

# BREAK

England & Wales · Charity number 286650

## Details

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**Status** Registered

**Legal form** Charitable company

**Company number** [01699685](#)

**Registered** 1983-05-06

**Register** [View on the Charity Commission register](#)

## Contact

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**Address** Break  
Schofield House  
1 Spar Road  
Norwich  
NR6 6BX

**Phone** 01603670100

**Email** [office@break-charity.org](mailto:office@break-charity.org)

**Website** [www.break-charity.org](http://www.break-charity.org)

## Activities

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**Objects:** 1. THE RELIEF OF THE NEEDS OF PERSONS WHO ARE SICK, DISABLED (WHETHER PHYSICALLY OR MENTALLY), DISADVANTAGED, INFIRM OR WHO HAVE LEARNING DISABILITIES OR OTHER SPECIAL NEEDS AND OF CHILDREN IN NEED WHO COME FROM POOR OR DEPRIVED BACKGROUNDS; 2. THE ADVANCEMENT OF THE EDUCATION AND TRAINING OF ANY PERSONS WHO FALL WITHIN THE CATEGORIES SPECIFIED IN CLAUSES 3.1 AND 3.3; 3. THE RELIEF OF THE NEEDS OF PERSONS WHO EXPERIENCE EMOTIONAL OR BEHAVIOURAL DISORDERS; 3.4 THE RELIEF OF THE NEEDS AND THE SUPPORT OF THE FAMILIES OF ANY PERSONS FALLING INTO THE CATEGORIES SPECIFIED IN THIS CLAUSE 3.

**Activities:** Break supports children, young people and families in four key areas - young people in care and moving on, children and young people with disabilities, families in need of support and children at risk.

## Classification

- **How:** Provides Human Resources, Provides Buildings/facilities/open Space, Provides Services
- **What:** Other Charitable Purposes
- **Who:** Children/young People, People With Disabilities, Other Defined Groups

## Geography

- Throughout England And Wales

## Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£16,620,000	£16,555,000	£5,186,000	448
2024-03-31	£15,307,000	£15,615,000	£5,121,000	451
2023-03-31	£14,346,000	£14,501,000	£5,429,000	443
2022-03-31	£13,608,000	£13,322,000	£5,933,000	438
2021-03-31	£12,690,000	£12,035,000	£5,647,000	417

## Trustees

Name	Role	Appointed
<b>Beverley Hall</b>	Chair	2019-07-15
Alsion Read		2025-03-03
Christopher Lawrence		2025-07-28
Frank Shippam		2014-07-18
Gabrielle Foreman		2025-07-28
Graham Lindsay		2024-05-23
Ina Gallo		2025-04-28
Juliet Allan		2023-03-06
Neil Dobson		2022-04-04
Paul Dunkley		2025-07-28
Samantha Healey		2024-04-03
Sara Hill		2025-07-28

**BREAK**

England & Wales - Charity number 286650

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# Accounts

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**Break**  
**(A company limited by guarantee)**

**REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 March 2025**

Charity number 286650  
Company number 01699685

**Break**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 March 2025**

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## Break

### CHARITY REFERENCE AND ADMINISTRATIVE DETAILS

FOR THE YEAR ENDED 31 March 2025

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Charity Registration Number: 286650  
Company Registration Number: 01699685  
Registered Office and Operational Address: Schofield House  
1 Spar Road  
Norwich  
Norfolk  
NR6 6BX

### Board of Trustees

		Sub Committee member
Mrs B Hall B.Ed (Hons) NPQH, PgD, SSStJ	(Chair)	Ca, No
Mr F M E Shippam FCA, DChA	(Treasurer)	Fi
Mrs J Allan		In
Mrs N Bramford LLB	(Resigned 12.08.24)	Ca
Mr N Dobson		Fi, In
Mr P Dunkley	(Appointed 28.07.25)	Ca
Mrs G Foreman	(appointed 28.07.25)	Ca
Mrs I Gallo	(Appointed 28.04.25)	Ri
Mrs S Healey	(Appointed 03.04.24)	Ri
Mrs S Hill	(Appointed 28.07.25)	In
Mr T Krykant	(Resigned 31.12.24)	In
Mr C Lawrence	(Appointed 28.07.25)	Fi
Mr G Lindsay	(Appointed 23.05.24)	Fi, Ri
Mrs A Read	(Appointed 03.03.25)	Ca
Mr J Sam MBCS, CITP, MloD	(Resigned 28.07.25)	No, In, Ri
Mrs H Waldegrave	(Appointed 07.10.24)	Ca

Sub committee groups:- Ca = Care, Fi = Finance, In = Income Generation, Ri = Risk HR & Governance, No = Nominations

### Presidents and Co-founders

Mrs J A Davison  
Reverend Canon L J Morley

### Chief Executive Officer

Ms R Cowdry BA (Hons), MA DipSW, Diploma

### Executive Team

Mr D Crouch BSc (Hons) (Director of Income Generation)  
Mr A Flack FCCA (Director of Finance)  
Miss A Lewczuk (Director of People and Resources)  
Mr F Cornish (Assistant Director of Care)

### Company Secretary

Mr A Flack

### Auditor

Price Bailey LLP, Anglia House 6 Central Avenue St Andrews Business Park Thorpe St Andrew NR7 0HR

### Solicitors

Butcher Andrews, 1 Old Post Office Street, Fakenham, Norfolk, NR21 9BL  
Clapham & Collinge, St Catherine's House, All Saints Green, Norwich NR1 3GA

### Bankers

Lloyds Bank plc, The Undercroft, Queens Street, Norwich, NR2 4SG

## **Break**

### **REPORT OF THE BOARD OF TRUSTEES (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)**

#### **FOR THE YEAR ENDED 31 March 2025**

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The Trustees, who are also directors for the purposes of company law, present their report and the audited financial statements of the Charity for the year ended 31 March 2025 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

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 Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, 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 published in October 2019.

### **Trustees of the Charity**

The Trustees who have served during the year and since the year end are shown on Page 1.

### **Objectives and Activities**

The Memorandum and Articles of Association state that Break's charitable objectives and principal activities are:-

- The relief of the needs of persons who are sick, disabled (whether physically or mentally), disadvantaged, infirm or who have learning disabilities or other special needs and of children who come from poor or deprived backgrounds
- The advancement of the education and training of any persons who fall within the categories specified above
- The relief of the needs of persons who experience emotional and behavioural disorders
- The relief of the needs and the support of families of any persons falling into the categories specified

The objectives and aims are achieved by the implementation of individual unit and departmental business plans.

The objectives have been met by providing the following services:-

- Short Breaks provided at Nelson Lodge in Long Stratton
- Eleven Children's Homes across Norfolk, Suffolk and Cambridgeshire (including Trafalgar Lodge in Long Stratton and Morley House in Kings Lynn, both for children with learning disabilities)
- Break Therapeutic Service across all our services
- Fostering
- Staying Connected Team
- Opportunities Team

Break's policy is to work in partnership with Local Authorities, Housing Associations and other relevant agencies to provide the best possible service. We maintain strong working connections with Norfolk County Council Children's Services and work closely with Cambridgeshire/Peterborough and Suffolk Children's Services on a range of successful projects and commissioned placements.

**Public Benefit Statement**

The Board have paid due regard to the Charity Commission's guidance on public benefit.

In the terms of the Charities Act 2011, Break's Objectives fall within two definitions of charitable activity, "the relief of those in need by reason of ill-health, disability or other disadvantage" and "the advancement of education". On both counts Break provides benefits, irrespective of their financial circumstances, to a number of distinct groups of the public including: children and young people; families; and young people with learning and physical difficulties.

Detailed information on the services provided, and the benefits which accrue to the service users, is set out in this Report and on the Break website, [www.break-charity.org](http://www.break-charity.org).

**Strategic Report**

**A) Achievements and Performance**

We support a wide range of young people across East Anglia to achieve great things. We are proud to push the boundaries of innovation. We have co-production at the heart of the services we provide for our young people, enabling them to influence both their own future and the development of our Charity.

**OUR VISION**

Break will strive to ensure all young people, whatever their start in life, have equal opportunities and the relationships they need to succeed.

**OUR MISSION**

Giving children on the edge of care, in care and leaving care the love, support and ambition they need.

**OUR VALUES**

- We inspire and create hope.
- We are optimistic.
- We make a difference.
- We do the right thing.
- We are inclusive.
- We listen to and respect all individuals.

## Break

### REPORT OF THE BOARD OF TRUSTEES (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) FOR THE YEAR ENDED 31 March 2025

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#### *A safe place to call home for looked after children*

At Break we are proud that our **children's homes** are somewhere safe that young people can call home, with adults who love, care and look out for them. We provide a home where young people can belong, begin to flourish and embrace their future with confidence and hope.

Every year we have young people move in and out of our homes but not our hearts. Although young people move on from our homes that is not where our support stops as we are with our young people through their life through our other services.

In the year, we **cared for 23 (2023/24 - 17) young people** within our four homes. All four of the homes are rated as 'Good' by Ofsted. Our average length of placement at the end of March 2025 was 1.9 years (2024 2.1), 7 of our current 12 young people living in our homes moved in over the last year. At 31 March 2025, 60% (2023/24 – 60%) of the young people living in our children's homes were in full time education.

Over the past few years there has been a requirement for more specialist services to meet the needs of the most complex young people in their care. We now have 5 homes dedicated to this service in Norfolk and Suffolk. These services offer solo placements and intensive support to young people in care who find it too difficult to live with other young people. At the end of the year we were awaiting to open a sixth service based in Norwich.

To deliver this more intensive service, the teams access comprehensive training programmes and develop their skills and confidence to meet the needs of young people. We have 5 young people currently within these services, the homes are rated as 'Good' by Ofsted.

We work closely with Commissioning teams to ensure placements are suitable, a lot of emphasis is put into pre-planning and with careful management and joined up working from the team around the child the transition for the young people is smooth and is a big factor in the successful transition. Break has worked in collaboration with the local authorities to manage and respond to high risks. The service along with all our other ones is supported by the Break Therapeutic Team where we discuss strategies and carry out reflective practice looking at what is going well and what we are finding difficult. The nature of the provision is that we do face a variety of challenging situations. This puts a lot of importance on a close and committed team which our teams do incredibly well.

#### *Therapeutic Support*

Break Therapeutic Services (BTS) has been at the heart of Break's drive to move towards a more trauma informed way of working.

The team have continued their work within our homes. Working alongside children and young people who have experienced trauma is complex, requiring teams and professionals to remain empathetic, sensitive and focussed on the young people's needs. For the staff team to do this, they need to understand where our young people's struggles come from and that the behaviours we see are trauma responses. BTS practitioners spend time in our homes, providing reflective spaces to think about young people and their needs on an individual and team level. All staff receive a two-day Foundation Trauma and Attachment training course.

The Emotional Wellbeing Service supports care experienced young people to enjoy enhanced emotional wellbeing, improving their potential to access opportunities and successfully transition to independence. Referral routes include social workers, personal advisors from local authorities and young people accessing Break's Staying Close Staying Connected (SCSC). The Emotional Wellbeing Service is a flexible service tailored to meet the need of our young people.

## Break

### REPORT OF THE BOARD OF TRUSTEES (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

#### FOR THE YEAR ENDED 31 March 2025

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##### ***Mentoring***

At 31 March 2025 we had **32** mentors matched with young people and a further **20** going through our induction programme, whom we will be starting to match to young people over the coming months. Our mentoring programme offers positive outcomes and adds value for our young people. The young people Break support have had contact with care professionals throughout their lives. The young people report that they especially value their volunteer mentor who is choosing to be there for them. The aim is to empower young people to learn how to maintain a relationship, experience new activities and create a solid foundation to build their future self. Having someone outside their everyday network whom they can speak openly to and who support them in building their self-esteem, self-worth and confidence. Our aspiration is that all young people within Break will have access to a volunteer mentor.

As well as the core Mentoring Service we also facilitate Peer Mentoring. The focus of Peer Mentoring is for young people who have first-hand experience of living in care to share their stories and advice. Empowering those they speak with through shared knowledge, skills and being able to speak openly to someone who they can relate to.

Over the past 12 months we have seen several of our mentoring partnerships grow and adapt as they have supported the young person into independence. The mentor's involvement in this process allows there to be a consistent figure of support for the young person.

##### ***Fostering***

We provide long term therapeutic foster placements for children and young people between the ages of 3 and 18. During the year we had **15 (2023/24 – 14) young people** in placements.

Our service offers predominantly intensive placements providing a family placement for young people who have experienced extreme trauma in their lives and cannot live in a "mainstream" foster home. Our team works hard to begin to heal some of the hurt through the relationships they build with the young people and through the therapeutic support offered.

##### ***Staying Close, Staying Connected***

Staying Close, Staying Connected (SCSC) offers a framework for young people as they leave residential care. As in the prior year, through funding from CHK Foundation, we have extended this offer to those leaving Foster care. SCSC offers the young people lifelong relationships.

The Department for Education Innovation Fund has supported the Break SCSC project since April 2018. Quarterly project boards with representation from our partners (Cambridgeshire County Council, Norfolk County Council and Peterborough City Council) have overseen the SCSC strategy and project direction.

In the year our SCSC service provided **22 houses and flats containing 35 beds** across the region. Each house provided much-needed stability to young people as they moved on from their children's home. In response to the needs of the service we now lease 10 (2023/24 – 10) one bed flats. Staying Connected coordinators continued to support young people to identify important people in their lives, and to find ways of building opportunities to engage with these people.

##### ***Lifelong Support – the Staying Connected Service***

Since 2009, Break has charitably funded a service to support the transition to adulthood, and to provide a sense of stability for young people leaving Break's care. The service ensures the young people have support to call on in times of crisis.

## Break

### REPORT OF THE BOARD OF TRUSTEES (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 March 2025

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#### *Services for Children and young people with disabilities*

The Break services for children with disabilities gives young people access to opportunities to enable them to make progress. We operate three homes across Norfolk, together with a mobile service delivering in the community.

Nelson Lodge offers residential short breaks for children and young people with disabilities who live in Norfolk. The young people have time away from their families in a safe, secure environment while their parents and siblings enjoy a break from their 24/7 care responsibilities. Break's skilled and dedicated staff support young people to enjoy a range of activities, building confidence, independence skills and helping to form friendships. The service also provides opportunities for our young people to have experiences that would otherwise be out of reach due to the challenges that their disability brings.

We provided short breaks for our **22 young people for a total of 931 nights**. Many of our families report that without the support of our service, their children would be in full-time residential care, and due to the lack of availability this will often be in a different county.

**Morley House** is a residential children's home for young people with learning disabilities. In the past year the team have supported 5 young people (23/24 - 5). That included the support needed to find 2 young men new homes and prepare them for their next journeys as adults. One of the young people had been with Break since he was 9! The work involved in those transitions included working with professionals from new homes to build relationships and to pass on a detailed overview of the young people's needs through sharing what we know, proving chance to spend time with the young people supported by a team who know them well, visiting and spending time in their new environments. We then celebrated their time at Morley House together to create a positive end for both young people and their families.

We have also welcomed two new young people in quick succession of each other and worked tirelessly to make them feel at home, adjusting the home to make it work for our new group of very busy and fast paced young people. Moving to Morley meant both young people came back closer to their families in Norfolk. The young people no longer need to commute for hours for school as it takes them now 10 minutes to get to school. Their families can visit them more often and spend more time with them.

The past few months have been very much about helping the 3 young people learn about each other, working out how to live together as a group and share the home. The team have been creative in how they do this and we have shared some wonderful moments as a group but still have lots of learning to do as a family. We have spent time in the community helping the young people to have fun and learn about what is available to them, going out for drives, visiting the shops and regular trips to the circus which is a firm favourite for them!

**Trafalgar Lodge** is a Residential children's home which provides individually focused and child-centred professional care and support for children and young people who have learning disabilities, physical disabilities, and communication difficulties. Trafalgar offers a safe environment that is caring and homely. Young people enjoy activities, are encouraged to try new things and make choices, pursue their wishes, and achieve personal goals. During the year we supported 4 (2023/24 – 4) young people, this has included a very positive transition out for a young person into adult services and another very successful transition into Trafalgar, both were very person centred and individual and the team went above and beyond to make these so. It feels it has been a busy year but a very positive one too, a great Ofsted and NCC inspection, holidays undertaken for all our young people, family connections promoted, building upon and expanding own skill sets and teaching new things from the world we live in, feelings and emotions, communication in whatever way that may be, independence skills and making improvements/updates within the home. We have welcomed new team members to the Trafalgar family, and it's been great to see relationships build both within the team and with the young people. Trafalgar has been entering into different fund raisers, and activities wanting to bring that little bit more back, to give more to our young people and promote BREAK and the epic work we all do, (not to mention having fun along way).

## Break

### REPORT OF THE BOARD OF TRUSTEES (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 March 2025

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#### *Pathways to Work – Opportunities team*

Care experienced young people aged between 16 and 20 are four times more likely to be unemployed than their peers. At break we recognize that in order to be able to make the steps to find a job our young people need support to build their confidence and self-esteem and help them to recognize the value they offer the world. Break offers safe environments with appropriate support to enable our young people to explore, build skills, have great experiences, test ideas and experiment.

Our aspiration projects offered new experiences and opportunities for our young people to try new things and develop their peer network. We hosted 5 residential and camping events which gave our young people the chance to co-produce their experience over several days and take part in all kinds of activities both indoors and outdoors, all while developing life skills such as cooking, cleaning, budgeting and living together. They were able to stay in some really amazing spaces from rolling fields to 500-year-old properties, exploring the history of their local communities while bonding with their peers. One of the most exciting of our residential experiences was our annual Excelsior sailing trip. This year we took this to another level and entered into the international tall ship races, this saw a groups of 5 young people and their support workers joining in the Helsinki to Talin leg of the race giving them the opportunity to build confidence and aspiration through taking on the challenge of sailing the 100 year old fishing vessel. It also offered them then chance to create new bonds and some have gone on to become active members of the excelsior team volunteering over the winter and accessing this opportunity independently. Over the year **24 (2023/24 – 29) young people** from a range of our care services were able to access these residencies.

We continue to develop strong partnerships with other organisations which help us to deliver the aspirational work that we do, we worked with the Youth Hostel Association (YHA) this year who were able to provide us with an adventure week in Edale. This was one of the highlights of the year for our young people offering the chance for them to push themselves out of their comfort zone by abseiling, bouldering, rock climbing and so much more. More locally we continue to build relationships with groups our young people can volunteer with such as the Norfolk wildlife trust, inside out and Fen Zen as well as educational opportunities with Kick the Dust and Norfolk Museums, where our young people have free access to these spaces for life. We continue to build on those links that we know support the mental health and wellbeing of our young people, Wrongs Covert a conservation site in Norfolk continues to draw our young people in. The facilitators at this site offer our young people opportunities to work in nature conservation and develop a site that they can continue to use for years to come.

Our participation projects continue to offer care experienced young people the opportunity to use their lived experience to help shape the work that we do. Our Advisory boards, which offers a space for every department in our organization to consult young people, are now run by our care experienced co production apprentice and have been instrumental in supporting our young people sharing their voice on the decisions we make for and around them. One of the stand outs from our participation work in 24/25 is the introduction of our fostering panels. This project supported a group of young people to create a framework for assessment of foster carers into our organization, ensuring that they are tested on the criteria that is important to them.

We have continued to work with our young people providing coffee making workshops with all of our care services including fostering SCSC and residential giving 24 (24 23/24) young people the chance to give this experience a go. We have delivered barista training sessions for **5 young people** and offered work to **9 young people (2023/24 7/9)** Through bespoke job coaching sessions with young people we have been able to provide guidance and advice when faced with challenging work situations and supported them to remain in employment.

In the year April 2024 to march 2025 Our lifelong opportunities team **has supported 81 (2023/24 – 74) different young people through 298 (2023/24 – 315) different activities** and provided 4,963 hours of direct support (2023/24 - 3,200).

## Break

### REPORT OF THE BOARD OF TRUSTEES (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 March 2025

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#### *Our Shops*

Break has 44 shops all selling good quality Clothes, Shoes, books, bric/brac and media, all kindly donated by the local community to support Break. Any donations that are not suitable to be put out for sale in the shops are recycled so avoiding being put in landfill. Break's shops are valuable assets for the Charity. They generate income to help fund our charitable services and provide vital links with the local community, offering opportunities for people to support our work by donating goods or volunteering their time. Our volunteers are able to give something back, learn new skills and meet new people within a friendly environment. Break had 618 Volunteers (2023/24 – 712) working across all shops in 2024/25. These volunteers worked from 4 hours to 20 hours per week each. We are extremely grateful to our loyal volunteers who come along to work bringing many skills to benefit the shops. Volunteering enables people to give something back and offers learning opportunities in a friendly safe environment.

At the year end, **Break had 44 shops with many of them operating an online operation out of them**, 32 in East Anglia and 12 in the West Country. Break will be opening shop number 45 mid-summer 2025 in Little Stoke Gloucestershire. All the funds raised from the shops goes to support Breaks work with young people.



#### *Fundraising*

Much of the support offered by Break to children, young people and families is funded by charitable income from fundraising. The team developed some key income streams encompassing:

**Trails** - The project team's focus this year has been the conclusion of our second trail in Cambridge which launched in 2023 with the trail going live on the streets in March 24, with an auction of the Sculptures to taking place in June 2024. At the same time the Norwich 2025 trail was launched and all ready for the trail going onto the streets in June 2025..

**Corporate** - As well as engagement in trails, there has been a continued growth of corporate relationships and developing new partnerships across the region and support from a variety of sectors. This has resulted in an increase in corporate donations, in kind support, charity of the year partnerships and volunteering.

**Events** - We continue to focus on our most successful regular and popular events, alongside the introduction of new challenges and activities to extend our reach across our region. This has led to increased individual engagement and participation and great return on investment.

**Individuals and Community** - We continue to develop this area and have been working to reignite e-newsletters for supporters and are working to engage with a wider community beyond just Norwich.

**Trusts and Foundations** - Support from trusts and foundations is invaluable to our work with children and young people. We are working with local Norfolk and Cambridgeshire trusts and national grant-makers. These donations fund project work which is supporting children and young people with a care background to achieve successful life paths and challenge the national statistics of poor outcomes. Trusts and foundations are also supporting Break to test new project initiatives and gather evidence which contributes to bigger projects and can lead to systemic change for care services nationally. Please contact us if you are a trust that aligns with our work as we would be grateful to start a conversation on how we can work together to make a meaningful difference.

Break

REPORT OF THE BOARD OF TRUSTEES (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 March 2025

The table below shows some of the restricted grant funding we received in the year following successful grant applications.

Funder	Break Service	Amount
<b>The Thompson Family Charitable Trust</b>	Opportunities Team/ Mentoring	£50,000
<b>John Lewis Partnership Foundation</b>	Opportunities Team/Staying on Track	£20,000
<b>Norfolk Community Foundation</b>	Opportunities Team	£10,530
<b>The Welland Trust</b>	Opportunities Team/ Mentoring	£10,000
<b>Esmee Fairbairn Foundation</b>	Staying Close	£9,080
<b>Norfolk Community foundation</b>	Opportunities Team	£5,817
<b>Mortgage Advice Bureau Foundation</b>	Mentoring	£5,175
<b>Norfolk Community Foundation</b>	Make a dream	£5,000
<b>The Simon Gibson Charitable Trust</b>	Opportunities Team/Staying on Track	£5,000
<b>Norfolk Community Foundation – Upskilling West Norfolk</b>	Opportunities Team	£5,000
<b>One Stop Community Partnership</b>	Nelson Lodge	£4,757
<b>CLA Charitable Trust</b>	Opportunities Team	£4,628
<b>Department for Education</b>	Opportunities Team	£4,000
<b>Tesco Community Grants</b>	Mentoring	£3,625
<b>Geoffrey Watling Foundation</b>	Opportunities Team	£3,000
<b>Alderman Norman's Foundation</b>	Opportunities Team	£3,000
<b>The Astra Zeneca Foundation</b>	Opportunities Team	£3,000
<b>John &amp; Pamela Salter Charitable Trust</b>	Opportunities Team	£3,000
<b>The 29<sup>th</sup> May 1961 Charitable Trust</b>	Opportunities Team	£3,000
<b>Skipton Building Society Charitable Foundation</b>	Nelson Lodge	£2,800
<b>The Lady Hind Trust</b>	Opportunities Team	£2,500
<b>The Belstead Ganzoni Charitable Settlement</b>	Opportunities Team	£2,500
<b>The Spurrell Charitable Trust</b>	Mentoring	£2,000
<b>The Kip and Alison Bertram Charitable Trust</b>	Opportunities Team	£2,000
<b>The Paul Bassham Charitable Trust</b>	Opportunities Team	£2,000
<b>Wise Music Foundation</b>	Opportunities Team	£2,000
<b>The Annie Tranmer Charitable Trust</b>	Opportunities Team	£2,000

We would also like to thank the following supporters of Break where the value of support has exceeded £5,000

<b>Alan Boswell Group</b>	<b>Gasway</b>	<b>Norwich City Football Club</b>
<b>Alan Boswell Group Charitable Trust</b>	<b>Greater Anglia</b>	<b>Osiris IT</b>
<b>Alexander Gordon Smith</b>	<b>Group 1 MINI</b>	<b>Pentaco Construction</b>
<b>Atkinson Moss</b>	<b>Hamiltons Removals</b>	<b>Production Bureau</b>
<b>Birketts LLP</b>	<b>Histon Manor</b>	<b>QD Stores</b>
<b>Black Horse</b>	<b>Holkham</b>	<b>Reepham Festival</b>
<b>Brandbank</b>	<b>Jarrolds</b>	<b>Riverside Entertainment</b>
<b>Busseys</b>	<b>Keeler Recruitment</b>	<b>Rosa's Thai</b>
<b>Castle Quarter</b>	<b>Leathes Prior</b>	<b>Royal Arcade</b>
<b>Chantry Place</b>	<b>Lion Homes</b>	<b>Shred Station</b>
<b>Chilled Driving School</b>	<b>Longwater Construction</b>	<b>The Forum</b>
<b>Chris Cliffe</b>	<b>Loveday &amp; Partners</b>	<b>Thursford</b>
<b>CIM Signs &amp; Graphics</b>	<b>Martins Hi Fi</b>	<b>Utting Engineers</b>
<b>Cooks Blinds and Shutters</b>	<b>Mayday Office Equipment Services</b>	<b>Welchs Transport</b>
<b>Dacre Property</b>	<b>Mirafit</b>	<b>Whitwell and Reepham Station</b>
<b>Dipple &amp; Conway Opticians</b>	<b>Mortgage Advice Bureau</b>	<b>Wilby Jones</b>
<b>Dipples</b>	<b>Mr Plastic</b>	<b>Wilco Fast-Fit</b>
<b>DMD Installations</b>	<b>Newsquest</b>	<b>Xaar Plc</b>
<b>East of England Co-op</b>	<b>Norwich Airport</b>	<b>Zagwear</b>
<b>First Buses</b>	<b>Norwich BID</b>	<b>Zing Insights</b>
		<b>Zoological Society East Anglia</b>

## Break

### REPORT OF THE BOARD OF TRUSTEES (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 March 2025

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## B) Financial Review

### Results

Break generated a surplus of **£65k** (2023/24 (£308k deficit)) in the year. The total surplus for the year was comprised as follows:-

- A loss of **£100k (2023/24 £83k)** before transfers of £107k from designated funds, creating an overall restricted surplus of £7k.
- A surplus of **£217k** (2023/24 £196k) on designated funds before transfers of £15k out of the funds, creating an overall surplus of £202k on designated funds.
- A deficit of **£52k** (2023/24 £29k) on unrestricted funds before transfers of £92k to designated funds to create an overall deficit of £144k.

The value of net assets increased from £5,121k to **£5,186k**. Of these, unrestricted funds accounted for **£5,059k** (2023/24 £5,001k) (including designated funds of **£630k** (2023/24 £428k) and a revaluation reserve of £662k (2023/24 £662k)).

### Reserves Policy

Free reserves are unrestricted funds that are available to be spent on any of the Charity's objectives. Tangible fixed assets, and the connected bank loans, are not included in free reserves as these assets are essential to the Charity's activities. Their disposal would adversely impact the Charity's ability to deliver its aims.

The level of free reserves is set by the Board of Trustees on an annual basis and regularly monitored throughout the year. Action is taken if actual free reserves fall significantly outside the target level established. The Finance Committee reviewed the Reserves Policy in February 2025 alongside the budget for April 2025 to March 2028 and recommended to the Board of Trustees a target for free reserves of £1,142k.

