
Grace House Graduates

Trustees' Report and Financial Statements

For the period ended 1 January 2025

Grace House Graduates

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for the period ended 1 January 2025

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Grace House Graduates

Details of the Charity
for the period ended 1 January 2025

Trustees

S Briton (Chair)
N Henry
D Head
J Longford
V Brown

Charity registered number

1205551

Registered office

Bardolph Drive
Southwick
Sunderland
SR5 2DE

Reporting accountant

Glen C Rodger Limited
Cragside House
Heaton Road
Newcastle upon Tyne
NE6 1SE

Grace House Graduates

Trustees' Annual Report for the period ended 1 January 2025

The trustees present their annual report together with the unaudited financial statements of Grace House Graduates (the charity) for the period ended 1 January 2025. The financial statements have been prepared in accordance with the accounting policies on page 11 and comply with the charity's trust deed and applicable law.

OBJECTIVES AND ACTIVITIES

Policies and objectives

The charity was established under a trust deed dated 2 November 2023 and is a registered charity (No. 1205551). The objectives of the charity include:

Our values

Vision - Our vision is of a fairer world for disabled people 18 years and over.

Mission - Our mission is to create a place where disabled people can come to socialise, will run a life skills and work experience programme and also assist young adults to adapt into other opportunities available to them.

Aim 1

To be the "go-to" organisation for disabled people 18 years and over:

- A positive culture within the Charity;
- That every contact is a positive experience;
- We have an effective promotions plan to reach out disabled adults needing support;
- To continuously improve the quality and efficiency of the services that we provide to our disabled adults; and
- Offer a range of specifically designed services in a fully adapted, welcoming building for delivery.

Aim 2

Improve resilience of disabled people 18 years and over by ensuring:

- We equip young adults to deal with challenges;
- We listen young adults voice;
- Design services which support their needs;
- To continuously improve the quality and efficiency of the services that we provide to our disabled people
- To work with staff and volunteers to deliver excellent services through a commitment to individual development.

Aim 3

Not to have the scope of our ambitions to be limited by our funding available by ensuring:

- Grace House Graduates has a mixed economy of income based on grants, contract and enterprise income.
- Grace House Graduates has a level of unrestricted income in compliance with Charity Commission

Grace House Graduates

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Public benefit

The trustees have had regard to the Charity Commission's published guidance on their legal duty on Public Benefit, and due regard is paid to the guidance on public benefit when deciding on what new projects the charity should undertake, under the Charities Act 2011.

Principal activities

The key to our success will be making full use of our purpose-built facilities, having the best range of specialist equipment, investing in a team of highly committed, well-trained staff and volunteers, and having a positive attitude that anything is possible. The charity fulfils these aims and objectives by providing a range of support services for disabled people 18 years and over.

These services are delivered from the purpose-built facility in Southwick, Sunderland. A business plan has been developed for 2024-27, outlining the proposed services and how they will be funded.

Volunteers

We have recruited new volunteers this year and these are disabled young people who have accessed our services previously within our sister charity Grace House and wish to remain connected, they support with admin, reception and supporting youth groups.

ACHIEVEMENT AND PERFORMANCE

Review of activities

Social Group, Exercise Classes and Day Services

The aim of developing new services for disabled people aged 18-50. Upon initial consultation with service users of Grace House (Disabled children and young people aged 0-25 and their parents and carers), it was established that there was need within the 18-50 age group for social groups and exercise classes. These have been introduced within the first few months of funding, along with a one day a week, Day Service provision, good personal hygiene. This has been funded by Awards For All.

FINANCIAL REVIEW

Income generated for the year is £106,802 with expenditure being £21,957 resulting in a surplus of £84,845, this is after charging depreciation of £140.

Of the results generated for the year a surplus of £65,635 relates to general unrestricted funds and a surplus of £19,210 relates to restricted funds.

The charity has continued to receive support from individuals, groups, communities and companies and the trustees acknowledge with gratitude the support received. To date the funds have still been raised, in the main, from the community through donations and participation in events, together with grants and corporate donations.

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Trustees' Annual Report for the period ended 1 January 2025

Grants

We are also very grateful to the following grant making trusts and organisations who have very generously supported our requests for funding for equipment and projects to enhance our service offer:

- Awards for All

Reserves policy

The charity has a policy to retain sufficient funds to cover administration costs for the next six months while raising additional funds towards the Charities objectives.

At the end of the year, unrestricted free reserves (not tied up in fixed assets) amounted to £57,347.

Going concern

After making appropriate enquiries, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

Plans for future periods

Grace House Graduates continues to work to a 3 year strategy, in the coming year we intend to develop paths to diversify our income streams and to assist the sustainability of the Charity.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The charity is controlled by its governing document, a deed of trust and constitutes a charitable incorporated organisation.

Overall responsibility for the affairs of the charity rests with the board of trustees which makes all major policy and financial decisions. Implementation of policies and decisions are delegated to the Executive Officer who liaises closely with the Chairman of the trustees.

Method of appointing, induction and training of trustees

New trustees are found from the contacts and personal knowledge of existing trustees. The aim of the trustees in making appointments is to have a range of skills, qualifications and experience suited to achieving the objectives of the charity.

