



**GRACE ADVOCACY**

## Trustees Report

2021

## Aims & purposes

Grace Advocacy (the operating name of Grace Debt Advice) is an advocacy service that helps clients stabilise their lives financially and access the assistance they require in six core areas of need:

- Income (Benefits);
- Housing;
- Disability;
- Health care;
- Social Care; and
- Debt.

## History of charity

Grace Debt Advice was formed in 2010 to offer a holistic model of debt advice that:

- Focused on assisting clients attain long term financial stability as opposed to the current
- advice model that limits itself to addressing the client's immediate debt crisis;
- Provided clients with the practical assistance they needed both to implement the advice and to stabilise their circumstances;
- Reached isolated groups who were struggling to access the help they needed;
- Was highly flexible, innovative and low cost in the delivery of its services.

The charity was awarded funding by the London Borough of Richmond upon Thames and the NHS to develop and pilot its service model for carers in the borough of Richmond. The pilot was launched in September 2011 and following its successful outcome the charity then went on to win a three-year contract to continue delivering its services to carers as part of the Richmond Carers Hub. Since then, the charity has expanded its services to include advocacy support that covered the following additional areas:

- Benefits
- Housing
- Disability
- Health care; and
- Social Care.

## Achievements & performance

The charity delivered its services to those in need in the following areas:

- Bridgwater, Somerset;
- Burnham-on-Sea, Somerset;
- Richmond upon Thames and Kingston upon Thames;
- Brighton, East Sussex,
- Eastbourne, East Sussex;
- Haywards Heath, West Sussex.

## Financial review

The two primary sources of funding were donations from the public and partner organisations.

## Reserves policy

It is the objective of the trustees to achieve a level of reserves that equates to between 3 to six months of future committed monthly expenditure. The reserves at year end met this objective.

## Volunteers

The charity is currently solely staffed and run by volunteers. We would like to thank all the volunteers who have worked so hard to serve the vulnerable in the communities that the charity serves.

## Structure governance & management

The charity is managed by a Managing Trustee who is responsible for ensuring that the charity delivers the services specified and that key performance indicators are met. The Managing Trustee reports to a board of trustees. The trustees meet quarterly. The role of trustee, unless otherwise determined by ordinary resolution, is not subject to any maximum period of service.

## Administrative information

Grace Advocacy is the operating name of Grace Debt Advice. Grace Debt Advice is a:

- Charity registered in England & Wales No. 1143175;
- Company limited by guarantee registered in England & Wales No. 07461047; and
- Licensed by the Office of Fair Trading for debt adjusting and counselling No. 641132.

## Address

Grace Advocacy

PO Box 238

Eastbourne

BN24 9HN

## Trustees

Mr Gary Holland (Managing Trustee)

Mr Adam Daniel Barnard

Mrs Alexander Barling

## Independent Examiner

MHR Consultancy Ltd are the charitable company's independent examiners.

MHR Consultancy Ltd

Ferneberga House

Alexandra Road

Farnborough

GU14 6DQ

REPORT OF THE TRUSTEES AND  
UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021  
FOR  
Grace Debt Advice  
(A Company Limited by Guarantee)

MHR Consultancy Limited  
Ferneberga House  
Alexandra Road  
Farnborough  
GU14 6DQ

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for the Year Ended 31 December 2021

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REPORT OF THE TRUSTEES  
for the Year Ended 31 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 31 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).

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Governing document**

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

**Related parties**

The Trustees fees relate to payments made to G Holland in relation to his position as CEO of the charity. These fees consist of fees of £4,787 (2020 £10,712).

**REFERENCE AND ADMINISTRATIVE DETAILS**

**Registered Company number**

07461047 (England and Wales)

**Registered Charity number**

1143175

**Registered office**

Ferneberga House  
Alexandra Road  
Farnborough  
GU14 6DQ

**Trustees**

Ms A Barling Retired  
A D Barnard Company Director  
G Holland Company Director

**Company Secretary**

**Independent Examiner**

Mark Byron Blackwell  
ACMA  
MHR Consultancy Limited  
Ferneberga House  
Alexandra Road  
Farnborough  
GU14 6DQ

Approved by order of the board of trustees on 16 September 2022 and signed on its behalf by:

G Holland - Trustee

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF  
GRACE DEBT ADVICE

**Independent examiner's report to the trustees of Grace Debt Advice ('the Company')**

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 December 2021.

