

**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**

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

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 £
<b>FIXED ASSETS</b>					
Tangible assets	11	45,404	-	45,404	46,914
<b>Investments</b>					
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>
<b>CURRENT ASSETS</b>					
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>
<b>CREDITORS</b>					
Amounts falling due within one year	15	(211,711)	(7,268)	(218,979)	(195,586)
<b>NET CURRENT ASSETS</b>		<u>(86,800)</u>	<u>59,894</u>	<u>(26,906)</u>	<u>(43,599)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>9,143,156</u>	<u>59,894</u>	<u>9,203,050</u>	<u>8,737,764</u>
<b>CREDITORS</b>					
Amounts falling due after more than one year	16	(4,034,543)	-	(4,034,543)	(3,761,009)
<b>NET ASSETS</b>		<u>5,108,613</u>	<u>59,894</u>	<u>5,168,507</u>	<u>4,976,755</u>
<b>FUNDS</b>	19				
Unrestricted funds				5,108,613	4,964,645
Restricted funds				59,894	12,110
<b>TOTAL FUNDS</b>				<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 £
<b>Cash flows from operating activities</b>			
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
<b>Cash flows from investing activities</b>			
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)
<b>Cash flows from financing activities</b>			
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
<b>Change in cash and cash equivalents in the reporting period</b>		23,592	120,834
<b>Cash and cash equivalents at the beginning of the reporting period</b>		116,487	(4,347)
<b>Cash and cash equivalents at the end of the reporting period</b>		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 £
<b>Net income for the reporting period (as per the Statement of Financial Activities)</b>	<b>191,752</b>	156,733
<b>Adjustments for:</b>		
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)
<b>Net cash provided by operations</b>	<b>467,108</b>	333,845

**2. ANALYSIS OF CHANGES IN NET DEBT**

	At 1/1/23 £	Cash flow £	At 31/12/23 £
<b>Net cash</b>			
Cash at bank	116,487	23,592	140,079
	<u>116,487</u>	<u>23,592</u>	<u>140,079</u>
<b>Debt</b>			
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>
<b>Total</b>	<b>(3,803,988)</b>	<b>(263,942)</b>	<b>(4,067,930)</b>

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	<b>736</b>	1,396
	<u><u>736</u></u>	<u><u>1,396</u></u>

**3. INVESTMENT INCOME**

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

**4. INCOME FROM CHARITABLE ACTIVITIES**

		2023	2022
	Activity	£	£
Grants	Renovation and letting of housing	<b>118,524</b>	160,511
Other income	Renovation and letting of housing	<b>99,264</b>	114,569
		<u><u>217,788</u></u>	<u><u>275,080</u></u>

Other capital grants received during the year are:

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

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

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

**Giroscope Limited**

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

**4. INCOME FROM CHARITABLE ACTIVITIES - continued**

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

**5. CHARITABLE ACTIVITIES COSTS**

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

**6. SUPPORT COSTS**

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

**7. NET INCOME/(EXPENDITURE)**

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

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

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

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

	<b>2023</b>	2022
	<b></b>	
Management and administration	<b>7</b>	8
Support	<b>11</b>	11
	<b><u>18</u></b>	<u>19</u>

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

**10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

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

**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 £
<b>COST</b>			
At 1st January 2023	38,474	7,370	23,464
Additions	-	-	-
At 31st December 2023	38,474	7,370	23,464
<b>DEPRECIATION</b>			
At 1st January 2023	-	7,159	21,525
Charge for year	-	41	280
At 31st December 2023	-	7,200	21,805
<b>NET BOOK VALUE</b>			
At 31st December 2023	38,474	170	1,659
At 31st December 2022	38,474	211	1,939
	Motor vehicles £	Computer equipment £	Totals £
<b>COST</b>			
At 1st January 2023	7,039	7,531	83,878
Additions	-	450	450
At 31st December 2023	7,039	7,981	84,328
<b>DEPRECIATION</b>			
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
<b>NET BOOK VALUE</b>			
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		<b>100</b>

**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		<b>920,712</b>
Cost		<b>8,458,954</b>
		<b>9,379,666</b>

**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:

	<b>2023</b>	2022
	<b>£</b>	£
Bank loans	<b><u>3,975,170</u></b>	<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
	£	£	£
<b>Unrestricted funds</b>			
General fund	<b>4,964,645</b>	<b>143,968</b>	<b>5,108,613</b>
<b>Restricted funds</b>			
Restricted	<b>12,110</b>	<b>47,784</b>	<b>59,894</b>
<b>TOTAL FUNDS</b>	<b><u>4,976,755</u></b>	<b><u>191,752</u></b>	<b><u>5,168,507</u></b>

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

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

**Comparatives for movement in funds**

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

**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 £
<b>Unrestricted funds</b>			
General fund	992,253	(842,843)	149,410
<b>Restricted funds</b>			
Restricted	160,511	(153,188)	7,323
<b>TOTAL FUNDS</b>	<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 £
<b>Unrestricted funds</b>			
General fund	4,815,235	293,378	5,108,613
<b>Restricted funds</b>			
Restricted	4,787	55,107	59,894
<b>TOTAL FUNDS</b>	<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 £
<b>Unrestricted funds</b>			
General fund	2,071,648	(1,778,270)	293,378
<b>Restricted funds</b>			
Restricted	279,035	(223,928)	55,107
<b>TOTAL FUNDS</b>	<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 £
<b>INCOME AND ENDOWMENTS</b>		
<b>Donations and legacies</b>		
Donations	736	1,396
<b>Investment income</b>		
Rents received	979,395	876,288
<b>Charitable activities</b>		
Grants	118,524	160,511
Other income	99,264	114,569
	<hr/> 217,788	<hr/> 275,080
<b>Total incoming resources</b>	<hr/> 1,197,919	<hr/> 1,152,764
<b>EXPENDITURE</b>		
<b>Charitable activities</b>		
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
	<hr/> 708,220	<hr/> 819,898
<b>Support costs</b>		
<b>Governance costs</b>		
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
	<hr/> 297,947	<hr/> 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	<b>1,006,167</b>	996,031
<b>Net income</b>	<b>191,752</b>	156,733