In determining the level of free reserves, Trustees consider the financial impact of the risks facing the Charity, including the loss of income from partner agencies and voluntary donations, and balance the need to hold sufficient reserves to enable the Charity to:

- continue its activities when faced with unforeseen circumstances,
- support the development of additional services to children, young people and their families, and
- maximise expenditure on charitable activities.

Free reserves as at 31 March 2025 were **£549k** (2023/24 £703k). Free reserves were lower than the policy, during the year occupancy in services had been lower than projected and retail performance was lower than budgeted.. The Charity's reserves will start to increase in 2025/26 back in line with the Charity's policy by actions taken to increase retail income, occupancy in homes and the sale of Hazeldene.

As at 31 March 2025, the Charity had Designated Funds of **£630k** (2023/24 £428k). Designated Funds are funds set aside by the Trustees out of unrestricted funds to support specific future purposes and projects. Details of the Designated Funds, together with movements during the year, are given in Note 20 to the financial statements.

As at 31 March 2025, the Charity had Restricted Funds of **£127k** (2023/24 £120k). Restricted Funds are funds received for undertaking an activity specified by the donor when making the gift, or may result from the terms of an appeal for funds. Details of the Restricted Funds, together with movements during the year, are given in Note 20 to the financial statements.

### Funding Sources

Break has three main funding sources; service level agreements and spot purchase contracts from local authorities, retail and fundraising.

## Break

### REPORT OF THE BOARD OF TRUSTEES (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 March 2025

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#### ***Investment Policy***

The Charity holds cash to fund expenditure in the short and medium terms. The cash is held on deposit accounts as capital preservation is of particular importance, as is the ready availability of a substantial proportion of the assets to meet immediate cash flow requirements. Given these parameters, the Charity seeks to produce the best financial return within an acceptable level of risk. In implementing the Investment Policy, the Charity will have regard to the spread of risk, future liquidity requirements and ethical considerations. The treasury and investment position is regularly reported to and monitored by the Finance Committee.

#### ***Principal Risks and Uncertainties***

The Trustees undertake continual assessment of the principal risks facing the Charity and are satisfied that adequate controls and procedures are in place to mitigate these risks. The Risk, HR and Governance committee is responsible for overseeing the approach to risk across the whole of the Charity's activities. During the year the Charity reviewed and revised its risk management system to aid improved reporting at both operational and strategic level whilst continued assurance that all risks are assessed and reported. All risks identified are logged and initially assessed as a risk (with no mitigation), mitigations and controls are then applied with the aim of reducing the risk to an acceptable level.

Risks are scored on impact and likelihood which give an overall risk score. Any risk scoring over 16 is reported to the board through the agreed board reporting processes, operational risks are managed by the relevant manager. The Executive review the risks on a fortnightly basis. Board sub committees review their strategic risks at their meetings during the year.

The key risks identified by the Trustees are:

- Cover for staff in the event of absence or illness
- Void periods in spot purchase services
- Serious incident e.g. fire at a care provision or damage to reputation
- Competition

All the above risks have been reviewed by the Trustees during the year, who consider that the controls and mitigations in place for each risk area is appropriate. Measures that are in place to mitigate the above key risks include:-

- Increase in number of mobile team staff employed that are able to drop into all services,
- Regular referral meetings to ensure any voids are quickly filled
- Risk assessments, regular maintenance and testing of equipment and procedures in all services
- Pricing reviews and reviewing of quality of services provided

The strategic risk analysis is reviewed by the Trustees on an annual basis.

#### ***Key Performance Indicators***

Trustees monitor the Charity's Key Performance Indicators (KPIs) on a regular basis. If a situation arises, as happened during the pandemic, meetings are increased in frequency to enable a closer level of scrutiny during those times. The financial KPIs are reviewed periodically and the results reported through the Management Accounts. The KPIs include performance against budget, occupancy, net current assets, reserve levels and staff costs compared with income.

#### ***Going concern***

The Trustees have carefully considered all available information impacting the finances and operations of the Charity for 12 months from the date of this Report. Information from budgets and forecasts for income, expenditure and cash-flow, including the availability of unrestricted funds and reserves, credit facilities and any other forms of financial assistance have been considered. The Trustees are confident that there are no going concern issues.

### C) Plans for future periods

The Trustees anticipate a challenging year ahead for the Charity in light of changes to employers National Insurance contributions and increase in the National Minimum Wage which have increased running costs across the whole Charity, with the uncertainty of income increasing by the same. Break has reviewed budgets and reduced expenditure in anticipation of these increased costs to ensure the long term sustainability of the Charity. Since the year end one of our residential services has closed and a review of the use of the asset is being carried out to maximise benefit for the charity and its beneficiaries.

We have seen a flatline in returns from our income streams from our retail and fundraising activities, increasing and sustaining these levels is key.

#### ***Our Strategy 2025-2028***

The Board have signed off a three-year strategy focussed on four pillars: Relationships, Excellence, Ambition and Added Value. We will drive our charitably funded services to ensure that we continue to pioneer and innovate. As highlighted last year, the way we deliver our services will be consistent with the following;

- Giving a voice and listening to care experienced young people by
  - co-producing service developments
  - influencing local and national policy
  - supporting young people to have a platform to share their experiences and opinions
- Developing opportunities for young people to transform their next steps in
  - education
  - employment
  - training
  - wellbeing
  - positive relationships
- Delivering high quality local services by
  - being trauma informed in all we do
  - working alongside Ofsted and local commissioners
  - having highly trained staff
  - strong Quality assurance
  - high quality accommodation
- Raising funds to give us freedom to add value and increase opportunities to the beneficiaries we serve by
  - running high quality charity shops
  - delivering innovative fundraising events that build our supporter base
  - maximising all income opportunities through Trusts/Grants and Legacies
  - increasing income from fundraising and retail by 20% over the next 5 years
- Having systems and support functions that enable Break to be the best it can be by
  - ensuring that all support services are working together to achieve our vision
  - working in a co-produced, collaborative way that builds positive relationships and best outcomes

Our 2025-26 activity will include:

- working on our influencing and advocacy project considering three areas: housing, care as a career and employment and wellbeing for young people
- continuing to explore an 18-25 Staying Close provision for young people with disabilities
- raising more unrestricted funds through innovation in Fundraising – so that we can reach even more young people
- increasing connections to ensure all of our young people have the best possible opportunities as they move into adulthood.
- evaluating the model of care we offer in our solo provision to highlight the impact we have on young people's lives.
- developing more services in a financially sustainable way to offer a place to call home to more young people amplifying our influence in the sector to ensure that we share best practice with all providers
- a revision of our values ensuring they are embedded in all we do - from our co-production to our decision making

Break

## REPORT OF THE BOARD OF TRUSTEES (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 March 2025

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### D) Structure, Governance and Management

#### *Governing Document*

Break is a charitable company limited by guarantee, incorporated in England and Wales on 15 February 1983 and registered as a charity on 6 May 1983. Break's Memorandum of Association establishes its objects and powers, which are governed under Break's Articles of Association. In the event of the Charity being wound up, the members are required to contribute an amount not exceeding £10.

#### *Recruitment and Appointment of Trustees*

The directors of the company are Trustees for the purpose of charity law. It is the Board of Trustees' collective responsibility to ensure that the Charity is fit for purpose and to determine and support its strategic direction in order to enable it to attain its stated objective. The Charity follows the Code of Governance for the Voluntary and Community Sector.

New appointments to the Board are made after completion of a Trustee skills gap analysis and an open recruitment process to attract volunteers with appropriate skills. In accordance with the Memorandum and Articles of Association a third of all Trustees in office are required to retire each year. The Trustees who are required to retire by rotation are those who have been longest in office since their appointment or reappointment. The Trustees take into account the Charity Commission's recommendation that the total length of office should not normally exceed nine years; however, the total period of appointment may be varied in any particular case if the other Trustees then serving at the time determine that it would be in the interests of the Charity to do so. The names of all Trustees are listed on page 1.

#### *Trustee Induction and Training*

All Trustees receive a full induction pack and training needs are assessed periodically.

#### *Organisational Structure*

The Board may delegate any of its powers to any committee consisting of one or more members of the Board or Executive Officers. Break has 4 sub-committees on Finance, Income Generation, Care Services, and Risk, Governance and HR. These are chaired by Board members and involve Executive Officers and some of the wider staff team.

The Governance and Management Structures operate under the shared principles of:

- Working together with common purpose, values and goals
- Adhering to Break's charitable objectives and the Charity Commission's guidance on public benefit
- Ensuring no small group or one individual dominates the decision making
- Adhering to the principles of openness, honesty, integrity, objectivity, accountability and clear leadership

#### *Trustee attendance*

During the year there were a total of 18 (2023/24 18) Board and sub-committee meetings, overall attendance at the meetings was 89% (2023/24 89%).

#### *Pay policy for key management personnel*

The key management personnel are paid on Grades 1-3 of a 7 point ranking that is used for all managerial and administrative support staff. The grades all have a scale with a minimum appointment rate, standard job value and maximum job rate. Progress towards the top of the scale is through performance not length of service.

An Executive Pay Committee, with Trustee input, determines any performance related pay increases for Grades 3-7. Pay increases for the CEO and Directors (Grades 1 and 2) are determined solely by the Trustees and limited by the confines of the scales that are transparently published within the Charity.

No bonuses are paid to key management and employer pension contributions are set at 5% of salary for all eligible Break employees.

**REPORT OF THE BOARD OF TRUSTEES (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)  
FOR THE YEAR ENDED 31 March 2025**

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***Risk Management***

The Trustees believe that the major risks to which the Charity are exposed to have been identified, reviewed and assessed. Systems are established to mitigate those risks, The principal risks and uncertainties and the response to specific risks are set out on Page 12.

***Fundraising Practices***

Break manages all its fundraising activities in-house and does not use external, professional fundraisers. Members of Break's fundraising team organise and support fundraising events and activities for our corporate, community and individual supporters. Commercial participators are exclusively involved with the GoGoSculpture trails by written agreement with Break. Break complies with the Fundraising Regulator's Code of Fundraising Practice.

No complaints about fundraising activity were received in the year (2023/24 – none).

Break has signed up to the Fundraising Regulator's Code of Fundraising Practice and is a member of the Chartered Institute of Fundraising. All of Break's fundraising guidance and working practices are compliant. Some of the staff in the fundraising team are also individual members of the Chartered Institute of Fundraising. Volunteer fundraisers are given a full induction and briefing before they raise funds for Break.

All direct marketing is undertaken by the fundraising department. It is neither unreasonably intrusive or persistent and is only sent to people who have consented to engage with Break. Break never make cold calls. All marketing material or information sent from Break contains clear instructions on how a person can remove themselves from mailing lists. All of Break's processes are GDPR compliant. Break's work is with vulnerable people and Break has an agreed operating procedure to protect vulnerable people. All Break's fundraisers are familiarised with the Code of Fundraising Practice to ensure that it is applied properly.

***Staff and volunteers***

Break's staff and volunteers are critical to the ongoing success of the Charity. Their time, skill, passion and dedication ensure Break is able to deliver the best possible services for the children and families supported. Break's volunteers continue to provide invaluable input throughout the Charity, but especially to the retail operations. A conservative estimate of their contribution to the Charity is equivalent to £325,000 (2023/24 - £300,000) of paid salary hours.

***Employee engagement***

Break actively encourages the engagement of employees and welcomes constructive comments on the running of the Charity. The principal structure for this is the Staff Consultation Forum, a staff body of 25 representatives from all disciplines, departments and services. The Forum meets four times a year and is attended by senior members of the Executive and Trustees.

We also carried out an Employee Engagement Questionnaire this year and, based on the feedback, have changed the way we work. Some of the changes we made are:

- Wider engagement of the Leadership Team across the organisation
- Delivering training across the region rather than being Norwich centric
- Updating our staffing benefits packages and Long Service Awards
- Developing an internal communications platform – Viva Engage – to ensure all colleagues keep up to date.
- Developing and encouraging a Trauma Informed approach
- Discussing topics such as EDI in the workplace

Break maintained the Gold standard in Investors in People and we continue to develop our engagement activity through well-being groups, staff champions and regular communication of key messaging.

Break continued the communication with employees and volunteers during the year. The frequency of a news update from the CEO remained weekly.

## Break

### REPORT OF THE BOARD OF TRUSTEES (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) FOR THE YEAR ENDED 31 March 2025

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#### ***Policy for employment of disabled persons***

Break welcomes applications for employment from all prospective employees regardless of disabilities. Break is committed to developing practices that not only meet the requirements of equalities legislation but which actively promote equality of opportunity and maximise the abilities, skills, and experience of all employees. Break already has the Department for Work and Pensions designation of "Disability Confident – Committed" and is working towards recognition at an enhanced level of this scheme.

Break's commitment is to ensure that employees are managed in an inclusive way, taking into account individual differences and giving employees the confidence to disclose a disability should they so wish. If an employee discloses that they have a disability or become disabled during the course of their employment we will engage in a discussion with them to determine what they need to be successful in their role and seek to make reasonable adjustments to facilitate this. These could include, for example, training, specialist technology or equipment. In deciding what is reasonable, the practicalities and resources available to Break, including through the government funded "Access to work scheme", are taken into account.

#### ***The Environment***

We are committed to improving our environmental awareness and reducing the impact of the Charity on our environment, both now and in the future. We recognise climate change is one of the most serious environmental challengers currently threatening the global community and we understand we have a role to play in reducing greenhouse gas emissions.

We are continuously monitoring the way in which we work and taking on learnings to improve and adapt those ways to have a more positive impact on the environment, these include

- Using Microsoft teams for meetings, which has not only meant the need not to travel to locations, but has also enabled meetings to happen sooner as they take up less time as no travel required.
- Introducing hybrid working practices reducing our staff's private travel
- Replacing boilers at our properties to more efficient ones as they come up for replacement.
- Improving lighting systems by changing to LEDs
- Installing smart heating devices to properties
- Adding 3 electric vehicles to the fleet

We have mapped 12 months of continuous consumption data for of our premises the table below details the usage across the Charity. The period covered was the calendar year to 31 December 2024. The BEIS' greenhouse gas conversion factors for company reporting, published in June 2024 were used in the calculations. The main increase in usage relates to travel, this has increased as we are visiting our young people more often than we did when we came out of lockdown to give them the 1:1 in person support that helps make a difference to them.

	Jan - Dec 2024		Jan - Dec 2023	
	Use in Kwh	Carbon Emissions tCO <sub>2</sub> e	Use in Kwh	Carbon Emissions tCO <sub>2</sub> e
Total electric use	789,109	164	737,615	153
Total gas use	496,695	114	548,321	126
Total transport fuel	363,460	224	256,777	173
Total energy from other fuels	196,536	43	172,721	38
Total energy use (all sources)	1,845,800	545	1,715,434	490
Total estate size		11,562sqm		12,124sqm
Carbon intensity ratio		47.14KgCO <sub>2</sub> e per sqm		40.41KgCO <sub>2</sub> e per sqm

We will map out where investment can be prioritised to achieve greatest impact as part of our facilities review plan. Further work needs to be done to routinely monitor water consumption and waste to further stretch our environmental impact reduction targets. We will be looking at our procurement of services and how we can improve our impact on the environment.

**Break**

**REPORT OF THE BOARD OF TRUSTEES (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)**

**FOR THE YEAR ENDED 31 March 2025**

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***Responsibilities of the Board of Trustees***

The Board of Trustees (who are also directors of Break for the purposes of company law) are responsible for preparing the Report of the Board and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Board of Trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Board of Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS102);
- 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 charitable company will continue in operation.

The Board of Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

***Auditor***

Following a competitive tender process in 2023 the Board appointed Price Bailey LLP as the Charity's auditors from the year ended 31 March 2023 and will recommend to the AGM that they should continue to be engaged as auditors for the forthcoming year.

***Disclosure of information to the auditor***

We, the directors of the company who held office at the date of approval of these Financial Statements as set out above each confirm, so far as we are aware, that:

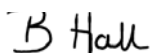
- there is no relevant audit information of which the company's auditor is unaware; and
- we have taken all the steps that we ought to have taken as directors to make ourselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

We have disclosed to the company's auditor all forecasts and workings based on current knowledge and actions, including the effect on cash flow, reserves and funds, to validate our conclusion that Break's accounts should be prepared on a going-concern basis.

The Board of Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

In approving the Trustees' Annual Report, we also approve the Strategic Report in our capacity as company directors.

Approved by the Board of Trustees on 28<sup>th</sup> July 2025 and signed on its behalf by:



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Bev Hall (Dec 11, 2025, 2:59pm)

Beverley Hall, Trustee

**Break**

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS**

**FOR THE YEAR ENDED 31 March 2025**

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### **Opinion**

We have audited the financial statements of Break (the 'charitable company') for the year ended 31 March 2025 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including 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 March 2025, 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 charitable company 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 charitable company'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 trustees 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.

**Break**

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS**

**FOR THE YEAR ENDED 31 March 2025**

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### **Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the trustees' report (incorporating the strategic report and directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report (incorporating the strategic report and directors' report) has been prepared in accordance with applicable legal requirements.

### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' 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 and sufficient accounting records have not been kept by the charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the charitable company's 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.

### **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors of the charitable company for the purposes 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 charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

We have been appointed auditor under the Companies Act 2006 and report in accordance with this Act.

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

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

**Break**

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS**

**FOR THE YEAR ENDED 31 March 2025**

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We gained an understanding of the legal and regulatory framework applicable to the charity and how it operates and considered the risk of the charity not complying with the applicable laws and regulations including fraud, in particular those that could have a material impact on the financial statements. This included those regulations directly related to the financial statements. In relation to the charitable company this included employment law, financial reporting, data protection and health & safety.

The risks were discussed with the audit team and we remained alert to any indications of non-compliance throughout the audit. We carried out specific procedures to address the risks identified. These included the following:

- Management override: We reviewed systems and procedures to identify potential areas of management override risk. In particular, we carried out testing of journal entries and other adjustments for appropriateness.
- We reviewed minutes of Trustee meetings, any correspondence with the Charity Commission, agreeing the financial statement disclosures to underlying supporting documentation, and made enquiries of management including those responsible for the key regulations. We have reviewed the procedures in place for reporting of incidents to the Trustee Board and, escalation procedures and serious incident reporting of these matters as necessary with the Charity Commission.
- We have made enquiries of management and trustees of the charitable company regarding laws and regulations applicable to the organisation.
- We reviewed the risk management processes and procedures in place including a review of this document by the Board of Trustees.

Because of 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 regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. This description forms part of our auditor's report.

Break

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS**

**FOR THE YEAR ENDED 31 March 2025**

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**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 and its trustees 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 and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



**Aaron Widdows ACA FCCA**  
**Senior Statutory Auditor**

For and on behalf of  
**PRICE BAILEY LLP**  
Chartered Accountants and Statutory Auditors

Anglia House 6 Central Avenue  
St Andrews Business Park  
Thorpe St Andrew  
Norwich  
NR7 0HR

Date: .... 17 December 2025

Break

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 31 March 2025

	Note	Unrestricted Funds £000	Designated Funds £000	Restricted Funds £000	2025 Total £000	2024 Total £000
<b>Income from:</b>						
Donations and legacies	2	331	661	978	1,970	1,620
Charitable activities	3	9,460	-	535	9,995	8,966
Other trading activities	4	4,626	1	-	4,627	4,680
Investments	5	20	-	-	20	40
Other	6	8	-	-	8	1
<b>Total</b>		<b>14,445</b>	<b>662</b>	<b>1,513</b>	<b>16,620</b>	<b>15,307</b>
<b>Expenditure on:</b>						
Raising funds	7	4,752	397	-	5,149	4,752
Charitable activities	7	9,745	48	1,613	11,406	10,863
<b>Total</b>	7	<b>14,497</b>	<b>445</b>	<b>1,613</b>	<b>16,555</b>	<b>15,615</b>
<b>Net expenditure</b>		<b>(52)</b>	<b>217</b>	<b>(100)</b>	<b>65</b>	<b>(308)</b>
<b>Transfers between funds</b>	20	<b>(92)</b>	<b>(15)</b>	<b>107</b>	<b>-</b>	<b>-</b>
Losses on revaluation of fixed assets	12	-	-	-	-	-
<b>Net movement in funds</b>		<b>(144)</b>	<b>202</b>	<b>7</b>	<b>65</b>	<b>(308)</b>
<b>Reconciliation of funds</b>						
Total funds brought forward		4,573	428	120	5,121	5,429
Total funds carried forward	20	4,429	630	127	5,186	5,121

The statement of financial activities includes all gains and losses in the year. All income and expenditure derives from continuing activities

The notes on pages 25 to 43 form part of these financial statements

Break

**BALANCE SHEET**

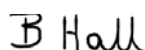
AS AT 31 March 2025

COMPANY NUMBER:01699685

	Note	2025		2024	
		£000	£000	£000	£000
<b>Fixed assets</b>					
Tangible fixed assets	12		3,975		3,862
Investments	13		8		8
			<u>3,983</u>		<u>3,870</u>
<b>Current assets</b>					
Stock	14	-		1	
Debtors	15	1,662		1,687	
Cash at bank and in hand	16	671		710	
		<u>2,333</u>		<u>2,398</u>	
<b>Current liabilities</b>					
Creditors: amounts falling due within one year	17	(1,009)		(984)	
			<u>1,324</u>		<u>1,414</u>
<b>Total assets less current liabilities</b>			<u>5,307</u>		<u>5,284</u>
<b>Long-term liabilities</b>					
Creditors: amounts falling due after more than one year	18		(121)		(163)
			<u>5,186</u>		<u>5,121</u>
<b>Total net assets</b>			<u>5,186</u>		<u>5,121</u>
<b>The funds of the Charity</b>					
<b>Restricted funds</b>	20		127		120
<b>Unrestricted funds</b>					
Designated funds	20	630		428	
General funds	20	3,767		3,911	
Revaluation reserve	20	662		662	
			<u>5,059</u>		<u>5,001</u>
			<u>5,186</u>		<u>5,121</u>

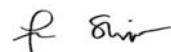
The financial statements were approved and authorised for issue by the Board of Trustees on 28<sup>th</sup> July 2025.

Signed on behalf of the Board of Trustees



Beverley Hall, Trustee

Bev Hall (Dec 11, 2025, 2:59pm)



Frank Shippam, Trustee

Frank Shippam (Dec 15, 2025, 9:53am)

The notes on pages 25 to 43 form part of these financial statements

Break

**CASH FLOW STATEMENT**

**FOR THE YEAR ENDED 31 March 2025**

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	Note	2025 £000	2024 £000
<b>Cash flows from operating activities</b>	23	<b>116</b>	<b>(471)</b>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(126)	(440)
Proceeds from the sale of tangible assets		-	-
Interest paid		(10)	(13)
Interest received		20	40
<b>Net cash flow from investing activities</b>		<b>(116)</b>	<b>(413)</b>
<b>Cash flows from financing activities</b>			
Repayment of mortgage		(39)	(44)
<b>Net cash flow from financing activities</b>		<b>(39)</b>	<b>(44)</b>
<b>Net decrease in cash and cash equivalents</b>		<b>(39)</b>	<b>(928)</b>
Cash and cash equivalents at 1 April 2025		710	1,638
<b>Cash and cash equivalents at 31 March 2025</b>		<b>671</b>	<b>710</b>
<b>Cash and cash equivalents consist of:</b>			
Cash at bank and in hand		304	246
Short term deposits		367	464
<b>Cash and cash equivalents at 31 March 2025</b>		<b>671</b>	<b>710</b>

The notes on pages 25 to 43 form part of these financial statements

Break

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 March 2025

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### 1. Accounting Policies

The Charity is a private company limited by guarantee registered in England and Wales. The address of the registered office is Schofield House, 1 Spar Road, Norwich, NR6 6BX.

The principal accounting policies, judgements and key sources of estimation and uncertainty adopted in the preparation of the financial statements are as follows:

#### a) Basis of preparation

The accounts (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 issued in October 2020, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

The Charity constitutes a public benefit entity as defined by FRS 102.

The financial statements are prepared under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in sterling which is the functional currency of the Charity and rounded to the nearest £000.

#### b) Judgements and key sources of estimation uncertainty

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 in the circumstances. The most significant of these judgements relates to the valuation of the Charity's properties as per accounting policy g) below

#### c) Going concern

The financial statements have been prepared on a going concern basis as the Trustees believe that no material uncertainties exist.

In particular, the Trustees have carefully considered all available information about the effect of inflationary pressures on the finances and operations of the Charity for 12 months from the time of approving these financial statements. The Trustees have had regard to information from budgets and forecasts for income, expenditure and cash-flow, including the availability of unrestricted funds and reserves.

The Trustees consider that the budgeted income and expenditure is sufficient with the level of reserves for the Charity to be able to continue as a going concern.

#### d) Group financial statements

The Charity's subsidiary company remained dormant for the year ended 31 March 2025 and has therefore not been consolidated.

#### e) Income

All income is included in the Statement of Financial Activities when the Charity is entitled to the income and the amount can be quantified with reasonable accuracy. Income is allocated as unrestricted and restricted in accordance with fund accounting rules. Analysis of restricted funds is detailed in note 20.

Break

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 March 2025

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### 1. Accounting Policies (continued)

The following specific policies are applied to particular categories of income:

Income from donations and legacies includes grants and donations and is included in full in the Statement of Financial Activities when receivable.

Legacies are included in the Statement of Financial Activities when the Charity becomes aware of its entitlement to the gift and the amount involved can be quantified, entitlement is the earlier of the Charity being notified of an impending distribution or the legacy being received. At this point income is recognised. On occasion legacies will be notified to the Charity however it is not possible to measure the amount expected to be distributed. On these occasions, the legacy is treated as a contingent asset and disclosed.

Government grants are received in respect of the Staying Close Staying Connected project. Income from government and other grants are recognised at fair value when the Charity has entitlement after any performance conditions have been met, it is probable that income will be received and the amount can be measured reliably. If entitlement is not met, then these amounts are deferred.

Donated goods, facilities and services are recognised in income at their fair value when their economic benefit is probable, it can be measured reliably, and the Charity has control over the item. Fair value is determined on the basis of the value of the gift to the Charity, for example the amount the Charity would be willing to pay on the open market for such facilities. A corresponding amount is included in expenditure.

Clothing and other items donated for resale through the Charity's shop are included as income within other trading activities when they are sold.

Income from investments is included when receivable.

Income from other trading activities is Received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

#### f) Expenditure

Expenditure is recognised on an accrual basis as a liability is incurred, split between unrestricted and restricted funds. An analysis of restricted funds is detailed in note 20.

Expenditure on raising funds comprises those costs associated with attracting donations and legacies and the costs of other trading activities including the Charity's shops.

Expenditure on charitable activities comprises those costs incurred in the delivery of services to beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs are those associated with meeting the constitution and statutory requirements of the Charity including the audit fees and costs linked to the strategic management of the Charity.

Identifiable direct costs are allocated between expenditure categories of the Statement of Financial Activities on an actual basis. All other costs are allocated on a departmental 'head count' basis.

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 March 2025

**1. Accounting Policies (continued)****g) Freehold property**

The Board have adopted a policy of revaluing freehold property as permitted by FRS 102. The Board have elected to conduct a periodic revaluation of the Charity's properties. The properties held by the Charity were revalued in June 2024 by Brown & Co - Property and Business Consultants LLP.

Freehold property is not depreciated on the basis that it relates to properties which have a very long useful life and the residual value is likely to be not materially different from the carrying amount. Annual impairment reviews are carried out. Where a revalued property's carrying amount exceeds its recoverable amount, an impairment loss is recognised as a revaluation decrease within the Statement of Financial Activities.

It is the policy of the Board to maintain all properties to a very high standard with all maintenance and refurbishment costs being charged to the Statement of Financial Activities.

**h) Tangible assets**

Tangible assets are initially recorded at cost and subsequently stated at cost less any accumulated depreciation and impairment losses. Assets costing over £2,500 are capitalised.

**i) Depreciation**

Depreciation is calculated to write off the cost or valuation less estimated residual values of tangible fixed assets, excluding freehold property (see above), over their estimated useful lives using the following rates:

Leasehold property	Over the period of the lease
Office furniture and fittings	15% straight line
Care homes furniture	20% straight line
Computer equipment and software	33 1/3% straight line
Motor vehicles	25% straight line

The expenditure on furnishing new care homes is capitalised and depreciated over five years. Expenditure on the replacement of furniture, fixtures and fittings is written off in the year the cost is incurred.

