



GRACE ADVOCACY

Trustees Report

2022

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. This year's accounts differ from their predecessors in that they now show donations in kind.

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

Document Details:

Filename:	GD001-Charities report - 2022.pdf
Client of:	MHR Consultancy Ltd

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Name:	Gary Holland
Email:	gary.holland@graceadvocacy.org
Date & Time:	29/09/2023 23:10:47 PM (BST)
IP Address:	46.193.225.210
Signing Statement:	Grace Debt Advice confirms that the information is correct and complete to the best of their knowledge and belief.

Name:	Adam Daniel Barnard
Email:	n.barnard@ceresventures.co.uk
Date & Time:	29/09/2023 23:36:57 PM (BST)
IP Address:	82.7.136.165
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REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022
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 2022

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

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 £15,808 (2021 £9,159).

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
MHR Consultancy Limited
Ferneberga House
Alexandra Road
Farnborough
GU14 6DQ

Approved by order of the board of trustees on 27 September 2023 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 2022.

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

MHR Consultancy Limited
Ferneberga House
Alexandra Road
Farnborough
GU14 6DQ

27 September 2023

STATEMENT OF FINANCIAL ACTIVITIES
for the Year Ended 31 December 2022

	Notes	Unrestricted fund £	Restricted funds £	31.12.22 Total funds £	31.12.21 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies		146,855	-	146,855	82,916
Charitable activities					
Core Activities		3,147	-	3,147	3,228
Investment income	2	-	-	-	3
Total		<u>150,002</u>	<u>-</u>	<u>150,002</u>	<u>86,147</u>
EXPENDITURE ON					
Charitable activities					
Core Activities		<u>157,173</u>	<u>1,149</u>	<u>158,322</u>	<u>83,717</u>
NET INCOME/(EXPENDITURE)		(7,171)	(1,149)	(8,320)	2,430
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>32,188</u>	<u>2,416</u>	<u>34,604</u>	<u>32,174</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>25,017</u></u>	<u><u>1,267</u></u>	<u><u>26,284</u></u>	<u><u>34,604</u></u>

BALANCE SHEET
31 December 2022

	Notes	Unrestricted fund £	Restricted funds £	31.12.22 Total funds £	31.12.21 Total funds £
CURRENT ASSETS					
Cash at bank		25,024	1,267	26,291	34,604
CREDITORS					
Amounts falling due within one year	5	(7)	-	(7)	-
NET CURRENT ASSETS		<u>25,017</u>	<u>1,267</u>	<u>26,284</u>	<u>34,604</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		25,017	1,267	26,284	34,604
NET ASSETS		<u>25,017</u>	<u>1,267</u>	<u>26,284</u>	<u>34,604</u>
FUNDS	6				
Unrestricted funds				25,017	32,188
Restricted funds				<u>1,267</u>	<u>2,416</u>
TOTAL FUNDS				<u>26,284</u>	<u>34,604</u>

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

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2022 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 27 September 2023 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 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.

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

	31.12.22 £	31.12.21 £
Interest receivable - trading	-	3
	<u> </u>	<u> </u>

3. TRUSTEES' REMUNERATION AND BENEFITS

	31.12.22 £	31.12.21 £
Trustees' fees	15,808	9,159
	<u> </u>	<u> </u>

Trustees' expenses

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

4. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	82,416	500	82,916
Charitable activities			
Core Activities	1,928	1,300	3,228
Investment income	3	-	3
Total	<u>84,347</u>	<u>1,800</u>	<u>86,147</u>
EXPENDITURE ON			
Charitable activities			
Core Activities	<u>76,909</u>	<u>6,808</u>	<u>83,717</u>
NET INCOME/(EXPENDITURE)	7,438	(5,008)	2,430

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 December 2022

4. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted fund £	Restricted funds £	Total funds £
RECONCILIATION OF FUNDS			
Total funds brought forward	24,750	7,424	32,174
TOTAL FUNDS CARRIED FORWARD	<u>32,188</u>	<u>2,416</u>	<u>34,604</u>

5. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.22 £	31.12.21 £
Trade creditors	<u>7</u>	<u>-</u>

