u><u>3,370,897</u></u>	<u><u>143,502</u></u>	<u><u>3,514,399</u></u>

Giroscope Limited

Notes to the Financial Statements - continued
for the year ended 31st December 2020

19. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	757,905	(614,403)	143,502
TOTAL FUNDS	<u>757,905</u>	<u>(614,403)</u>	<u>143,502</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1/1/19 £	Net movement in funds £	At 31/12/20 £
Unrestricted funds			
General fund	3,370,897	358,876	3,729,773
TOTAL FUNDS	<u>3,370,897</u>	<u>358,876</u>	<u>3,729,773</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,680,429	(1,321,553)	358,876
TOTAL FUNDS	<u>1,680,429</u>	<u>(1,321,553)</u>	<u>358,876</u>

20. RELATED PARTY DISCLOSURES

The charitable company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

Giroscope Limited

Detailed Statement of Financial Activities
for the year ended 31st December 2020

	2020 £	2019 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	924	727
Investment income		
Rents received	736,136	603,629
Deposit account interest	4	-
	736,140	603,629
Charitable activities		
Grants	108,967	100,012
Other income	75,989	53,537
	184,956	153,549
Other income		
Gain on sale of tangible fixed assets	504	-
Total incoming resources	922,524	757,905
EXPENDITURE		
Charitable activities		
Wages	207,101	172,797
Social security	14,743	10,424
Pensions	4,032	2,691
Rates and water	25,867	21,909
Insurance	15,599	17,123
Light and heat	22,370	17,460
Telephone	4,909	4,021
Postage, stationery and advertising	3,460	4,996
Sundries	12,140	12,879
Motor expenses	8,048	9,847
Repairs and renewals	15,686	14,846
Sub contractors	218,924	168,502
Volunteer development costs	15,031	33,831
Bad debts	2,814	9,710
Donations	5,185	5,513
	575,909	506,549
Support costs		
Governance costs		
Auditors' remuneration	3,780	3,420
Carried forward	3,780	3,420

This page does not form part of the statutory financial statements

Giroscope Limited

Detailed Statement of Financial Activities
for the year ended 31st December 2020

	2020 £	2019 £
Governance costs		
Brought forward	3,780	3,420
Legal fees	4,830	126
Bank charges	4,580	3,680
Credit card charges and interest	8	829
Depreciation of tangible fixed assets	1,904	1,979
Bank loan interest	116,139	97,820
	131,241	107,854
Total resources expended	707,150	614,403
Net income	215,374	143,502