

Charity registration number 1175837

Company registration number 10324546 (England and Wales)

GRIEF ENCOUNTER
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022

GRIEF ENCOUNTER

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	H Gittelmon (Chair) Mr B Lane Mr G Sacks Mr A Hart Mr M Peen Mrs P Firth Mr A Bloom	(Appointed 10 August 2021)
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Charity number	1175837
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Company number	10324546
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Registered office	33-35 Daws Lane Mill Hill London NW7 4SD
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Auditor	Glazers 843 Finchley Road London NW11 8NA
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GRIEF ENCOUNTER

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GRIEF ENCOUNTER

TRUSTEES' REPORT (DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 JULY 2022

The trustees present their report and financial statements for the financial year ended 31 July 2022.

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

Looking back on the last year, we are very aware of the number of children, young people and their families we have managed to help, although still conscious that there is so much more to do. We continually assess our resources and fundraising plans to ensure that we remain fit for purpose and capable of delivery against ever higher levels of demand. There has been a significant increase in demand from 2020-21, with children and their families experiencing prolonged and more complex grief reactions in the face of uncertain and challenging times as a continuation and extension of the Covid-19 pandemic and economic downturn.

We have seen a significant increase in calls to our free national helpline, Grief talk. Referrals for children to receive support from our specialist therapeutic services have increased by over half, with at least 50% of those needing face-to-face, clinical intervention, and an unprecedented 173% increase in the number of families supported through initial calls from our expert team of advisors.

Our Clinical department has continued to provide outstanding support to those grieving, and the charity has continued to explore new ways we can reach young people and their families to provide support when they need it most. We have structured new and targeted support programmes centred on wellbeing for children, young people, and their families. These include yoga, mindfulness, and sleep therapies, designed to provide a 360 degree approach to bereavement support. Going into a new year, we will be working hard to increase our presence, accessibility, service offering, and digital footprint, which will benefit children, young people and their families in so many ways.

Financial review

For the ended year 31 July 2022, the charity received total income of £1,625,848 (2021: £1,884,063). The total expenditure incurred amounted to £1,712,839 (2021: £1,415,285) resulting in a surplus of expenditure over income for the period of £86,991 (2021: £468,778 net income).

GRIEF ENCOUNTER

TRUSTEES' REPORT (DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 JULY 2022

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 2022/23 financial year and beyond is set at £1.4m and this is an increase of £600k from previous years, due to higher payroll costs attributed to recruitment.

The costs of providing our services has increased due to the increased demand as a direct result of the pandemic also an increased volume intake of referrals and counselling services.

Following a strategic review by the trustees, our reserves policy has been increased to account for the continuing and increased service delivery over the last year.

In addition £500k remains 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)	(Resigned 1 March 2022)
Mr B Myers	(Resigned 6 September 2022)
Mr A Beare	(Resigned 16 January 2023)
Mr B Lane	
Mr G Sacks	
Mr A Hart	
Mrs D R Goldring	(Resigned 7 December 2021)
Mr M Peen	
Mrs P Firth	
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.

GRIEF ENCOUNTER

TRUSTEES' REPORT (DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 JULY 2022

Plan for the future

We foresee more and more children and young people reaching out for our help following the death of someone close, from more areas across the country, as we see the complexities of bereavement increase. In response, we will continue to operate a hybrid model of services, to reach as many bereaved children and young people as possible, providing both online and face-to-face therapeutic counselling, support and training, including offering new services to groups, including Under-8s and Early Years, developing a specific programme for a child's formative years.

Over the coming year, we hope to also adapt our current services, ensuring our methods are as innovative and engaging as possible, including increasing our digital offering, aiming to increase what is available online and how it is accessed. We hope to expand our national reach in those areas which demonstrate a greater need for grief support, considering digital poverty rises across the country and ensuring this does not affect accessibility for families. We are also working towards an Inclusion and Diversity plan, ensuring that accessible and inclusive bereavement services are relevant to all bereaved children and their families across the UK, strengthening relationships with our community and corporate partnerships, expanding reach.

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

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 16 January 2023.

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

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



H Gittelmon (Chair)

Trustee

Dated: 14 April 2023

GRIEF ENCOUNTER

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 JULY 2022

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 MEMBERS OF GRIEF ENCOUNTER

Opinion

We have audited the financial statements of Grief Encounter (the 'charity') for the year ended 31 July 2022 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 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *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, except to the extent otherwise explicitly stated in our report, 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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the trustees' report for the financial year for which the financial statements are prepared, which includes the directors' report prepared for the purposes of company law, is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

GRIEF ENCOUNTER

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

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

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.