On appointment trustees are provided with copies of the Governance Handbook, Memorandum and Articles of Association, the most recent audited financial statements and copies of minutes of trustees' meetings. The experience of the persons appointed usually means that they have a good understanding of the responsibilities of a charity trustee, but where necessary, guidance is provided by the Secretary. Relevant Charity Commission publications are also available to the trustees.

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Remuneration of staff

Salary levels for the Chief Executive are reviewed annually by the board, in line with market rates for similar positions.

Partnerships

Grace House Graduates currently has no formal contractual relationships with partner organisations other than contractual relationships with service suppliers.

Risk management

The trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the charity and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks. Going forward, the trustees are closely monitoring the occupancy levels of the short break service and the change to another provider, to continually assess its financial viability and its place in the market. This is potentially vulnerable to central government social and economic policy, local government spending reviews and changing models of family support services.

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Trustees' Annual Report for the period ended 1 January 2025

STATEMENT OF TRUSTEE RESPONSIBILITIES

The trustees 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).

The law applicable to charities in England and Wales 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 its incoming resources and application of resources for that period. In preparing those 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 2019 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable 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 proper accounting records which are sufficient to show and explain the charity's transactions and to disclose with reasonable accuracy at any time the financial position of the Association, and to enable them to ensure that any statements of account comply with the requirements of the Charities Act 2022, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report was approved by the trustees on 9 December 2025 and signed on their behalf by:

Mr S Briton
Trustee

**Independent Examiner's Report to the Trustees of
Grace House Graduates
for the period ended 1 January 2025**

I report to the trustees on my examination of the financial statements of Grace House Graduates ('the charity') for the period ended 1 January 2025 which comprise the Statement of Financial Activities, the Balance Sheet and related notes.

This report is made solely to the charity's trustees, as a body, in accordance with section 145 of the Charities Act 2011. My work has been undertaken so that I might state to the charity's trustees those matters I am required to state to them in this report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for my work, for this report, or for the opinions I have formed.

Responsibilities and basis of report

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

I report in respect of my examination of the charity's financial statements 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.

An independent examination does not involve gathering all the evidence that would be required in an audit and consequently does not cover all the matters that an auditor considers in giving their opinion on the financial statements. The planning and conduct of an audit goes beyond the limited assurance that an independent examination can provide. Consequently I express no opinion as to whether the financial statements present a 'true and fair' view and my report is limited to those specific matters set out in the independent examiner's statement.

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:

- accounting records were not kept in respect of the charity as required by section 130 of the Act; or
- the financial statements do not accord with those records; or
- the financial statements 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 financial statements to be reached.

T W Duffy FCA
Glen C Rodger Limited
Cragside House
Heaton Road
Newcastle upon Tyne
NE6 1SE

9 December 2025

Grace House Graduates

Statement of Financial Activities (incorporating the Income and Expenditure Account) for the period ended 1 January 2025

	Notes	Unrestricted funds £	Restricted funds £	Total 2025 £
Income from:				
<u>Incoming resources from generated funds</u>				
Charitable activities	2	-	20,000	20,000
Other trading activities	3	5,850	-	5,850
Other income	4	80,952	-	80,952
Total income		<u>86,802</u>	<u>20,000</u>	<u>106,802</u>
Expenditure on:				
<u>Costs of generating funds</u>				
Costs of raising funds	5	59	-	59
Charitable activities	6	21,108	790	21,898
Total expenditure		<u>21,167</u>	<u>790</u>	<u>21,957</u>
Net income/(expenditure) before transfers		65,635	19,210	84,845
Transfers between funds		-	-	-
Net movement in funds		<u>65,635</u>	<u>19,210</u>	<u>84,845</u>
Reconciliation of funds				
Total fund brought forward		-	-	-
Total funds carried forward		<u>65,635</u>	<u>19,210</u>	<u>84,845</u>

The notes on pages 11 to 16 form part of these financial statements

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Balance Sheet

As at 1 January 2025

	Notes	£	2025 £
Fixed assets			
Tangible assets	9		8,288
			<hr/>
			8,288
Current assets			
Debtors	10	28,779	
Cash at bank and in hand		59,214	
		<hr/>	
		87,993	
Creditors:			
Amounts falling due within one year	11	(11,436)	
		<hr/>	
NET CURRENT ASSETS			76,557
			<hr/>
NET ASSETS			<u>84,845</u>
FUNDS			
Unrestricted funds			65,635
Restricted funds			19,210
			<hr/>
	12		<u>84,845</u>

The financial statements were approved by the Board of Trustees on 9 December 2025 and were signed on their behalf by:

S Briton
Trustee

The notes on pages 11 to 16 form part of these financial statements

Grace House Graduates

Notes to the Financial Statements for the period ended 1 January 2025

1. Accounting Policies

Basis of preparation of the financial statements

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 CORP (FRS 102), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2022.

