

GRACE TO RESTORE LTD
(REGISTERED NUMBER : 12370966)

REPORT AND UNAUDITED ACCOUNTS
FOR THE PERIOD ENDED 31 DECEMBER 2020

GRACE TO RESTORE LTD

(Company limited by guarantee and not having a share capital)

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	R Grant	(appointed 19 January 2020, resigned 15 January 2021)
	M Ferguson	(appointed 30 January 2020)
	J Keeping	(appointed 30 January 2020)
	S Payne	(appointed 30 January 2020)
	R Keeping	(appointed 19 January 2021)
Company secretary	R Grant	(appointed 15 January 2021)
Charity number	118540	
Company number	12370966	
Principal address	83-87 Kingston Road Portsmouth PO2 7DX	
Accountants	Knight Goodhead Limited 7 Bournemouth Road Chandler's Ford Eastleigh Hampshire SO53 3DA	
Bankers	Lloyds Bank 120 Lewisham High Street Lewisham SE13 6JG	

GRACE TO RESTORE LTD

TRUSTEES' ANNUAL REPORT FOR THE PERIOD ENDED 31 DECEMBER 2020

The trustees, who are also the directors for the purposes of company law, present their report and the accounts for the period ended 31 December 2020.

Directors

The directors who served during the period were:

R Grant
M Ferguson
J Keeping
S Payne

Legal status

Grace to Restore was incorporated on 19 December 2019 as a company limited by guarantee and not having a share capital, and is constituted under its Memorandum and Articles of Association. It was registered as a charity on 13 March 2020.

Objective

Grace to Restore exists to support young women who are suffering from low emotional well-being. The programme provides a place of respite and a supportive atmosphere, minimising daily stressors, so that service users can fully immerse themselves in working towards greater emotional strength. They are provided with tools and taught methods to better manage their emotional well-being.

Organisation of the charity

Grace to Restore is governed by a board of trustees, in line with the Articles of Association. The trustees have delegated the day-to-day management of the charity to the Project Manager with a team of staff and volunteers. The Project Manager works closely with the trustees to ensure all legal, financial and operational obligations are met.

Review of activities

We have initially focused on building the Grace to Restore programme, setting up the website, social media and other marketing, preparing policies and raising financial support so that we can implement various aspects of the programme. In December 2020 we agreed to rent a two-bedroom house as a facility for our residential programme. The house was refurbished and decorated and made ready for our first residents.

In April 2021 we received our first resident into Grace House and we began to provide our programme of support. However, this resident required professional mental health intervention during her period of residence and she was therefore found appropriate care from the Solent NHS Crisis Team, who made the decision with the resident to undertake a period of voluntary hospitalisation. The resident was discharged from this facility into the care of her family and did not return to our facility.

GRACE TO RESTORE LTD

TRUSTEES' ANNUAL REPORT FOR THE PERIOD ENDED 31 DECEMBER 2020 (continued)

Future plans

Due to the challenges faced in providing a residential facility, we plan to change the way we operate by offering a day service that can be accessed on an appointment basis. We aim to build strong partnerships with relevant local organisations who will be able to refer young women, who fit the criteria, to Grace to Restore. Offering a day service will increase our capacity so that we can provide emotional support to a greater number of service users.

We are considering plans which may include operating from an appropriate space within an existing community building. This will keep premises costs low and reduce outgoings, allowing us to focus on providing our programme of support to service users.

Investment powers

The trustees may invest funds as they see fit.

Financial review

In the period to 31 December 2020, the charity received total income of £40,797. This included £30,813 of unrestricted income from donations and fundraising, as well as £9,984 of restricted income from grant funding. During this same period we incurred just £2,198 of expenditure, the majority of which was used for website development (£1,000). This resulted in a surplus for the year of £38,599.

Throughout the course of this financial period the charity has started to build its support base. We now have 8 regular donors who give by standing order, as well as other individuals and companies making financial contributions on an ad-hoc basis. Donations can be made via the website or by online banking. In January 2020 we received donations totalling £24,000 and in November 2020 we received a grant of £9,984 from the National Lottery Community Fund. This grant was provided to support the charity to achieve its objectives during the Covid-19 pandemic and was used to employ staff from February to May 2021.

We had been planning to have a charity launch fundraising event in 2020, but due to the pandemic we will be organising this for a later date. Other fundraising events are in the pipeline.

Reserves policy

The charity seeks to maintain general funds equating to three to six months of unrestricted expenditure. At 31 December 2020 general funds totalled £28,615 which is in excess of the policy. Reserves are continually monitored by the Trustees.