**j) Investments**

Investments in unquoted securities are included at a valuation estimated by the Board. Any gains or losses arising on revaluation are included in the Statement of Financial Activities.

**k) Leasing**

Rentals payable and receivable under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

**l) Pension schemes**

Break operates two defined contribution schemes. The assets of the schemes are held separately from those of Break in independently administered funds. The charge in the Statement of Financial Activities is the contribution payable by Break to the funds for the year.

Break

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 March 2025**

---

**1. Accounting Policies (continued)**

**m) Fund accounting**

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity.

Designated funds are funds that have been set aside by the Trustees for particular purposes.

Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of an appeal.

**n) Stock**

The fair value of donated stock has not been included in these accounts on the basis that it is impractical to obtain a fair value due to the volume of low-value items received and the absence of detailed stock control systems and records. New goods purchased for sale within the shops are measured at the lower of cost and net realisable value.

**o) Redundancies**

Where an obligation to make a redundancy or termination payment exists, the costs incurred by the Charity are accounted for on an accruals basis and included within employee benefits.

**p) Taxation**

The Charity is exempt from corporation tax as surplus income and gains are applied for charitable purposes.

**q) Debtors and creditors**

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

**r) Cash at bank**

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

Break

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 March 2025

2. Income from donations and legacies

	Unrestricted	Designated	Restricted	2025	2024
	£000	£000	£000	£000	£000
Grants & donations	331	377	294	1,002	914
Government Grants:-					
Service Delivery	-	-	683	683	670
Legacies	-	284	1	285	36
	<u>331</u>	<u>661</u>	<u>978</u>	<u>1,970</u>	<u>1,620</u>

Income from grants and donations in 2023/24 was £914k, of which, £320k was attributable to unrestricted funds, £244k to designated funds and £350k to restricted funds. Service Delivery Government Grants are for the Staying Close Staying Connected project.

Income from government grants in 2023/24 was £670k, of which all was attributable to restricted funds.

Income from legacies in 2023/24 was £36k of which all was attributable to unrestricted funds.

3. Income from charitable activities

	Unrestricted	Designated	Restricted	2025	2024
	£000	£000	£000	£000	£000
Fees for care services	9,452	-	-	9,452	8,400
Housing income	-	-	535	535	560
Training income	8	-	-	8	6
	<u>9,460</u>	<u>-</u>	<u>535</u>	<u>9,995</u>	<u>8,966</u>

Income from fees for care services in 2023/24 was £8,400k, of which, £8,400k was attributable to unrestricted funds, and £0k to restricted funds.

Income from housing income in 2023/24 was £560k, of which and £557k was attributable to restricted funds and £3k to unrestricted funds.

Income from training income in 2023/24 was (£6k) of which all was attributable to unrestricted funds.

**Break****NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31 March 2025****4. Income from other trading activities**

	<b>2025</b>	2024
	<b>Unrestricted</b>	Unrestricted
	<b>£000</b>	£000
Fundraising sale of new goods	<b>1</b>	2
Coffee van sales	<b>15</b>	14
Retail income – see analysis below	<b>4,611</b>	4,664
	<u><b>4,627</b></u>	<u>4,680</u>

Included within Fundraising sale of new goods is £1k relating to designated income (2023/24 £1k)

<b>Analysis of retail income</b>	<b>2025</b>		2024	
	<b>£000</b>	<b>£000</b>	£000	£000
Retail income	<b>4,599</b>		4,652	
*Sale of new goods	<b>12</b>		12	
Insurance income (Note 6)	<b>7</b>		-	
		<u><b>4,618</b></u>		<u>4,664</u>
Retail costs		<u><b>(4,327)</b></u>		<u>(4,107)</u>
Surplus		<u><b>291</b></u>		<u>557</u>

\*All goods, except where stated above, sold in Break's shops have been donated.

**5. Income from investments**

	<b>Unrestricted</b>	Unrestricted
	<b>2025</b>	2024
	<b>£000</b>	£000
Interest receivable	<b>20</b>	40
	<u><b>20</b></u>	<u>40</u>

**6. Other income**

	<b>Unrestricted</b>	Unrestricted
	<b>2025</b>	2024
	<b>£000</b>	£000
Miscellaneous income	<b>8</b>	1
	<u><b>8</b></u>	<u>1</u>

Break

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 March 2025

7. Analysis of expenditure by activity

<b>31.03.2025</b>	<b>Direct costs £000</b>	<b>Support costs £000</b>	<b>2025 Total £000</b>	<b>2024 Total £000</b>
<i>Charitable expenditure</i>				
Young people in care	4,922	1,076	<b>5,998</b>	4,495
Children with disabilities	2,490	574	<b>3,064</b>	2,999
Family support	616	166	<b>782</b>	1,675
Children at risk	1,285	288	<b>1,573</b>	1,638
Support services		(11)	<b>(11)</b>	56
	<hr/>	<hr/>	<hr/>	<hr/>
	9,313	2,093	<b>11,406</b>	10,863
<i>Raising funds</i>				
Retail and other trading activities	3,897	445	<b>4,342</b>	4,122
Fundraising	746	61	<b>807</b>	630
	<hr/>	<hr/>	<hr/>	<hr/>
	4,643	506	<b>5,149</b>	4,752
	<hr/>	<hr/>	<hr/>	<hr/>
	13,956	2,599	<b>16,555</b>	15,615
	<hr/>	<hr/>	<hr/>	<hr/>

Charitable expenditure includes £1,613k attributed to restricted funds (2023/24 £1,606k) and £48k (2023/24 £172k) relating to designated funds, all other expenditure was unrestricted.

Expenditure on raising funds includes £Nil (2023/24 £Nil) attributed to restricted funds and £397k (2023/24 £269k) relating to designated funds, all other expenditure was unrestricted.

<b>31.03.2024</b>	<b>Direct costs £000</b>	<b>Support costs £000</b>	<b>2024 Total £000</b>	<b>2023 Total £000</b>
<i>Charitable expenditure</i>				
Young people in care	3,764	731	<b>4,495</b>	3,674
Children with disabilities	2,437	562	<b>2,999</b>	3,066
Family support	1,318	357	<b>1,675</b>	1,637
Children at risk	1,310	328	<b>1,638</b>	1,757
Support services	-	56	<b>56</b>	34
	<hr/>	<hr/>	<hr/>	<hr/>
	8,829	2,034	<b>10,863</b>	10,168
<i>Raising funds</i>				
Retail and other trading activities	3,675	447	<b>4,122</b>	3,751
Fundraising	575	55	<b>630</b>	582
	<hr/>	<hr/>	<hr/>	<hr/>
	4,250	502	<b>4,752</b>	4,333
	<hr/>	<hr/>	<hr/>	<hr/>
	13,079	2,536	<b>15,615</b>	14,501
	<hr/>	<hr/>	<hr/>	<hr/>

Charitable expenditure includes £1,606k attributed to restricted funds (2022/23 £1,705k) and £172k (2022/23 £309k) relating to designated funds, all other expenditure was unrestricted.

Expenditure on raising funds includes £Nil (2022/23 £Nil) attributed to restricted funds and £269k (2022/23 £297k) relating to designated funds, all other expenditure was unrestricted

Break

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 March 2025

**Governance costs**

	<b>2025</b>	2024
	<b>£000</b>	£000
Governance costs (included within support costs below) comprise:		
Salaries	48	32
Travel	-	4
Audit fees	16	15
Auditors' remuneration for taxation and services	-	-
Other professional fees and support costs	11	3
	<u>75</u>	<u>54</u>
<b>Expenditure includes:</b>		
Depreciation (owned assets)	13	15
(Profit) / loss on disposal of assets	1	-
Operating lease rentals land and buildings	884	901
Auditors' remuneration	17	15
Trustee indemnity insurance	2	2
	<u>927</u>	<u>933</u>

**8. Analysis of support costs**

	<i>Basis of allocation</i>	<b>2025</b>	2024
		<b>£000</b>	£000
<i>Direct support costs</i>			
Operational management	Direct expenditure	590	540
Training	Head count	215	274
Maintenance	Direct expenditure	239	202
		<u>1,044</u>	<u>1,016</u>
<i>Central overheads</i>			
Head office establishment	Direct expenditure	173	213
Finance	Direct expenditure	282	269
Health and safety	Head count	123	137
Human resources	Head count	354	328
Information technology	Head count	184	186
Communications	Direct expenditure	225	187
Chief Executive's office / governance	Direct expenditure	214	200
		<u>1,555</u>	<u>1,520</u>
Total		<u>2,599</u>	<u>2,536</u>

**9. Interest payable**

	<b>2025</b>	2024
	<b>£000</b>	£000
On mortgages not wholly repayable within five years	10	13

Break

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 March 2025

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### 10. Staff costs

	2025	2024
	£000	£000
Wages and salaries	10,011	9,213
Social security costs	891	786
Pension contributions and life insurance	537	465
	<hr/>	<hr/>
	11,439	10,464
	<hr/>	<hr/>

The figure for staff costs includes taxable benefits of £28k in relation to life assurance (2023/24 £28k)

The number of employees who received total employee benefits (excluding employer pension costs of more than £60,000) is as follows:

	2025	2024
	No.	No.
£60,000 to £69,999	2	3
£70,000 to £79,999	-	-
£80,000 to £89,999	-	1

The average number of employees, excluding Board members, during the year were:

	2025	2024
	No.	No.
Care	241	256
Retail	156	146
Fundraising	7	7
Administration	44	42
	<hr/>	<hr/>
	448	451
	<hr/>	<hr/>

The average number of full time equivalents employed during 2025 was; Care 177 (2023/24 180); Retail 76 (2023/24 76); Fundraising 7 (2023/24 7); Administration 36 (2023/24 35)

Redundancy/termination payments of £81k (2023/24 £156k) were made in the year. No amounts were outstanding at the year end (2023/24 £Nil).

### 11. Trustees' and key management personnel's remuneration and expenses

No members of the Board received any remuneration during the year.

No members of the Board received expenses in the course of their duties during the year in respect of travelling and subsistence (2023/24 £Nil).

Key management personnel are considered to be the Chief Executive and the Executive team as detailed on Page 1. The total amount of employee benefits received by key personnel is £367k (2023/24 £388k).

Break

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 March 2025

12. Tangible fixed assets

	Freehold property £000	Leasehold property £000	Furniture, fixtures and fittings £000	Computer equipment and software £000	Motor vehicles £000	Total £000
<b>Cost or valuation</b>						
At 1 April 2024	3,840	359	685	178	82	5,144
Additions	115	-	-	-	11	126
Disposals	-	(112)	(262)	(55)	-	(429)
At 31 March 2025	3,955	247	423	123	93	4,841
<b>Depreciation</b>						
At 1 April 2024	-	346	684	178	74	1,282
Charge for the year	-	6	-	-	7	13
Disposals	-	(112)	(262)	(55)	-	(429)
At 31 March 2025	-	240	422	123	81	867
<b>Net book value</b>						
<b>At 31 March 2025</b>	<b>3,955</b>	<b>7</b>	<b>1</b>	<b>-</b>	<b>12</b>	<b>3,975</b>
At 31 March 2024	3,840	13	1	-	8	3,862

All fixed assets are held for charitable purposes. All freehold property is non-depreciable.

The freehold properties were revalued in June 2024 by an independent registered Chartered Surveyor. The properties are valued on the basis of them being converted back to residential private dwellings except for two of the properties (Nelson Lodge and Morley House) which are valued on the basis of alternative use as offices. Expenditure to convert the properties for sale has been taken into account in the valuations. The Board have adopted a policy of revaluing freehold property as permitted by FRS 102 and will review the need for revaluation of the Charity's properties on an annual basis. As at 31 March 2025, the Trustees consider the current valuations for property to be correct.

On an historical cost basis, the cost and depreciation of these freehold properties would have been as follows:

	2025		2024	
	Cost £000	Depreciation £000	Cost £000	Depreciation £000
Freehold property	4,227	747	4,113	706

Break

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 March 2025

13. Fixed asset investments

Investment holdings

	Unquoted investments £000	Total 2025 £000	2024 £000
Market value at 1 April 2024	8	8	8
Market value at 31 March 2025	8	8	8

Unquoted investments

		2025 £000	2024 £000
Subsidiary undertaking:			
Break Trading Company Limited		-	-
Helpcards Holdings Limited (0.67% holding)		8	8
		8	8

The investment of £100 in Break Trading Company Limited (01300043), a company incorporated in England, represents 100% of the issued share capital of that company. The company has remained dormant throughout the year. The aggregate amount of net assets attributable to Break is £Nil (2024/23 £Nil). As at 31 March 2025 the company owed £877 (2024/23 £877) to Break.

In the opinion of the Board, on the basis of income received, the value of the investments in Helpcards Holdings Limited is unchanged from 2023/24.

14. Stocks

	2025 £000	2024 £000
Retail goods for resale	-	1

15. Debtors

	2025 £000	2024 £000
Trade debtors	796	885
Accrued income	439	410
Other debtors	138	152
Prepayments	289	240
	1,662	1,687

Break

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 March 2025

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16. Cash in bank and in hand

	<b>2025</b>	2024
	<b>£000</b>	£000
Current accounts	<b>268</b>	208
Treasury and other deposits	<b>367</b>	464
Cash in hand and imprest accounts	<b>36</b>	38
	<hr/> <b>671</b> <hr/>	<hr/> 710 <hr/>

17. Creditors: amounts falling due within one year

	<b>2025</b>	2024
	<b>£000</b>	£000
Mortgages	<b>43</b>	40
Trade creditors	<b>410</b>	383
Social security and other taxes	<b>197</b>	198
Accruals	<b>174</b>	165
Deferred income	<b>97</b>	111
Other creditors	<b>88</b>	87
	<hr/> <b>1,009</b> <hr/>	<hr/> 984 <hr/>
Secured creditors included above are as follows:		
Mortgages: Secured by fixed charges over the Charity's freehold properties	<b>43</b>	40
Deferred income included above is as follows:		
Brought forward	<b>111</b>	41
Released during the year	<b>(111)</b>	(41)
Deferred during the year	<b>97</b>	111
Carried forward	<hr/> <b>97</b> <hr/>	<hr/> 111 <hr/>

Deferred income relates to grant income deferred to the period in which delivery and expenditure will occur.

Break

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 March 2025

18. Creditors: amounts falling due after more than one year

	<b>2025</b> <b>£000</b>	2024 £000
Mortgages: secured by fixed charges over the Charity's freehold properties	<b>121</b>	163
Mortgages are analysed as follows:		
Between one and two years	<b>28</b>	43
Between two and five years	<b>36</b>	51
Over five years	<b>57</b>	69
	<b>121</b>	163
Within one year	<b>43</b>	40
	<b>164</b>	203

Mortgages include loans outstanding of £164k (£43k < 1 year, £121k > 1 year) which were drawn from Lloyds Bank plc in September 2011 repayable over 15 years at a variable rate of 2.25% above the Bank of England Base Rate, and a further loan also drawn from Lloyds Bank plc in April 2019 repayable over 15 years at a fixed rate of 4.58%. The loans are secured on various freehold properties.

19. Operating lease commitments

The total future minimum lease payments under non-cancellable operating leases are as follows:

	<b>Land &amp; buildings</b> <b>2025</b> <b>£000</b>	Land & buildings 2024 £000	<b>Motor vehicles</b> <b>2025</b> <b>£000</b>	Motor vehicles 2024 £000
Not later than 1 year	<b>402</b>	<b>452</b>	<b>133</b>	<b>161</b>
Later than 1 year and not later than 5 years	<b>725</b>	<b>655</b>	<b>82</b>	<b>230</b>
Later than 5 years	<b>290</b>	<b>332</b>	-	-
	<b>1,417</b>	<b>1,439</b>	<b>215</b>	<b>391</b>

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 March 2025

## 20. Funds

2024/25

	Balance as at 01.04.24 £000	Income £000	Expenditure £000	Transfers £000	Balance as at 31.03.25 £000
<b>Restricted Funds</b>					
Centre funds	8	21	(17)	-	12
SCSC	67	1,236	(1,194)	-	109
Young Persons Celebration	1	-	-	-	1
Norwich Consolidated Charities	2	-	(1)	(1)	-
Staying on Track	30	12	(77)	35	-
Fostering Futures	-	-	-	-	-
Mentoring	-	46	(49)	3	-
Make a dream	14	6	(16)	-	4
Opportunities Team	(2)	188	(255)	70	1
Fundraising	-	3	(3)	-	-
Retail	-	1	(1)	-	-
	<u>120</u>	<u>1,513</u>	<u>(1,613)</u>	<u>107</u>	<u>127</u>
<b>Designated Funds</b>					
Wellbeing & Services Added Value (My Break 50)	31	-	(20)	17	28
Commercial Development	50	284	-	(224)	110
Apprenticeships	86	-	(24)	-	62
Cambridge Trail	91	-	-	(56)	35
Go-Go Discover	25	223	(267)	21	2
Standing Tall Trail	(45)	155	(130)	20	-
Go-Go Break	40	-	(4)	207	243
Building repairs	150	-	-	-	150
	<u>428</u>	<u>662</u>	<u>(445)</u>	<u>(15)</u>	<u>630</u>
<b>Unrestricted Funds</b>					
Revaluation reserve	662	-	-	-	662
General Funds	3,911	14,445	(14,497)	(92)	3,767
	<u>4,573</u>	<u>14,445</u>	<u>(14,497)</u>	<u>(92)</u>	<u>4,429</u>
Total unrestricted funds	<u>5,001</u>	<u>15,107</u>	<u>(14,942)</u>	<u>(107)</u>	<u>5,059</u>
<b>Total Funds</b>	<u><b>5,121</b></u>	<u><b>16,620</b></u>	<u><b>(16,555)</b></u>	<u><b>-</b></u>	<u><b>5,186</b></u>

Break

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 March 2025

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### Transfers Between funds 2024/25

During the year transfers were made between funds as follows:-

**Staying on Track, Mentoring and Opportunities team** – Funds transferred from the Designated Go-Go Discover fund to cover shortfall of income in service. Norwich Consolidated Charities transfer to cover costs included in other cost centre.

**Cambridge Trail** – Monies transferred to the Staying on Track project that works with young people in Cambridge.

**Commercial Development** – Monies transferred to the GoGo fund to support delivery in 2025/26.

### Transfers Between funds 2023/24

During the year transfers were made between funds as follows:-

**SCSC, Education Officer and Opportunities** – Funds transferred from the Designated Go-Go Discover fund to cover shortfall of income in service.

**Commercial Development** – £150k has been transferred from unrestricted funds to fund future tender and bid support.

**Go-Go Discover** – These funds have been used to support SCSC, Education Officer and Opportunities as above, with the balance then transferred into the Go-Go Break fund.

**Building Repairs** – £52k has been transferred from unrestricted funds to cover future repair costs across the organisations buildings.

Break

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 March 2025

Funds (continued)

2023/24

	Balance as at 01.04.23 £000	Income £000	Expenditure £000	Transfers £000	Balance as at 31.03.24 £000
<b>Restricted Funds</b>					
Centre funds	17	9	(18)	-	8
SCSC	3	1,231	(1,168)	1	67
Young Persons Celebration	1	-	-	-	1
Norwich Consolidated Charities	14	-	(12)	-	2
Staying on Track	32	89	(91)	-	30
Fostering Futures	-	93	(92)	(1)	-
Mentoring	1	9	(23)	13	-
Make a dream	-	18	(4)	-	14
Opportunities Team	47	128	(198)	21	(2)
	<u>115</u>	<u>1,577</u>	<u>(1,606)</u>	<u>34</u>	<u>120</u>
<b>Designated Funds</b>					
Wellbeing & Services Added Value (My Break 50)	51	-	(20)	-	31
Commercial Development	200	-	-	(150)	50
Apprenticeships	102	-	(16)	-	86
Cambridge Trail	91	-	-	-	91
Go-Go Discover	-	110	(51)	(34)	25
Standing Tall Trail	38	135	(218)	-	(45)
Go-Go Break	176	-	(136)	-	40
Building repairs	150	-	-	-	150
	<u>808</u>	<u>245</u>	<u>(441)</u>	<u>(184)</u>	<u>428</u>
<b>Unrestricted Funds</b>					
Revaluation reserve	662	-	-	-	662
General Funds	3,844	13,485	(13,568)	150	3,911
	<u>4,506</u>	<u>13,485</u>	<u>(13,568)</u>	<u>150</u>	<u>4,573</u>
Total unrestricted funds	<u>5,314</u>	<u>13,730</u>	<u>(14,009)</u>	<u>(34)</u>	<u>5,004</u>
<b>Total Funds</b>	<u><u>5,429</u></u>	<u><u>15,307</u></u>	<u><u>(15,615)</u></u>	<u><u>-</u></u>	<u><u>5,121</u></u>

Break

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 March 2025

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### Restricted Funds

Centre funds - relates to all income restricted to spending on equipment etc. at the various care homes.

Staying Close Staying Connected (SCSC) - a programme funded by the Department for Education to provide housing and support for care leavers.

Young Persons' Celebration - grants from the A Boswell CT and the Ardwick Trust to support the YP's Celebration in 2024.

Norwich Consolidated Charities - Grant for a housing support worker in Norwich.

Staying on Track - a grant from Esmee Fairbairn Foundation to provide an emotional well-being service to young people aged 18 - 24.

Fostering Futures - a CHK funded project providing housing and support to foster care leavers.

Make a Dream - Project originally funded by the Free masons giving service users the chance to live out their dreams, funded from funds raised in the year.

Mentoring and Opportunities funds are specific funding received to carry out services in these areas.

### Designated Funds

Wellbeing and Service added value fund, provides wellbeing activities to staff throughout the organisation and added value to young people in services by accessing additional activities and resources outside statutory funding.

Commercial Development - a fund set up to provide start-up funding for innovative income generating projects.

Apprenticeships - a fund to create apprenticeship opportunities for our young people.

Cambridge Trail - a fund to provide development funding for the 2024 Cambridge Sculpture Trail and from the proceeds of the trail to invest in care services in Cambridgeshire.

Standing Tall Trail – a fund for the current live trail in Cambridge, funds to be transferred to the above fund once trail complete in summer of 2025.

Go-Go Discover - for income and expenditure for the future Go-Go Discover Trail.

Go-Go Break (Go-Go Hares renamed) - the profits of the Go-Go Trails used to support young people leaving care and services adding value to the organisation.

Building repairs - this fund has been created to set aside monies for major works to properties such as boiler replacement and roof repairs.

## 21. Analysis of net assets between funds

2024/25	Unrestricted £000	Designated £000	Restricted £000	Total £000
Tangible fixed assets	3,975	-	-	3,975
Investments	8	-	-	8
Current assets	1,576	630	127	2,333
Current liabilities	(1,009)	-	-	(1,009)
Long-term liabilities	(121)	-	-	(121)
<b>Total net assets</b>	<b>4,429</b>	<b>630</b>	<b>127</b>	<b>5,186</b>

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 March 2025

2023/24	Unrestricted £000	Designated £000	Restricted £000	Total £000
Tangible fixed assets	3,862	-	-	3,862
Investments	8	-	-	8
Current assets	1,850	428	120	2,398
Current liabilities	(984)	-	-	(984)
Long-term liabilities	(163)	-	-	(163)
<b>Total net assets</b>	<b>4,573</b>	<b>428</b>	<b>120</b>	<b>5,121</b>

**22. Company status**

Break is a company limited by guarantee and has no share capital. Each of the 9 (2023/24 - 9) members undertakes to contribute such amounts (not exceeding £10) as may be required in the event of a winding up.

**23. Reconciliation of net expenditure to net cash flow from operating activities**

	2025 £000	2024 £000
Net surplus/ (deficit) for the year	65	(308)
Interest receivable	(20)	(40)
Interest payable	10	13
Loss on disposal of tangible assets	1	-
Depreciation	13	15
Decrease / (Increase) in stock	1	(1)
Decrease / (Increase) in debtors	25	(454)
Increase in creditors	21	304
Net cash flow from operating activities	116	(471)

**24. Analysis of changes of net debt**

	At start of year £000	Cash flows £000	Other changes £000	At end of year £000
Cash	246	58	-	304
Cash equivalents	464	(97)	-	367
Loans falling due within 1 year	(40)	39	(42)	(43)
Loans falling due after more than 1 year	(163)	-	42	(121)
Total net assets	507	-	-	507

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 March 2025

**25. Pension and other post-retirement benefits**

## Defined contribution plans

The Charity operates a defined contribution pension plan for its employees. The amount recognised as an expense in the period was £482k (2023/24 £431k). At the year end £59k (2023/24 £60k) was payable to the scheme.

**26. Contingent liability**

On the retirement of two of the founders of Break in late 2002 and early 2003, the Charity entered into separate agreements with the retiring founders. Under the agreements, annual indexed linked payments of £3,500 were to be paid for life, with an additional 50% annual payment to the surviving spouse for their lifetime. This additional payment commenced in April 2017 upon the death of one of the retired founders. The current annual payment for the surviving spouse is £7,010 (2023/24 £7,010) per annum (as adjusted for inflationary increases). Based on standard actuarial assumptions, Break calculates the value of the future potential liability at £54k as at 31 March 2025 (2023/24 £61k).

This arrangement has been agreed by the Charity Commission.

**27. Contingent Asset**

In the year ended 31 March 2024 financial statements, the following disclosure was made regarding a post year end legacy receipt of £160,080. On the 4 January 2025 we were informed that we were a named charity in the will, but no Estate value was given. The payment was notified to us on the 9 May 2025. There are no contingent assets to disclose as at 31 March 2025.

**28. Related party transactions**

H Walker, spouse of R Cowdry, Chief Executive Officer (and a member of key management personnel), is employed by the Charity as a Grants and Growth Co-ordinator. H Walker's appointment was made in open competition and R Cowdry was not involved in the decision-making process regarding appointment. H Walker is paid within the normal pay scale for the role and receives no special treatment as a result of their relationship to the Chief Executive Officer.

**29. Financial instruments**

The carrying amounts of the Charity's financial instruments are as follows:

	<b>2025</b>	2024
	<b>£000</b>	£000
<b>Financial assets</b>		
<i>Equity instruments measured at cost less impairment:</i>		
Fixed asset unlisted investments	8	8
	<u>8</u>	<u>8</u>

**BREAK**

England & Wales - Charity number 286650

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# Accounts

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**Break**  
**(A company limited by guarantee)**

**REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 March 2024**

Charity number 286650  
Company number 01699685

**Break**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 March 2024**

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**Break****CHARITY REFERENCE AND ADMINISTRATIVE DETAILS****FOR THE YEAR ENDED 31 March 2024**

Charity Registration Number: 286650

Company Registration Number: 01699685

Registered Office and Operational Address: Schofield House  
1 Spar Road  
Norwich  
Norfolk  
NR6 6BX

**Board of Trustees**

		<b>Sub Committee member</b>
Mrs B Hall B.Ed (Hons) NPQH, PgD, SSStJ	(Chair)	Ca, No
Mr F M E Shippam FCA, DChA	(Treasurer)	Fi
Mrs J Allan		In
Mrs N Bramford LLB		Ca
Mrs M Corti FCCA, MBA	(resigned 04.01.24)	Ca, No, Fi, Ri
Mr N Dobson		Fi, In
Mr S Fowler TD, LLB	(resigned 27.07.23)	Ca, No
Mrs S Harvey	(resigned 17.07.23)	Ri
Mrs S Healey	(appointed 03.04.24)	Ri
Mr T Krykant		In
Mrs P Ledward	(resigned 07.03.24)	Ca
Mr G Lindsay	(appointed 23.05.24)	Fi, Ri
Mrs A L Ovens FCCA, DiplFR, MloD	(resigned 17.07.23)	Fi, In
Mr J Sam MBCS, CITP, MloD		No, In, Ri
Mr E Sutaria	(appt 24.04.23,res'd 27.07.23)	Ca, In

Sub committee groups:- Ca = Care, Fi = Finance, In = Income Generation, Ri = Risk HR & Governance, No = Nominations

**Presidents and Co-founders**

Mrs J A Davison  
Reverend Canon L J Morley

**Chief Executive Officer**

Ms R Cowdry BA (Hons), MA DipSW, Diploma

**Executive Team**

Mr A Flack FCCA (Director of Finance)  
Mrs R Leslie BA (Hons) MA DIPSW (Director of Care Services)  
Mr D Crouch BSc (Hons) (Director of Income Generation)  
Mr D Lummis (Assistant Director of Care)

**Company Secretary**

Mr A Flack

**Auditor**

Price Bailey LLP, Anglia House 6 Central Avenue St Andrews Business Park Thorpe St Andrew NR7 0HR

**Solicitors**

Butcher Andrews, 1 Old Post Office Street, Fakenham, Norfolk, NR21 9BL  
Clapham & Collinge, St Catherine's House, All Saints Green, Norwich NR1 3GA

**Bankers**

Lloyds Bank plc, The Undercroft, Queens Street, Norwich, NR2 4SG

## **Break**

### **REPORT OF THE BOARD OF TRUSTEES (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)**

#### **FOR THE YEAR ENDED 31 March 2024**

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The Trustees, who are also directors for the purposes of company law, present their report and the audited financial statements of the Charity for the year ended 31 March 2024 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

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 Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, 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 published in October 2019.