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 MEMBERS OF GRIEF ENCOUNTER

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Philippe Herszaft ACA (Senior Statutory Auditor)
for and on behalf of Glazers

17 April 2023

Chartered Accountants
Statutory Auditor

843 Finchley Road
London
NW11 8NA


GRIEF ENCOUNTER

BALANCE SHEET

AS AT 31 JULY 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	13		361,195		382,507
Current assets					
Stocks	14	-		12,106	
Debtors	15	83,360		38,439	
Cash at bank and in hand		2,265,909		2,153,740	
		2,349,269		2,204,285	
Creditors: amounts falling due within one year	16	(288,242)		(77,579)	
Net current assets			2,061,027		2,126,706
Total assets less current liabilities			2,422,222		2,509,213
Income funds					
Restricted funds	20		99,993		286,978
<u>Unrestricted funds</u>					
Designated funds:					
Other designated funds	19	500,000		500,000	
		500,000		500,000	
General unrestricted funds		1,822,229		1,722,235	
			2,322,229		2,222,235
			2,422,222		2,509,213

The financial statements were approved by the Trustees on 14th APRIL 2023



H Gittelmon (Chair)
Trustee

Company registration number 10324546

GRIEF ENCOUNTER

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 JULY 2022

		Unrestricted	Unrestricted	Restricted	Total	Total
		funds	funds	funds		
		general	designated			
		2022	2022	2022	2022	2021
Notes		£	£	£	£	£
Income from:						
Donations and legacies - Including GESW	3	826,027	-	342,242	1,168,269	1,415,399
Charitable activities	4	3,642	-	-	3,642	8,078
Other trading activities	5	450,561	-	-	450,561	459,507
Investments	6	3,376	-	-	3,376	1,079
Total income		1,283,606	-	342,242	1,625,848	1,884,063
Expenditure on:						
Raising funds	7	402,000	-	-	402,000	322,904
Charitable activities	8	781,612	-	529,227	1,310,839	1,092,381
Total resources expended		1,183,612	-	529,227	1,712,839	1,415,285
Net income/(expenditure) for the period/						
Net movement in funds		99,994	-	(186,985)	(86,991)	468,778
Fund balances at 1 August 2021		1,722,235	500,000	286,978	2,509,213	2,040,435
Fund balances at 31 July 2022		1,822,229	500,000	99,993	2,422,222	2,509,213

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

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 JULY 2022

	Notes	2022 £	£	2021 £	£
Cash flows from operating activities					
Cash generated from operations	24		114,052		568,397
Investing activities					
Purchase of tangible fixed assets		(5,259)		-	
Investment income received		3,376		1,079	
Net cash (used in)/generated from investing activities			(1,883)		1,079
Net cash used in financing activities			-		-
Net increase in cash and cash equivalents			112,169		569,476
Cash and cash equivalents at beginning of year			2,153,740		1,584,264
Cash and cash equivalents at end of year			2,265,909		2,153,740

GRIEF ENCOUNTER

STATEMENT OF CASH FLOWS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2022

1 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.

2 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.

2.1 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.

2.2 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.

2.3 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.

2.4 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 FOR THE YEAR ENDED 31 JULY 2022

2 Accounting policies

(Continued)

2.5 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.

2.6 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.

2.7 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 2022

2 Accounting policies

(Continued)

2.8 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.

2.9 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.

2.10 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 2022

2 Accounting policies

(Continued)

2.11 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.

3 Donations and legacies - Including GESW

	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	funds general	funds		funds general	funds	
	2022	2022	2022	2021	2021	2021
	£	£	£	£	£	£
Donations and gifts	823,547	80,257	903,804	1,053,803	28,045	1,081,848
Grants	2,480	261,985	264,465	33,396	300,155	333,551
	<u>826,027</u>	<u>342,242</u>	<u>1,168,269</u>	<u>1,087,199</u>	<u>328,200</u>	<u>1,415,399</u>
Donations and gifts						
Corporate giving	214,851	-	214,851	132,856	-	132,856
Other Donations and gift aid	524,290	73,757	598,047	828,993	21,745	850,738
Donations gifts and grants - GESW	84,406	6,500	90,906	91,954	6,300	98,254
	<u>823,547</u>	<u>80,257</u>	<u>903,804</u>	<u>1,053,803</u>	<u>28,045</u>	<u>1,081,848</u>

Grants includes £2,480 (2021: £33,396) government grants for Coronavirus Job Retention Scheme.

