
Charity Registration No. 1175837

Company Registration No. 10324546 (England and Wales)

GRIEF ENCOUNTER
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021

GRIEF ENCOUNTER

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	H Gittelmon (Chair)	
	Dr B S Gilbert (Life President)	
	Mr B Myers	
	Mr A Beare	
	Mr B Lane	
	Mr G Sacks	
	Mr A Hart	
	Mr M Peen	(Appointed 1 September 2020)
	Mrs P Firth	(Appointed 18 December 2020)
	Mr A Bloom	(Appointed 10 August 2021)
Charity number	1175837	
Company number	10324546	
Registered office	33-35 Daws Lane Mill Hill London NW7 4SD	
Auditor	Glazers 843 Finchley Road London NW11 8NA	

GRIEF ENCOUNTER

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GRIEF ENCOUNTER

TRUSTEES' REPORT (DIRECTORS' REPORT) FOR THE YEAR ENDED 31 JULY 2021

The trustees present their report and financial statements for the financial year ended 31 July 2021.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the financial statements and comply with the charity's governing document, the Companies Act 2006 and "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)" (as amended for accounting periods commencing from 1 January 2016).

Objects

The objects of the Charity are:

1. The promotion of good health by the provision of education and training into:
 - (a) issues of grief and bereavement; and
 - (b) support in relation to grief and bereavement,in each case, particularly for children and young people and their families.
2. Relief of people, particularly children and young people and their families, suffering from grief or bereavement, including relief by way of a helpline."

Achievements and performance

Review of activities

The UK has now seen more than 750,000 mourners as a result of Covid-19, over 60,000* of which are children. Grief Encounter has experienced extraordinary growth in demand over the last fiscal year, both in referrals for children, young people and their families needing bereavement support and in enquiries from individuals looking for immediate grief guidance and advice. As well as this, organisations, schools and colleges, and professionals have also needed additional best practice bereavement training and support to navigate through the Pandemic. Our national helpline calls continue to rise month on month, in number and complexity, and we now see a record amount of individuals who are being impacted by negative outcomes of grief. Our Clinical department have, in the face of adversity, uncertainty and overwhelming demand, kept Grief Encounter moving. Working both remotely, and in new ways in our clinical space, the team have continued to provide outstanding support to those grieving.

Last year as we successfully transitioned our open access services online, this year we begin the process of opening safely once again to in-person services, fund-raising events, clinical workshops and residential camps and more. Our fundraising team continues to work creatively, hosting industry leading, award-winning events, carrying us through these challenging times. Our Trusts and Grants team have sourced essential funding, both for specific projects and from Covid-emergency grants. Without our passionate and loyal staff, we wouldn't be where we are today, and alongside this, our biggest thanks must go to our donors, for their ongoing support this year to help us provide a lifeline to families experiencing unimaginable pain from bereavement. With their help we are meeting the demand upon us, increasing our service offering and reaching individuals all over the UK.

Financial review

For the period ended 31 July 2021, the charity received total income of £1,884,063 (2020: £1,935,796). The total expenditure incurred amounted to £1,415,285 (2020: £1,373,513) resulting in a total net income for the period of £468,778 (2020: £562,283).

GRIEF ENCOUNTER

TRUSTEES' REPORT (DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 JULY 2021

Reserves policy

The charity has a commitment to provide services for bereaved families for an average of two years, but experience shows that support averages one year. To ensure that sufficient funds are available to carry out this objective and other charitable activities, the necessary level of reserves for the 2020/21 financial year and beyond is set at £800,000.

The costs of providing our services has increased due to the increased demand as a direct result of the pandemic. This has meant a significant increase in the annual budget which is set to increase further with demand expected to rise by a further 40-50%.

Following a strategic review by the trustees our reserves policy has been increased to account for the continuing uncertainty surrounding covid and as a result we have moved some of our cash into a longer term investment. This will cover the level of reserves agreed by the trustees.

In addition £500k of existing unrestricted funds have been designated to deliver the specific strategic goals identified by the trustees.

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Structure, governance and management

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

The trustees will continue to maintain governance standards in order to improve transparency and accountability. The main focus during the past financial year has been on finances, compliance with applicable laws, safeguarding and governance.

The trustees, who are also the directors for the purpose of company law, and who served during the year and/or up to the date of signature of the financial statements were:

H Gittelmon (Chair)

Dr B S Gilbert (Life President)

Mr B Myers

Mr A Beare

Mr B Lane

Mr G Sacks

Mr A Hart

Mrs D R Goldring

(Resigned 7 December 2021)

Mr M Peen

(Appointed 1 September 2020)

Mrs P Firth

(Appointed 18 December 2020)

Mr A Bloom

(Appointed 10 August 2021)

Method of recruitment and appointment of trustees

The management of the charity is the responsibility of the trustees, who are appointed by resolution of the existing trustee body. Expanding trustee experience was high on the agenda, with a review of trustee roles and responsibilities and a recruitment plan.