### **Trustees of the Charity**

The Trustees who have served during the year and since the year end are shown on Page 1.

### **Objectives and Activities**

The Memorandum and Articles of Association state that Break's charitable objectives and principal activities are:-

- The relief of the needs of persons who are sick, disabled (whether physically or mentally), disadvantaged, infirm or who have learning disabilities or other special needs and of children who come from poor or deprived backgrounds
- The advancement of the education and training of any persons who fall within the categories specified above
- The relief of the needs of persons who experience emotional and behavioural disorders
- The relief of the needs and the support of families of any persons falling into the categories specified

The objectives and aims are achieved by the implementation of individual unit and departmental business plans.

The objectives have been met by providing the following services:-

- Activity Breaks delivered across Norfolk and Short Breaks at Nelson Lodge in Long Stratton
- Family Assessments delivered at Hazeldene, an Ofsted registered Centre in Lowestoft, Suffolk
- Ten Children's Homes across Norfolk, Suffolk and Cambridgeshire (including Trafalgar Lodge in Long Stratton and Morley House in Kings Lynn, both for children with learning disabilities)
- Break Therapeutic Service across Norfolk
- Fostering
- Staying Connected Team
- Opportunities Team

Break's policy is to work in partnership with Local Authorities, Housing Associations and other relevant agencies to provide the best possible service. We maintain strong working connections with Norfolk County Council Children's Services and work closely with Cambridgeshire/Peterborough and Suffolk Children's Services on a range of successful projects and commissioned placements.

***Public Benefit Statement***

The Board have paid due regard to the Charity Commission's guidance on public benefit.

In the terms of the Charities Act 2011, Break's Objectives fall within two definitions of charitable activity, "the relief of those in need by reason of ill-health, disability or other disadvantage" and "the advancement of education". On both counts Break provides benefits, irrespective of their financial circumstances, to a number of distinct groups of the public including: children and young people; families; and young people with learning and physical difficulties.

Detailed information on the services provided, and the benefits which accrue to the service users, is set out in this Report and on the Break website, [www.break-charity.org](http://www.break-charity.org)

**Strategic Report**

**A) Achievements and Performance**

We support a wide range of young people across East Anglia to achieve great things. We are proud to push the boundaries of innovation. We have co-production at the heart of the services we provide for our young people, enabling them to influence both their own future and the development of our Charity.

**OUR VISION**

Break will strive to ensure all young people, whatever their start in life, have equal opportunities and the relationships they need to succeed.

**OUR MISSION**

Giving children on the edge of care, in care and leaving care the love, support and ambition they need

**OUR VALUES**

- We inspire and create hope.
- We are optimistic.
- We make a difference.
- We do the right thing.
- We are inclusive.
- We listen to and respect all individuals

## Break

### REPORT OF THE BOARD OF TRUSTEES (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

#### FOR THE YEAR ENDED 31 March 2024

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#### ***A safe place to call home for looked after children***

At Break we are proud that our **children's homes** are somewhere safe that young people can call home, with adults who love, care and look out for them. We provide a home where young people can belong, begin to flourish and embrace their future with confidence and hope.

Every year we have young people move in and out of our homes but not our hearts. Although young people move on from our homes that is not where our support stops as we are with our young people through their life through our other services.

In the year, we **cared for 17 (2023/23 - 21) young people** within our four homes. All four of the homes are rated as 'Good' by Ofsted. Our average length of placement at the end of March 2024 was 2.1 years (2023 1.6), 4 of our current 13 young people living in our homes moved in over the last year. At 31 March 2024, 60% (2023/23 – 60%) of the young people living in our children's homes were in full time education.

In 2020, Norfolk County Council recognised a requirement for more specialist services to meet the needs of the most complex young people in their care. We have two homes dedicated to this service in Norfolk and during the year were successful through a tender process to open 3 similar homes in Suffolk, 2 of which were operational at the year end, with the third to open soon after. These services offer solo placements and intensive support to young people in care who find it too difficult to live with other young people.

To deliver this more intensive service, the teams access comprehensive training programmes and develop their skills and confidence to meet the needs of young people. We have 4 young people currently within these services, the homes are rated as 'Good' by Ofsted.

We work closely with Commissioning teams to ensure placements are suitable, a lot of emphasis is put into pre-planning and with careful management and joined up working from the team around the child the transition for the young people is smooth and is a big factor in the successful transition. Break has worked in collaboration with the local authorities to manage and respond to high risks. The service along with all our other ones is supported by the Break Therapeutic Team where we discuss strategies and carry out reflective practice looking at what is going well and what we are finding difficult. The nature of the provision is that we do face a variety of challenging situations. This puts a lot of importance on a close and committed team which our teams do incredibly well.

#### ***Therapeutic Support***

Break Therapeutic Services (BTS) has been at the heart of Break's drive to move towards a more trauma informed way of working.

The team have increased their work within our homes. Working alongside children and young people who have experienced trauma is complex, requiring teams and professionals to remain empathetic, sensitive and focussed on the young people's needs. For the staff team to do this, they need to understand where our young people's struggles come from and that the behaviours we see are trauma responses. BTS practitioners spend time in our homes, providing reflective spaces to think about young people and their needs on an individual and team level. All staff receive a two-day Foundation Trauma and Attachment training course.

The team of therapists and social workers also offered support to children and young adults outside of Break's homes who have had adverse childhood experiences, however these side of the work closed in the summer of 2023 due to increased costs in delivering this service not recovered from fee income

The Emotional Wellbeing Service supports care experienced young people to enjoy enhanced emotional wellbeing, improving their potential to access opportunities and successfully transition to independence. Referral routes include social workers, personal advisors from local authorities and young people accessing Break's Staying Close Staying Connected (SCSC). The Emotional Wellbeing Service is a flexible service tailored to meet the need of our young people.

## Break

### REPORT OF THE BOARD OF TRUSTEES (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 March 2024

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#### **Mentoring**

At 31<sup>st</sup> March 2024 we had 18 mentors matched with young people and a further 20 going through our induction programme, whom we will be starting to match to young people over the coming months. Our mentoring programme offers positive outcomes and adds value for our young people. The young people Break support have had contact with care professionals throughout their lives. The young people report that they especially value their volunteer mentor who is choosing to be there for them. The aim is to empower young people to learn how to maintain a relationship, experience new activities and create a solid foundation to build their future self. Having someone outside their everyday network whom they can speak openly to and who support them in building their self-esteem, self-worth and confidence. Our aspiration is that all young people within Break will have access to a volunteer mentor.



As well as the core Mentoring Service we also facilitate Peer Mentoring. The focus of Peer Mentoring is for young people who have first-hand experience of living in care to share their stories and advice. Empowering those they speak with through shared knowledge, skills and being able to speak openly to someone who they can relate to.

Over the past 12 months we have seen several of our mentoring partnerships grow and adapt as they have supported the young person into independence. The mentor's involvement in this process allows there to be a consistent figure of support for the young person.

*Anna has become a calming influence on my life. She's helped me deal with situations in a different way than I used to. I will go to her for advice. She gives me the escape I need from everyday stress. She makes life a little easier. She's a great friend and a great listener. I've known her for almost 7 years! The more people you can get on the mentoring programme the better, I can safely say it has had a positive impact on me*

#### **Fostering**

We provide long term therapeutic foster placements for children and young people between the ages of 3 and 18. During the year we had **14 (2023/23 – 13) young people** in placements.

Our service offers predominantly intensive placements providing a family placement for young people who have experienced extreme trauma in their lives and cannot live in a "mainstream" foster home. Our team works hard to begin to heal some of the hurt through the relationships they build with the young people and through the therapeutic support offered.

## Break

### REPORT OF THE BOARD OF TRUSTEES (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 March 2024

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#### ***Staying Close, Staying Connected***

Staying Close, Staying Connected (SCSC) offers a framework for young people as they leave residential care. As in the prior year, through funding from CHK Foundation, we have extended this offer to those leaving Foster care. SCSC offers the young people lifelong relationships.

The Department for Education Innovation Fund has supported the Break SCSC project since April 2018. Quarterly project boards with representation from our partners (Cambridgeshire County Council, Norfolk County Council and Peterborough City Council) have overseen the SCSC strategy and project direction.

In the year our SCSC service provided **23 houses and flats containing 37 beds** across the region. Each house provided much-needed stability to young people as they moved on from their children's home. In response to the needs of the service we now lease 10 (2022/23 – 4) one bed flats. Staying Connected coordinators continued to support young people to identify important people in their lives, and to find ways of building opportunities to engage with these people.

#### ***Lifelong Support – the Staying Connected Service***

Since 2009, Break has charitably funded a service to support the transition to adulthood, and to provide a sense of stability for young people leaving Break's care. The service ensures the young people have support to call on in times of crisis.

#### ***Support for families – Hazeldene***

Break's residential family Assessment Centre, Hazeldene, had for many years provided a safe environment for parents who have had difficulties in caring for their children. The demand for the service however over the last 2 years had started to tail off and a decision to close the service on 31<sup>st</sup> March 2024 was made. In the year, we supported **9 (2023/23 – 23) families**.



## Break

### REPORT OF THE BOARD OF TRUSTEES (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 March 2024

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#### ***Services for Children and young people with disabilities***

The Break services for children with disabilities gives young people access to opportunities to enable them to make progress. We operate three homes across Norfolk, together with a mobile service delivering in the community.

Nelson Lodge offers residential short breaks for children and young people with disabilities who live in Norfolk. The young people have time away from their families in a safe, secure environment while their parents and siblings enjoy a break from their 24/7 care responsibilities. Break's skilled and dedicated staff support young people to enjoy a range of activities, building confidence, independence skills and helping to form friendships. The service also provides opportunities for our young people to have experiences that would otherwise be out of reach due to the challenges that their disability brings, this has included in the year trips to climbing walls, ski slopes and an indoor skydiving centre.

We provided short breaks for our **26 young people for a total of 1047 nights (2023/23 25/950)**. Many of our families report that without the support of our service, their children would be in full-time residential care, and due to the lack of availability this will often be in a different county. This year one of our young people got to experience being a zookeeper for the day, learning about and feeding various animals including a giraffe and a tiger. Another young person visited Legoland. The home has recently purchased a VR headset which will allow our young people to "experience" even more opportunities virtually such as concerts, skydives and trips to other countries. This will also benefit our young people that don't know what to expect from a trip/activity and can do a practice run in the safety of our living room.

**Morley House** is a residential children's home for young people with learning disabilities and complex needs. During the past year (23/24) we have supported 5 (2022/23 4) young people with everything they needed to lead happy, safe and enjoyable lives. We helped them to manage their wellbeing and health, work on their life skills, make choices and decisions to have fun in whatever they wanted to do. We have put a lot of effort in supporting their communication skills so they could tell us what they wanted us to do and what home they wanted to have. We did many miles going out for drives, doing big and small activities like trampoline parks, meals out, cinema or weekend away in a holiday resort. We supported them to spend quality time with their families, which is something that matters to them most. We encouraged them to engage and enjoy their education and development. We shared celebrating their achievements and big events like birthdays and Christmas.

In the past year we have found new forever (adult) homes for two of our young people who are very well settled. We have been preparing two other young people soon to follow the same transitions. At the same time, we have welcomed a new young person who we enabled to live again in his home county of Norfolk closer to his family after having to live for the past two years in a county 3 hours away. All transitions went very well, which was accomplished thanks to having great understanding of the young people's needs and the relationships we have built with them.

**Trafalgar Lodge** is a children's home which provides individually focused and child-centred professional care and support for children and young people who have learning disabilities, physical disabilities, and communication difficulties. Trafalgar offers a safe environment that is caring and homely. Young people can enjoy activities, are encouraged to make choices, pursue their wishes and achieve personal goals. During the year **we supported 4 (2023/23 – 4) young people**.

The **Activity Breaks service** came to a close at 31<sup>st</sup> March 2024, the service had provided young people with disabilities the opportunity to do many of the things their peers take for granted and that would otherwise be denied to them because of their disability. We provided a range of supported community-based activities that are centered around the young person and what they want to do.

## Break

### REPORT OF THE BOARD OF TRUSTEES (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

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#### ***Pathways to Work – Opportunities team***

Break knows how important it is to expand the horizons of our young people and support them to achieve their potential as care experienced young people aged between 16 and 20 are four times more likely to be unemployed than their peers. Break offers safe environments with appropriate support to enable our young people to explore, build skills, have great experiences, test ideas and experiment.

Our aspiration projects continue to offer new experiences and opportunities for our young people to try new things and develop their peer network. We have hosted 6 residential and camping events which give our young people the chance to co-produce their experience over several days and take part in all kinds of activities both indoors and outdoors and while developing life skills such as cooking, cleaning, budgeting and living together. They have been able to stay in some really amazing spaces from rolling fields to 500-year-old properties exploring the history of their local communities while bonding with their peers. One of the most exciting of our residential experiences was again our Excelsior sailing trip where our young people got the chance to spend a week sailing on a 100 year old fishing vessel. Through working together to ensure the ship was set up to sail the seas hoisting sails and navigating their way to Belgium and back they were able to bond as a crew, develop new skills, and make new friendships. They also got to explore a new country and experience a new culture. Over the year **29 (2023/23 – 36) young people** from a range of our care services were able to access these residencies. All these activities give our young people the opportunity to build friendships and develop their support network with their peers. We have seen some great bonds develop over the year with many of our young people meeting up independently and socializing outside of our break events.

We continue to develop strong partnerships with other organisations which help us to deliver the aspirational work that we do, one of those is with Wrongs Covert where our young people get the opportunity to be in nature for the day or over a few weeks to understand conservation and to detox from their normal lives. Through facilitators at this site we can offer our young people opportunities to work in nature conservation and develop a site that they can continue to use for years to come. We were lucky enough run our greening communities project again this year where our young people worked first hand on building board walks and path ways to make this space more accessible, something they have been so proud of and which has led to even more opportunities for volunteering and employment in the local community.

During the course of the year the coffee van has attended over 59 events from small car park gatherings for some of our corporate supporters, working with our fundraising team to support the art trails and marathons, as well as large weekend long festivals allowing more and more young people to get involved. We have been able to upgrade our set up allowing us to say yes to different types of event in the future. We have continued to work with our young people providing coffee making workshops with all of our care services including fostering SCSC and residential giving 24 young people the chance to give this experience a go. We have delivered barista training sessions for **7 young people** and offered work to **9 young people (2022/23 4/5)**.



We continue to see our young people moving through our employment pathways and realizing the benefits of going to work and we are so pleased that over the last year we have seen 2 of our young baristas move onto new jobs or apprenticeships as well as provided continued support to our young people in work who need help and advice on how to deal with the different challenges they face

Our construction workshop gives our young people the chance to develop their skills in construction and explore the potential careers on offer there. The project has supported **14 (2023/23 – 10) young people** to access taster sessions in brickwork and carpentry, as well as completing small projects within the Charity's homes. The workshops have also provided more long term support to both young people within Break as well as other care experienced young people in Norfolk. The project supported our young people to engage in their local community by volunteering with different construction projects across Norfolk.

Over the course of the year Our lifelong opportunities team **has supported 74 (2022/23 – 64) different young people through 315 (2022/23 – 188) different activities** and provided 3,200 (2022/23 - 4,000) of supported hours.

## Break

### REPORT OF THE BOARD OF TRUSTEES (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

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#### *Our Shops*

Break's shops are valuable assets for the Charity. They generate income to help fund our charitable services and provide vital links with the local community, offering opportunities for people to support our work by donating goods or volunteering their time. Our volunteers are able to give something back, learn new skills and meet new people within a friendly environment. We are grateful for the many good quality donations of clothing, household items, toys and books we receive which we sell in our shops. Items not suitable for sale are recycled whenever possible to avoid them going to landfill.

During the year **712** (2023/23 – 712) **volunteers** worked in our shops.

At the year end, **Break had 46 shops with many of them operating an online operation out of them**, 31 in East Anglia and 14 in the West Country. Our newest shop opened in April 2024 in Horstead.



#### *Fundraising*

Much of the support offered by Break to children, young people and families is funded by charitable income from fundraising. The team developed some key income streams encompassing:

**Trails** - The project team's focus this year has been our second trail in Cambridge which launched in 2023 with the trail going live on the streets in March 24, with an auction of the Sculptures to take place in June 2024. At the same time the Norwich 2025 trail was launched.



**Corporate** - As well as engagement in trails, there has been a continued growth of corporate relationships and developing new partnerships across the region and support from a variety of sectors. This has resulted in an increase in corporate donations, in kind support, charity of the year partnerships and volunteering.

**Events** - We continue to focus on our most successful regular and popular events, alongside the introduction of new challenges and activities to extend our reach across our region. This has led to increased individual engagement and participation and great return on investment.

**Individuals and Community** - We continue to develop this area and have been working to reignite e-newsletters for supporters and are working to engage with a wider community beyond just Norwich.

**Trusts and Foundations** - Support from trusts and foundations is invaluable to our work with children and young people. We are working with local Norfolk and Cambridgeshire trusts and national grant-makers. These donations fund project work which is supporting children and young people with a care background to achieve successful life paths and challenge the national statistics of poor outcomes. Trusts and foundations are also supporting Break to test new project initiatives and gather evidence which contributes to bigger projects and can lead to systemic change for care services nationally. Please contact us if you are a trust that aligns with our work as we would be grateful to start a conversation on how we can work together to make a meaningful difference.

**Break****REPORT OF THE BOARD OF TRUSTEES (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)****FOR THE YEAR ENDED 31 March 2024**

The table below shows some of the restricted grant funding we received in the year following successful grant applications.

Funder	Break Service	Amount
Esmee Fairbairn Foundation	Staying on Track	£93,985
CHK Foundation	Staying Close, Staying Connected - Fostering Futures	£92,550
The Thompson Family Charitable Trust	Opportunities Team	£50,000
Norfolk Construction Charitable Trust	Opportunities Team	£35,372
Norfolk Community Foundation – Through the Love Norfolk Fund and the West Norfolk Employment Fund	Opportunities Team/ Coffee van	£10,000
Alan Boswell Group Charitable Trust	Opportunities Team	£19,000
The John Horseman Trust	Opportunities Team	£18,000
The Paul Bassham Charitable Trust	Opportunities Team	£10,000
Garfield Weston Foundation	Mentoring	£10,000
The Linder Foundation	Opportunities Team	£10,000
The Ranworth Trust	Opportunities Team	£10,000
Norfolk Community Foundation through the Public Health – Empowering Communities for Mental Health and Wellbeing Fund & Co-Op Community cares fund	Mentoring	£12,650
The Ellerdale Trust	Opportunities Team	£6,000
The Whirlwind Trust	Opportunities Team	£5,674
Cambridgeshire Community Foundation	Staying Close, Staying Connected	£5,400
Norfolk Community Foundation through Sir Norman Lamb Mental Health and Wellbeing Fund	Opportunities Team	£5,000
Salter Charitable Trust	Opportunities Team	£5,000
Hays Travel	Opportunities Team	£5,000
The Hodge Foundation	Opportunities Team	£5,000
RYA Foundation	Opportunities Team	£3,340
The Paget Charitable Trust	Opportunities Team	£3,000
The Percy Bilton Charity	Morley House – Sensory room	£3,000
Lady Hind Trust	Opportunities Team	£2,500
The Nineveh Charitable Trust	Opportunities Team	£2,500
The Alan Snudden Charitable Trust	Opportunities Team	£2,000
The Benham Charitable Settlement	Opportunities Team	£2,000
The Annie Tranmer Charitable Trust	Opportunities Team	£2,000
The Spurrell Charitable Trust	Opportunities Team	£2,000
The Hobson Charity	Morley House	£2,000

We would also like to thank the following supporters of Break where the value of support has exceeded £5,000

Adrian Flux Insurance Group	Grafton Centre
Alan Boswell Group Charitable Trust	Frاند Arcade
Alan Boswell Insurance	Hill Residential Ltd
Anglia Ruskin University	Hilton Cambridge City Centre
Bridge Partners	Milton Hall
Cambridge BID	Novotel Cambridge
Cambridge City Council	Paragraph Publishing
Cambridge Independent	Pentaco Construction Limited
Cambridge Music	QD Stores
Carter Jonas	Railpen
First Copy	The Perse School
Foraspace	University of Cambridge
GEANT	Welch Transport
Gonville Hotel	Xaar Plc

## Break

### REPORT OF THE BOARD OF TRUSTEES (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 March 2024

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## B) Financial Review

### Results

Break incurred a deficit of **£308k** (2022/23 (£504k)) in the year. The total loss for the year was comprised as follows:-

- A loss of **£83k (2022/23 £174k)** before transfers of £150k from designated funds, creating an overall unrestricted surplus of £67k.
- A deficit of **£196k** (2022/23 £43k) on designated funds before transfers of £184k out of the funds, creating an overall deficit of £380k on designated funds.
- A deficit of **£29k** (2022/23 £286k) on restricted funds before transfers of £34k from designated funds to create an overall surplus of £5k.

The value of net assets decreased from £5,429k to **£5,121k**. Of these, unrestricted funds accounted for **£5,001k** (2022/23 £5,314k) (including designated funds of **£428k** (2022/23 £808k) and a revaluation reserve of £662k (2022/23 £662k)).

During the year Break closed 2 services that were no longer financially sustainable, Hazeldene and Activity breaks. Within the income for the year £737k relates to those 2 projects and £1,047k of expenditure.

### Reserves Policy

Free reserves are unrestricted funds that are available to be spent on any of the Charity's objectives. Tangible fixed assets, and the connected bank loans, are not included in free reserves as these assets are essential to the Charity's activities. Their disposal would adversely impact the Charity's ability to deliver its aims.

The level of free reserves is set by the Board of Trustees on an annual basis and regularly monitored throughout the year. Action is taken if actual free reserves fall significantly outside the target level established. The Finance Committee reviewed the Reserves Policy in February 2024 alongside the budget for April 2024 to March 2027 and recommended to the Board of Trustees a target for free reserves of £1,026k.

In determining the level of free reserves, Trustees consider the financial impact of the risks facing the Charity, including the loss of income from partner agencies and voluntary donations, and balance the need to hold sufficient reserves to enable the Charity to:

- continue its activities when faced with unforeseen circumstances,
- support the development of additional services to children, young people and their families, and
- maximise expenditure on charitable activities.

Free reserves as at 31 March 2024 were **£703k** (2022/23 £1,061k). Free reserves were lower than the policy, due to the closure of Hazeldene in March 2024 and the use of reserves to upfront fund the new tender contracts that included the purchase a property against using loan financing, due to the increased interest rates in the year. The Charity's reserves will increase in 2024/25 back in line with the Charity's policy.

As at 31 March 2024, the Charity had Designated Funds of **£428k** (2022/23 £808k). Designated Funds are funds set aside by the Trustees out of unrestricted funds to support specific future purposes and projects. Details of the Designated Funds, together with movements during the year, are given in Note 20 to the financial statements.

As at 31 March 2024, the Charity had Restricted Funds of **£120k** (2022/23 £115k). Restricted Funds are funds received for undertaking an activity specified by the donor when making the gift, or may result from the terms of an appeal for funds. Details of the Restricted Funds, together with movements during the year, are given in Note 20 to the financial statements.

### Funding Sources

Break has three main funding sources; service level agreements and spot purchase contracts from local authorities, retail and fundraising.

## **Break**

### **REPORT OF THE BOARD OF TRUSTEES (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)**

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#### ***Investment Policy***

The Charity holds cash to fund expenditure in the short and medium terms. The cash is held on deposit accounts as capital preservation is of particular importance, as is the ready availability of a substantial proportion of the assets to meet immediate cash flow requirements. Given these parameters, the Charity seeks to produce the best financial return within an acceptable level of risk. In implementing the Investment Policy, the Charity will have regard to the spread of risk, future liquidity requirements and ethical considerations. The treasury and investment position is regularly reported to and monitored by the Finance Committee.

#### ***Principal Risks and Uncertainties***

The Trustees undertake continual assessment of the principal risks facing the Charity and are satisfied that adequate controls and procedures are in place to mitigate these risks. The Risk, Governance and HR committee is responsible for overseeing the approach to risk across the whole of the Charity's activities. During the year the Charity reviewed and revised its risk management system to aid improved reporting at both operational and strategic level whilst continued assurance that all risks are assessed and reported. All risks identified are logged and initially assessed as a risk (with no mitigation), mitigations and controls are then applied with the aim of reducing the risk to an acceptable level.

Risks are scored on impact and likelihood which give an overall risk score. Any risk scoring over 16 is reported to the board through the agreed board reporting processes, operational risks are managed by the relevant manager. The Executive review the risks on a fortnightly basis. Board sub committees review their strategic risks at their meetings during the year.

The key risks identified by the Trustees are:

- Cover for staff in the event of absence or illness
- Void periods in spot purchase services
- Serious incident e.g. fire at a care provision or damage to reputation
- Competition

All the above risks have been reviewed by the Trustees during the year, who consider that the controls and mitigations in place for each risk area is appropriate. Measures that are in place to mitigate the above key risks include:-

- Increase in number of mobile team staff employed that are able to drop into all services,
- Regular referral meetings to ensure any voids are quickly filled
- Risk assessments, regular maintenance and testing of equipment and procedures in all services
- Pricing reviews and reviewing of quality of services provided

The strategic risk analysis is reviewed by the Trustees on an annual basis.

#### ***Key Performance Indicators***

Trustees monitor the Charity's Key Performance Indicators (KPIs) on a regular basis. If a situation arises, as happened during the pandemic, meetings are increased in frequency to enable a closer level of scrutiny during those times. The financial KPIs are reviewed periodically and the results reported through the Management Accounts. The KPIs include performance against budget, occupancy, net current assets, reserve levels and staff costs compared with income.

#### ***Going concern***

The Trustees have carefully considered all available information impacting the finances and operations of the Charity for 12 months from the date of this Report. Information from budgets and forecasts for income, expenditure and cash-flow, including the availability of unrestricted funds and reserves, credit facilities and any other forms of financial assistance have been considered. The Trustees are confident that there are no going concern issues.

## C) Plans for future periods

The Trustees anticipate a challenging year ahead for the Charity in light of current highs in interest rates and the continued cost of living having an impact on our young people leaving care, together with rises impacting expenditure which is not always matched in the income we receive, especially that which is restricted by contractual terms.

We have continued to see strong returns to our income streams from our retail and fundraising activities, sustaining these levels is key.

### ***Our Strategy 2023-2026***

The Board have signed off a three-year strategy focussed on four themes: Relationships, Quality, Ambition and Added Value. We will drive our charitably funded services to ensure that we continue to pioneer and innovate.

We will do this by:

- Giving a voice and listening to care experienced young people by
  - co-producing service developments
  - influencing local and national policy
  - supporting young people to have a platform to share their experiences and opinions
- Developing opportunities for young people to transform their next steps in
  - education
  - employment
  - training
  - wellbeing
  - positive relationships
- Delivering high quality local services by
  - being trauma informed in all we do
  - working alongside Ofsted and local commissioners
  - having highly trained staff
  - strong Quality assurance
  - high quality accommodation
- Raising funds to give us freedom to add value and increase opportunities to the beneficiaries we serve by
  - running high quality charity shops
  - delivering innovative fundraising events that build our supporter base
  - maximising all income opportunities through Trusts/Grants and Legacies
  - increasing income from fundraising and retail by 20% over the next 5 years
- Having systems and support functions that enable Break to be the best it can be by
  - ensuring that all support services are working together to achieve our vision
  - working in a co-produced, collaborative way that builds positive relationships and best outcomes

Our 2024-25 activity will include:

- continuing to explore an 18-25 Staying Close provision for young people with disabilities
- pledging to raise more unrestricted funds through innovation in Fundraising – so that we can reach even more young people
- developing a net-zero plan to reduce our carbon footprint
- developing more services in a financially sustainable way to offer a place to call home to more young people
- amplifying our influence in the sector to ensure that we share best practice with all providers.

