



Trustees Report

Period ended 31 March 2023

Charity Registration No. 1169544

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Legal and administrative information

Trustees	Snježana Bokulić (Chair)	Appointed 10 November 2022
	Claire Papazidis (Treasurer)	Appointed 30 October 2015
	Andreas Papazidis	Appointed 1 September 2016
	Faten Bizzari	Appointed 3 July 2017
	Jennifer Foster	Appointed 5 June 2021
	Danya Nusseir	Appointed 10 November 2022
	Najira Khanam	Appointed 10 November 2022
Charity number	1169544	
Principal office	18 Leegate, Lewisham London SE12 8SS	
Bank	Metro Bank 72 – 76 High Street Bromley BR1 1EG	

Objectives and activities

The Charity's objects ("Objects") are:

- 1) For the public benefit to relieve and assist the victims of war, conflict or natural disaster throughout the world, in particular by the provision of volunteers, funds, food, medical aid, accommodation, access to water and sanitation and other humanitarian assistance;
- 2) The prevention or relief of poverty or financial hardship including, but without limitation to, providing persons in need with grants or money or by providing or paying for services, items or facilities;
- 3) Such other purposes which are charitable under the laws of England and Wales as the trustees, from time to time, determine.

The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake and to its guidance on public benefit.

Structure, governance and management

The charity is a Charitable Incorporated Organisation (CIO) established in England and Wales on 10/10/16.

It was established using the model constitution for a CIO and its procedures and rules are those in the model constitution for a CIO whose only voting members are its charity trustees.

The charity was successful in obtaining charitable status from the Charity Commission and was formally registered as a charity on 10/10/2016 with charity number 1169544.

The Trustees who served during the year were:

Snježana Bokulić (Chair)	Appointed 10 November 2022
Claire Papazidis (Treasurer)	Appointed 30 October 2015
Andreas Papazidis	Appointed 1 September 2016
Faten Bizzari	Appointed 3 July 2017
Jennifer Foster	Appointed 5 June 2021
Danya Nusseir	Appointed 10 November 2022
Najira Khanam	Appointed 10 November 2022

About GRACE

We help those who have lost everything to rebuild their life from scratch. We aim to provide the essential items needed for individuals and families to get back on their feet again.

Since 2015, GRACE has maintained a firm presence in Southeast London. We are immensely proud of our achievements, highlighted below, and the leading role we play in harnessing the compassion of our local communities to support those in need.

Achievements and performance

The year was one of consolidation and new direction. We recruited three new trustees who joined in November 2022, including Snježana Bokulić, our new Chair, and Danya Nussair and Najira Khanam, with responsibilities for operations and communications, respectively. Our main aim has been to strengthen the operations of GRACE so that the organisation becomes more efficient and sustainable, as the Board solidified its strategic leadership role.

Local community activities:

Through our friendly and innovative shop, GRACE continued to offer quality clothing, footwear and household items at affordable, low prices to our clientele from the local community. We take pride in the fact that each client's dignity and well-being are at the heart of our compassionate service. One customer said: "I like this charity shop. It's really eclectic, has a bit of everything and is really affordable." We rely on our community also for donations which keep our shop going. One customer who also makes donations to our shop said: "Just to say, every time I come into this charity shop, whoever is at the till is always friendly and smiling. It makes all the difference, so I'll always donate here."

In addition to serving our community by putting at their disposal quality and affordable items in our shop, we also support individuals and families by providing basic items such as clothing, toiletries and small household items to those who need them most. We take referrals of individuals and families via partner charities and grassroots groups. These clients shop by choosing a set number of items under a cashless system in our community shop.

Between April 2022 and March 2023, our community shop received 130 referrals from partner organisations, serving 406 clients, of whom 166 children. Our principal clients continued to be newly arrived asylum seekers, including a number of Ukrainian families, people fleeing domestic abuse and victims of trafficking and modern slavery, as well as vulnerable new mothers.

We supported a number of community initiatives, including knitting classes run by Lee Green Lives and the knitting for homeless people project implemented by the 999 Club, to whom we donated yarn and knitting needles. We continued to support Mammakind by hosting their overspill donations, collecting donations for babies, and signposting appropriate clients to them.

We pride ourselves on our community presence and the contribution we make to environmental sustainability. By collecting and selling used items we extend their lifespan and reduce waste; we also recycle any surplus-to-requirement items.

During this time, GRACE employed one full-time staff member and two part-time colleagues, for a total of 1.8 FTE. In addition, we benefited from the generous contribution of time of our established team of eight volunteers; they have been instrumental in ensuring the smooth running of the shop.