**Responsibilities and basis of report**

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

**Independent examiner's statement**

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Mark Byron Blackwell  
ACMA  
MHR Consultancy Limited  
Ferneberga House  
Alexandra Road  
Farnborough  
GU14 6DQ

16 September 2022

**STATEMENT OF FINANCIAL ACTIVITIES**  
for the Year Ended 31 December 2021

	Notes	Unrestricted fund £	Restricted funds £	31.12.21 Total funds £	31.12.20 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>					
Donations and legacies		26,472	500	26,972	23,123
<b>Charitable activities</b>					
Core Activities		1,928	1,300	3,228	16,480
Investment income	2	3	-	3	6
<b>Total</b>		28,403	1,800	30,203	39,609
<b>EXPENDITURE ON</b>					
Raising funds		-	-	-	91
<b>Charitable activities</b>					
Core Activities		20,965	6,808	27,773	27,127
<b>Total</b>		20,965	6,808	27,773	27,218
<b>NET INCOME/(EXPENDITURE)</b>		7,438	(5,008)	2,430	12,391
<b>RECONCILIATION OF FUNDS</b>					
<b>Total funds brought forward</b>		24,750	7,424	32,174	19,783
<b>TOTAL FUNDS CARRIED FORWARD</b>		32,188	2,416	34,604	32,174



**BALANCE SHEET**  
**31 December 2021**

	Notes	Unrestricted fund £	Restricted funds £	31.12.21 Total funds £	31.12.20 Total funds £
<b>CURRENT ASSETS</b>					
Cash at bank		32,188	2,416	34,604	32,774
<b>CREDITORS</b>					
Amounts falling due within one year	5	-	-	-	(600)
<b>NET CURRENT ASSETS</b>		<u>32,188</u>	<u>2,416</u>	<u>34,604</u>	<u>32,174</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>32,188</u>	<u>2,416</u>	<u>34,604</u>	<u>32,174</u>
<b>NET ASSETS</b>		<u>32,188</u>	<u>2,416</u>	<u>34,604</u>	<u>32,174</u>
<b>FUNDS</b>	6				
Unrestricted funds				32,188	24,750
Restricted funds				<u>2,416</u>	<u>7,424</u>
<b>TOTAL FUNDS</b>				<u>34,604</u>	<u>32,174</u>

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

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2021 in accordance with Section 476 of the Companies Act 2006.

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 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 16 September 2022 and were signed on its behalf by:

G Holland - Trustee

A D Barnard - Trustee

**NOTES TO THE FINANCIAL STATEMENTS**  
for the Year Ended 31 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.

**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.

**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.

**2. INVESTMENT INCOME**

	31.12.21	31.12.20
	£	£
Interest receivable - trading	3	6
	<u>3</u>	<u>6</u>

**3. TRUSTEES' REMUNERATION AND BENEFITS**

	31.12.21	31.12.20
	£	£
Trustees' fees	9,159	10,712
	<u>9,159</u>	<u>10,712</u>

**Trustees' expenses**

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

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

	Unrestricted fund	Restricted funds	Total funds
	£	£	£
<b>INCOME AND ENDOWMENTS FROM</b>			
Donations and legacies	23,123	-	23,123
<b>Charitable activities</b>			
Core Activities	4,596	11,884	16,480
Investment income	6	-	6
<b>Total</b>	<u>27,725</u>	<u>11,884</u>	<u>39,609</u>
<b>EXPENDITURE ON</b>			
Raising funds	91	-	91

NOTES TO THE FINANCIAL STATEMENTS - continued  
for the Year Ended 31 December 2021

**4. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued**

	Unrestricted fund £	Restricted funds £	Total funds £
<b>Charitable activities</b>			
Core Activities	22,667	4,460	27,127
	<hr/>	<hr/>	<hr/>
<b>Total</b>	22,758	4,460	27,218
	<hr/>	<hr/>	<hr/>
<b>NET INCOME</b>	4,967	7,424	12,391

**RECONCILIATION OF FUNDS**

<b>Total funds brought forward</b>	19,783	-	19,783
	<hr/>	<hr/>	<hr/>
<b>TOTAL FUNDS CARRIED FORWARD</b>	24,750	7,424	32,174
	<hr/>	<hr/>	<hr/>

**5. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.12.21 £	31.12.20 £
Trade creditors	-	600
	<hr/>	<hr/>

**6. MOVEMENT IN FUNDS**

	At 1.1.21 £	Net movement in funds £	At 31.12.21 £
<b>Unrestricted funds</b>			
General fund	24,750	7,438	32,188
<b>Restricted funds</b>			
Wessex Water - Hard to Reach	800	(800)	-
Somerset Community Foundation - Somerst Growth	3,040	(2,210)	830
Somerset Community Foundation - Homeless Fund	1,000	16	1,016
Live West - Digital Inclusion	2,584	(2,514)	70
Disability Workshop	-	500	500
	<hr/>	<hr/>	<hr/>
	7,424	(5,008)	2,416
	<hr/>	<hr/>	<hr/>
<b>TOTAL FUNDS</b>	32,174	2,430	34,604
	<hr/>	<hr/>	<hr/>

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**for the Year Ended 31 December 2021**