GRACE TO RESTORE LTD

TRUSTEES' ANNUAL REPORT FOR THE PERIOD ENDED 31 DECEMBER 2020 (continued)

Impact of COVID-19

There are several ways in which the charity has been adversely affected by the Covid-19 pandemic.

We were forced to cancel the charity launch party that had been planned for April 2020 at Southsea Castle. This was an event that would have seen approximately 150 people invited in order to make Grace to Restore known, to spread the word about what the charity is about, and to raise significant funds for the charity. This has been postponed to a provisional date in September 2021. However, it is now unlikely that the event will go ahead on the postponed date, due to limitations on large gatherings, as well as September still not being the right time to ensure maximum interest and attendance. The trustees are considering holding a smaller scale event instead.

We had also been intending to run smaller fundraising events on a regular basis, which would have brought in more donations and gained us new monthly donors.

The charity had to make changes to its operation due to the Covid-19 pandemic. We rented a small two-bedroom residential unit, in order to keep the number of residents plus staff within the 'Rule of 6'. The pandemic had a further adverse effect on the operations of the charity as it halted our search and enquiries towards finding larger premises from which to operate. We had intended to approach local churches and community organisations with a view to using unused premises. We intend to forge ahead with these enquiries as restrictions are lifted.

We have also been affected by limitations that have been put on funding opportunities due to the focus of many funders being on organisations that are providing an emergency response to the pandemic.

Risk assessment

The trustees regularly review the risks to which the charity is exposed in order to ensure the risks are mitigated or appropriately managed. The quarterly trustee meetings involve a review of any significant risks or incidents that require the trustees' attention.

TRUSTEES' ANNUAL REPORT FOR THE PERIOD ENDED 31 DECEMBER 2020 (continued)

Statement of responsibilities of the members of the committee

The trustees, who are also the directors of Grace to Restore for the purpose of company law, are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare accounts 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.

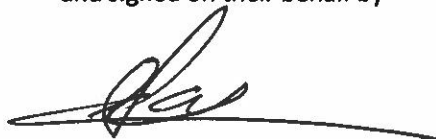
In preparing these accounts, the trustees are required to:

- 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; and
- state whether applicable accounting standards have been followed, subject to any material departures disclosed explained in the financial statements; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

Statement of responsibilities of the members of the committee (continued)

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 accounts 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.

Approved by the trustees on
and signed on their behalf by



Trustee

STUART PAYNE
19/7/21

GRACE TO RESTORE LTD

PERIOD ENDED 31 DECEMBER 2020

INDEPENDENT EXAMINERS REPORT TO THE TRUSTEES

I report to the trustees on my examination of the accounts of the charitable company for the period ended 31 December 2020, which are set out on pages 7 to 12.

Responsibilities and basis of report

As the charity's trustees (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 (the "2006 Act").

Having satisfied myself that the accounts of the charitable company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 (the '2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's report

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

- (1) accounting records were not kept in respect of the charitable company as required by section 386 of the 2006 Act;
or
- (2) the accounts do not accord with those accounting records; or
- (3) the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
- (4) the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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



C J Goodhead FCA

16 July 2021

Knight Goodhead Limited, 7 Bournemouth Road, Chandler's Ford, Eastleigh, Hampshire SO53 3DA

GRACE TO RESTORE LTD

STATEMENT OF FINANCIAL ACTIVITIES FOR THE PERIOD ENDED 31 DECEMBER 2020 (Including Income and Expenditure Account)

		Unrestricted funds	Restricted funds	Total 2020
	Note	£	£	£
INCOME				
Voluntary income		30,813	-	30,813
Charitable activities		-	9,984	9,984
TOTAL INCOME		30,813	9,984	40,797
EXPENDITURE				
Charitable activities	3	2,198	-	2,198
TOTAL EXPENDITURE		2,198	-	2,198
NET INCOME FOR YEAR		28,615	9,984	38,599
FUND BALANCES BROUGHT FORWARD		-	-	-
FUND BALANCES AT 31 DECEMBER 2020		28,615	9,984	38,599

This statement of financial activities includes all gains and losses recognised in the period.

All incoming resources and resources expended derive from continuing activities.

BALANCE SHEET AS AT 31 DECEMBER 2020

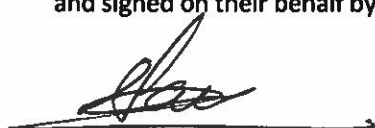
	Note	2020 £
CURRENT ASSETS		
Debtors	4	449
Cash at bank and in hand		<u>39,094</u>
		39,543
CREDITORS: amounts falling		
due within one year	5	<u>(944)</u>
NET CURRENT ASSETS		38,599
NET ASSETS	8	<u><u>38,599</u></u>
FUNDS		
Restricted funds	7	9,984
Unrestricted funds	6	28,615
TOTAL FUNDS		<u><u>38,599</u></u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the period ended 31 December 2020. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these accounts.