Plan for the future

We continue to develop innovative resources, techniques and a fresh child-focused approach to supporting young people and their families through the trauma of bereavement. The charity aims to expand services, thereby helping as many bereaved children and families as possible. We know the demand for our services is nationwide. There are plans significantly to grow the national helpline, thereby increasing our online reach to areas of the country we are unable to visit in person.

We still maintain our strong position in the bereavement field alongside much larger, more established charities.

GRIEF ENCOUNTER

TRUSTEES' REPORT (DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 JULY 2021

Auditors

Glaziers Chartered Accountants were appointed as auditors to the charity for the financial year and a resolution proposing that they be re-appointed was passed by the members on 20 January 2022.

The trustees' report was approved by the board of trustees.



H Gittelmon (Chair)

Trustee

Dated: 24 February 2022

GRIEF ENCOUNTER

STATEMENT OF TRUSTEES' RESPONSIBILITIES FOR THE YEAR ENDED 31 JULY 2021

The trustees, who are also the directors of Grief Encounter for the purpose of company law, are responsible for preparing the Trustees' Report 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 charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

GRIEF ENCOUNTER

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF GRIEF ENCOUNTER

Opinion

We have audited the financial statements of Grief Encounter (the 'charity') for the year ended 31 July 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the 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, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (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 31 July 2021 and of its incoming resources and application of resources, 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity 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 charity'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 other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. 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 course of 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.

GRIEF ENCOUNTER

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF GRIEF ENCOUNTER

Matters on which we are required to report by exception

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

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose 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 charity'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.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor 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 an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

We obtained an understanding on the legal and regulatory frameworks within which the charitable company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The law and regulations we considered in this context the Companies Act 2006, the Charities Act 2011 together with the Charities SORP (FRS102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statements items.

Based on this understanding we designed our audit procedures to identify any non-compliance with law and regulations, reviewing meeting minutes of those charged with governance, testing manual journals, reviewing the financial statements disclosures and testing to supporting documentation, performing analytical procedures and enquiring of management to provide reasonable assurance that the financial statements were free from fraud and error.

Owing to the inherent limitations of an audit, there is a risk that we will not detect all irregularities including those leading to a material misstatement in the financial statements or non-compliance with the regulations.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

GRIEF ENCOUNTER

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF GRIEF ENCOUNTER

Use of our report

This report is made solely to the charity'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 charity'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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.


Glazers

**Chartered Accountants
Statutory Auditor**

15 FEBRUARY 2022
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843 Finchley Road
London
NW11 8NA

Glazers is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

GRIEF ENCOUNTER

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 JULY 2021

		Unrestrict ed funds general	Unrestrict ed funds designated	Restricted funds	Total	Total
	Note	2021	2021	2021	2021	2020
	s	£	£	£	£	£
Income from:						
Donations and legacies - Including GESW	3	1,087,199	-	328,200	1,415,399	1,485,303
Charitable activities	4	8,078	-	-	8,078	24,020
Other trading activities	5	459,507	-	-	459,507	415,424
Investments	6	1,079	-	-	1,079	11,049
Total income		1,555,863	-	328,200	1,884,063	1,935,796
Expenditure on:						
Raising funds	7	322,904	-	-	322,904	396,508
Charitable activities	8	755,712	-	336,669	1,092,381	977,005
Total resources expended		1,078,616	-	336,669	1,415,285	1,373,513
Net incoming/(outgoing) resources before transfers		477,247	-	(8,469)	468,778	562,283
Gross transfers between funds		(500,000)	500,000	-	-	-
Net (expenditure)/income for the period/ Net movement in funds		(22,753)	500,000	(8,469)	468,778	562,283
Fund balances at 1 August 2020		1,744,988	-	295,447	2,040,435	1,478,152
Fund balances at 31 July 2021		1,722,235	500,000	286,978	2,509,213	2,040,435