Grace House Graduates meets the definition of a public benefit under FRS 102. The financial statements are prepared under the historical cost convention or transaction value unless otherwise stated in the relevant accounting policy note(s). The financial statements are prepared in Sterling which is the functional currency of the charity and rounded to the nearest £.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

Going concern

After making appropriate enquiries, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

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

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

Income

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.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Gifts in kind donated for distribution are included at valuation and recognised as income when they are distributed to the projects. Gifts donated for resale are included as income when they are sold. Donated facilities are included at the value to the charity where this can be quantified and a third party is bearing the cost. No amounts are included in the financial statements for services donated by volunteers.

Donated services or facilities, which comprise donated services, are included in income at a valuation which is an estimate of the financial cost borne by the donor where such a cost is quantifiable and measurable. No income is recognised where there is no financial cost borne by a third party.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

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Notes to the Financial Statements for the period ended 1 January 2025

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity, this is normally upon notification of the interest paid or payable by the bank.

Other income is recognised in the year in which it is receivable and to the extent the goods have been provided or on completion of the service.

Expenditure

Expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity, including those incurred in connection with the administration of the charity and compliance with constitutional and statutory requirements.

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

All resources expended are inclusive of irrecoverable VAT.

Tangible fixed assets and depreciation

All assets costing more than £500 are capitalised.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is not charged on freehold land. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Fixtures and fittings	10 year straight line
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Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Cash at bank and in hand

Cash at bank and cash 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.

Liabilities and provisions

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Impairment of fixed assets

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in profit or loss unless the asset is carried at a revalued amount where the impairment loss is a revaluation decrease.

Pensions

The charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the charity to the fund in respect of the year.

Grace House Graduates

Notes to the Financial Statements for the period ended 1 January 2025

Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

Critical accounting estimates and areas of judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Trustees do not consider that there are any significant areas of judgement or estimation required in the preparation of the financial statements.

2. Charitable activities

	Unrestricted funds	Restricted funds	Total 2025
	£	£	£
Grant income	-	20,000	20,000
	<u>-</u>	<u>20,000</u>	<u>20,000</u>

Grants received during the period:

	2025 £
Community Fund	20,000
	<u>20,000</u>

3. Other trading activities

	2025 £
Events	1,050
Room hire	4,800
	<u>5,850</u>

4. Other income

	2025 £
Other income	80,952
	<u>80,952</u>

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Notes to the Financial Statements for the period ended 1 January 2025

5. Costs of raising funds

	2025
	£
Events	59
	<hr/>
	59
	<hr/>

6. Expenditure on charitable activities

	Activities undertaken directly	Support costs	Total
	£	£	2025 £
Wages and salaries	1,281	-	1,281
Insurances	2,220	-	2,220
Office expenses	257	-	257
Depreciation	140	-	140
Other costs	18,000	-	18,000
	<hr/>	<hr/>	<hr/>
	21,898	-	21,898
	<hr/>	<hr/>	<hr/>

7. Depreciation

	2025
	£
Depreciation of tangible fixed assets owned by the charity	140
	<hr/>

8. Staff costs

Staff costs were as follows:

	2025
	£
Wages and salaries recharged to charity	1,281
	<hr/>
	1,281
	<hr/>

The average number of persons employed by the charity during the period was as follows:

	2025
	No
Administration	-
Fundraising	-
	<hr/>
	-
	<hr/>

No employee received remuneration amounting to more than £60,000 in either year.

During the year, trustees received no remuneration or reimbursement of expenses.

Grace House Graduates

Notes to the Financial Statements for the period ended 1 January 2025

9. Tangible fixed assets

	Plant and machinery £	Total £
Cost		
Additions	8,428	8,428
Disposals	-	-
At 1 January 2025	<u>8,428</u>	<u>8,428</u>
Accumulated depreciation		
Additions	140	140
Disposals	-	-
At 1 January 2025	<u>140</u>	<u>140</u>
Net book value		
At 1 January 2025	<u>8,288</u>	<u>8,288</u>

10. Debtors

	2025 £
Trade debtors	26,558
Prepayments and accrued income	2,221
	<u>28,779</u>

11. Creditors: amounts falling due within one year

	2025 £
Trade creditors	155
Other creditors	10,000
Accruals and deferred income	1,281
	<u>11,436</u>

Grace House Graduates

Notes to the Financial Statements for the period ended 1 January 2025

12. Statement of funds

<u>For the year ended 1 January 2025</u>	Brought forward £	Income £	Expenditure £	Transfers in/out £	Carried forward £
Unrestricted funds					
General fund	-	86,802	(21,167)	-	65,635
	-	86,802	(21,167)	-	65,635
Restricted funds					
Work experience	-	20,000	(790)	-	19,210
	-	20,000	(790)	-	19,210
Total funds	-	106,802	(21,957)	-	84,845

Work experience: providing disabled young people with the work experience opportunities including admin, reception and some gardening tasks whilst being supported by staff.

13. Net analysis of funds

<u>For the year ended 1 January 2025</u>	Unrestricted funds £	Restricted funds £	Total funds £
Fixed assets	8,288	-	8,288
Current assets/liabilities	57,347	19,210	76,557
	65,635	19,210	84,845