4 Charitable activities

	Charitable activities 2022 £	Charitable activities 2021 £
Books and relief kit sale	1,985	1,389
Grief training	1,657	6,689
	<u>3,642</u>	<u>8,078</u>

GRIEF ENCOUNTER

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2022

5 Other trading activities

	Unrestricted	Unrestricted
	funds	funds
	general	general
	2022	2021
	£	£
Charity runs and other sporting challenges	262,313	132,147
Golf days	102,160	128,967
Forget-me-not	40,172	181,507
Other fundraising activities - GESW	45,916	16,886
	<u>450,561</u>	<u>459,507</u>
Other trading activities	<u>450,561</u>	<u>459,507</u>

6 Investments

	Unrestricted	Unrestricted
	funds	funds
	general	general
	2022	2021
	£	£
Bank interest	3,376	1,079
	<u>3,376</u>	<u>1,079</u>

7 Raising funds

	Unrestricted	Unrestricted
	funds	funds
	general	general
	2022	2021
	£	£
<u>Fundraising and publicity</u>		
Challenges and runs	10,286	10,191
Golf day costs	22,607	32,367
Other fundraising costs - GESW	36,518	30,159
Other fundraising costs - GE	60,198	22,758
Staff costs	272,391	227,429
	<u>402,000</u>	<u>322,904</u>

GRIEF ENCOUNTER

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2022

8 Charitable activities

	Counselling & support	Grieffalk helpline	Training	Clinical services & support	Total 2022	Total 2021
	£	£	£	£	£	£
Charitable activities						
GESW	37,426	-	330	61,087	98,843	73,240
Supervision and counselling	223,325	-	-	-	223,325	228,778
Grieffalk helpline	-	143,401	-	-	143,401	91,606
Various training costs	-	-	13,801	-	13,801	21,159
Various clinical costs	-	-	-	29,138	29,138	27,150
Clinical services and support	-	-	-	419,012	419,012	357,188
Grief relief kit costs	-	-	-	43,540	43,540	24,328
Marketing/Website & PR/COMMS	-	-	-	40,014	40,014	59,167
	260,751	143,401	14,131	592,791	1,011,074	882,616
Share of support costs (see note 10)	92,221	65,873	13,175	92,221	263,490	182,192
Share of governance costs (see note 10)	12,696	9,069	1,814	12,696	36,275	27,573
	365,668	218,343	29,120	697,708	1,310,839	1,092,381
Analysis by fund						
Unrestricted funds - general	104,917	74,942	29,120	572,633	781,612	755,712
Restricted funds	260,751	143,401	-	125,075	529,227	336,669
	365,668	218,343	29,120	697,708	1,310,839	1,092,381
For the year ended 31 July 2021						
Unrestricted funds - general	195,599	50,811	32,022	477,280		755,712
Restricted funds	140,166	91,606	-	104,897		336,669
	335,765	142,417	32,022	582,177		1,092,381

GRIEF ENCOUNTER

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) **FOR THE YEAR ENDED 31 JULY 2022**

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 2022

10 Support costs	Support costs	Governance costs	2022 Support costs	Governance costs	2021	Basis of allocation
	£	£	£	£	£	
Depreciation	26,571	-	26,571	-	26,841	activity costs %
Premises expenses	68,932	-	68,932	-	47,465	activity costs %
Advertising and resource	99,323	-	99,323	-	45,562	activity costs %
Telephone and internet	4,465	-	4,465	-	4,497	activity costs %
Computer and website	24,580	-	24,580	-	24,289	activity costs %
Sundry expenses	8,666	-	8,666	-	6,167	activity costs %
Legal and professional fees	9,242	-	9,242	-	5,664	activity costs %
Printing postage and stationery	5,726	-	5,726	-	3,759	activity costs %
Bank charges	3,043	-	3,043	-	1,359	activity costs %
Support costs GESW	12,942	-	12,942	-	16,589	activity costs %
Accountancy and audit fees	-	36,275	36,275	27,526	27,526	Governance
Auditor fees	-	-	-	47	47	
	263,490	36,275	299,765	27,573	209,765	
Analysed between						
Charitable activities	263,490	36,275	299,765	27,573	209,765	

Governance costs includes payments to the auditors of £7,200 for audit fees.

GRIEF ENCOUNTER

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2022

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:

	2022 Number	2021 Number
Fundraising	8	8
Clinical and support	15	14
Grief talk	3	2
	<u>26</u>	<u>24</u>

Employment costs

	2022 £	2021 £
Wages and salaries	793,810	665,577
Social security costs	75,987	47,635
Other pension costs	15,473	10,778
	<u>885,270</u>	<u>723,990</u>