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

GRIEF ENCOUNTER

BALANCE SHEET

AS AT 31 JULY 2021

	Notes	2021		2020	
		£	£	£	£
Fixed assets					
Tangible assets	13		382,507		409,348
Current assets					
Stocks	14	12,106		7,400	
Debtors	15	38,439		93,935	
Cash at bank and in hand		2,153,740		1,584,264	
		2,204,285		1,685,599	
Creditors: amounts falling due within one year		(77,579)		(54,512)	
Net current assets			2,126,706		1,631,087
Total assets less current liabilities			2,509,213		2,040,435
Income funds					
Restricted funds	18		286,978		295,447
<u>Unrestricted funds</u>					
Designated funds:					
Transformational project		500,000		-	
		500,000		-	
General unrestricted funds	19	1,722,235		1,744,988	
			2,222,235		1,744,988
			2,509,213		2,040,435

GRIEF ENCOUNTER

BALANCE SHEET (CONTINUED)

AS AT 31 JULY 2021

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 July 2021, although an audit has been carried out under section 144 of the Charities Act 2011.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

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

The financial statements were approved by the Trustees on 7th February 2022



H Gittelmon (Chair)

Trustee

Company Registration No. 10324546

GRIEF ENCOUNTER

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 JULY 2021

	Notes	2021 £	£	2020 £	£
Cash flows from operating activities					
Cash generated from operations	23		568,397		535,389
Investing activities					
Purchase of tangible fixed assets		-		(435,686)	
Investment income received		1,079		11,049	
Net cash generated from/(used in) investing activities			1,079		(424,637)
Net cash used in financing activities			-		-
Net increase in cash and cash equivalents			569,476		110,752
Cash and cash equivalents at beginning of year			1,584,264		1,473,512
Cash and cash equivalents at end of year			2,153,740		1,584,264

GRIEF ENCOUNTER

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2021

1 Accounting policies

Charity information

Grief Encounter is a private company limited by guarantee incorporated in England and Wales. The registered office is 33-35 Daws Lane, Mill Hill, London, NW7 4SD.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006 and "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)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

GRIEF ENCOUNTER

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2021

1 Accounting policies

(Continued)

1.5 Resources expended

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management. Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

All expenditure is inclusive of irrecoverable VAT.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Land and buildings	2% Straight line
Leasehold improvements	Over the term of lease
Fixtures, fittings & equipment	33% Reducing balance
Computers	25% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

GRIEF ENCOUNTER

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2021

1 Accounting policies

(Continued)

1.8 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. Items held for distribution at no or nominal consideration are measured the lower of replacement cost and cost.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.10 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

GRIEF ENCOUNTER

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2021

1 Accounting policies

(Continued)

1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated 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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations and legacies - Including GESW

	Unrestrict ed funds general 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds general 2020 £	Restricted funds 2020 £	Total 2020 £
Donations and gifts	1,053,803	28,045	1,081,848	1,100,859	64,316	1,165,175
Grants	33,396	300,155	333,551	-	320,128	320,128
	<u>1,087,199</u>	<u>328,200</u>	<u>1,415,399</u>	<u>1,100,859</u>	<u>384,444</u>	<u>1,485,303</u>
Donations and gifts						
Corporate giving	132,856	-	132,856	150,914	-	150,914
Other Donations and gift aid	828,993	21,745	850,738	436,095	58,566	494,661
Donations gifts and grants - GESW	91,954	6,300	98,254	62,526	5,750	68,276
Fund transferred from The Rainbow Centre for Children (GESW)	-	-	-	444,512	-	444,512
Other	-	-	-	6,812	-	6,812
	<u>1,053,803</u>	<u>28,045</u>	<u>1,081,848</u>	<u>1,100,859</u>	<u>64,316</u>	<u>1,165,175</u>

GRIEF ENCOUNTER

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2021

3 Donations and legacies - Including GESW

(Continued)

In 2020, the Rainbow Centre for Children Limited (now known as Grief Encounter Southwest GESW), a charitable company limited by guarantee and 100% owned subsidiary of Grief Encounter, transferred all its assets and liabilities to Grief Encounter, the fair value of the assets transferred exceeded the fair value of the liabilities the gain is recognised as donation income in Grief Encounter.

On 1st August 2018 the Grief Encounter Project, an un-incorporated charity transferred all its assets and liabilities to Grief Encounter, the fair value of the assets transferred exceeded the fair value of the liabilities the gain is recognised as donation income in Grief Encounter.

Grants includes £33,396 government grants for Coronavirus Job Retention Scheme.

