

GRIT STREET AID

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR

THE YEAR ENDED MARCH 31 2021

**GRIT STREET AID
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31 2021**

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**GRIT STREET AID
ADMINISTRATIVE INFORMATION
FOR THE YEAR ENDED MARCH 31 2021**

TRUSTEES

J Donoughue
J Goldstone
M Chisholm
V McMahon
D Radford

Chair
Treasurer
(appointed 19/11/21)
(resigned 19/11/21)

KEY STAFF

V O'Neal (project coordinator)

**REGISTERED OFFICE AND
PRINCIPAL PLACE OF BUSINESS**

6Trojan Gardens
Salford
M7 2JP

**INDEPENDENT EXAMINER
ACCOUNTANTS**

Peter Smith BA FCA DChA
HGA Accountants and Financial Consultants
t/a **Chittenden Horley** - Chartered Accountants
456 Chester Road
Old Trafford
Manchester M16 9HD

BANKERS

Lloyds bank plc
Lewisham
London

**GRIT STREET AID
TRUSTEES' AND DIRECTORS' ANNUAL REPORT
FOR THE YEAR ENDED MARCH 31 2021**

The trustees present their annual report together with the financial statements of the charity for the year ended March 31 2021.

REPORTING FRAMEWORK

The financial statements comply with the Charities Act 2011, the Constitution, 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 (FRS102) (effective 1 January 2019), referred to as the Charities SORP (FRS 102) (second edition – October 2019).

OBJECTIVES AND ACTIVITIES

Charitable objects

The charity is established: "For the public benefit the relief of poverty amongst those who are homeless, facing homelessness or rough sleepers in Greater Manchester who are in need, hardship and distress on account of their social and economic circumstances, in particular but not exclusively by the provision of clothing, bedding, food and drinks, helping to assist in the provision of temporary accommodation, information, advice, employment and education assistance, also signposting on issues related to healthcare, addiction and housing."

Public benefit

The trustees confirm that they have referred to the Charity Commission's guidance on public benefit when reviewing the Charity's aims and objectives, in planning future activities, and setting the policies for the year

The charity furthers its charitable purposes for the public benefit through in planning our activities for the year we keep in mind the Charity Commission's guidance on public benefit at our trustee meetings.

ACHIEVEMENTS AND PERFORMANCE

During this period, we have been operating a mobile support service for rough sleepers in Greater Manchester. The services now operate 5 days a week Monday to Friday. We provided food, drink, clothing and tent equipment to aid people who live on the street to help them survive. We have also offered advocacy for people where required and liaise with the necessary support groups to meet any specific needs in connection with their wellbeing and accommodation. Across Greater Manchester we provided relief for approximately 50 people per week. A volunteer began voluntary work in March 2020 and later became the second person to be employed by Grit Street Aid on a part time basis in June 2020. In total there are some 10 volunteers.

This year has been challenging for us all at Grit Street Aid, and we have had to adapt our approach as a result of the lockdown restrictions.

We have recently expanded our work to include assisting the local authority's homeless prevention and mental health teams in their efforts to locate missing persons, 2 of which were located after extensive searches throughout Greater Manchester.

We were hoping to develop opportunities for our service users to assist us in our work, but this has proved difficult during the lockdown. We hope to develop this aspect of our work as restrictions are eased.

FINANCIAL REVIEW

Overview and Principal funding sources

We are a recently registered charity and at the start of this financial period we were operating on small donations from the public, and a number of grants and awards. The organisation was run on a purely voluntary basis. We applied for and received funding from Awards for All (£19,996), which covered the wages for the new member of staff. We further received funding from other funders —Salford CVS (£1750), Tesco (£500), Eleanor Peel (£2000), Hill Dickenson (£2,500), Albert Hunt (£2000), Duchy of Lancaster (£2000), Forever Manchester (£19,375).

We have been working with our local CVS and have identified what our financial needs are, where we might get funding from and have applied for further funding. In March 2020 the Covid-19 pandemic started to have an impact on everybody's lives and one of the consequences was that there was an increase in emergency funding which has changed the financial picture for the organisation markedly.

Investment policy

The charity aims to maintain sufficient reserves to meet day to day expenditure.