## Break

### REPORT OF THE BOARD OF TRUSTEES (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

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## D) Structure, Governance and Management

### *Governing Document*

Break is a charitable company limited by guarantee, incorporated in England and Wales on 15 February 1983 and registered as a charity on 6 May 1983. Break's Memorandum of Association establishes its objects and powers, which are governed under Break's Articles of Association. In the event of the Charity being wound up, the members are required to contribute an amount not exceeding £10.

### *Recruitment and Appointment of Trustees*

The directors of the company are Trustees for the purpose of charity law. It is the Board of Trustees' collective responsibility to ensure that the Charity is fit for purpose and to determine and support its strategic direction in order to enable it to attain its stated objective. The Charity follows the Code of Governance for the Voluntary and Community Sector.

New appointments to the Board are made after completion of a Trustee skills gap analysis and an open recruitment process to attract volunteers with appropriate skills. In accordance with the Memorandum and Articles of Association a third of all Trustees in office are required to retire each year. The Trustees who are required to retire by rotation are those who have been longest in office since their appointment or reappointment. The Trustees take into account the Charity Commission's recommendation that the total length of office should not normally exceed nine years; however, the total period of appointment may be varied in any particular case if the other Trustees then serving at the time determine that it would be in the interests of the Charity to do so. The names of all Trustees are listed on page 1.

### *Trustee Induction and Training*

All Trustees receive a full induction pack and training needs are assessed periodically.

### *Organisational Structure*

The Board may delegate any of its powers to any committee consisting of one or more members of the Board or Executive Officers. Break has 4 sub-committees on Finance, Income Generation, Care Services, and Risk, Governance and HR. These are chaired by Board members and involve Executive Officers and some of the wider staff team.

The Governance and Management Structures operate under the shared principles of:

- Working together with common purpose, values and goals
- Adhering to Break's charitable objectives and the Charity Commission's guidance on public benefit
- Ensuring no small group or one individual dominates the decision making
- Adhering to the principles of openness, honesty, integrity, objectivity, accountability and clear leadership

### *Trustee attendance*

During the year there were a total of 18 (2022/23 18) Board and sub-committee meetings, overall attendance at the meetings was 89% (2022/23 83%).

### *Pay policy for key management personnel*

The key management personnel are paid on Grades 1-3 of a 7 point ranking that is used for all managerial and administrative support staff. The grades all have a scale with a minimum appointment rate, standard job value and maximum job rate. Progress towards the top of the scale is through performance not length of service.

An Executive Pay Committee, with Trustee input, determines any performance related pay increases for Grades 3-7. Pay increases for the CEO and Directors (Grades 1 and 2) are determined solely by the Trustees and limited by the confines of the scales that are transparently published within the Charity.

No bonuses are paid to key management and employer pension contributions are set at 5% of salary for all eligible Break employees.

***Risk Management***

The Trustees believe that the major risks to which the Charity are exposed to have been identified, reviewed and assessed. Systems are established to mitigate those risks, The principal risks and uncertainties and the response to specific risks are set out on Page 12.

***Fundraising Practices***

Break manages all its fundraising activities in-house and does not use external, professional fundraisers. Members of Break's fundraising team organise and support fundraising events and activities for our corporate, community and individual supporters. Commercial participators are exclusively involved with the GoGoSculpture trails by written agreement with Break. Break complies with the Fundraising Regulator's Code of Fundraising Practice.

No complaints about fundraising activity were received in the year (2022/23 – none).

Break has signed up to the Fundraising Regulator's Code of Fundraising Practice and is a member of the Chartered Institute of Fundraising. All of Break's fundraising guidance and working practices are compliant. Some of the staff in the fundraising team are also individual members of the Chartered Institute of Fundraising. Volunteer fundraisers are given a full induction and briefing before they raise funds for Break.

All direct marketing is undertaken by the fundraising department. It is neither unreasonably intrusive or persistent and is only sent to people who have consented to engage with Break. Break never make cold calls. All marketing material or information sent from Break contains clear instructions on how a person can remove themselves from mailing lists. All of Break's processes are GDPR compliant. Break's work is with vulnerable people and Break has an agreed operating procedure to protect vulnerable people. All Break's fundraisers are familiarised with the Code of Fundraising Practice to ensure that it is applied properly.

***Staff and volunteers***

Break's staff and volunteers are critical to the ongoing success of the Charity. Their time, skill, passion and dedication ensure Break is able to deliver the best possible services for the children and families supported. Break's volunteers continue to provide invaluable input throughout the Charity, but especially to the retail operations. A conservative estimate of their contribution to the Charity is equivalent to £300,000 (2022/23 - £325,000) of paid salary hours.

***Employee engagement***

Break actively encourages the engagement of employees and welcomes constructive comments on the running of the Charity. The principal structure for this is the Staff Consultation Forum, a staff body of 25 representatives from all disciplines, departments and services. The Forum meets three times a year and is attended by senior members of the Executive and Trustees.

We also carried out an Employee Engagement Questionnaire this year and, based on the feedback, have changed the way we work. Some of the changes we made are:

- Wider engagement of the Leadership Team across the organisation
- Delivering training across the region rather than being Norwich centric
- Updating our staffing benefits packages
- Developing an internal communications platform – Yammer – to ensure all colleagues keep up to date.

Break was reviewed and awarded a Gold standard by Investors In People this year and we continue to develop our engagement activity through well-being groups, staff champions and regular communication of key messaging.

Break continued the communication with employees and volunteers during the year. The frequency of a news update from the CEO remained weekly. The Director of Care also reports on a weekly basis to all colleagues in care services covering achievements and activities in the division. We have migrated to Microsoft 365 over the last 6 months and this has worked well. Our next steps are to fully integrate its use for version control, team working and internal communications.

## Break

### REPORT OF THE BOARD OF TRUSTEES (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

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#### ***Policy for employment of disabled persons***

Break welcomes applications for employment from all prospective employees regardless of disabilities. Break is committed to developing practices that not only meet the requirements of equalities legislation but which actively promote equality of opportunity and maximise the abilities, skills, and experience of all employees. Break already has the Department for Work and Pensions designation of "Disability Confident – Committed" and is working towards recognition at an enhanced level of this scheme.

Break's commitment is to ensure that employees are managed in an inclusive way, taking into account individual differences and giving employees the confidence to disclose a disability should they so wish. If an employee discloses that they have a disability or become disabled during the course of their employment we will engage in a discussion with them to determine what they need to be successful in their role and seek to make reasonable adjustments to facilitate this. These could include, for example, training, specialist technology or equipment. In deciding what is reasonable, the practicalities and resources available to Break, including through the government funded "Access to work scheme", are taken into account.

#### ***The Environment***

We are committed to improving our environmental awareness and reducing the impact of the Charity on our environment, both now and in the future. We recognise climate change is one of the most serious environmental challengers currently threatening the global community and we understand we have a role to play in reducing greenhouse gas emissions.

We are continuously monitoring the way in which we work and taking on learnings to improve and adapt those ways to have a more positive impact on the environment, these include

- Using Microsoft teams for meetings, which has not only meant the need not to travel to locations, but has also enabled meetings to happen sooner as they take up less time as no travel required.
- Introducing hybrid working practices reducing our staff's private travel
- Replacing boilers at our properties to more efficient ones as they come up for replacement.
- Improving lighting systems by changing to LEDs
- Installing smart heating devices to properties
- Adding 3 electric vehicles to the fleet

We have mapped 12 months of continuous consumption data for of our premises the table below details the usage across the Charity. The period covered was the calendar year to 31 December 2023. The BEIS' greenhouse gas conversion factors for company reporting, published in June 2023 were used in the calculations. The main increase in usage relates to travel, this has increased as we are visiting our young people more often than we did when we came out of lockdown to give them the 1:1 in person support that helps make a difference to them.

	Jan – Dec 2023		Jan- Dec 2022	
	Use in Kwh	Carbon Emissions tCO2e	Use in Kwh	Carbon Emissions tCO2e
Total electric use	737,615	153	765,808	159
Total gas use	548,321	126	459,577	106
Total transport fuel	256,777	173	151,044	151
Total energy from other fuels	172,721	38	203,775	45
Total energy use (all sources)	1,715,434	490	1,580,204	461
Total estate size		12,124sqm		12,007sqm
Carbon intensity ratio		40.41KgCO2e per sqm		38.37KgCO2e per sqm

We will map out where investment can be prioritised to achieve greatest impact as part of our facilities review plan. Further work needs to be done to routinely monitor water consumption and waste to further stretch our environmental impact reduction targets. We will be looking at our procurement of services and how we can improve our impact on the environment.

**Break**

**REPORT OF THE BOARD OF TRUSTEES (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)**

**FOR THE YEAR ENDED 31 March 2024**

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***Responsibilities of the Board of Trustees***

The Board of Trustees (who are also directors of Break for the purposes of company law) are responsible for preparing the Report of the Board and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Board of Trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Board of Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS102);
- 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 charitable company will continue in operation.

The Board of Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

***Auditor***

Following a competitive tender process in 2023 the Board appointed Price Bailey LLP as the Charity's auditors from the year ended 31 March 2023 and will recommend to the AGM that they should continue to be engaged as auditors for the forthcoming year.

***Disclosure of information to the auditor***

We, the directors of the company who held office at the date of approval of these Financial Statements as set out above each confirm, so far as we are aware, that:

- there is no relevant audit information of which the company's auditor is unaware; and
- we have taken all the steps that we ought to have taken as directors to make ourselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

We have disclosed to the company's auditor all forecasts and workings based on current knowledge and actions, including the effect on cash flow, reserves and funds, to validate our conclusion that Break's accounts should be prepared on a going-concern basis.

The Board of Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

In approving the Trustees' Annual Report, we also approve the Strategic Report in our capacity as company directors.

Approved by the Board of Trustees on 15<sup>th</sup> July 2024 and signed on its behalf by:



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Bev Hall (Mon, 23rd Sep 2024 12:38:26  
BST)  
Beverley Hall, Trustee

**Break**

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS**

**FOR THE YEAR ENDED 31 March 2024**

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### **Opinion**

We have audited the financial statements of Break (the 'charitable company') for the year ended 31 March 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including 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 March 2024, 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 charitable company 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 charitable company'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 trustees 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.

**Break**

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS**

FOR THE YEAR ENDED 31 March 2024

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### **Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the trustees' report (incorporating the strategic report and directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report (incorporating the strategic report and directors' report) has been prepared in accordance with applicable legal requirements.

### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' 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 and sufficient accounting records have not been kept by the charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the charitable company's 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.

### **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors of the charitable company for the purposes 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 charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

We have been appointed auditor under the Companies Act 2006 and report in accordance with this Act.

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

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

## Break

### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS

#### FOR THE YEAR ENDED 31 March 2024

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We gained an understanding of the legal and regulatory framework applicable to the charity and how it operates and considered the risk of the charity not complying with the applicable laws and regulations including fraud, in particular those that could have a material impact on the financial statements. This included those regulations directly related to the financial statements. In relation to the charitable company this included employment law, financial reporting, data protection and health & safety.

The risks were discussed with the audit team and we remained alert to any indications of non-compliance throughout the audit. We carried out specific procedures to address the risks identified. These included the following:

- Management override: We reviewed systems and procedures to identify potential areas of management override risk. In particular, we carried out testing of journal entries and other adjustments for appropriateness.
- We reviewed minutes of Trustee meetings, any correspondence with the Charity Commission, agreeing the financial statement disclosures to underlying supporting documentation, and made enquiries of management including those responsible for the key regulations. We have reviewed the procedures in place for reporting of incidents to the Trustee Board and, escalation procedures and serious incident reporting of these matters as necessary with the Charity Commission.
- We have made enquiries of management and trustees of the charitable company regarding laws and regulations applicable to the organisation.
- We reviewed the risk management processes and procedures in place including a review of this document by the Board of Trustees.

Because of 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 regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. This description forms part of our auditor's report.

**Break**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS**

**FOR THE YEAR ENDED 31 March 2024**

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**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 and its trustees 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 and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



**Aaron Widdows ACA FCCA**  
**Senior Statutory Auditor**

For and on behalf of  
**PRICE BAILEY LLP**  
Chartered Accountants and Statutory Auditors

Anglia House 6 Central Avenue  
St Andrews Business Park  
Thorpe St Andrew  
Norwich  
NR7 0HR

Date: 23 September 2024

Break

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 31 March 2024

	Note	Unrestricted Funds £000	Designated Funds £000	Restricted Funds £000	2024 Total £000	2023 Total £000
<b>Income from:</b>						
Donations and legacies	2	356	244	1,020	1,620	1,988
Charitable activities	3	8,409	-	557	8,966	7,754
Other trading activities	4	4,679	1	-	4,680	4,576
Investments	5	40	-	-	40	23
Other	6	1	-	-	1	5
<b>Total</b>		<b>13,485</b>	<b>245</b>	<b>1,577</b>	<b>15,307</b>	<b>14,346</b>
<b>Expenditure on:</b>						
Raising funds	7	4,483	269	-	4,752	4,333
Charitable activities	7	9,075	172	1,606	10,863	10,168
<b>Total</b>	7	<b>13,568</b>	<b>441</b>	<b>1,606</b>	<b>15,615</b>	<b>14,501</b>
<b>Net expenditure</b>		<b>(83)</b>	<b>(196)</b>	<b>(29)</b>	<b>(308)</b>	<b>(155)</b>
<b>Transfers between funds</b>	20	150	(184)	34	-	-
Losses on revaluation of fixed assets	12	-	-	-	-	(349)
<b>Net movement in funds</b>		<b>67</b>	<b>(380)</b>	<b>5</b>	<b>(308)</b>	<b>(504)</b>
<b>Reconciliation of funds</b>						
Total funds brought forward		4,506	808	115	5,429	5,933
Total funds carried forward	20	4,573	428	120	5,121	5,429

The statement of financial activities includes all gains and losses in the year. All income and expenditure derives from continuing activities

The notes on pages 25 to 43 form part of these financial statements

Break

**BALANCE SHEET**

AS AT 31 March 2024

COMPANY NUMBER:01699685

	Note	2024		2023	
		£000	£000	£000	£000
<b>Fixed assets</b>					
Tangible fixed assets	12		3,862		3,437
Investments	13		8		8
			<u>3,870</u>		<u>3,445</u>
<b>Current assets</b>					
Stock	14	1		-	
Debtors	15	1,687		1,233	
Cash at bank and in hand	16	710		1,638	
		<u>2,398</u>		<u>2,871</u>	
<b>Current liabilities</b>					
Creditors: amounts falling due within one year	17	(984)		(685)	
			<u>1,414</u>		<u>2,186</u>
<b>Net current assets</b>					
			<u>5,284</u>		<u>5,631</u>
<b>Total assets less current liabilities</b>					
<b>Long-term liabilities</b>					
Creditors: amounts falling due after more than one year	18		(163)		(202)
			<u>5,121</u>		<u>5,429</u>
<b>Total net assets</b>					
			<u>5,121</u>		<u>5,429</u>
<b>The funds of the Charity</b>					
<b>Restricted funds</b>	20		120		115
<b>Unrestricted funds</b>					
Designated funds	20	428		808	
General funds	20	3,911		3,844	
Revaluation reserve	20	662		662	
			<u>5,001</u>		<u>5,314</u>
			<u>5,121</u>		<u>5,429</u>

The financial statements were approved and authorised for issue by the Board of Trustees on 15<sup>th</sup> July 2024.

Signed on behalf of the Board of Trustees

Beverley Hall, Trustee



Bev Hall (Mon, 23rd Sep 2024 12:38:26 BST)

Frank Shippam, Trustee



Frank Shippam (Mon, 23rd Sep 2024 10:35:43 BST)

The notes on pages 25 to 43 form part of these financial statements

Break

**CASH FLOW STATEMENT**

**FOR THE YEAR ENDED 31 March 2024**

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	Note	2024 £000	2023 £000
<b>Cash flows from operating activities</b>	23	<b>(471)</b>	<b>(271)</b>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		<b>(440)</b>	-
Proceeds from the sale of tangible assets		-	7
Interest paid		<b>(13)</b>	(19)
Interest received		<b>40</b>	23
<b>Net cash flow from investing activities</b>		<b>(413)</b>	10
<b>Cash flows from financing activities</b>			
Repayment of mortgage		<b>(44)</b>	(203)
<b>Net cash flow from financing activities</b>		<b>(44)</b>	(203)
<b>Net decrease in cash and cash equivalents</b>		<b>(928)</b>	(464)
Cash and cash equivalents at 1 April 2024		<b>1,638</b>	2,101
<b>Cash and cash equivalents at 31 March 2024</b>		<b>710</b>	1,638
<b>Cash and cash equivalents consist of:</b>			
Cash at bank and in hand		<b>246</b>	<b>142</b>
Short term deposits		<b>464</b>	<b>1,496</b>
<b>Cash and cash equivalents at 31 March 2024</b>		<b>710</b>	<b>1,638</b>

The notes on pages 25 to 43 form part of these financial statements

Break

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 March 2024

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### 1. Accounting Policies

The Charity is a private company limited by guarantee registered in England and Wales. The address of the registered office is Schofield House, 1 Spar Road, Norwich, NR6 6BX.

The principal accounting policies, judgements and key sources of estimation and uncertainty adopted in the preparation of the financial statements are as follows:

#### a) Basis of preparation

The accounts (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 issued in October 2020, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

The Charity constitutes a public benefit entity as defined by FRS 102.

The financial statements are prepared under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in sterling which is the functional currency of the Charity and rounded to the nearest £000.

#### b) Judgements and key sources of estimation uncertainty

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 in the circumstances. The most significant of these judgements relates to the valuation of the Charity's properties as per accounting policy g) below

#### c) Going concern

The financial statements have been prepared on a going concern basis as the Trustees believe that no material uncertainties exist.

In particular, the Trustees have carefully considered all available information about the effect of inflationary pressures on the finances and operations of the Charity for 12 months from the time of approving these financial statements. The Trustees have had regard to information from budgets and forecasts for income, expenditure and cash-flow, including the availability of unrestricted funds and reserves.

The Trustees consider that the budgeted income and expenditure is sufficient with the level of reserves for the Charity to be able to continue as a going concern.

#### d) Group financial statements

The Charity's subsidiary company remained dormant for the year ended 31 March 2024 and has therefore not been consolidated.

#### e) Income

All income is included in the Statement of Financial Activities when the Charity is entitled to the income and the amount can be quantified with reasonable accuracy. Income is allocated as unrestricted and restricted in accordance with fund accounting rules. Analysis of restricted funds is detailed in note 20.

Break

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 March 2024

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### 1. Accounting Policies (continued)

The following specific policies are applied to particular categories of income:

Income from donations and legacies includes grants and donations and is included in full in the Statement of Financial Activities when receivable.

Legacies are included in the Statement of Financial Activities when the Charity becomes aware of its entitlement to the gift and the amount involved can be quantified, entitlement is the earlier of the Charity being notified of an impending distribution or the legacy being received. At this point income is recognised. On occasion legacies will be notified to the Charity however it is not possible to measure the amount expected to be distributed. On these occasions, the legacy is treated as a contingent asset and disclosed.

Government grants are received in respect of the Staying Close Staying Connected project. Income from government and other grants are recognised at fair value when the Charity has entitlement after any performance conditions have been met, it is probable that income will be received and the amount can be measured reliably. If entitlement is not met, then these amounts are deferred.

Donated goods, facilities and services are recognised in income at their fair value when their economic benefit is probable, it can be measured reliably, and the Charity has control over the item. Fair value is determined on the basis of the value of the gift to the Charity, for example the amount the Charity would be willing to pay on the open market for such facilities. A corresponding amount is included in expenditure.

Clothing and other items donated for resale through the Charity's shop are included as income within other trading activities when they are sold.

Income from investments is included when receivable.

Income from other trading activities is Received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

#### f) Expenditure

Expenditure is recognised on an accrual basis as a liability is incurred, split between unrestricted and restricted funds. An analysis of restricted funds is detailed in note 20.

Expenditure on raising funds comprises those costs associated with attracting donations and legacies and the costs of other trading activities including the Charity's shops.

Expenditure on charitable activities comprises those costs incurred in the delivery of services to beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs are those associated with meeting the constitution and statutory requirements of the Charity including the audit fees and costs linked to the strategic management of the Charity.

Identifiable direct costs are allocated between expenditure categories of the Statement of Financial Activities on an actual basis. All other costs are allocated on a departmental 'head count' basis.

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 March 2024

**1. Accounting Policies (continued)****g) Freehold property**

The Board have adopted a policy of revaluing freehold property as permitted by FRS 102. The Board have elected to conduct a periodic revaluation of the Charity's properties. The properties held by the Charity were revalued in June 2023 by Brown & Co - Property and Business Consultants LLP.

Freehold property is not depreciated on the basis that it relates to properties which have a very long useful life and the residual value is likely to be not materially different from the carrying amount. Annual impairment reviews are carried out. Where a revalued property's carrying amount exceeds its recoverable amount, an impairment loss is recognised as a revaluation decrease within the Statement of Financial Activities.

It is the policy of the Board to maintain all properties to a very high standard with all maintenance and refurbishment costs being charged to the Statement of Financial Activities.

**h) Tangible assets**

Tangible assets are initially recorded at cost and subsequently stated at cost less any accumulated depreciation and impairment losses. Assets costing over £2,500 are capitalised.

**i) Depreciation**

Depreciation is calculated to write off the cost or valuation less estimated residual values of tangible fixed assets, excluding freehold property (see above), over their estimated useful lives using the following rates:

Leasehold property	Over the period of the lease
Office furniture and fittings	15% straight line
Care homes furniture	20% straight line
Computer equipment and software	33 1/3% straight line
Motor vehicles	25% straight line

The expenditure on furnishing new care homes is capitalised and depreciated over five years. Expenditure on the replacement of furniture, fixtures and fittings is written off in the year the cost is incurred.

**j) Investments**

Investments in unquoted securities are included at a valuation estimated by the Board. Any gains or losses arising on revaluation are included in the Statement of Financial Activities.

**k) Leasing**

Rentals payable and receivable under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

**l) Pension schemes**

Break operates two defined contribution schemes. The assets of the schemes are held separately from those of Break in independently administered funds. The charge in the Statement of Financial Activities is the contribution payable by Break to the funds for the year.

Break

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 March 2024**

---

**1. Accounting Policies (continued)**

**m) Fund accounting**

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity.

Designated funds are funds that have been set aside by the Trustees for particular purposes.

Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of an appeal.

**n) Stock**

The fair value of donated stock has not been included in these accounts on the basis that it is impractical to obtain a fair value due to the volume of low-value items received and the absence of detailed stock control systems and records. New goods purchased for sale within the shops are measured at the lower of cost and net realisable value.

**o) Redundancies**

Where an obligation to make a redundancy or termination payment exists, the costs incurred by the Charity are accounted for on an accruals basis and included within employee benefits.

**p) Taxation**

The Charity is exempt from corporation tax as surplus income and gains are applied for charitable purposes.

**q) Debtors and creditors**

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

**r) Cash at bank**

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

Break

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 March 2024

2. Income from donations and legacies

	Unrestricted	Designated	Restricted	2024	2023
	£000	£000	£000	£000	£000
Grants & donations	320	244	350	914	1,180
Government Grants:-					
Service Delivery	-	-	670	670	661
Legacies	36	-	-	36	147
	<u>356</u>	<u>244</u>	<u>1,020</u>	<u>1,620</u>	<u>1,988</u>

Income from grants and donations in 2022/23 was £1,180k, of which, £277k was attributable to unrestricted funds, £556k to designated funds and £347k to restricted funds. Service Delivery Government Grants are for the Staying Close Staying Connected project.

Income from government grants in 2022/23 was £661k, of which all was attributable to restricted funds.

Income from legacies in 2022/23 was £147k of which all was attributable to unrestricted funds.

3. Income from charitable activities

	Unrestricted	Designated	Restricted	2024	2023
	£000	£000	£000	£000	£000
Fees for care services	8,400	-	-	8,400	7,339
Housing income	3	-	557	560	419
Training income	6	-	-	6	(4)
	<u>8,409</u>	<u>-</u>	<u>557</u>	<u>8,966</u>	<u>7,754</u>

Income from fees for care services in 2022/23 was £7,339k, of which, £7,327k was attributable to unrestricted funds, and £12k to restricted funds.

Income from housing income in 2022/23 was £419k, of which and £399k was attributable to restricted funds and £20k to unrestricted funds.

Income from training income in 2022/23 was (-£4k) of which all was attributable to unrestricted funds.

**Break****NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31 March 2024****4. Income from other trading activities**

	<b>2024</b>	2023
	<b>Unrestricted</b>	Unrestricted
	<b>£000</b>	£000
Fundraising sale of new goods	2	8
Coffee van sales	14	10
Retail income – see analysis below	4,664	4,558
	<u>4,680</u>	<u>4,576</u>

Included within Fundraising sale of new goods is £1k relating to designated income (2022/23 £7k)

<b>Analysis of retail income</b>	<b>2024</b>		2023	
	<b>£000</b>	<b>£000</b>	£000	£000
Retail income	4,652		4,545	
*Sale of new goods	12		12	
Insurance income (Note 6)	-		5	
		<u>4,664</u>		<u>4,562</u>
Retail costs		(4,107)		(3,741)
Surplus		<u>557</u>		<u>821</u>

\*All goods, except where stated above, sold in Break's shops have been donated.

**5. Income from investments**

	<b>Unrestricted</b>	Unrestricted
	<b>2024</b>	2023
	<b>£000</b>	£000
Interest receivable	40	23
	<u>40</u>	<u>23</u>

**6. Other income**

	<b>Unrestricted</b>	Unrestricted
	<b>2024</b>	2023
	<b>£000</b>	£000
Miscellaneous income	1	5
	<u>1</u>	<u>5</u>

Break

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 March 2024

7. Analysis of expenditure by activity

<b>31.03.2024</b>	<b>Direct costs £000</b>	<b>Support costs £000</b>	<b>2024 Total £000</b>	<b>2023 Total £000</b>
<i>Charitable expenditure</i>				
Young people in care	3,764	731	<b>4,495</b>	3,674
Children with disabilities	2,437	562	<b>2,999</b>	3,066
Family support	1,318	357	<b>1,675</b>	1,637
Children at risk	1,310	328	<b>1,638</b>	1,757
Support services	-	56	<b>56</b>	34
	<u>8,829</u>	<u>2,034</u>	<u><b>10,863</b></u>	<u>10,168</u>
<i>Raising funds</i>				
Retail and other trading activities	3,675	447	<b>4,122</b>	3,751
Fundraising	575	55	<b>630</b>	582
	<u>4,250</u>	<u>502</u>	<u><b>4,752</b></u>	<u>4,333</u>
	<u>13,079</u>	<u>2,536</u>	<u><b>15,615</b></u>	<u>14,501</u>

Charitable expenditure includes £1,606k attributed to restricted funds (2022/23 £1,705k) and £172k (2022/23 £309k) relating to designated funds, all other expenditure was unrestricted.

Expenditure on raising funds includes £Nil (2022/23 £Nil) attributed to restricted funds and £269k (2022/23 £297k) relating to designated funds, all other expenditure was unrestricted.

<b>31.03.2023</b>	<b>Direct costs £000</b>	<b>Support costs £000</b>	<b>2023 Total £000</b>	<b>2022 Total £000</b>
<i>Charitable expenditure</i>				
Young people in care	3,006	668	3,674	2,985
Children with disabilities	2,537	529	3,066	2,701
Family support	1,265	372	1,637	1,635
Children at risk	1,422	335	1,757	1,731
Support services	-	34	34	88
	<u>8,230</u>	<u>1,938</u>	<u>10,168</u>	<u>9,140</u>
<i>Raising funds</i>				
Retail and other trading activities	3,374	377	3,751	3,515
Fundraising	535	47	582	667
	<u>3,909</u>	<u>424</u>	<u>4,333</u>	<u>4,182</u>
	<u>12,139</u>	<u>2,362</u>	<u>14,501</u>	<u>13,322</u>

Charitable expenditure includes £1,705k attributed to restricted funds (2021/22 £1,799k) and £309k (2021/22 £10k) relating to designated funds, all other expenditure was unrestricted.