4 Charitable activities

	Other charitable activities 2021 £	Other charitable activities 2020 £
Books and relief kit sale	1,389	3,869
Grief training	6,689	20,151
	<u>8,078</u>	<u>24,020</u>

5 Other trading activities

	Unrestrict ed funds general 2021 £	Unrestricted funds general 2020 £
Ladies lunch	-	8,090
Charity runs and other sporting challenges	132,147	271,353
Golf days	128,967	35,605
Forget-me-not	181,507	-
Other fundraising activities - GESW	16,886	93,625
Other fundraising activities - GE	-	6,751
	<u>459,507</u>	<u>415,424</u>
Other trading activities		

GRIEF ENCOUNTER

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2021

6 Investments

	Unrestrict ed funds general 2021 £	Unrestricted funds general 2020 £
Bank interest	1,079	11,049

7 Raising funds

	Unrestrict ed funds general 2021 £	Unrestricted funds general 2020 £
<u>Fundraising and publicity</u>		
Ladies lunch costs	-	130
Challenges and runs	10,191	38,782
Golf day costs	32,367	13,187
Other fundraising costs - GESW	30,159	47,253
Other fundraising costs - GE	22,758	32,437
Staff costs	227,429	264,719
	<u>322,904</u>	<u>396,508</u>

GRIEF ENCOUNTER

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2021

8 Charitable activities

	Counselling & support	Grief talk helpline	Training	Clinical services & support	Total 2021	Total 2020
	£	£	£	£	£	£
Charitable activities						
GESW	29,542	-	542	43,156	73,240	70,752
Supervision and counselling	228,778	-	-	-	228,778	229,592
Grief talk helpline	-	91,606	-	-	91,606	94,983
Various training costs	-	-	21,159	-	21,159	14,196
Various clinical costs	-	-	-	27,150	27,150	33,089
Clinical services and support	-	-	-	357,188	357,188	287,567
Grief relief kit costs	-	-	-	24,328	24,328	23,947
Marketing/Website & PR/COMMS	-	-	-	59,167	59,167	-
	258,320	91,606	21,701	510,989	882,616	754,126
Share of support costs (see note 10)	67,794	43,929	8,923	61,546	182,192	206,948
Share of governance costs (see note 10)	9,651	6,882	1,398	9,642	27,573	15,931
	335,765	142,417	32,022	582,177	1,092,381	977,005
Analysis by fund						
Unrestricted funds - general	195,599	50,811	32,022	477,280	755,712	705,658
Restricted funds	140,166	91,606	-	104,897	336,669	271,347
	335,765	142,417	32,022	582,177	1,092,381	977,005
For the year ended 31 July 2020						
Unrestricted funds - general	218,744	53,961	26,096	454,365		705,658
Restricted funds	117,899	94,983	-	74,203		271,347
	336,643	148,944	26,096	528,568		977,005

GRIEF ENCOUNTER

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2021

9 Description of charitable activities

Counselling & support

Includes supervision and counselling costs

Grieffalk helpline

Includes helpline emails and webchat.

Training

Includes good grief training, in-house training and bespoke training costs

Clinical services & support

Includes clinical staff costs, clinical support costs grief relief kit costs, DBS and recruiting checks and research and evaluation costs

Includes costs of workshops, residential weekend, fun days, good grief groups, clinical materials, clinical counselling rooms and special clinical events

GRIEF ENCOUNTER

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2021

10 Support costs	Support Governance costs £	Support Governance costs £	2021 £	Support costs £	Governance costs £	2020 £	Basis of allocation
Depreciation	26,841	-	26,841	28,202	-	28,202	
Premises expenses	47,465	-	47,465	67,544	-	67,544	activity costs %
Advertising and resource information	45,562	-	45,562	37,892	-	37,892	
Telephone and internet	4,497	-	4,497	3,044	-	3,044	
Computer and website maintenance	24,289	-	24,289	26,821	-	26,821	
Sundry expenses	6,167	-	6,167	4,807	-	4,807	
Legal and professional fees	5,664	-	5,664	8,654	-	8,654	
Printing postage and stationery	3,759	-	3,759	7,743	-	7,743	
Bank charges	1,359	-	1,359	2,854	-	2,854	
Support costs GESW	16,589	-	16,589	19,387	-	19,387	
Accountancy and audit fees	-	27,526	27,526	-	14,805	14,805	Governance
Accountancy and audit fees GESW	-	47	47	-	1,126	1,126	Governance
	182,192	27,573	209,765	206,948	15,931	222,879	
Analysed between							
Charitable activities	182,192	27,573	209,765	206,948	15,931	222,879	

Governance costs includes payments to the auditors of £4,200 for audit fees.