**GRIT STREET AID
TRUSTEES' AND DIRECTORS' ANNUAL REPORT
FOR THE YEAR ENDED MARCH 31 2021**

Reserves policy

The trustees aim to maintain free reserves (unrestricted funds not invested in fixed assets or otherwise designated) at a level which equates to approximately three months of charitable expenditure. The trustees consider that this level will provide sufficient funds to respond to applications for grants and ensure that support and governance costs are covered.

This would give a target level at March 31 2021 of c£8k.

Free reserves at March 2021 are £14,112, c£6k above the target level. However, the charity is in its early stages and the need for free reserves will be kept under review.

Going concern

The Charity's main source of income is donations and grants. The Trustees consider that it is appropriate to prepare the accounts on a going concern basis and, consequently, the accounts do not include any adjustments that would be necessary if these sources of income should cease.

FUTURE PLANS

The charity plans continuing the activities outlined above in the forthcoming years subject to satisfactory funding arrangements.

STRUCTURE GOVERNANCE AND MANAGEMENT

Governing Document

Grit Street Aid is a Charitable Incorporated Organisation (CIO) registered with the charity Commission in England and Wales, and is governed by its Trust Deed dated June 19 2019. It has been established as a foundation CIO.

Appointment of trustees

New trustees are appointed by the existing trustees and serve for an initial period of three years, after which they may put themselves forward for re-appointment. No more than 1/3 of trustees are due for re-appointment in any one year.

Trustee induction and training

Many of those who are appointed trustees are familiar with the work of the charity before taking up office, having attended events and services. On being appointed to the Management Committee, they are invited and encouraged to attend a short meeting to discuss their role with the charity, which covers: policies and procedures; the obligations of the Management Committee and its members; and the financial situation.

Organisation

The charity must have no more than seven and no fewer than three trustees. The charity's governing document does not specify how often trustees should meet but they currently meet monthly. At these meetings they agree the broad strategy and areas of activity for the charity, including investments, reserves, risk management, and performance.

The day to day management of the charity is currently delegated to the Project Co-ordinator.

Related party transactions and Co-operation with other organisations

None of our trustees receive remuneration or other benefit from their work with the charity. Any connection between a trustee or senior manager with any service providers must be disclosed to the full board of trustees in the same way as any other contractual relationship with a related party. Trustees must declare any conflict of interest as a standard agenda item at each meeting.

There were no related party transactions in the year (2020 – none).

**GRIT STREET AID
TRUSTEES' AND DIRECTORS' ANNUAL REPORT
FOR THE YEAR ENDED MARCH 31 2021**

TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

The trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Charity 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 charitable Charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable Charity for that period. 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 (FRS 102) (second edition – October 2019);
- 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;
- 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 Charities Act 2011. 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.

APPROVAL

Approved by the Management Committee and signed on its behalf by:

J Goldstone – Trustee

Date: 31/01/22

**INDEPENDENT EXAMINER'S REPORT
TO THE TRUSTEES OF GRIT STREET AID
FOR THE YEAR ENDED MARCH 31 2021**

I report to the charity trustees on my examination of the accounts of the charity for the year ended March 31 2021 which are set out on pages 6 to 13.

Responsibilities and basis of report

As the charity's trustees you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the charity's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

I understand that this has been done in order for financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

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

1. accounting records were not kept in respect of the charity as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

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

Peter Smith BA FCA DChA

Chittenden Horley
Chartered Accountants & Charity Specialists

HGA Accountants and Financial Consultants Ltd
Chartered Accountants
456 Chester Road
Old Trafford
Manchester M16 9HD

Date: 31/01/22



GRIT STREET AID
STATEMENT OF FINANCIAL ACTIVITIES (including the income and expenditure account)
FOR THE YEAR ENDED MARCH 31 2021

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
INCOME					
Donations	2	19,646	-	19,646	208
Charitable activities	3	-	20,375	20,375	11,000
TOTAL INCOME		<u>19,646</u>	<u>20,375</u>	<u>40,021</u>	<u>11,208</u>
EXPENDITURE					
Costs of raising funds	4	-	-	-	48
Charitable activities	5	5,060	28,273	33,333	3,850
TOTAL EXPENDITURE		<u>5,060</u>	<u>28,273</u>	<u>33,333</u>	<u>3,898</u>
NET INCOME/(EXPENDITURE) BEFORE TRANSFERS		14,586	(7,898)	6,688	7,310
Transfers between funds			-	-	-
NET MOVEMENT IN FUNDS		14,586	(7,898)	6,688	7,310
TOTAL FUNDS BROUGHT FORWARD	10	<u>(474)</u>	<u>7,898</u>	<u>7,424</u>	<u>114</u>
CARRIED FORWARD	10	<u><u>14,112</u></u>	<u><u>-</u></u>	<u><u>14,112</u></u>	<u><u>7,424</u></u>

The notes on pages 8 - 13 form part of these financial statements.