Expenditure on raising funds includes £Nil (2021/22 £Nil) attributed to restricted funds and £297k (2021/22 £460k) relating to designated funds, all other expenditure was unrestricted

Break

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 March 2024

**Governance costs**

	<b>2024</b>	2023
	<b>£000</b>	£000
Governance costs (included within support costs below) comprise:		
Salaries	32	34
Travel	4	1
Audit fees	15	12
Auditors' remuneration for taxation and services	-	1
Other professional fees and support costs	3	1
	<u>54</u>	<u>49</u>
<b>Expenditure includes:</b>		
Depreciation (owned assets)	15	25
(Profit) / loss on disposal of assets	-	(4)
Operating lease rentals land and buildings	901	881
Auditors' remuneration	15	12
Trustee indemnity insurance	2	2
	<u>937</u>	<u>925</u>

**8. Analysis of support costs**

	<i>Basis of allocation</i>	<b>2024</b>	2023
		<b>£000</b>	£000
<i>Direct support costs</i>			
Operational management	Direct expenditure	540	419
Training	Head count	274	317
Maintenance	Direct expenditure	202	149
		<u>1,016</u>	<u>885</u>
<i>Central overheads</i>			
Head office establishment	Direct expenditure	213	186
Finance	Direct expenditure	269	243
Health and safety	Head count	137	104
Human resources	Head count	328	275
Information technology	Head count	186	184
Communications	Direct expenditure	187	170
Chief Executive's office / governance	Direct expenditure	200	315
		<u>1,520</u>	<u>1,477</u>
Total		<u>2,536</u>	<u>2,362</u>

**9. Interest payable**

	<b>2024</b>	2023
	<b>£000</b>	£000
On mortgages not wholly repayable within five years	13	19

Break

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 March 2024

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10. Staff costs

	2024	2023
	£000	£000
Wages and salaries	9,213	8,455
Social security costs	786	733
Pension contributions and life insurance	465	437
	<hr/>	<hr/>
	10,464	9,625
	<hr/>	<hr/>

The figure for staff costs includes taxable benefits of £28k in relation to life assurance (2022/23 £28k)

The number of employees who received total employee benefits (excluding employer pension costs of more than £60,000 is as follows:

	2024	2023
	No.	No.
£60,000 to £69,999	3	3
£70,000 to £79,999	-	1
£80,000 to £89,999	1	-

The average number of employees, excluding Board members, during the year were:

	2024	2023
	No.	No.
Care	256	255
Retail	146	139
Fundraising	7	7
Administration	42	42
	<hr/>	<hr/>
	451	443
	<hr/>	<hr/>

The average number of full time equivalents employed during 2024 was; Care 180 (2022/23 175); Retail 764 (2022/23 78); Fundraising 7 (2022/23 6); Administration 35 (2022/23 35)

Redundancy/termination payments of £156k (2022/23 £58k) were made in the year. No amounts were outstanding at the year end (2022/23 £Nil).

11. Trustees' and key management personnel's remuneration and expenses

No members of the Board received any remuneration during the year.

No members of the Board received expenses in the course of their duties during the year in respect of travelling and subsistence (2022/23 £Nil).

Key management personnel are considered to be the Chief Executive and the Executive team as detailed on Page 1. The total amount of employee benefits received by key personnel is £388k (2022/23 £418k).

Break

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 March 2024

12. Tangible fixed assets

	Freehold property £000	Leasehold property £000	Furniture, fixtures and fittings £000	Computer equipment and software £000	Motor vehicles £000	Total £000
<b>Cost or valuation</b>						
At 1 April 2023	3,400	359	685	178	82	4,704
Additions	440	-	-	-	-	440
At 31 March 2024	<u>3,840</u>	<u>359</u>	<u>685</u>	<u>178</u>	<u>82</u>	<u>5,144</u>
<b>Depreciation</b>						
At 1 April 2023	-	338	683	178	68	1,267
Charge for the year	-	8	1	-	6	15
At 31 March 2024	<u>-</u>	<u>346</u>	<u>684</u>	<u>178</u>	<u>74</u>	<u>1,282</u>
<b>Net book value</b>						
<b>At 31 March 2024</b>	<u><b>3,840</b></u>	<u><b>13</b></u>	<u><b>1</b></u>	<u><b>-</b></u>	<u><b>8</b></u>	<u><b>3,862</b></u>
At 31 March 2023	<u>3,400</u>	<u>21</u>	<u>2</u>	<u>-</u>	<u>14</u>	<u>3,437</u>

All fixed assets are held for charitable purposes. All freehold property is non-depreciable.

The freehold properties were revalued in June 2023 by an independent registered Chartered Surveyor. The properties are valued on the basis of them being converted back to residential private dwellings except for two of the properties (Nelson Lodge and Morley House) which are valued on the basis of alternative use as offices. Expenditure to convert the properties for sale has been taken into account in the valuations. The Board have adopted a policy of revaluing freehold property as permitted by FRS 102 and will review the need for revaluation of the Charity's properties on an annual basis. As at 31 March 2024, the Trustees consider the current valuations for property to be correct.

On an historical cost basis, the cost and depreciation of these freehold properties would have been as follows:

	2024		2023	
	Cost £000	Depreciation £000	Cost £000	Depreciation £000
Freehold property	<u>4,113</u>	<u>706</u>	<u>3,673</u>	<u>630</u>

Break

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 March 2024

13. Fixed asset investments

Investment holdings

	Unquoted investments £000	Total 2024 £000	2023 £000
Market value at 1 April 2023	8	8	8
Market value at 31 March 2024	8	8	8

Unquoted investments

		2024 £000	2023 £000
Subsidiary undertaking:			
Break Trading Company Limited		-	-
Helpcards Holdings Limited (0.67% holding)		8	8
		8	8

The investment of £100 in Break Trading Company Limited (01300043), a company incorporated in England, represents 100% of the issued share capital of that company. The company has remained dormant throughout the year. The aggregate amount of net assets attributable to Break is £Nil (2023/23 £Nil). As at 31 March 2024 the company owed £877 (2023/23 £877) to Break.

In the opinion of the Board, on the basis of income received, the value of the investments in Helpcards Holdings Limited is unchanged from 2023/23.

14. Stocks

	2024 £000	2023 £000
Retail goods for resale	1	-

15. Debtors

	2024 £000	2023 £000
Trade debtors	885	596
Accrued income	410	296
Other debtors	152	130
Prepayments	240	211
	1,687	1,233

Break

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 March 2024

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16. Cash in bank and in hand

	<b>2024</b>	2023
	<b>£000</b>	£000
Current accounts	<b>208</b>	105
Treasury and other deposits	<b>464</b>	1,496
Cash in hand and imprest accounts	<b>38</b>	37
	<b>710</b>	1,638

17. Creditors: amounts falling due within one year

	<b>2024</b>	2023
	<b>£000</b>	£000
Mortgages	<b>40</b>	45
Trade creditors	<b>383</b>	235
Social security and other taxes	<b>198</b>	158
Accruals	<b>165</b>	185
Deferred income	<b>111</b>	-
Other creditors	<b>87</b>	62
	<b>984</b>	685
Secured creditors included above are as follows:		
Mortgages: Secured by fixed charges over the Charity's freehold properties	<b>40</b>	45
Deferred income included above is as follows:		
Brought forward	-	1
Released during the year	-	(1)
Deferred during the year	<b>111</b>	-
Carried forward	<b>111</b>	-

Deferred income relates to grant income deferred to the period in which delivery and expenditure will occur.

Break

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 March 2024

18. Creditors: amounts falling due after more than one year

	<b>2024</b> <b>£000</b>	2023 £000
Mortgages: secured by fixed charges over the Charity's freehold properties	<b>163</b>	202
Mortgages are analysed as follows:		
Between one and two years	<b>43</b>	46
Between two and five years	<b>51</b>	80
Over five years	<b>69</b>	81
	<b>163</b>	202
Within one year	<b>40</b>	45
	<b>203</b>	247

Mortgages include a loan of £292k drawn from Lloyds Bank plc in September 2011 repayable over 15 years at a variable rate of 2.25% above the Bank of England Base Rate, a loan of £176k drawn from Lloyds Bank plc in June 2013 repayable over 10 years at a variable rate of 2.34% above the Bank of England Base Rate (repaid in the year) and a loan of £166.5k drawn from Lloyds Bank plc in April 2019 repayable over 15 years at a fixed rate of 4.58%. The loans are secured on various freehold properties.

19. Operating lease commitments

The total future minimum lease payments under non-cancellable operating leases are as follows:

	<b>Land &amp; buildings</b> <b>2024</b> <b>£000</b>	Land & buildings 2023 £000	<b>Motor vehicles</b> <b>2024</b> <b>£000</b>	Motor vehicles 2023 £000
Not later than 1 year	<b>452</b>	538	<b>161</b>	103
Later than 1 year and not later than 5 years	<b>655</b>	977	<b>230</b>	152
Later than 5 years	<b>332</b>	400	-	-
	<b>1,439</b>	1,915	<b>391</b>	294

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 March 2024

## 20. Funds

2023/24

	Balance as at 01.04.23 £000	Income £000	Expenditure £000	Transfers £000	Balance as at 31.03.24 £000
<b>Restricted Funds</b>					
Centre funds	17	9	(18)	-	8
SCSC	3	1,231	(1,168)	1	67
Young Persons Celebration	1	-	-	-	1
Norwich Consolidated Charities	14	-	(12)	-	2
Staying on Track	32	89	(91)	-	30
Fostering Futures	-	93	(92)	(1)	-
Mentoring	1	9	(23)	13	-
Make a dream	-	18	(4)	-	14
Opportunities Team	47	128	(198)	21	(2)
	115	1,577	(1,606)	34	120
<b>Designated Funds</b>					
Wellbeing & Services Added Value (My Break 50)	51	-	(20)	-	31
Commercial Development	200	-	-	(150)	50
Apprenticeships	102	-	(16)	-	86
Cambridge Trail	91	-	-	-	91
Go-Go Discover	-	110	(51)	(34)	25
Standing Tall Trail	38	135	(218)	-	(45)
Go-Go Break	176	-	(136)	-	40
Building repairs	150	-	-	-	150
	808	245	(441)	(184)	428
<b>Unrestricted Funds</b>					
Revaluation reserve	662	-	-	-	662
General Funds	3,844	13,485	(13,568)	150	3,911
	4,506	13,485	(13,568)	150	4,573
Total unrestricted funds	5,314	13,730	(14,009)	(34)	5,004
<b>Total Funds</b>	<b>5,429</b>	<b>15,307</b>	<b>(15,615)</b>	<b>-</b>	<b>5,121</b>

Break

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 March 2024

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**Transfers Between funds 2023/24**

During the year transfers were made between funds as follows:-.

**Mentoring and Opportunities team** – Funds transferred from the Designated Go-Go Discover fund to cover shortfall of income in service. SCSC and Fostering futures transfer to cover costs included in cost centre.

**Commercial Development** – £150k has been transferred to unrestricted funds to fund the costs of the Suffolk solo service start up in the year.

**Go-Go Discover** – These funds have been used to support Mentoring and Opportunities as above.

**Transfers Between funds 2022/23**

During the year transfers were made between funds as follows:-.

**SCSC, Education Officer and Opportunities** – Funds transferred from the Designated Go-Go Discover fund to cover shortfall of income in service.

**Commercial Development** – £150k has been transferred from unrestricted funds to fund future tender and bid support.

**Go-Go Discover** – These funds have been used to support SCSC, Education Officer and Opportunities as above, with the balance then transferred into the Go-Go Break fund.

**Building Repairs** – £52k has been transferred from unrestricted funds to cover future repair costs across the organisations buildings.

Break

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 March 2024

Funds (continued)

2022/23

	Balance as at 01.04.22 £000	Income £000	Expenditure £000	Transfers £000	Valuation Losses £000	Balance as at 31.03.23 £000
<b>Restricted Funds</b>						
Centre funds	18	29	(30)	-	-	17
SCSC	4	1,047	(1,160)	112	-	3
Young Persons Celebration	3	-	(2)	-	-	1
Norwich Consolidated Charities	19	-	(5)	-	-	14
Staying on Track	37	85	(90)	-	-	32
Fostering Futures	74	43	(117)	-	-	-
Education Officer	-	17	(20)	3	-	-
Mentoring	-	21	(20)	-	-	1
Make a dream	-	15	(15)	-	-	-
Opportunities Team	101	162	(246)	30	-	47
	<u>256</u>	<u>1,419</u>	<u>(1,705)</u>	<u>145</u>	<u>-</u>	<u>115</u>
<b>Designated Funds</b>						
Wellbeing & Services Added Value (My Break 50)	32	-	(19)	38	-	51
Organisational Well-being	10	-	-	(10)	-	-
Adding Value (Go-Go Hares)	28	-	-	(28)	-	-
Commercial Development	50	-	-	150	-	200
Apprenticeships	125	-	(23)	-	-	102
Cambridge Trail	91	-	-	-	-	91
Charms Development	13	-	(13)	-	-	-
Go-Go Discover	53	469	(241)	(281)	-	-
Standing Tall Trail	-	94	(56)	-	-	38
Go-Go Break	240	-	(200)	136	-	176
Building repairs	152	-	(54)	52	-	150
	<u>794</u>	<u>563</u>	<u>(606)</u>	<u>57</u>	<u>-</u>	<u>808</u>
<b>Unrestricted Funds</b>						
Revaluation reserve	635	-	-	-	27	662
General Funds	4,248	12,364	(12,190)	(202)	(376)	3,844
	<u>4,883</u>	<u>12,364</u>	<u>(12,190)</u>	<u>(202)</u>	<u>(349)</u>	<u>4,506</u>
Total unrestricted funds	<u>5,677</u>	<u>12,927</u>	<u>(12,796)</u>	<u>(145)</u>	<u>(349)</u>	<u>5,314</u>
<b>Total Funds</b>	<u><u>5,933</u></u>	<u><u>14,346</u></u>	<u><u>(14,501)</u></u>	<u><u>-</u></u>	<u><u>(349)</u></u>	<u><u>5,429</u></u>

## Break

### NOTES TO THE FINANCIAL STATEMENTS

#### FOR THE YEAR ENDED 31 March 2024

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#### Restricted Funds

Centre funds - relates to all income restricted to spending on equipment etc. at the various care homes.

Staying Close Staying Connected (SCSC) - a programme funded by the Department for Education to provide housing and support for care leavers.

Young Persons' Celebration - grants from the A Boswell CT and the Ardwick Trust to support the YP's Celebration in 2023.

Norwich Consolidated Charities - Grant for a housing support worker in Norwich.

Staying on Track - a grant from Esmee Fairbairn Foundation to provide an emotional well-being service to young people aged 18 - 24.

Fostering Futures - a CHK funded project providing housing and support to foster care leavers.

Make a Dream - Project originally funded by the Free masons giving service users the chance to live out their dreams, funded from funds raised in the year.

Mentoring and Opportunities funds are specific funding received to carry out services in these areas.

#### Designated Funds

Wellbeing and Service added value fund, provides wellbeing activities to staff throughout the organisation and added value to young people in services by accessing additional activities and resources outside statutory funding.

Commercial Development - a fund set up to provide start-up funding for innovative income generating projects.

Apprenticeships - a fund to create apprenticeship opportunities for our young people.

Cambridge Trail - a fund to provide development funding for the 2023 Cambridge Sculpture Trail and from the proceeds of the trail to invest in care services in Cambridgeshire.

Standing Tall Trail – a fund for the current live trail in Cambridge, funds to be transferred to the above fund once trail complete in summer of 2024.

Go-Go Discover - for income and expenditure for the future Go-Go Discover Trail.

Go-Go Break (Go-Go Hares renamed) - the profits of the Go-Go Trails used to support young people leaving care and services adding value to the organisation.

Building repairs - this fund has been created to set aside monies for major works to properties such as boiler replacement and roof repairs.

#### 21. Analysis of net assets between funds

	Unrestricted £000	Designated £000	Restricted £000	Total £000
Tangible fixed assets	3,862	-	-	3,862
Investments	8	-	-	8
Current assets	1,850	428	120	2,398
Current liabilities	(984)	-	-	(984)
Long-term liabilities	(163)	-	-	(163)
<b>Total net assets</b>	<b>4,573</b>	<b>428</b>	<b>120</b>	<b>5,121</b>

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 March 2024

2022/23	Unrestricted £000	Designated £000	Restricted £000	Total £000
Tangible fixed assets	3,437	-	-	3,437
Investments	8	-	-	8
Current assets	1,948	808	115	2,871
Current liabilities	(685)	-	-	(685)
Long-term liabilities	(202)	-	-	(202)
<b>Total net assets</b>	<b>4,506</b>	<b>808</b>	<b>115</b>	<b>5,429</b>

**22. Company status**

Break is a company limited by guarantee and has no share capital. Each of the 9 (2022/23 - 13) members undertakes to contribute such amounts (not exceeding £10) as may be required in the event of a winding up.

**23. Reconciliation of net expenditure to net cash flow from operating activities**

	2024 £000	2023 £000
Net deficit for the year	(308)	(155)
Interest receivable	(40)	(23)
Interest payable	13	19
Profit on disposal of tangible assets	-	(4)
Depreciation	15	25
Increase in stock	(1)	-
Increase in debtors	(454)	(237)
Increase in creditors	304	104
Net cash flow from operating activities	(471)	(271)

**24. Analysis of changes of net debt**

	At start of year £000	Cash flows £000	Other changes £000	At end of year £000
Cash	142	104	-	246
Cash equivalents	1,496	(1,032)	-	464
Loans falling due within 1 year	(45)	5	-	(40)
Loans falling due after more than 1 year	(202)	39	-	(163)
Total net assets	1,391	(884)	-	507

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 March 2024

**25. Pension and other post-retirement benefits**

## Defined contribution plans

The Charity operates a defined contribution pension plan for its employees. The amount recognised as an expense in the period was £431k (2022/23 £408k). At the year end £60k (2022/23 £50k) was payable to the scheme.

**26. Contingent liability**

On the retirement of two of the founders of Break in late 2002 and early 2003, the Charity entered into separate agreements with the retiring founders. Under the agreements, annual indexed linked payments of £3,500 were to be paid for life, with an additional 50% annual payment to the surviving spouse for their lifetime. This additional payment commenced in April 2017 upon the death of one of the retired founders. The current annual payment for the surviving spouse is £7,010 (2022/23 £7,010) per annum (as adjusted for inflationary increases). Based on standard actuarial assumptions, Break calculates the value of the future potential liability at £61k as at 31 March 2024 (2022/23 £68k).

This arrangement has been agreed by the Charity Commission.

**27. Contingent Asset**

Post year end a legacy payment has been received of £160,080. On the 4<sup>th</sup> January 2024 we were informed that we were a named charity in the will, but no Estate value was given. The payment was notified to us on the 9<sup>th</sup> May 2024.

**28. Related party transactions**

During the year the Charity received sponsorship income of £Nil (2022/23 £7,000) towards the current Trail from the Aspiration Europe Limited, owned 100% by Mrs A Ovens, who was a Trustee of Break. There is £Nil (2022/23 £Nil) due from the company as at 31 March 2024. Mrs A Ovens resigned as a Trustee on 17<sup>th</sup> July 2023.

H Walker, spouse of R Cowdry, Chief Executive Officer (and a member of key management personnel), is employed by the Charity as a Grants and Growth Co-ordinator. H Walker's appointment was made in open competition and R Cowdry was not involved in the decision-making process regarding appointment. H Walker is paid within the normal pay scale for her role and receives no special treatment as a result of her relationship to the Chief Executive Officer.

**29. Financial instruments**

The carrying amounts of the Charity's financial instruments are as follows:

	<b>2024</b>	2023
	<b>£000</b>	£000
<b>Financial assets</b>		
<i>Equity instruments measured at cost less impairment:</i>		
Fixed asset unlisted investments	8	8
	<u>8</u>	<u>8</u>

**BREAK**

England & Wales - Charity number 286650

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# Accounts

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**Break**  
**(A company limited by guarantee)**

**REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 March 2023**

**Charity number 286650**  
**Company number 01699685**

**Break**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 March 2023**

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## Break

### CHARITY REFERENCE AND ADMINISTRATIVE DETAILS

FOR THE YEAR ENDED 31 March 2023

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Charity Registration Number: 286650  
Company Registration Number: 01699685  
Registered Office and Operational Address: Schofield House  
1 Spar Road  
Norwich  
Norfolk  
NR6 6BX

### Board of Trustees

		Sub Committee member
Mrs B Hall B.Ed (Hons) NPQH, PgD, SSStJ	(Chair)	Ca, No
Mr F M E Shippam FCA, DChA	(Treasurer)	Fi
Mrs J Allan	(appointed 06.03.23)	In
Mrs N Bramford	(appointed 06.03.23)	Ca
Mrs M Corti FCCA, MBA		Ca, No, Fi, Ri
Ms J Darlington MA (Cantab)	(resigned 19.07.22)	Fi
Mr N Dobson	(appointed 04.04.22)	Fi, In
Mr S Fowler TD, LLB		Ca, No
Mrs S Harvey		Ri
Mr T Krykant	(appointed 20.04.22)	In
Mrs P Ledward		Ca
Mrs A L Ovens FCCA, DipIFR, MIOd		Fi, In
Mr J Sam MBCS, CITP, MIOd		No, In, Ri
Mr J Stanley	(resigned 15.07.22)	Ca
Mr E Sutaria	(appointed 24.04.23)	Ca, Ig

Sub committee groups:- Ca = Care, Fi = Finance, In = Income Generation, Ri = Risk HR & Governance, No = Nominations

### Presidents and Co-founders

Mrs J A Davison  
Reverend Canon L J Morley

### Chief Executive Officer

Ms R Cowdry BA (Hons), MA DipSW, Diploma

### Executive Team

Mr A Flack FCCA (Director of Finance)  
Mrs R Leslie BA (Hons) MA DIPSW (Director of Care Services)  
Mr D Crouch BSc (Hons) (Director of Income Generation)  
Mr M Hudson (Deputy Chief Executive Officer) (resigned 17.10.22)

### Company Secretary

Mr A Flack

### Auditor

Price Bailey LLP, Anglia House 6 Central Avenue St Andrews Business Park Thorpe St Andrew NR7 0HR

### Solicitors

Butcher Andrews, 1 Old Post Office Street, Fakenham, Norfolk, NR21 9BL  
Clapham & Collinge, St Catherine's House, All Saints Green, Norwich NR1 3GA

### Bankers

Lloyds Bank plc, The Undercroft, Queens Street, Norwich, NR2 4SG

## **Break**

### **REPORT OF THE BOARD OF TRUSTEES (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)**

#### **FOR THE YEAR ENDED 31 March 2023**

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The Trustees, who are also directors for the purposes of company law, present their report and the audited financial statements of the Charity for the year ended 31 March 2023 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

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 Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, 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 published in October 2019.

### **Trustees of the Charity**

The Trustees who have served during the year and since the year end are shown on Page 1.

### **Objectives and Activities**

The Memorandum and Articles of Association state that Break's charitable objectives and principal activities are:-

- The relief of the needs of persons who are sick, disabled (whether physically or mentally), disadvantaged, infirm or who have learning disabilities or other special needs and of children who come from poor or deprived backgrounds
- The advancement of the education and training of any persons who fall within the categories specified above
- The relief of the needs of persons who experience emotional and behavioural disorders
- The relief of the needs and the support of families of any persons falling into the categories specified

The objectives and aims are achieved by the implementation of individual unit and departmental business plans.

The objectives have been met by providing the following services:-

- Activity Breaks delivered across Norfolk and Short Breaks at Nelson Lodge in Long Stratton
- Family Assessments delivered at Hazeldene, an Ofsted registered Centre in Lowestoft, Suffolk
- Eight Children's Homes (including Trafalgar Lodge in Long Stratton and Morley House in Kings Lynn, both for children with learning disabilities)
- Break Therapeutic Service across Norfolk
- Fostering
- Staying Connected Team
- Opportunities Team

Break's policy is to work in partnership with Local Authorities, Housing Associations and other relevant agencies to provide the best possible service. We maintain strong working connections with Norfolk County Council Children's Services and work closely with Cambridgeshire/Peterborough and Suffolk Children's Services on a range of successful projects and commissioned placements.

***Public Benefit Statement***

The Board have paid due regard to the Charity Commission's guidance on public benefit.

In the terms of the Charities Act 2011, Break's Objectives fall within two definitions of charitable activity, "the relief of those in need by reason of ill-health, disability or other disadvantage" and "the advancement of education". On both counts Break provides benefits, irrespective of their financial circumstances, to a number of distinct groups of the public including: children and young people; families; and young people with learning and physical difficulties.

Detailed information on the services provided, and the benefits which accrue to the service users, is set out in this Report and on the Break website, [www.break-charity.org](http://www.break-charity.org)

**Strategic Report**

**A) Achievements and Performance**

We support a wide range of young people across East Anglia to achieve great things. We are proud to push the boundaries of innovation. We have co-production at the heart of the services we provide for our young people, enabling them to influence both their own future and the development of our Charity.

**OUR VISION**

Break will strive to ensure all young people, whatever their start in life, have equal opportunities and the relationships they need to succeed.

**OUR MISSION**

Giving children on the edge of care, in care and leaving care the love, support and ambition they need

**OUR VALUES**

- We inspire and create hope.
- We are optimistic.
- We make a difference.
- We do the right thing.
- We are inclusive.
- We listen to and respect all individuals

## Break

### REPORT OF THE BOARD OF TRUSTEES (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

#### FOR THE YEAR ENDED 31 March 2023

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#### *A safe place to call home for looked after children*

At Break we are proud that our **children's homes** are somewhere safe that young people can call home, with adults who love, care and look out for them. We provide a home where young people can belong, begin to flourish and embrace their future with confidence and hope.

Every year we have young people move in and out of our homes but not our hearts. Although young people move on from our homes that is not where our support stops as we are with our young people through their life through our other services.

In the year, we **cared for 21 (2021/22 - 20) young people** within our four homes. All four of the homes are rated as 'Good' by Ofsted. Our average length of placement at the end of March 2023 was 1.6 years, with 2 young people living at their Break Home for 3 years or more. 6 of our current 13 young people living in our homes moved in over the last year. At 31 March 2023, 60% (2021/22 – 55%) of the young people living in our children's homes were in full time education.

In 2020, Norfolk County Council recognised a requirement for more specialist services to meet the needs of the most complex young people in their care. We have two homes dedicated to this service. The service offers solo or dual placements and intensive support to young people in care who find it too difficult to live with other young people. During the year we have worked with a young person who has had a difficult journey with mental health and finding a placement that is right for him. Over a year later, we are really proud he considers Break his home and has really embedded himself, he loves dogs, and we listened to this and now regularly have dogs in the house that help him get through those more difficult days. We loved taking him away to Wales on his first holiday with us. The sense of adventure and exploring gave him the holiday bug, and he is keen for us to get back down this summer, when we get to make more wonderful memories!

To deliver this more intensive service, the teams access comprehensive training programmes and develop their skills and confidence to meet the needs of young people. We have 3 young people currently within this service who have all been with us for over 1 year with 1 home rated as 'Good' by Ofsted and the other 'Requires improvement'.

We work closely with Norfolk Commissioning teams to ensure placements are suitable, a lot of emphasis is put into pre-planning and with careful management and joined up working from the team around the child the transition for the young people is smooth and is a big factor in the successful transition. Break has worked in collaboration with the local authority to manage and respond to high risks. The service along with all our other ones is supported by the Break Therapeutic Team where we discuss strategies and carry out reflective practice looking at what is going well and what we are finding difficult. The nature of the provision is that we do face a variety of challenging situations. This puts a lot of importance on a close and committed team which our teams do incredibly well.

#### ***Therapeutic Support***

Break Therapeutic Services (BTS) has been at the heart of Break's drive to move towards a more trauma informed way of working.

The team have increased their work within our homes. Working alongside children and young people who have experienced trauma is complex, requiring teams and professionals to remain empathetic, sensitive and focussed on the young people's needs. For the staff team to do this, they need to understand where our young people's struggles come from and that the behaviours we see are trauma responses. BTS practitioners spend time in our homes, providing reflective spaces to think about young people and their needs on an individual and team level. All staff receive a two-day Foundation Trauma and Attachment training course.