GRIEF ENCOUNTER

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2021

11 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

12 Employees

Number of employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
Fund raising	8	7
Clinical and support	14	12
Cleaning	-	1
Grief talk	2	1
	<u>24</u>	<u>21</u>

Employment costs

	2021 £	2020 £
Wages and salaries	665,577	450,265
Social security costs	47,635	41,493
Other pension costs	10,778	10,097
	<u>723,990</u>	<u>501,855</u>

The number of employees whose annual remuneration was £60,000 or more were:

	2021 Number	2020 Number
Admin	<u>3</u>	<u>2</u>

GRIEF ENCOUNTER

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2021

13 Tangible fixed assets

	Land and buildings	Leasehold improvements	Fixtures, fittings & equipment	Computers	Total
	£	£	£	£	£
Cost					
At 1 August 2020	395,000	90,901	23,525	2,479	511,905
At 31 July 2021	395,000	90,901	23,525	2,479	511,905
Depreciation and impairment					
At 1 August 2020	68,028	18,180	15,119	1,230	102,557
Depreciation charged in the year	5,267	18,180	2,774	620	26,841
At 31 July 2021	73,295	36,360	17,893	1,850	129,398
Carrying amount					
At 31 July 2021	321,705	54,541	5,632	629	382,507
At 31 July 2020	326,972	72,721	8,406	1,249	409,348

Included in cost or valuation of freehold land and buildings is freehold land of £131,667 which is not depreciated.

14 Stocks

	2021 £	2020 £
Finished goods and goods for resale	12,106	7,400

15 Debtors

	2021 £	2020 £
Amounts falling due within one year:		
Trade debtors	34,706	12,769
Other debtors	1,471	79,425
Prepayments and accrued income	2,262	1,741
	38,439	93,935

16 Deferred income

	2021 £	2020 £
Other deferred income	63,579	22,526

GRIEF ENCOUNTER

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2021

16 Deferred income

(Continued)

Deferred income related to amounts received in advance for activities and events to be held next year.

17 Retirement benefit schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

18 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds			Movement in funds			
	Balance at 1 August 2019	Incoming resources	Resources expended	Balance at 1 August 2020	Incoming resources	Resources expended	Balance at 31 July 2021
	£	£	£	£	£	£	£
Counselling and supervision	53,584	64,315	(117,899)	-	140,166	(140,166)	-
Grieffalk helpline	37,559	87,975	(94,982)	30,552	177,314	(91,606)	116,260
Grief groups, fun days, workshop and residential camps	21,765	110,585	(34,518)	97,832	10,720	(21,299)	87,253
Grief relief kit, 1 to 1 counselling and clinical services	69,442	121,569	(23,948)	167,063	-	(83,598)	83,465
	<u>182,350</u>	<u>384,444</u>	<u>(271,347)</u>	<u>295,447</u>	<u>328,200</u>	<u>(336,669)</u>	<u>286,978</u>

GRIEF ENCOUNTER

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2021

19 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Movement in funds			
	Incoming resources	Balance at 1 August 2020	Transfers	Balance at 31 July 2021
	£	£	£	£
Transformational project	-	-	500,000	500,000
	<u>-</u>	<u>-</u>	<u>500,000</u>	<u>500,000</u>
	<u>-</u>	<u>-</u>	<u>500,000</u>	<u>500,000</u>

A designated fund has been created for a transformational project to meet the growing demand for our bereavement advice and to manage the transition to a national service.

GRIEF ENCOUNTER

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2021

20 Analysis of net assets between funds

Fund balances at 31 July 2021 are represented by:

Tangible assets

Current assets/(liabilities)

Unrestricted funds	Designated funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
2021	2021	2021	2021	2020	2020	2020
£	£	£	£	£	£	£
382,507	-	-	382,507	409,348	-	409,348
1,339,728	500,000	286,978	2,126,706	1,335,640	295,447	1,631,087
1,722,235	500,000	286,978	2,509,213	1,744,988	295,447	2,040,435

GRIEF ENCOUNTER

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2021

21 Events after the reporting date

Since the year end the charity has expended £1 million in acquiring UK Government Gilt 0.375% maturing on 22 October 2026.

22 Related party transactions

There were no disclosable related party transactions during the year.

23 Cash generated from operations	2021 £	2020 £
Surplus for the year	468,778	562,283
Adjustments for:		
Investment income recognised in statement of financial activities	(1,079)	(11,049)
Depreciation and impairment of tangible fixed assets	26,841	28,202
Movements in working capital:		
(Increase) in stocks	(4,706)	-
Decrease/(increase) in debtors	55,496	(3,031)
(Decrease)/increase in creditors	(17,986)	1,458
Increase/(decrease) in deferred income	41,053	(42,474)
Cash generated from operations	568,397	535,389

24 Analysis of changes in net funds

The charity had no debt during the year.