In November, we downsized by terminating the lease on Unit 19 to decrease our financial expenditure as we prepare to relocate ahead of the redevelopment of Leegate. This was the space we shared with Mammakind and AFRIL. Our shop was not affected but we are aware of the impending requirement to move to new premises.

International activities:

Our international solidarity programme has continued to support refugees abroad. We provided a small grant of £2,000 to the Medical Aid for Palestinians, our longstanding partner. We also donated £3,000 to organisations supporting refugees in Türkiye and Syria in areas devastated by the earthquake in February 2023 and started a fundraiser to raise further funds.

Financial Overview:

Our sources of income during the year included shop revenue, grants and donations for a total of £48,644. Our shop revenue rose to £33,998 and our grant and donation income was £17,117.

Our expenditure during the year was £63,390 which included staffing costs of £42,442. Therefore, we ended the year with a deficit of £14,746, which was covered by our reserves. The deficit was due to the fact that, in spite of the growth in sales, our grant funding, which was related to the COVID-19 response, had come to an end. The full financial report is annexed to this report.

The way forward

The priority going forward is the consolidation of our operations to enable organisational growth. We are committed both to increasing the number of referrals that come to us, and to growing the sales of the retail shop so that we can serve even more clients with cashless shopping and provide more grants to likeminded organisations. To implement the Board's vision of a strong, sustainable organisation which exists to serve the community, we will need to reorganise our team and ensure our approaches are effective. We also hope to further opportunities for local partnerships. We will have to look for new premises as plans have been concretized to redevelop Leegate which has been our home until now.

Fundraising and donations

We have continued to benefit from an amazing response from our community to calls for donations that have come from all over South London. Every item donated to GRACE – whether clothing, household items, toys, books or other goods – will continue to benefit those in need. It will either be given out locally to asylum seekers, refugees, and others in Lewisham and neighbouring boroughs who are being supported by the Council and local charities, or else sold in GRACE's charity shop, with profits used to support refugees abroad.

We remain ever grateful to the incredible individual and grassroots support we have received from our local community. Parents, staff and students in Lewisham and Greenwich schools continue to support us with their donations of clothing and other items, as do local individual donors and religious groups.

Examples of incredible and touching assistance include:

- Ms Nona making scented bags to sell, with the assistance of volunteers harvesting their lavender for her.
- Care4 Calais that regularly donates their surplus of items.
- The Greenwich resident who hosted a yard sale and donated the proceedings to us.
- The Turkish Cypriot Community for boxes of excess emergency supplies that were destined for Syria and Türkiye.
- The Mill Crescent neighbourhood in Tonbridge, Kent for a generous donation of clothing.
- Sister Susan and Sister Chris from Sisters of Mary in Eltham for their regular donations of items.
- Christ Church in Anerley knitters, Penge for all their baby hand-knitted blankets and cardigans.
- The Greek Orthodox Church of Christ the Saviour for gathering and sorting several rounds of donations on our behalf.
- Numerous other members of our community who regularly donate to us.

The following organisations have provided grants and financial support to GRACE.

- The Goldsmiths Company
- Northwick Trust

Thank you for your support.

**STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING THE INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDING 31 MARCH 2023**

Year: 2023

	Note	Unrestricted £	Restricted £	Total 2023 £	Total 2022 £
Income and Endowments:					
Donations		10,420	-	10,420	17,006
Charitable Activities		31,724	6,500	38,224	50,405
Total Income		42,144	6,500	48,644	67,411
Expenditure:					
Charitable Activities	2	56,890	6,500	63,390	38,098
Total Expenditure		56,890	6,500	63,390	38,098
Net Income/Expenditure		(14,746)	-	(14,746)	29,313
Total Funds brought forward		61,604	-	61,604	32,291
Total Funds carried forward		46,858	-	46,858	61,604

BALANCE SHEET AS AT 31ST MARCH 2023

	Note	2023	2022
		£	£
CURRENT ASSETS			
Debtors	4	-	1,871
Cash at Bank & In Hand		47,558	60,720
		<u>47,558</u>	<u>62,591</u>
CREDITORS: Amounts Falling Due within One Year	5	<u>(700)</u>	<u>(987)</u>
NET CURRENT ASSETS		46,858	61,604
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>46,858</u>	<u>61,604</u>
FUNDS			
Unrestricted Funds	6 & 7	46,858	61,604
		<u>46,858</u>	<u>61,604</u>
		-	-

Notes to the financial statements for the year ended 31 March 2023

1 Accounting policies: The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

- a. Basis of preparation: The financial statements have been prepared in accordance with 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) (Second Edition, effective 1 January 2019) – (Charities SORP (FRS102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Charity meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

Preparation of the accounts as a going concern: Having reviewed the funding facilities available to the charity together with the expected future cash flows, the trustees have a reasonable expectation that charity has adequate resources to continue its activities for the foreseeable future and consider that there were no material uncertainties over the charity's financial viability. Accordingly, they also continue to adopt the going concern basis in preparing the financial statements.