**GRIT STREET AID
BALANCE SHEET
AS AT MARCH 31 2021**

	Notes	2021 £	2021 £	2020 £	2020 £
CURRENT ASSETS					
Debtors	8	-	-	-	-
Cash at Bank and in Hand		<u>15,172</u>		<u>8,204</u>	
		15,172		8,204	
CREDITORS					
Amounts falling due in one year	9	<u>1,060</u>		<u>780</u>	
NET CURRENT ASSETS			<u>14,112</u>		<u>7,424</u>
NET ASSETS			<u>14,112</u>		<u>7,424</u>
FUNDS					
Unrestricted	10		14,112		(474)
Restricted	10		<u>-</u>		<u>7,898</u>
TOTAL FUNDS			<u>14,112</u>		<u>7,424</u>

The notes on pages 8 to 13 form part of these financial statements.

Approved by the Trustees and authorised for issue on: 31/01/22

And signed on their behalf by:

J Goldstone - Trustee

GRIT STREET AID
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31 2021

1 ACCOUNTING POLICIES

Basis of preparation

The financial statements have been prepared: under the historic cost convention; in accordance with the Statement of Recommended Practice – Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) effective January 1 2019 (second edition – October 2019); and the Charities Act 2011 and UK Generally Accepted Practice.

The accounts (financial statements) have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The charity constitutes a public benefit entity as defined by FRS102.

The financial statements are prepared in £ sterling, the functional currency of the charity.

Estimates and judgements

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Income recognition

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably. The following applies to particular types of income:

Grants, whether of a capital or revenue nature, are recognised when the charity has entitlement to the funds, any performance conditions have been met and it is probable that the income will be received.

Donations from individuals and other bodies (not being of the nature of a grant) are recognised when receivable.

Earned income is measured at the fair value of the consideration received or receivable for services and goods supplied, net of discounts and VAT.

Deferred income

Income is only deferred and included in creditors when:

- The income relates to a future accounting period
- A sales invoice has been raised ahead of the work being carried out and there is no contractual entitlement to the income until the work has been done
- Not all the terms and conditions of the grant have been met, including the incurring of expenditure and the grant conditions are such that unspent grant must be refunded

Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

Costs of raising funds	including those associated with fundraising activities and managing investments
Charitable activities	costs of undertaking the work of the charity.

The charity is not registered for VAT and cannot recover any input tax charged. Costs are stated inclusive of VAT where charged.

Allocation of support costs

Support costs are those functions which assist the work of the charity either by supporting the delivery of charitable activities or by supporting the generation of funds. They include back office functions, staff costs, management support, insurance and professional fees. The basis of allocations is set out in note 8.

GRIT STREET AID
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31 2021

1 ACCOUNTING POLICIES (continued)

Tangible fixed assets and depreciation

Individual fixed assets costing more than £500 are capitalised at cost and would be depreciated over their estimated useful lives on a straight line basis. The charity does not currently have any fixed assets.

Debtors

Trade and other debtors are recognised at the settlement amount due and prepayments are valued at the amount prepaid.

Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount.

Financial instruments

The charity has only basic financial instruments which are initially recorded at cost, and subsequently measured at their settlement value.

Statement of cashflows

Advantage is taken of the exemptions in the SoRP not to present a statement of cashflows.

GRIT STREET AID
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31 2021

	2021			2020		
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	£	£	£	£	£	£
2 DONATIONS & LEGACIES						
Revenue grants						
Albert Hunt Grant	5,000	-	5,000	-	-	-
Dowager Countess Eleanor Peel Tru	2,500	-	2,500	-	-	-
COVID Response	9,996	-	9,996	-	-	-
Duchy of Lancaster Benevolent Fund	2,000	-	2,000	-	-	-
Donations & legacies			-			
Donations - General	150	-	150	208	-	208
	<u>19,646</u>	<u>-</u>	<u>19,646</u>	<u>208</u>	<u>-</u>	<u>208</u>