The team of therapists and social workers also offer support to children and young adults outside of Break's homes who have had adverse childhood experiences. Many have experienced trauma, abuse and neglect and no longer live with their birth families. The support is provided through therapy sessions that take place in school or in our purpose built suite of therapeutic rooms, using creative techniques such as play, drama and art to enable children to explore their experiences and recognise and process their emotions. Children are supported to emotionally cope and are better able to access social and learning opportunities. BTS aims to strengthen relationships and support families, individuals and professionals to understand and process the difficulties that are being experienced.

The Emotional Wellbeing Service supports care experienced young people to enjoy enhanced emotional wellbeing, improving their potential to access opportunities and successfully transition to independence. Referral routes include social workers, personal advisors from local authorities and young people accessing Break's Staying Close Staying

## Break

### REPORT OF THE BOARD OF TRUSTEES (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) FOR THE YEAR ENDED 31 March 2023

Connected (SCSC). The Emotional Wellbeing Service is a flexible service tailored to meet the need of our young people.

#### ***Mentoring***

During the year, the Break Mentoring Service **supported 27 (2021/22 – 29) volunteer mentors** who were matched with young people. Our mentoring programme offers positive outcomes and adds value for our young people. The young people Break support have had contact with care professionals throughout their lives. The young people report that they especially value their volunteer mentor who is choosing to be there for them. The aim is to empower young people to learn how to maintain a relationship, experience new activities and create a solid foundation to build their future self. Having someone outside their everyday network whom they can speak openly to and who support them in building their self-esteem, self-worth and confidence. Our aspiration is that all young people within Break will have access to a volunteer mentor.



As well as the core Mentoring Service we also facilitate Peer Mentoring. The focus of Peer Mentoring is for young people who have first-hand experience of living in care to share their stories and advice. Empowering those they speak with through shared knowledge, skills and being able to speak openly to someone who they can relate to.

Over the past 12 months we have seen several of our mentoring partnerships grow and adapt as they have supported the young person into independence. The mentor's involvement in this process allows there to be a consistent figure of support for the young person.

#### ***Fostering***

We provide long term therapeutic foster placements for children and young people between the ages of 3 and 18. During the year we had **13 (2021/22 – 9) young people** in placements.

Our service offers predominantly intensive placements providing a family placement for young people who have experienced extreme trauma in their lives and cannot live in a "mainstream" foster home. Our team works hard to begin to heal some of the hurt through the relationships they build with the young people and through the therapeutic support offered.

## Break

### REPORT OF THE BOARD OF TRUSTEES (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) FOR THE YEAR ENDED 31 March 2023

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#### ***Staying Close, Staying Connected***

Staying Close, Staying Connected (SCSC) offers a framework for young people as they leave residential care. As in the prior year, through funding from CHK Foundation, we have extended this offer to those leaving Foster care. SCSC offers the young people lifelong relationships.

The Department for Education Innovation Fund has supported the Break SCSC project since April 2018. Quarterly project boards with representation from our partners (Cambridgeshire County Council, Norfolk County Council and Peterborough City Council) have overseen the SCSC strategy and project direction.

In the year our SCSC service provided **22 houses and flats containing 39 beds** across the region. Each house provided much-needed stability to young people as they moved on from their children's home. In response to the needs of the service we now lease 4 one bed flats. Staying Connected coordinators continued to support young people to identify important people in their lives, and to find ways of building opportunities to engage with these people.

#### ***Lifelong Support – the Staying Connected Service***

Since 2009, Break has charitably funded a service to support the transition to adulthood, and to provide a sense of stability for young people leaving Break's care. The service ensures the young people have support to call on in times of crisis.

#### ***Support for families – Hazeldene***

Break's residential family Assessment Centre, Hazeldene, provides a safe environment for parents who have had difficulties in caring for their children. We offer tailored packages to meet the needs of each individual family. Families are referred to Break by local authorities from across the country. The service received a Good rating from Ofsted during the year.



We promote and assess parenting skills to ensure that children are safe and protected and offer families an opportunity for intensive support to help them recognise the needs of their children. Safeguarding vulnerable children is our prime focus and the clarity of our assessments inform the referrers whether a child's needs can be adequately met by parents or carers, or whether there is a need for intervention and alternative care arrangements that will secure the longer term future for the child. In the year, we supported **23 (2021/22 – 21) families**.

## Break

### REPORT OF THE BOARD OF TRUSTEES (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) FOR THE YEAR ENDED 31 March 2023

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#### *Services for Children and young people with disabilities*

The Break services for children with disabilities gives young people access to opportunities to enable them to make progress. We operate three homes across Norfolk, together with a mobile service delivering in the community.

Nelson Lodge offers residential short breaks for children and young people with disabilities who live in Norfolk. The young people have time away from their families in a safe, secure environment while their parents and siblings enjoy a break from their 24/7 care responsibilities. Break's skilled and dedicated staff support young people to enjoy a range of activities, building confidence, independence skills and helping to form friendships. The service also provides opportunities for our young people to have experiences that would otherwise be out of reach due to the challenges that their disability brings, this has included in the year trips to climbing walls, ski slopes and an indoor skydiving centre.

We provided short breaks for our **25 young people for a total of 950 nights (2021/22 25/959)**. Many of our families report that without the support of our service, their children would be in full-time residential care, and due to the lack of availability this will often be in a different county. This year one of our young people got to experience being a zookeeper for the day, learning about and feeding various animals including a giraffe and a tiger. Another young person visited Legoland. The home has recently purchased a VR headset which will allow our young people to "experience" even more opportunities virtually such as concerts, skydives and trips to other countries. This will also benefit our young people that don't know what to expect from a trip/activity and can do a practice run in the safety of our living room.

**Morley House** is a residential children's home for young people with learning disabilities and complex needs. During the year we supported **4 (2021/22 – 5) young people** with everything they needed to lead happy, safe and enjoyable lives. We helped them to manage their wellbeing, work on their life skills, make choices and decisions to have fun in whatever they wanted to do. We have put a lot of effort in supporting their communication skills so they could tell us what they wanted us to do. We did many miles going out for drives, visiting fair grounds, water park, trampoline parks or supporting them to spend time with their families. Throughout the year all the young people spent as much time with their families as possible. We shared celebrating big events like Christmas and birthdays.

In the past year we concentrated on finding forever homes for two of our young people and we think we are very close to achieving that goal.

For most of the year all our young people were in full time education. In the second part we supported one of them to find an alternative learning style that would be more suited to his needs.

**Trafalgar Lodge** is a children's home which provides individually focused and child-centred professional care and support for children and young people who have learning disabilities, physical disabilities, and communication difficulties. Trafalgar offers a safe environment that is caring and homely. Young people can enjoy activities, are encouraged to make choices, pursue their wishes and achieve personal goals. During the year **we supported 4 (2021/22 – 6) young people**.

We have been successful in our tender application to remain on the short breaks provider framework in Norfolk and will remain on the framework up until 2026. The **Activity Breaks service** continues to give young people with disabilities the opportunity to do many of the things their peers take for granted and that would otherwise be denied to them because of their disability. We provide a range of supported community-based activities that are centered around the young person and what they want to do.

## Break

### REPORT OF THE BOARD OF TRUSTEES (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) FOR THE YEAR ENDED 31 March 2023

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#### *Pathways to Work – Opportunities team*

Break knows how important it is to expand the horizons of our young people and support them to achieve their potential as care experienced young people aged between 16 and 20 are four times more likely to be unemployed than their peers. Break offers safe environments with appropriate support to enable our young people to explore, build skills, have great experiences, test ideas and experiment.

Our aspiration projects continue to offer new experiences and opportunities for our young people to try new things and develop their peer network. We have hosted 7 residential and camping events which give our young people the chance to co-produce their experience over several days and take part in all kinds of activities both indoors and outdoors and while developing life skills such as cooking, cleaning, budgeting and living together. They have been able to stay in some really amazing spaces from rolling fields to 500-year-old properties exploring the history of their local communities while bonding with their peers. One of the most exciting of our residential experiences was our Excelsior sailing trip where our young people got the chance to spend a week sailing on a 100 year old fishing vessel. Through working together to ensure the ship was set up to sail the seas hoisting sails and navigating their way round the country they were able to bond as a crew, develop new skills, and make new friendships. Over the year **36 (2021/22 – 42) young people** from a range of our care services were able to access these residencies. All these activities give our young people the opportunity to build friendships and develop their support network with their peers. We have seen some great bonds develop over the year with many of our young people meeting up independently and socializing outside of our break events.

We continue to develop strong partnerships with other organisations which help us to deliver the aspirational work that we do, one of those is with Wrongs Covert where our young people get the opportunity to be in nature for the day or over a few weeks to understand conservation and to detox from their normal lives. Through facilitators at this site we can offer our young people opportunities to work in nature conservation and develop a site that they can continue to use for years to come. We were lucky enough run our greening communities project again this year where our young people worked first hand on building board walks and path ways to make this space more accessible, something they have been so proud of and which has led to even more opportunities for volunteering and employment in the local community.

During the course of the year the coffee van has attended over 51 events from small car park gatherings for some of our corporate supporters, working with our fundraising team to support the art trails marathon events as well long term trading spots at caravan parks. We have continued to work with our all of young people providing coffee making workshops with all of our care services including fostering SCSC and residential. We have delivered barista training sessions for **4 young people** and offered work to **5 young people (2021/22 9/7)**.

We continue to see our young people moving through our employment pathways and realizing the benefits of going to work and we are so pleased that over the last year we have seen 2 of our young baristas move onto new jobs or apprenticeships as well as provided continued support to our young people in work who need help and advice on how to deal with the different challenges they face

Our construction workshop gives our young people the chance to develop their skills in construction and explore the potential careers on offer there. The project has supported **10 (2021/22 – 16) young people** and is working regularly with students in further education to provide additional tutoring for those in need of extra support. This project has also supported our young people work in their local community and gain city and guilds qualifications in painting and decorating as well as qualification with open awards exploring work opportunities in the construction sector. We have taken this a step further and are working with young people in this project to get them ready to start apprenticeship courses in 2023

Over the course of the year Our lifelong opportunities team has supported 64 different young people through 188 different activities and over 4000 supported hours.



## Break

### REPORT OF THE BOARD OF TRUSTEES (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) FOR THE YEAR ENDED 31 March 2023

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#### ***Our Shops***

Break's shops are valuable assets for the Charity. They generate income to help fund our charitable services and provide vital links with the local community, offering opportunities for people to support our work by donating goods or volunteering their time. Our volunteers are able to give something back, learn new skills and meet new people within a friendly environment. We are grateful for the many good quality donations of clothing, household items, toys and books we receive which we sell in our shops. Items not suitable for sale are recycled whenever possible to avoid them going to landfill.

During the year **712** (2021/22 – 671) **volunteers** worked in our shops.

At the year end, **Break had 45 shops plus an online operation**, 31 in East Anglia and 14 in the West Country. Next year we plan on extending our online offer.



#### ***Fundraising***

Much of the support offered by Break to children, young people and families is funded by charitable income from fundraising. The team developed some key income streams encompassing:

**Trails** - The two-year GoGoDiscover Trail across Norfolk and Norwich, culminated in a charity auction at Norwich Cathedral in autumn 2022, with proceeds exceeding previous Break trails to date. The project team's focus has turned to 2024, with a hugely successful launch of the 'Cambridge Standing Tall' sculpture trail of giraffes, due to be delivered in spring 2024.



**Corporate** - As well as engagement in trails, there has been a continued growth of corporate relationships and developing new partnerships across the region and support from a variety of sectors. This has resulted in an increase in corporate donations, in kind support, charity of the year partnerships and volunteering.

**Events** - Following on from the recovery post-pandemic, we continue to focus on our most successful regular and popular events, alongside the introduction of new challenges and activities to extend our reach across our region. This has led to increased individual engagement and participation and great return on investment.

**Individuals and Community** - We continue to develop this area and have been working to reignite e-newsletters for supporters and are working to engage with a wider community beyond just Norwich.

**Trusts and Foundations** - Support from trusts and foundations is invaluable to our work with children and young people. We are working with local Norfolk and Cambridgeshire trusts and national grant-makers. These donations fund project work which is supporting children and young people with a care background to achieve successful life paths and challenge the national statistics of poor outcomes. Trusts and foundations are also supporting Break to test new project initiatives and gather evidence which contributes to bigger projects and can lead to systemic change for care services nationally. Please contact us if you are a trust that aligns with our work as we would be grateful to start a conversation on how we can work together to make a meaningful difference.

## Break

### REPORT OF THE BOARD OF TRUSTEES (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) FOR THE YEAR ENDED 31 March 2023

The table below shows some of the restricted grant funding we received in the year following successful grant applications.

Funder	Break Service	Amount
Esmee Fairbairn Foundation	Staying on Track	£84,629
The Thompson Family Charitable Trust	Opportunities Team	£50,000
Norfolk Construction Charitable Trust	Opportunities Team	£38,953
CHK Foundation	Staying Close, Staying Connected - Fostering Futures	£30,000
Alan Boswell Group Charitable Trust	Opportunities Team / Education Officer	£19,000
Norfolk County Council	Education officer	£12,388
Norfolk Community Foundation through the Public Health – Empowering Communities for Mental Health and Wellbeing Fund	Mentoring	£10,000
Insurance Industry Charitable Foundation	Opportunities Team	£9,300
BBC Children in Need	Break Therapeutic Service	£5,938
Norwich Forum for the Construction Industry	Opportunities Team	£5,422
The Wellard Trust	Mentoring	£5,000
The Ranworth Trust	Opportunities Team	£5,000
Norfolk Community Foundation through Sir Norman Lamb Mental Health and Wellbeing Fund	Opportunities Team	£5,000
Norfolk Community Foundation through the Love Norfolk 2022'	Opportunities Team	£4,992
Norfolk Community Foundation through the Greening our Communities' Fund	Opportunities Team	£4,950
Norfolk Community Foundation through the West Norfolk Lives Fund	Opportunities Team	£4,400
The Places Foundation	Opportunities Team	£4,000
R C Snelling Charitable Trust	Opportunities Team	£3,000
The Outlook Fund – Cambridge Community Foundation	Staying Close, Staying Connected	£3,000
Norfolk Community Foundation through the New Endeavour Rangers Fund	Break Therapeutic Service	£2,000
Social Investment Business	Opportunities Team	£1,500
Norfolk Community Foundation	SCSC	£3,364
Active Norfolk	Opportunities Team	£1,386
The Beer Harris Memorial Trust	Opportunities Team	£1,000

We would also like to thank the following supporters of Break where the value of support has exceeded £5,000

Active Norfolk	Norwich BID
Alan Boswell Group Charitable Trust	Paragraph Publishing
Bailey Fisher Executive Search	Pentaco Construction Limited
Cambridge BID	Production Bureau Ltd
Castle Quarter	QD
Chantry Place	Richardsons Leisure
Clapham & Collinge Solicitors	Roarr!
Dacre Property Holdings	Royal Norfolk Agricultural Association
David Utting Engineering	The Beer Harris Memorial Trust
Furthermore Marketing	The Ellerdale Trust
John Lewis Partnership	The Forum Trust Ltd
Junkyard Market	Wild in Art
Longwater Construction Supplies	Candour
Mark Province of East Anglia [Freemasons]	Xaar Plc
Nielson Brandbank	

## Break

### REPORT OF THE BOARD OF TRUSTEES (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 March 2023

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## B) Financial Review

### Results

Break incurred a deficit of **£504k** (2021/22 £286k surplus) for the year, this includes a revaluation loss of **£349k (2021/22 £Nil)** following on from the valuation of the Charity's property portfolio at the year end which decreased the property value to £3.4m. The total loss for the year comprised a surplus of **£174k** (2021/22 £358k) before the adjustment for the valuations, **£175k (2021/22 £358)** deficit after valuation adjustment on unrestricted funds, a deficit of **£43k** (2021/22 £174k surplus) on designated funds and a deficit of **£286k** (2021/22 deficit £246k) on restricted funds. The value of net assets decreased from £5,933k to **£5,429k**. Of these, unrestricted funds accounted for **£5,314k** (2021/22 £5,677k) (including designated funds of **£808k** (2021/22 £794k)).

### Reserves Policy

Free reserves are unrestricted funds that are available to be spent on any of the Charity's objectives. Tangible fixed assets, and the connected bank loans, are not included in free reserves as these assets are essential to the Charity's activities. Their disposal would adversely impact the Charity's ability to deliver its aims.

The level of free reserves is set by the Board of Trustees on an annual basis and regularly monitored throughout the year. Action is taken if actual free reserves fall significantly outside the target level established. The Finance Committee reviewed the Reserves Policy in February 2023 alongside the budget for April 2023 to March 2026 and recommended to the Board of Trustees a target for free reserves of £992k.

In determining the level of free reserves, Trustees consider the financial impact of the risks facing the Charity, including the loss of income from partner agencies and voluntary donations, and balance the need to hold sufficient reserves to enable the Charity to:

- continue its activities when faced with unforeseen circumstances,
- support the development of additional services to children, young people and their families, and
- maximise expenditure on charitable activities.

Free reserves as at 31 March 2023 were **£1,061k** (2021/22 £1,061k). Free reserves are in line with the Charity's policy.

As at 31 March 2023, the Charity had Designated Funds of **£808k** (2021/22 £794k). Designated Funds are funds set aside by the Trustees out of unrestricted funds to support specific future purposes and projects. Details of the Designated Funds, together with movements during the year, are given in Note 20 to the financial statements.

As at 31 March 2023, the Charity had Restricted Funds of **£115k** (2021/22 £256k). Restricted Funds are funds received for undertaking an activity specified by the donor when making the gift, or may result from the terms of an appeal for funds. Details of the Restricted Funds, together with movements during the year, are given in Note 20 to the financial statements.

### Funding Sources

Break has three main funding sources; service level agreements and spot purchase contracts from local authorities, retail and fundraising.

## **Break**

### **REPORT OF THE BOARD OF TRUSTEES (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)**

#### **FOR THE YEAR ENDED 31 March 2023**

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#### ***Investment Policy***

The Charity holds cash to fund expenditure in the short and medium terms. The cash is held on deposit accounts as capital preservation is of particular importance, as is the ready availability of a substantial proportion of the assets to meet immediate cash flow requirements. Given these parameters, the Charity seeks to produce the best financial return within an acceptable level of risk. In implementing the Investment Policy, the Charity will have regard to the spread of risk, future liquidity requirements and ethical considerations. The treasury and investment position is regularly reported to and monitored by the Finance Committee.

#### ***Principal Risks and Uncertainties***

The Trustees undertake continual assessment of the principal risks facing the Charity and are satisfied that adequate controls and procedures are in place to mitigate these risks. The Risk, Governance and HR committee is responsible for overseeing the approach to risk across the whole of the Charity's activities. During the year the Charity reviewed and revised its risk management system to aid improved reporting at both operational and strategic level whilst continued assurance that all risks are assessed and reported. All risks identified are logged and initially assessed as a risk (with no mitigation), mitigations and controls are then applied with the aim of reducing the risk to an acceptable level.

Risks are scored on impact and likelihood which give an overall risk score. Any risk scoring over 16 is reported to the board through the agreed board reporting processes, operational risks are managed by the relevant manager. The Executive review the risks on a fortnightly basis. Board sub committees review their strategic risks at their meetings during the year.

The key risks identified by the Trustees are:

- Cover for staff in the event of absence or illness
- Void periods in spot purchase services
- Serious incident e.g. fire at a care provision or damage to reputation
- Competition

All the above risks have been reviewed by the Trustees during the year, who consider that the controls and mitigations in place for each risk area is appropriate. Measures that are in place to mitigate the above key risks include:-

- Increase in number of mobile team staff employed that are able to drop into all services,
- Regular referral meetings to ensure any voids are quickly filled
- Risk assessments, regular maintenance and testing of equipment and procedures in all services
- Pricing reviews and reviewing of quality of services provided

The strategic risk analysis is reviewed by the Trustees on an annual basis.

#### ***Key Performance Indicators***

Trustees monitor the Charity's Key Performance Indicators (KPIs) on a regular basis. If a situation arises, as happened during the pandemic, meetings are increased in frequency to enable a closer level of scrutiny during those times. The financial KPIs are reviewed periodically and the results reported through the Management Accounts. The KPIs include performance against budget, occupancy, net current assets, reserve levels and staff costs compared with income.

#### ***Going concern***

The Trustees have carefully considered all available information impacting the finances and operations of the Charity for 12 months from the date of this Report. Information from budgets and forecasts for income, expenditure and cash-flow, including the availability of unrestricted funds and reserves, credit facilities and any other forms of financial assistance have been considered. The Trustees are confident that there are no going concern issues.

**REPORT OF THE BOARD OF TRUSTEES (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)  
FOR THE YEAR ENDED 31 March 2023**

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**C) Plans for future periods**

The Trustees anticipate a challenging year ahead for the Charity in light of inflationary rises impacting expenditure which is not always matched in income, especially that which is restricted by contractual terms.

We have seen a strong return to our income streams from our retail and fundraising activities, sustaining these levels is key.

***Our Strategy 2023-2025***

The Board have signed off a three-year strategy focussed on four themes: Relationships, Quality, Ambition and Added Value. We will ensure that we drive our charitably funded services to ensure that we continue to pioneer and innovate.

We will do this by:

- Giving a voice and listening to care experienced young people by
  - co-producing service developments
  - influencing local and national policy
  - supporting young people to have a platform to share their experiences and opinions
- Developing opportunities for young people to transform their next steps in
  - education
  - employment
  - training
  - wellbeing
  - positive relationships
- Delivering high quality local services by
  - being trauma informed in all we do
  - working alongside Ofsted and local commissioners
  - having highly trained staff
  - strong Quality Assurance
  - high quality accommodation
- Raising funds to give us freedom to add value and increase opportunities to the beneficiaries we serve by
  - running high quality charity shops
  - delivering innovative fundraising events that build our supporter base
  - maximising all income opportunities through Trusts/Grants and Legacies
  - income generation income will increase by 20% over the next 5 years
- Having systems and support functions that enable Break to be the best it can be by
  - Ensuring that all support services are working together to achieve our vision
  - Working in a co-produced, collaborative way that builds positive relationships and best outcomes

## Break

### REPORT OF THE BOARD OF TRUSTEES (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 March 2023

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## D) Structure, Governance and Management

### *Governing Document*

Break is a charitable company limited by guarantee, incorporated in England and Wales on 15 February 1983 and registered as a charity on 6 May 1983. Break's Memorandum of Association establishes its objects and powers, which are governed under Break's Articles of Association. In the event of the Charity being wound up, the members are required to contribute an amount not exceeding £10.

### *Recruitment and Appointment of Trustees*

The directors of the company are Trustees for the purpose of charity law. It is the Board of Trustees' collective responsibility to ensure that the Charity is fit for purpose and to determine and support its strategic direction in order to enable it to attain its stated objective. The Charity follows the Code of Governance for the Voluntary and Community Sector.

New appointments to the Board are made after completion of a Trustee skills gap analysis and an open recruitment process to attract volunteers with appropriate skills. During the year, in accordance with the Memorandum and Articles of Association a third of all Trustees in office are required to retire each year. The Trustees who are required to retire by rotation are those who have been longest in office since their appointment or reappointment. The Trustees take into account the Charity Commission's recommendation that the total length of office should not normally exceed nine years; however, the total period of appointment may be varied in any particular case if the other Trustees then serving at the time determine that it would be in the interests of the charity to do so. The names of all Trustees are listed on page 1.

### *Trustee Induction and Training*

All Trustees receive a full induction pack and training needs are assessed periodically.

### *Organisational Structure*

The Board may delegate any of its powers to any committee consisting of one or more members of the Board or Executive Officers. Break has 4 sub-committees on Finance, Income Generation, Care Services, and Risk, Governance and HR. These are chaired by Board members and involve Executive Officers and some of the wider staff team.

The Governance and Management Structures operate under the shared principles of:

- Working together with common purpose, values and goals
- Adhering to Break's charitable objectives and the Charity Commission's guidance on public benefit
- Ensuring no small group or one individual dominates the decision making
- Adhering to the principles of openness, honesty, integrity, objectivity, accountability and clear leadership

### *Trustee attendance*

During the year there were a total of 18 (2021/22 21) Board and sub-committee meetings, overall attendance at the meetings was 83% (2021/22 88%).

### *Pay policy for key management personnel*

The key management personnel are paid on Grades 1-3 of a 7 point ranking that is used for all managerial and administrative support staff. The grades all have a scale with a minimum appointment rate, standard job value and maximum job rate. Progress towards the top of the scale is through performance not service.

An Executive Pay Committee, with Trustee input, determines any performance related pay increases for Grades 3-7. Pay increases for the CEO and Directors (Grades 1 and 2) are determined solely by the Trustees and limited by the confines of the scales that are transparently published within the Charity.

No bonuses are paid to key management and employer pension contributions are set at 5% of salary for all eligible Break employees.

## **Break**

### **REPORT OF THE BOARD OF TRUSTEES (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)**

#### **FOR THE YEAR ENDED 31 March 2023**

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#### ***Risk Management***

The Trustees believe that the major risks to which the Charity are exposed to have been identified, reviewed and assessed. Systems are established to mitigate those risks, The principal risks and uncertainties and the response to specific risks are set out on Page 12.

#### ***Fundraising Practices***

Break manages all its fundraising activities in-house and does not use external, professional fundraisers. Members of Break's fundraising team organise and support fundraising events and activities for our corporate, community and individual supporters. Commercial participators are exclusively involved with the GoGoSculpture trails by written agreement with Break. Break complies with the Fundraising Regulator's Code of Fundraising Practice.

No complaints about fundraising activity were received in the year (2021/22 – none).

Break has signed up to the Fundraising Regulator's Code of Fundraising Practice and is a member of the Chartered Institute of Fundraising. All of Break's fundraising guidance and working practices are compliant. Some of the staff in the fundraising team are also individual members of the Chartered Institute of Fundraising. Volunteer fundraisers are given a full induction and briefing before they raise funds for Break.

All direct marketing is undertaken by the fundraising department. It is neither unreasonably intrusive or persistent and is only sent to people who have consented to engage with Break. Break never make cold calls. All marketing material or information sent from Break contains clear instructions on how a person can remove themselves from mailing lists. All of Break's processes are GDPR compliant. Break's work is with vulnerable people and Break has an agreed operating procedure to protect vulnerable people. All Break's fundraisers are familiarised with the Code of Fundraising Practice to ensure that it is applied properly.

#### ***Staff and volunteers***

Break's staff and volunteers are critical to the ongoing success of the Charity. Their time, skill, passion and dedication ensure Break is able to deliver the best possible services for the children and families supported. Break's volunteers continue to provide invaluable input throughout the Charity, but especially to the retail operations. A conservative estimate of their contribution to the Charity is equivalent to £300,000 (2021/22 - £285,000) of paid salary hours.

#### ***Employee engagement***

Break actively encourages the engagement of employees and welcomes constructive comments on the running of the Charity. The principal structure for this is the Staff Consultation Forum, a staff body of 25 representatives from all disciplines, departments and services. The Forum meets three times a year and is attended by senior members of the Executive and Trustees.

We also carried out an Employee Engagement Questionnaire this year and, based on the feedback, have changed the way we work. Some of the changes we made are:

- Wider engagement of the Leadership Team across the organisation
- Delivering training across the region rather than being Norwich centric
- Updating our staffing benefits packages
- Developing an internal communications platform – Yammer – to ensure all colleagues keep up to date.

Break was reviewed and awarded a Gold standard by Investors In People this year and we continue to develop our engagement activity through well-being groups, staff champions and regular communication of key messaging.

Break continued the communication with employees and volunteers during the year. The frequency of a news update from the CEO remained weekly. The Director of Care also reports on a weekly basis to all colleagues in care services covering achievements and activities in the division. We have migrated to Microsoft 365 over the last 6 months and this has worked well. Our next steps are to fully integrate its use for version control, team working and internal communications.

## Break

### REPORT OF THE BOARD OF TRUSTEES (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) FOR THE YEAR ENDED 31 March 2023

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#### ***Policy for employment of disabled persons***

Break welcomes applications for employment from all prospective employees regardless of disabilities. Break is committed to developing practices that not only meet the requirements of equalities legislation but which actively promote equality of opportunity and maximise the abilities, skills, and experience of all employees. Break already has the Department for Work and Pensions designation of "Disability Confident – Committed" and is working towards recognition at an enhanced level of this scheme.

Break's commitment is to ensure that employees are managed in an inclusive way, taking into account individual differences and giving employees the confidence to disclose a disability should they so wish. If an employee discloses that they have a disability or become disabled during the course of their employment we will engage in a discussion with them to determine what they need to be successful in their role and seek to make reasonable adjustments to facilitate this. These could include, for example, training, specialist technology or equipment. In deciding what is reasonable, the practicalities and resources available to Break, including through the government funded "Access to work scheme", are taken into account.