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

	2022 Number	2021 Number
Admin	<u>2</u>	<u>3</u>

GRIEF ENCOUNTER

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2022

13 Tangible fixed assets

	Land and buildings	Leasehold improvements	Fixtures, fittings & equipment	Computers	Total
	£	£	£	£	£
Cost					
At 1 August 2021	395,000	90,901	23,525	2,479	511,905
Additions	-	-	1,064	4,195	5,259
At 31 July 2022	395,000	90,901	24,589	6,674	517,164
Depreciation and impairment					
At 1 August 2021	73,295	36,360	17,893	1,850	129,398
Depreciation charged in the year	5,267	18,180	1,995	1,129	26,571
At 31 July 2022	78,562	54,540	19,888	2,979	155,969
Carrying amount					
At 31 July 2022	316,438	36,361	4,701	3,695	361,195
At 31 July 2021	321,705	54,541	5,632	629	382,507

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

14 Stocks

	2022 £	2021 £
Finished goods and goods for resale	-	12,106

15 Debtors

	2022 £	2021 £
Amounts falling due within one year:		
Trade debtors	9,001	34,706
Other debtors	-	1,471
Prepayments and accrued income	74,359	2,262
	83,360	38,439

GRIEF ENCOUNTER

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2022

16 Creditors: amounts falling due within one year

	Notes	2022 £	2021 £
Other taxation and social security		50,242	(910)
Deferred income	17	202,755	63,579
Trade creditors		24,386	13,104
Accruals and deferred income		10,859	1,806
		<u>288,242</u>	<u>77,579</u>

17 Deferred income

	2022 £	2021 £
Other deferred income	<u>202,755</u>	<u>63,579</u>

Deferred income is included in the financial statements as follows:

	2022 £	2021 £
Deferred income is included within:		
Current liabilities	<u>202,755</u>	<u>63,579</u>
Movements in the year:		
Deferred income at 1 August 2021	63,579	22,526
Released from previous periods	(63,579)	(22,526)
Resources deferred in the year	<u>202,755</u>	<u>63,579</u>
Deferred income at 31 July 2022	<u>202,755</u>	<u>63,579</u>

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

18 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.

GRIEF ENCOUNTER

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2022

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:

	Balance at 1 August 2020	Transfers	Balance at 1 August 2021	Movement in funds Incoming resources	Balance at 31 July 2022
	£	£	£	£	£
Transformational project	-	500,000	500,000	-	500,000
	-	500,000	500,000	-	500,000

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.

20 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:

	Balance at 1 August 2020	Movement in funds		Balance at 1 August 2021	Movement in funds		Balance at 31 July 2022
	£	Incoming resources	Resources expended	£	Incoming resources	Resources expended	£
Counselling and supervision	-	140,166	(140,166)	-	264,706	(260,751)	3,955
Grieffalk helpline	30,552	177,314	(91,606)	116,260	65,100	(143,401)	37,959
Grief groups, fun days, workshop and residential camps	97,832	10,720	(21,299)	87,253	12,347	(41,521)	58,079
Grief relief kit, 1 to 1 counselling and clinical services	167,063	-	(83,598)	83,465	89	(83,554)	-
	295,447	328,200	(336,669)	286,978	342,242	(529,227)	99,993

GRIEF ENCOUNTER

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2022

21	Analysis of net assets between funds	Unrestricted funds		Designated funds		Restricted funds		Total		Unrestricted funds		Designated funds		Restricted funds		Total	
		2022	£	2022	£	2022	£	2022	£	2021	£	2021	£	2021	£	2021	£
	Fund balances at 31 July 2022 are represented by:																
	Tangible assets	361,195		-		-		361,195		382,507		-		-		382,507	
	Current assets/(liabilities)	1,461,034		500,000		99,993		2,061,027		1,339,728		500,000		286,978		2,126,706	
		<u>1,822,229</u>		<u>500,000</u>		<u>99,993</u>		<u>2,422,222</u>		<u>1,722,235</u>		<u>500,000</u>		<u>286,978</u>		<u>2,509,213</u>	

GRIEF ENCOUNTER

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2022

22 Events after the reporting date

Following the year end, the charity used cash reserves of £1,001,616 to invest in a UK Government Bond which expires on 22 October 2026 with a yearly yield of 0.375%.

23 Related party transactions

There were no disclosable related party transactions during the year.

24 Cash generated from operations	2022 £	2021 £
(Deficit)/surplus for the year	(86,991)	468,778
Adjustments for:		
Investment income recognised in statement of financial activities	(3,376)	(1,079)
Depreciation and impairment of tangible fixed assets	26,571	26,841
Movements in working capital:		
Decrease/(increase) in stocks	12,106	(4,706)
(Increase)/decrease in debtors	(44,921)	55,496
Increase/(decrease) in creditors	71,487	(17,986)
Increase in deferred income	139,176	41,053
Cash generated from operations	114,052	568,397

25 Analysis of changes in net funds

The charity had no debt during the year.