**6. MOVEMENT IN FUNDS - continued**

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

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	28,403	(20,965)	7,438
<b>Restricted funds</b>			
Wessex Water - Hard to Reach	-	(800)	(800)
Somerset Community Foundation - Somerst Growth	-	(2,210)	(2,210)
Somerset Community Foundation - Homeless Fund	1,000	(984)	16
Live West - Digital Inclusion	-	(2,514)	(2,514)
Disability Workshop	500	-	500
HT Advocacy	300	(300)	-
	<u>1,800</u>	<u>(6,808)</u>	<u>(5,008)</u>
<b>TOTAL FUNDS</b>	<u>30,203</u>	<u>(27,773)</u>	<u>2,430</u>

**Comparatives for movement in funds**

	At 1.1.20 £	Net movement in funds £	At 31.12.20 £
<b>Unrestricted funds</b>			
General fund	19,783	4,967	24,750
<b>Restricted funds</b>			
Wessex Water - Hard to Reach	-	800	800
Somerset Community Foundation - Somerst Growth	-	3,040	3,040
Somerset Community Foundation - Homeless Fund	-	1,000	1,000
Live West - Digital Inclusion	-	2,584	2,584
	<u>-</u>	<u>7,424</u>	<u>7,424</u>
<b>TOTAL FUNDS</b>	<u>19,783</u>	<u>12,391</u>	<u>32,174</u>

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	27,725	(22,758)	4,967
<b>Restricted funds</b>			
Wessex Water - Hard to Reach	3,300	(2,500)	800
Somerset Community Foundation - Somerst Growth	5,000	(1,960)	3,040
Somerset Community Foundation - Homeless Fund	1,000	-	1,000
Live West - Digital Inclusion	2,584	-	2,584
	<u>11,884</u>	<u>(4,460)</u>	<u>7,424</u>
<b>TOTAL FUNDS</b>	<u>39,609</u>	<u>(27,218)</u>	<u>12,391</u>

NOTES TO THE FINANCIAL STATEMENTS - continued  
for the Year Ended 31 December 2021

**6. MOVEMENT IN FUNDS - continued**

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 £
<b>Unrestricted funds</b>			
General fund	19,783	12,405	32,188
<b>Restricted funds</b>			
Somerset Community Foundation - Somerst Growth	-	830	830
Somerset Community Foundation - Homeless Fund	-	1,016	1,016
Live West - Digital Inclusion	-	70	70
Disability Workshop	-	500	500
	<hr/>	<hr/>	<hr/>
	-	2,416	2,416
	<hr/>	<hr/>	<hr/>
<b>TOTAL FUNDS</b>	<u>19,783</u>	<u>14,821</u>	<u>34,604</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	56,128	(43,723)	12,405
<b>Restricted funds</b>			
Wessex Water - Hard to Reach	3,300	(3,300)	-
Somerset Community Foundation - Somerst Growth	5,000	(4,170)	830
Somerset Community Foundation - Homeless Fund	2,000	(984)	1,016
Live West - Digital Inclusion	2,584	(2,514)	70
Disability Workshop	500	-	500
HT Advocacy	300	(300)	-
	<hr/>	<hr/>	<hr/>
	13,684	(11,268)	2,416
	<hr/>	<hr/>	<hr/>
<b>TOTAL FUNDS</b>	<u>69,812</u>	<u>(54,991)</u>	<u>14,821</u>

**7. RELATED PARTY DISCLOSURES**

There were no related party transactions for the year ended 31 December 2021.

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES**  
**for the Year Ended 31 December 2021**

	31.12.21 £	31.12.20 £
<b>INCOME AND ENDOWMENTS</b>		
<b>Donations and legacies</b>		
Gifts	(1)	-
Donations	26,973	23,123
	<u>26,972</u>	<u>23,123</u>
<b>Investment income</b>		
Interest receivable - trading	3	6
<b>Charitable activities</b>		
Sales	1,628	1,947
Grants	1,600	14,533
	<u>3,228</u>	<u>16,480</u>
<b>Total incoming resources</b>	30,203	39,609
<b>EXPENDITURE</b>		
<b>Raising donations and legacies</b>		
Professional Fundraising Fees	-	91
<b>Charitable activities</b>		
Trustees' fees	9,159	10,712
Insurance	693	639
Telephone	452	666
Postage and stationery	380	387
Advertising	160	-
Sundries	-	6
Staff Training	500	-
Travel & Entertaining	6,077	2,278
Computer and IT Costs	4,963	5,434
Subscriptions	741	789
Donations made	1,969	1,162
Project Delivery	2,229	4,514
	<u>27,323</u>	<u>26,587</u>
<b>Support costs</b>		
<b>Governance costs</b>		
Accountancy and legal fees	450	540
	<u>27,773</u>	<u>27,218</u>
<b>Net income</b>	<u>2,430</u>	<u>12,391</u>