The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 386 of the Act and for preparing accounts, which give a true and fair view of the state of affairs of the company as at the end of the financial period and of its incoming resources and application of resources, including its income and expenditure, for the financial period in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as applicable to the company.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

Approved by the trustees on
and signed on their behalf by



Trustee *STEWART PAYNE*

19/7/21

NOTES TO THE ACCOUNTS FOR THE PERIOD ENDED 31 DECEMBER 2020

1 ACCOUNTING POLICIES

a) Accounting convention

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

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

The accounts have been prepared on the going concern basis. There are no material uncertainties about the charity's ability to continue.

b) Fund accounting

Unrestricted funds are funds that are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes.

The aim and use of each restricted fund is set out in the notes to the financial statements.

c) Income

All income is included in the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

- Donation income is included when receivable.
- Charitable activities income is accounted for when earned.

d) Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is not netted off against related income and is shown inclusive of VAT which cannot be reclaimed.

- Charitable expenditure comprises of those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.
- All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly.

GRACE TO RESTORE LTD

NOTES TO THE ACCOUNTS FOR THE PERIOD ENDED 31 DECEMBER 2020 (continued)

1 ACCOUNTING POLICIES (continued)

e) Tangible fixed assets and depreciation

Fixed assets are capitalised for ongoing use within the charity, where the individual cost of the asset exceeds £100.

2 LEGAL STATUS

The charity is a company limited by guarantee and has no share capital. The charitable company was incorporated on 19 December 2019 in England and was registered on 13 March 2020 with the Charity Commission in England and Wales. The charity is a public benefit entity.

The registered office of the charitable company is 83-87 Kingston Road, Portsmouth, PO2 7DX

3 EXPENDITURE

	Unrestricted funds £	Restricted funds £	2020 £
Equipment	62	-	62
Legal and professional fees	13	-	13
Printing, postage and stationery	23	-	23
Subscriptions	156	-	156
Website costs	1,000	-	1,000
Rent	224	-	224
Accountancy	720	-	720
TOTAL EXPENDITURE	2,198	-	2,198

Included within independent examination and accountancy is £600 for independent examination and £120 payable to the independent examiners for other services.

GRACE TO RESTORE LTD

NOTES TO THE ACCOUNTS FOR THE PERIOD ENDED 31 DECEMBER 2020 (continued)

4	DEBTORS	2020
		£
	Income tax recoverable	383
	Prepayments	66
		<u>449</u>

5	CREDITORS: amounts falling due within one year	2020
		£
	Accruals and deferred income	944
		<u>944</u>

6	UNRESTRICTED FUNDS					
		At beginning of period	Income	Expenditure	Transfers between funds	At end of period
		£	£	£	£	£
	General funds	-	30,813	(2,198)	-	28,615
		-	30,813	(2,198)	-	28,615

7	RESTRICTED FUNDS					
		At beginning of period	Income	Expenditure	Transfers between funds	At end of period
		£	£	£	£	£
	National Lottery fund	-	9,984	-	-	9,984
		-	9,984	-	-	9,984

The National Lottery Fund relates to a grant received to help fund a psychological wellbeing practitioner.

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NOTES TO THE ACCOUNTS FOR THE PERIOD ENDED 31 DECEMBER 2020 (continued)

8 ANALYSIS OF NET ASSETS BY FUND

At 31 December 2020	Restricted funds £	Unrestricted funds £	2020 Total £
Current assets	9,984	29,559	39,543
Current liabilities	-	(944)	(944)
	<u>9,984</u>	<u>28,615</u>	<u>38,599</u>

9 RELATED PARTY TRANSACTIONS

During the period, rent totalling £224 was payable to J Grant, husband of R Grant (trustee).

During the period, unrestricted donations of £25,003 were received from related parties.

10 IMPACT OF COVID-19 ON GOING CONCERN

The charity had to make changes to its operation due to the Covid-19 pandemic. We rented a small two-bedroom residential unit, in order to keep the number of residents plus staff within the 'Rule of 6'. The pandemic had a further adverse effect on the operations of the charity as it halted our search and enquiries towards finding larger premises from which to operate. We had intended to approach local churches and community organisations with a view to using unused premises. We intend to Forge ahead with these enquiries as restrictions are lifted. We have also been affected by limitations that have been put on funding opportunities due to the focus of many funders being on organisations that are providing an emergency response to the pandemic. The trustees continue to assess the impact of COVID-19 on an ongoing basis and do not consider it to cast significant doubts over going concern.