- b. Income: All income is included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably, and it is probable that the income will be received. The SORP requirements are followed in relation to positions where there is a time

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained, then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity, and it is probable that they will be fulfilled. Gift Aid receivable on donations is recognised as unrestricted income.

No amount is included in the financial statements for general volunteer time in line with the SORP (FRS 102).

- c. Donated services and facilities: Donated facilities and donated professional services are recognised in income at their fair value when their economic benefit is probable, it can be measured reliably, and the charity has control over the item. Fair value is determined based on the value of the gift to the charity. For example, the amount the charity would be willing to pay in the open market for such facilities and services. A corresponding amount is recognised in expenditure.

Gifts in kind donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. Where estimating the fair value is practicable

upon receipt it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impracticable to fair value the items due to the volume of low value items they are not recognised in the financial statements until they are sold. This income is recognised within 'Income from other trading activities'.

- d. Fund accounting: Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

- e. Expenditure and Irrecoverable VAT: All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required, and the amount of the obligation can be measured reliably. It is categorised under the following

Costs of charitable activities include costs directly associated with delivering the charity's objectives and an apportionment of overhead, support, and governance costs.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

- f. Allocation of support costs: Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include finance, H.R., I.T, general office and premises and governance costs which support the charitable activities of the charity.

- g. Critical accounting judgement and key sources of estimation uncertainty: In the application of the accounting policies, Trustees are required to make judgements, estimates and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affected current and future periods. There are no estimates or judgements which the Trustees consider are subject to significant uncertainty.

- h. Operating leases: Operating lease rentals are charged to the Statement of Financial Activities over the period of the lease.
- i. Tangible fixed assets: Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows: Kitchen equipment.

- j. Debtors: Trade debtors and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid net of any trade discounts due. Accrued income is valued at the amount due.
- k. Cash at bank and in hand: Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity date of three months or less.

Notes to the financial statements for the year ended 31 March 2023 (continued)

2 CHARITABLE ACTIVITIES

	Staff Cost £	Direct £	Support £	2023 Total £	2022 Total £
Charitable activities	42,442	20,388	560	63,390	38,098
	42,442	20,388	560	63,390	38,098

Included under Support costs are governance costs of £560 (2022: £560).

3 STAFF COSTS AND KEY PERSONNEL

No remuneration was paid to trustees during the year (2022: £nil). Expenses reimbursed to them in their capacity as trustees amounted to £nil (2022: £nil).

The staff costs of remaining staff were:

	2023 £	2022 £
Wages and Salaries	42,442	23,318
	42,442	23,318

During the year no staff were paid more than £60,000 (2022: None).

The charity employed 3 staff (2022: 3 staff) with a total full time equivalent of 1.8 (2022: 0.7).

4 DEBTORS

	2023 £	2022 £
Trade debtors	-	1,871
	-	1,871

5 CREDITORS

	2023 £	2022 £
Trade creditors	700	987
	700	987

6 FUNDS

	Balance B/F £	Incoming Resources £	Expenditure £	Balance C/F £
General reserves	61,604	42,144	56,890	46,858
Total reserves	61,604	42,144	56,890	46,858

7 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Net Current Assets £
Unrestricted Fund	46,858
	46,858

8 TAXATION

The company is a registered charity and no provision is considered necessary for taxation.

Independent examiner's report on the accounts

Independent Examiner's Report

**Report to the trustees/
members of**

Greenwich Refugee Aid and Community Enterprise

**On accounts for the year
ended**

31st March 2023

**Charity no
(if any)**

1169544

Set out on page

1

**Respective responsibilities of
trustees and examiner**

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 (the Charities Act) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the Charities Act,
- to follow the procedures laid down in the general Directions given by the Charity Commission (under section 145(5)(b) of the Charities Act, and
- to state whether particular matters have come to my attention.

**Basis of independent
examiner's statement**

My examination was carried out in accordance with general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair' view and the report is limited to those matters set out in the statement below.

**Independent examiner's
statement**

In connection with my examination, no matter has come to my attention which:

1. which gives me reasonable cause to believe that in, any material respect, the requirements:
 - to keep accounting records in accordance with section 130 of the Charities Act; and
 - to prepare accounts which accord with the accounting records and comply with the accounting requirements of the Charities Act have not been met; or
2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached

Signed:



Date:

30/01/2024

Name:

Stuart Mellor HND BA CIMA

Address:

16 Wyndham Court, Southampton, Hampshire, SO15 1GS