3 INCOME FROM CHARITABLE ACTIVITIES

Awards for All	-	-	-	-	10,000	10,000
Forever Manchester	-	19,375	19,375	-	-	-
Groundwork UK	-	500	500	-	-	-
Salford CVS Wellbeing Fund	-	500	500	-	1,000	1,000
Total	<u>-</u>	<u>20,375</u>	<u>20,375</u>	<u>-</u>	<u>11,000</u>	<u>11,000</u>

4 COSTS OF RAISING FUNDS

Other fundraising costs	-	-	-	48	-	48
	<u>-</u>	<u>-</u>	<u>-</u>	<u>48</u>	<u>-</u>	<u>48</u>

5 CHARITABLE EXPENDITURE

Salary costs	12,787	-	12,787	2,102	-	2,102
Food	4,625	-	4,625	-	-	-
Clothing and other costs	2,820	-	2,820	35	-	35
Van hire and running costs	10,531	-	10,531	720	-	720
Telephone	414	-	414	153	-	153
Staff expenses	327	-	327	-	-	-
Support and Governance costs						
Insurance	535	-	535	-	-	-
Office costs & other costs	394	-	394	60	-	60
Professional fees	900	-	900	780	-	780
Allocated to restricted funds	(28,273)	28,273	-	(3,102)	3,102	-
	<u>5,060</u>	<u>28,273</u>	<u>33,333</u>	<u>748</u>	<u>3,102</u>	<u>3,850</u>

GRIT STREET AID
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31 2021

6 NET INCOMING RESOURCES AFTER TRANSFERS

	2021	2020
	£	£
This is stated after charging/(crediting):		
Accountant/Independent examiner's fees (inc VAT)		
Report	400	280
Accountancy	500	500
Directors' remuneration & trustees' expenses	<u>-</u>	<u>-</u>

7 STAFF COSTS

Staff costs

Salaries and wages	12,787	2,102
Social security costs	-	-
Pension costs	-	-
	<u>12,787</u>	<u>2,102</u>

No employee earned more than £60,000 in either year.

b Key management personnel

The key management personnel comprise the trustees. Chief executive and consultancy services have been provided by another charity which has charged for its member of staff's time. The trustees do not receive any remuneration for their services.

The average number of employees during the year was:

	2021	2020
	Average number	Average number
Charitable	<u>2</u>	<u>1</u>
	<u>2</u>	<u>1</u>

8 DEBTORS

	£	£
Sundry debtors		-
Prepayments & other debtors	-	-
	<u>-</u>	<u>-</u>

9 CREDITORS falling due within one year

Social security and other taxes		-
Accruals	1,060	780
	<u>1,060</u>	<u>780</u>

GRIT STREET AID
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31 2021

10 STATEMENT OF FUNDS

	2019/20				2020/21			
	from previous organisation	Income	Expenditure	transfers	Income	Expenditure	transfers	31/03/2021
	£	£	£	£	£	£	£	£
Unrestricted funds:								
General fund	114	208	(796)	-	19,646	(5,060)	-	14,112
Total unrestricted funds	114	208	(796)	-	19,646	(5,060)	-	14,112
Restricted Funds:								
Awards for All	-	10,000	(2,102)	-	-	(7,898)	-	-
Forever Manchester		-	-	-	19,375	(19,375)	-	-
Groundwork UK		-	-	-	500	(500)	-	-
Salford CVS Wellbeing Fund	-	1,000	(1,000)	-	500	(500)	-	-
Total restricted funds	-	11,000	(3,102)	-	20,375	(28,273)	-	-
	114	11,208	(3,898)	-	40,021	(33,333)	-	14,112

GRIT STREET AID
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31 2021

11 ANALYSIS OF COMPANY NET ASSETS BETWEEN FUNDS

Fund balances at March 31 2021 are represented by:-

	Unrestricted Funds £	Restricted Funds £	Total £
Net Current assets	14,112	-	14,112
	<u>14,112</u>	<u>-</u>	<u>14,112</u>

Fund balances at March 31 2020 are represented by: -

Net Current assets	7,424	-	7,424
	<u>7,424</u>	<u>-</u>	<u>7,424</u>

12 TAXATION

The Company is a registered charity and is entitled to claim annual exemption from UK corporation tax.

13 CAPITAL COMMITMENTS

There were no capital commitments authorised and contracted for at the end of the year (2020 £Nil).