6. MOVEMENT IN FUNDS

	At 1.1.22 £	Net movement in funds £	At 31.12.22 £
Unrestricted funds			
General fund	32,188	(7,171)	25,017
Restricted funds			
Somerset Community Foundation - Somerst Growth	830	(400)	430
Somerset Community Foundation - Homeless Fund	1,016	(249)	767
Live West - Digital Inclusion	70	-	70
Disability Workshop	500	(500)	-
	<u>2,416</u>	<u>(1,149)</u>	<u>1,267</u>
TOTAL FUNDS	<u>34,604</u>	<u>(8,320)</u>	<u>26,284</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	150,002	(157,173)	(7,171)
Restricted funds			
Somerset Community Foundation - Somerst Growth	-	(400)	(400)
Somerset Community Foundation - Homeless Fund	-	(249)	(249)
Disability Workshop	-	(500)	(500)
	<u>-</u>	<u>(1,149)</u>	<u>(1,149)</u>
TOTAL FUNDS	<u>150,002</u>	<u>(158,322)</u>	<u>(8,320)</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 December 2022

6. 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	24,750	7,438	32,188
Restricted funds			
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
	<u>7,424</u>	<u>(5,008)</u>	<u>2,416</u>
TOTAL FUNDS	<u>32,174</u>	<u>2,430</u>	<u>34,604</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	84,347	(76,909)	7,438
Restricted funds			
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>
TOTAL FUNDS	<u>86,147</u>	<u>(83,717)</u>	<u>2,430</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	24,750	267	25,017
Restricted funds			
Wessex Water - Hard to Reach	800	(800)	-
Somerset Community Foundation - Somerst Growth	3,040	(2,610)	430
Somerset Community Foundation - Homeless Fund	1,000	(233)	767
Live West - Digital Inclusion	2,584	(2,514)	70
	<u>7,424</u>	<u>(6,157)</u>	<u>1,267</u>
TOTAL FUNDS	<u>32,174</u>	<u>(5,890)</u>	<u>26,284</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 December 2022

6. 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 £	Movement in funds £
Unrestricted funds			
General fund	234,349	(234,082)	267
Restricted funds			
Wessex Water - Hard to Reach	-	(800)	(800)
Somerset Community Foundation - Somerst Growth	-	(2,610)	(2,610)
Somerset Community Foundation - Homeless Fund	1,000	(1,233)	(233)
Live West - Digital Inclusion	-	(2,514)	(2,514)
Disability Workshop	500	(500)	-
HT Advocacy	300	(300)	-
	<u>1,800</u>	<u>(7,957)</u>	<u>(6,157)</u>
TOTAL FUNDS	<u><u>236,149</u></u>	<u><u>(242,039)</u></u>	<u><u>(5,890)</u></u>

7. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 December 2022.

DETAILED STATEMENT OF FINANCIAL ACTIVITIES
for the Year Ended 31 December 2022

	31.12.22 £	31.12.21 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations in Kind	127,515	55,943
Donations	19,340	26,973
	<hr/>	<hr/>
	146,855	82,916
Investment income		
Interest receivable - trading	-	3
Charitable activities		
Sales	3,147	1,628
Grants	-	1,600
	<hr/>	<hr/>
	3,147	3,228
Total incoming resources	<hr/>	<hr/>
	150,002	86,147
EXPENDITURE		
Charitable activities		
Trustees' fees	15,808	9,159
Staff - Donations in Kind	36,939	-
Insurance	725	693
Telephone	467	452
Postage and stationery	390	380
Advertising	-	160
Sundries	64	-
Staff Training	900	500
Travel & Entertaining	5,374	6,077
Computer and IT Costs	3,353	4,963
Subscriptions	688	741
Donations made	653	1,969
Project Delivery	1,689	2,229
Room Rent - In Kind	34,810	33,744
IT - Donations in Kind	55,766	22,200
	<hr/>	<hr/>
	157,626	83,267
Support costs		
Finance		
Project Consultancy & Delivery	156	-
Governance costs		
Accountancy and legal fees	540	450
	<hr/>	<hr/>
Total resources expended	158,322	83,717
Net (expenditure)/income	<hr/>	<hr/>
	(8,320)	2,430