#### ***The Environment***

We are committed to improving our environmental awareness and reducing the impact of the Charity on our environment, both now and in the future. We recognise climate change is one of the most serious environmental challengers currently threatening the global community and we understand we have a role to play in reducing greenhouse gas emissions.

During the pandemic many of the ways we operate changed, as we come out of those times we have taken learnings from then and adapted to different ways of working that reduce our impact, these include

- Using video conferencing, which has not only meant the need not to travel to locations, but has also enabled meetings to happen sooner as they take up less time as no travel required.
- Introducing hybrid working practices reducing our staff's private travel
- Replacing boilers at our properties to more efficient ones as they come up for replacement.
- Improving lighting systems by changing to LEDs
- Installing smart heating devices to properties

We have mapped 12 months of continuous consumption data for of our premises the table below details the usage across the Charity. The period covered was the calendar year to 31 December 2022. The BEIS' greenhouse gas conversion factors for company reporting, published in June 2022 were used in the calculations.

<b><i>Jan – Dec 2022</i></b>	<b><i>Use in Kwh</i></b>	<b><i>Carbon Emissions tCO<sub>2</sub>e</i></b>
<b><i>Total electric use</i></b>	<b><i>765,808</i></b>	<b><i>159</i></b>
<b><i>Total gas use</i></b>	<b><i>459,577</i></b>	<b><i>106</i></b>
<b><i>Total transport fuel</i></b>	<b><i>151,044</i></b>	<b><i>151</i></b>
<b><i>Total energy from other fuels</i></b>	<b><i>203,775</i></b>	<b><i>45</i></b>
<b><i>Total energy use (all sources)</i></b>	<b><i>1,580,204</i></b>	<b><i>461</i></b>
<b><i>Total estate size</i></b>		<b><i>12,007sqm</i></b>
<b><i>Carbon intensity ratio</i></b>		<b><i>38.37KgCO<sub>2</sub>e per sqm</i></b>

We will map out where investment can be prioritised to achieve greatest impact as part of our facilities review plan. Further work needs to be done to routinely monitor water consumption and waste to further stretch our environmental impact reduction targets. We will be looking at our procurement of services over the coming months and how we can improve our impact on the environment.

**Break**

**REPORT OF THE BOARD OF TRUSTEES (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)  
FOR THE YEAR ENDED 31 March 2023**

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***Responsibilities of the Board of Trustees***

The Board of Trustees (who are also directors of Break for the purposes of company law) are responsible for preparing the Report of the Board and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Board of Trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Board of Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS102);
- 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 charitable company will continue in operation.

The Board of Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

***Auditor***

Following a competitive tender process in 2022 the Board appointed Price Bailey LLP as the Charity's auditors for the year ended 31 March 2023 and will recommend to the AGM that they should continue to be engaged as auditors for the forthcoming year.

***Disclosure of information to the auditor***

We, the directors of the company who held office at the date of approval of these Financial Statements as set out above each confirm, so far as we are aware, that:

- there is no relevant audit information of which the company's auditor is unaware; and
- we have taken all the steps that we ought to have taken as directors to make ourselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

We have disclosed to the company's auditor all forecasts and workings based on current knowledge and actions, including the effect on cash flow, reserves and funds, to validate our conclusion that Break's accounts should be prepared on a going-concern basis.

The Board of Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

In approving the Trustees' Annual Report, we also approve the Strategic Report in our capacity as company directors.

Approved by the Board of Trustees on 19<sup>th</sup> July 2023 and signed on its behalf by:



Beverley Hall, Trustee

## Break

### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS

#### FOR THE YEAR ENDED 31 March 2023

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### Opinion

We have audited the financial statements of Break (the 'charitable company') for the year ended 31 March 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including 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 March 2023, 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 charitable company 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 charitable company'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 trustees 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.

## Break

### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS

#### FOR THE YEAR ENDED 31 March 2023

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##### Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report (incorporating the strategic report and directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report (incorporating the strategic report and directors' report) has been prepared in accordance with applicable legal requirements.

##### Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' 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 and sufficient accounting records have not been kept by the charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the charitable company's 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.

##### Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors of the charitable company for the purposes 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 charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

##### Auditor's responsibilities for the audit of the financial statements

We have been appointed auditor under the Companies Act 2006 and report in accordance with this Act.

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

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

## Break

### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS

#### FOR THE YEAR ENDED 31 March 2023

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We gained an understanding of the legal and regulatory framework applicable to the charity and how it operates and considered the risk of the charity not complying with the applicable laws and regulations including fraud, in particular those that could have a material impact on the financial statements. This included those regulations directly related to the financial statements. In relation to the charitable company this included employment law, financial reporting, data protection and health & safety.

The risks were discussed with the audit team and we remained alert to any indications of non-compliance throughout the audit. We carried out specific procedures to address the risks identified. These included the following:

- Management override: We reviewed systems and procedures to identify potential areas of management override risk. In particular, we carried out testing of journal entries and other adjustments for appropriateness.
- We reviewed minutes of Trustee meetings, any correspondence with the Charity Commission, agreeing the financial statement disclosures to underlying supporting documentation, and made enquiries of management including those responsible for the key regulations. We have reviewed the procedures in place for reporting of incidents to the Trustee Board and, escalation procedures and serious incident reporting of these matters as necessary with the Charity Commission.
- We have made enquiries of management and trustees of the charitable company regarding laws and regulations applicable to the organisation.
- We reviewed the risk management processes and procedures in place including a review of this document by the Board of Trustees.

Because of 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 regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. This description forms part of our auditor's report.

**Break**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS  
FOR THE YEAR ENDED 31 March 2023**

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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 and its trustees 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 and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



**Helena Wilkinson BSc FCA DChA  
Senior Statutory Auditor**

For and on behalf of  
**PRICE BAILEY LLP**  
Chartered Accountants and Statutory Auditors

Anglia House 6 Central Avenue  
St Andrews Business Park  
Thorpe St Andrew  
Norwich  
NR7 0HR

Date: 12 September 2023 ..

**Break****STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)****FOR THE YEAR ENDED 31 March 2023**

	Note	Unrestricted Funds £000	Designated Funds £000	Restricted Funds £000	2023 Total £000	2022 Total £000
<b>Income from:</b>						
Donations and legacies	2	424	556	1,008	<b>1,988</b>	2,295
Charitable activities	3	7,343	-	411	<b>7,754</b>	7,171
Other trading activities	4	4,569	7	-	<b>4,576</b>	4,095
Investments	5	23	-	-	<b>23</b>	1
Other	6	5	-	-	<b>5</b>	46
<b>Total</b>		<u>12,364</u>	<u>563</u>	<u>1,419</u>	<u><b>14,346</b></u>	<u>13,608</u>
<b>Expenditure on:</b>						
Raising funds	7	4,036	297	-	<b>4,333</b>	4,182
Charitable activities	7	8,154	309	1,705	<b>10,168</b>	9,140
<b>Total</b>	7	<u>12,190</u>	<u>606</u>	<u>1,705</u>	<u><b>14,501</b></u>	<u>13,322</u>
<b>Net income / (expenditure)</b>		174	(43)	(286)	<b>(155)</b>	286
<b>Transfers between funds</b>	20	(202)	57	145	-	-
Losses on revaluation of fixed assets	12	(349)	-	-	<b>(349)</b>	-
<b>Net movement in funds</b>		<u>(377)</u>	<u>14</u>	<u>(141)</u>	<u><b>(504)</b></u>	<u>286</u>
<b>Reconciliation of funds</b>						
Total funds brought forward		<u>4,883</u>	<u>794</u>	<u>256</u>	<u><b>5,933</b></u>	<u>5,647</u>
Total funds carried forward	20	<u><u>4,506</u></u>	<u><u>808</u></u>	<u><u>115</u></u>	<u><u><b>5,429</b></u></u>	<u><u>5,933</u></u>

The statement of financial activities includes all gains and losses in the year. All income and expenditure derives from continuing activities

The notes on pages 25 to 44 form part of these financial statements

Break

**BALANCE SHEET**

AS AT 31 March 2023


COMPANY NUMBER:01699685

	Note	2023 £000	2022 £000
<b>Fixed assets</b>			
Tangible fixed assets	12	3,437	3,814
Investments	13	8	8
		<u>3,445</u>	<u>3,822</u>
<b>Current assets</b>			
Stock	14	-	-
Debtors	15	1,233	996
Cash at bank and in hand	16	1,638	2,101
		<u>2,871</u>	<u>3,097</u>
<b>Current liabilities</b>			
Creditors: amounts falling due within one year	17	(685)	(611)
<b>Net current assets</b>		<u>2,186</u>	<u>2,486</u>
<b>Total assets less current liabilities</b>		<u>5,631</u>	<u>6,308</u>
<b>Long-term liabilities</b>			
Creditors: amounts falling due after more than one year	18	(202)	(375)
<b>Total net assets</b>		<u>5,429</u>	<u>5,933</u>
<b>The funds of the Charity</b>			
<b>Restricted funds</b>	20	115	256
<b>Unrestricted funds</b>			
Designated funds	20	808	794
General funds	20	3,844	4,248
Revaluation reserve	20	662	635
		<u>5,314</u>	<u>5,677</u>
		<u>5,429</u>	<u>5,933</u>

The financial statements were approved and authorised for issue by the Board of Trustees on 19<sup>th</sup> July 2023.

Signed on behalf of the Board of Trustees

  
Beverley Hall, Trustee

  
Frank Shippam, Trustee

The notes on pages 25 to 44 form part of these financial statements

**Break****CASH FLOW STATEMENT****FOR THE YEAR ENDED 31 March 2023**

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	Note	2023 £000	2022 £000
<b>Cash flows from operating activities</b>	23	<b>(271)</b>	842
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		-	(17)
Proceeds from the sale of tangible assets		7	-
Interest paid		(19)	(29)
Interest received		23	1
<b>Net cash flow from investing activities</b>		<b>10</b>	(45)
<b>Cash flows from financing activities</b>			
Repayment of mortgage		(203)	(1,073)
<b>Net cash flow from financing activities</b>		<b>(203)</b>	(1,073)
<b>Net decrease in cash and cash equivalents</b>		<b>(463)</b>	(276)
Cash and cash equivalents at 1 April 2022		2,101	2,377
<b>Cash and cash equivalents at 31 March 2023</b>		<b>1,638</b>	2,101
<b>Cash and cash equivalents consist of:</b>			
Cash at bank and in hand		142	446
Short term deposits		1,496	1,655
<b>Cash and cash equivalents at 31 March 2023</b>		<b>1,638</b>	2,101

The notes on pages 25 to 44 form part of these financial statements

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 March 2023

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### 1. Accounting Policies

The Charity is a private company limited by guarantee registered in England and Wales. The address of the registered office is Schofield House, 1 Spar Road, Norwich, NR6 6BX.

The principal accounting policies, judgements and key sources of estimation and uncertainty adopted in the preparation of the financial statements are as follows:

#### a) Basis of preparation

The accounts (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 issued in October 2020, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

The Charity constitutes a public benefit entity as defined by FRS 102.

The financial statements are prepared under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in sterling which is the functional currency of the Charity and rounded to the nearest £000.

#### b) Judgements and key sources of estimation uncertainty

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 in the circumstances. The most significant of these judgements relates to the valuation of the Charity's properties as per accounting policy g) below

#### c) Going concern

The financial statements have been prepared on a going concern basis as the Trustees consider that the Charity's ability to continue operating is beyond reasonable doubt.

In particular, the Trustees have carefully considered all available information about the effect of inflationary pressures on the finances and operations of the Charity for 12 months from the time of approving these financial statements. The Trustees have had regard to information from budgets and forecasts for income, expenditure and cash-flow, including the availability of unrestricted funds and reserves.

The Trustees consider that the budgeted income and expenditure is sufficient with the level of reserves for the Charity to be able to continue as a going concern.

#### d) Group financial statements

The Charity's subsidiary company remained dormant for the year ended 31 March 2023 and has therefore not been consolidated.

#### e) Income

All income is included in the Statement of Financial Activities when the Charity is entitled to the income and the amount can be quantified with reasonable accuracy. Income is allocated as unrestricted and restricted in accordance with fund accounting rules. Analysis of restricted funds is detailed in note 20.

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 March 2023**

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**1. Accounting Policies (continued)**

The following specific policies are applied to particular categories of income:

Income from donations and legacies includes grants and donations and is included in full in the Statement of Financial Activities when receivable.

Legacies are included in the Statement of Financial Activities when the Charity becomes aware of its entitlement to the gift and the amount involved can be quantified, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received. At this point income is recognised. On occasion legacies will be notified to the charity however it is not possible to measure the amount expected to be distributed. On these occasions, the legacy is treated as a contingent asset and disclosed.

Government grants are received in respect of the Staying Close Staying Connected project and in previous years support relating to the Covid-19 pandemic. Income from government and other grants are recognised at fair value when the Charity has entitlement after any performance conditions have been met, it is probable that income will be received and the amount can be measured reliably. If entitlement is not met, then these amounts are deferred.

Donated goods, facilities and services are recognised in income at their fair value when their economic benefit is probable, it can be measured reliably, and the Charity has control over the item. Fair value is determined on the basis of the value of the gift to the Charity, for example the amount the Charity would be willing to pay on the open market for such facilities. A corresponding amount is included in expenditure.

Clothing and other items donated for resale through the Charity's shop are included as income within other trading activities when they are sold.

Income from investments is included when receivable.

Income from other trading activities is accounted for when earned.

**f) Expenditure**

Expenditure is recognised on an accrual basis as a liability is incurred, split between unrestricted and restricted funds. An analysis of restricted funds is detailed in note 20.

Expenditure on raising funds comprises those costs associated with attracting donations and legacies and the costs of other trading activities including the Charity's shops.

Expenditure on charitable activities comprises those costs incurred in the delivery of services to beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs are those associated with meeting the constitution and statutory requirements of the Charity including the audit fees and costs linked to the strategic management of the Charity.

Identifiable direct costs are allocated between expenditure categories of the Statement of Financial Activities on an actual basis. All other costs are allocated on a departmental 'head count' basis.

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 March 2023

**1. Accounting Policies (continued)****g) Freehold property**

The Board have adopted a policy of revaluing freehold property as permitted by FRS 102. The Board have elected to conduct a periodic revaluation of the Charity's properties. The properties held by the charity were revalued in June 2023 by Brown & co.

Freehold property is not depreciated on the basis that it relates to properties which have a very long useful life and the residual value is likely to be not materially different from the carrying amount. Annual impairment reviews are carried out. Where a revalued property's carrying amount exceeds its recoverable amount, an impairment loss is recognised as a revaluation decrease within the SoFA.

It is the policy of the Board to maintain all properties to a very high standard with all maintenance and refurbishment costs being charged to the Statement of Financial Activities.

**h) Tangible assets**

Tangible assets are initially recorded at cost and subsequently stated at cost less any accumulated depreciation and impairment losses. Assets costing over £2,500 are capitalised.

**i) Depreciation**

Depreciation is calculated to write off the cost or valuation less estimated residual values of tangible fixed assets, excluding freehold property (see above), over their estimated useful lives using the following rates:

Leasehold property	Over the period of the lease
Office furniture and fittings	15% straight line
Care homes furniture	20% straight line
Computer equipment and software	33 1/3% straight line
Motor vehicles	25% straight line

The expenditure on furnishing new care homes is capitalised and depreciated over five years. Expenditure on the replacement of furniture, fixtures and fittings is written off in the year the cost is incurred.

**j) Investments**

Investments in unquoted securities are included at a valuation estimated by the Board. Any gains or losses arising on revaluation are included in the Statement of Financial Activities.

**k) Leasing**

Rentals payable and receivable under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

**l) Pension schemes**

Break operates two defined contribution schemes. The assets of the schemes are held separately from those of Break in independently administered funds. The charge in the Statement of Financial Activities is the contribution payable by Break to the funds for the year.

**1. Accounting Policies (continued)**

**m) Fund accounting**

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity.

Designated funds are funds that have been set aside by the Trustees for particular purposes.

Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of an appeal.

**n) Stock**

The fair value of donated stock has not been included in these accounts on the basis that it is impractical to obtain a fair value due to the volume of low-value items received and the absence of detailed stock control systems and records. New goods purchased for sale within the shops are measured at the lower of cost and net realisable value.

**o) Redundancies**

Where an obligation to make a redundancy or termination payment exists, the costs incurred by the Charity are accounted for on an accruals basis and included within employee benefits.

**p) Taxation**

The Charity is exempt from corporation tax as surplus income and gains are applied for charitable purposes.

**q) Debtors and creditors**

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

**r) Cash at bank**

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

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 March 2023

**2. Income from donations and legacies**

	Unrestricted	Designated	Restricted	2023	2022
	£000	£000	£000	£000	£000
Grants & donations	277	556	347	1,180	1,248
Government Grants:-					
Service Delivery	-	-	661	661	840
RHLG	-	-	-	-	163
CBILs	-	-	-	-	11
Legacies	147	-	-	147	33
	<u>424</u>	<u>556</u>	<u>1,008</u>	<u>1,988</u>	<u>2,295</u>

Income from grants and donations in 2021/2 was £1,248k, of which, £177k was attributable to unrestricted funds, £644k to designated funds and £427k to restricted funds.

Income from government grants in 2021/22 was £1,014k, of which, £174k was attributable to unrestricted funds and £840k was attributable to restricted funds.

Income from legacies in 2021/22 was £33k of which all was attributable to unrestricted funds.

Service Delivery Government Grants are for the Staying Close Staying Connected project.

Unrestricted Government Grants received in 2021/22 were

- £163k Retail, Hospitality and Leisure Grants (RHLG) due to lockdown closures of Break's retail shops
- £11k Interest payments on the Coronavirus Business Interruption Loan Scheme (CBILs) loan that was repaid in that year.

**3. Income from charitable activities**

	Unrestricted	Designated	Restricted	2023	2022
	£000	£000	£000	£000	£000
Fees for care services	7,327	-	12	7,339	6,741
Housing income	20	-	399	419	418
Training income	(4)	-	-	(4)	12
	<u>7,343</u>	<u>-</u>	<u>411</u>	<u>7,754</u>	<u>7,171</u>

Income from fees for care services in 2021/2 was £6,741k, of which, £6,726k was attributable to unrestricted funds, and £15k to restricted funds.

Income from housing income in 2021/22 was £418k, of which and £271k was attributable to restricted funds.

Income from training income in 2021/22 was £12k of which all was attributable to unrestricted funds.

**Break****NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31 March 2023****4. Income from other trading activities**

	<b>2023</b>	2022
	<b>Unrestricted</b>	Unrestricted
	<b>£000</b>	£000
Rental income from property	-	5
Fundraising sale of new goods	8	2
Coffee van sales	10	12
Retail income – see analysis below	4,558	4,076
	<u>4,576</u>	<u>4,095</u>

Included within Fundraising sale of new goods is £7k relating to designated income (2021/22 £Nil)

<b>Analysis of retail income</b>	<b>2023</b>		2022	
	<b>£000</b>	<b>£000</b>	£000	£000
Retail income	4,545		4,062	
*Sale of new goods	12		14	
Insurance income (Note 6)	5		-	
		<u>4,562</u>		<u>4,076</u>
<b>Government Support</b>				
RHLG Grants (Note 2)	-		163	
CJRS Grants (Note 6)	-		23	
		<u>-</u>		<u>186</u>
Retail costs		<u>4,562</u>		<u>4,262</u>
		(3,741)		(3,504)
Surplus		<u>821</u>		<u>758</u>

\*All goods, except where stated above, sold in Break's shops have been donated.

**5. Income from investments**

	<b>Unrestricted</b>	Unrestricted
	<b>2023</b>	2022
	<b>£000</b>	£000
Interest receivable	23	1
	<u>23</u>	<u>1</u>

**Break****NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31 March 2023****6. Other income**

	<b>Unrestricted</b>	Unrestricted
	<b>2023</b>	2022
	<b>£000</b>	£000
Miscellaneous income	5	14
Coronavirus Job Retention Scheme	-	32
	<u>5</u>	<u>46</u>

The Coronavirus Job Retention Scheme income relates to furloughed employees across the Charity

**7. Analysis of expenditure by activity**

<b>31.03.2023</b>	<b>Direct costs</b>	<b>Support costs</b>	<b>2023</b>	2022
<i>Charitable expenditure</i>	<b>£000</b>	<b>£000</b>	<b>Total</b>	Total
			<b>£000</b>	£000
Young people in care	3,006	668	3,674	2,985
Children with disabilities	2,537	529	3,066	2,701
Family support	1,265	372	1,637	1,635
Children at risk	1,422	335	1,757	1,731
Support services	-	34	34	88
	<u>8,230</u>	<u>1,938</u>	<u>10,168</u>	<u>9,140</u>
<i>Raising funds</i>				
Retail and other trading activities	3,374	377	3,751	3,515
Fundraising	535	47	582	667
	<u>3,909</u>	<u>424</u>	<u>4,333</u>	<u>4,182</u>
	<u>12,139</u>	<u>2,362</u>	<u>14,501</u>	<u>13,322</u>

Charitable expenditure includes £1,705k attributed to restricted funds (2021/22 £1,799k) and £309k (2021/22 £10k) relating to designated funds, all other expenditure was unrestricted.

Expenditure on raising funds includes £Nil (2021/22 £Nil) attributed to restricted funds and £297k (2021/22 £460k) relating to designated funds, all other expenditure was unrestricted.

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 March 2023

## Analysis of expenditure by activity - Continued

<b>31.03.2022</b>	<b>Direct costs £000</b>	<b>Support costs £000</b>	<b>2022 Total £000</b>	2021 Total £000
<i>Charitable expenditure</i>				
Young people in care	2,467	518	2,985	3,024
Children with disabilities	2,247	454	2,701	2,591
Family support	1,346	289	1,635	1,532
Children at risk	1,419	312	1,731	1,473
Support services	-	88	88	-
	<u>7,479</u>	<u>1,661</u>	<u>9,140</u>	<u>8,620</u>
<i>Raising funds</i>				
Retail and other trading activities	3,050	465	3,515	3,039
Fundraising	613	54	667	376
	<u>3,663</u>	<u>519</u>	<u>4,182</u>	<u>3,415</u>
	<u>11,142</u>	<u>2,180</u>	<u>13,322</u>	<u>12,035</u>

Charitable expenditure includes £1,799k attributed to restricted funds (2020/21 £1,420k) and £10k (2020/21 £1k) relating to designated funds, all other expenditure was unrestricted.

Expenditure on raising funds includes £Nil (2020/21 £Nil) attributed to restricted funds and £460k (2020/21 £121k) relating to designated funds, all other expenditure was unrestricted

## Governance costs

	<b>2023 £000</b>	2022 £000
Governance costs (included within support costs below) comprise:		
Salaries	34	59
Travel	1	1
Audit fees	12	12
Auditors' remuneration for taxation and services	1	1
Other professional fees and support costs	1	-
	<u>49</u>	<u>73</u>
<b>Expenditure includes:</b>		
Depreciation (owned assets)	25	91
(Profit) / loss on disposal of assets	(4)	30
Operating lease rentals land and buildings	881	857
Auditors' remuneration	12	12
	<u>914</u>	<u>991</u>

**Break****NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31 March 2023****8. Analysis of support costs**

	<i>Basis of allocation</i>	<b>2023</b>	2022
		<b>£000</b>	£000
<i>Direct support costs</i>			
Operational management	Direct expenditure	419	376
Training	Head count	317	300
Maintenance	Direct expenditure	149	144
		885	820
<i>Central overheads</i>			
Head office establishment	Direct expenditure	186	183
Finance	Direct expenditure	243	247
Health and safety	Head count	104	73
Human resources	Head count	275	231
Information technology	Head count	184	209
Communications	Direct expenditure	170	131
Chief Executive's office / governance	Direct expenditure	315	286
		1,477	1,360
Total		2,362	2,180

**9. Interest payable**

	<b>2023</b>	2022
	<b>£000</b>	£000
On mortgages not wholly repayable within five years	19	29
	19	29

**10. Staff costs**

	<b>2023</b>	2022
	<b>£000</b>	£000
Wages and salaries	8,455	7,817
Social security costs	733	614
Pension contributions and life insurance	437	417
	9,625	8,848

The figure for staff costs includes taxable benefits of £28k in relation to life assurance (2021/22 £28k)  
The number of employees who received total employee benefits (excluding employer pension costs of more than £60,000 is as follows:

**Break****NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31 March 2023**

	2023	2022
	No.	No.
£60,000 to £69,999	3	2
£70,000 to £79,999	1	-

The average number of employees, excluding Board members, during the year were:

	2023	2022
	No.	No.
Care	255	260
Retail	7	7
Fundraising	139	132
Administration	42	39
	<u>443</u>	<u>438</u>

The average number of full time equivalents employed during 2023 was; Care 175 (2021/22 193); Retail 78 (2021/22 77); Fundraising 6 (2021/22 6); Administration 35 (2021/22 34)

Redundancy/termination payments of £58k (2021/22 £19k) were made in the year. No amounts were outstanding at the year end (2021/22 £Nil).

**11. Trustees' and key management personnel's remuneration and expenses**

No members of the Board received any remuneration during the year.

No members of the Board received expenses in the course of their duties during the year in respect of travelling and subsistence (2021/22 £Nil).

Key management personnel are considered to be the Chief Executive and the Executive team as detailed on Page 1. The total amount of employee benefits received by key personnel is £418k (2021/22 £377k).

Break

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 March 2023

12. Tangible fixed assets

	Freehold property £000	Leasehold property £000	Furniture, fixtures and fittings £000	Computer equipment and software £000	Motor vehicles £000	Total £000
<b>Cost or valuation</b>						
At 1 April 2022	3,749	359	685	178	100	5,071
Disposals	-	-	-	-	(18)	(18)
Revaluations	(349)	-	-	-	-	(349)
At 31 March 2023	<u>3,400</u>	<u>359</u>	<u>685</u>	<u>178</u>	<u>82</u>	<u>4,704</u>
<b>Depreciation</b>						
At 1 April 2022	-	326	681	178	72	1,257
Charge for the year	-	12	2	-	11	25
Depreciation on disposals	-	-	-	-	(15)	(15)
At 31 March 2023	<u>-</u>	<u>338</u>	<u>683</u>	<u>178</u>	<u>68</u>	<u>1,267</u>
<b>Net book value</b>						
<b>At 31 March 2023</b>	<u><b>3,400</b></u>	<u><b>21</b></u>	<u><b>2</b></u>	<u><b>-</b></u>	<u><b>14</b></u>	<u><b>3,437</b></u>
At 31 March 2022	<u>3,749</u>	<u>33</u>	<u>4</u>	<u>-</u>	<u>28</u>	<u>3,814</u>

All fixed assets are held for charitable purposes. All freehold property is non-depreciable.

The freehold properties were revalued following the year end by an independent registered Chartered Surveyor. The properties are valued on the basis of them being converted back to residential private dwellings except for two of the properties (Nelson Lodge and Morley House) which are valued on the basis of alternative use as offices. Expenditure to convert the properties for sale has been taken into account in the valuations. The Board have adopted a policy of revaluing freehold property as permitted by FRS 102 and will review the need for revaluation of the Charity's properties on an annual basis.

On an historical cost basis, the cost and depreciation of these freehold properties would have been as follows:

	2023		2022	
	Cost £000	Depreciation £000	Cost £000	Depreciation £000
Freehold property	<u>3,673</u>	<u>667</u>	<u>3,673</u>	<u>630</u>

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 March 2023**

**13. Fixed asset investments**

**Investment holdings**

	<b>Unquoted investments £000</b>	<b>Total 2023 £000</b>	2022 £000
Market value at 1 April 2022	8	8	8
Market value at 31 March 2023	<u>8</u>	<u>8</u>	<u>8</u>

**Unquoted investments**

	<b>2023 £000</b>	2022 £000
Subsidiary undertaking:		
Break Trading Company Limited	-	-
Helpcards Holdings Limited (0.67% holding)	8	8
	<u>8</u>	<u>8</u>

The investment of £100 in Break Trading Company Limited (01300043), a company incorporated in England, represents 100% of the issued share capital of that company. The company has remained dormant throughout the year. The aggregate amount of net assets attributable to Break is £Nil (2021/22 £Nil). As at 31 March 2023 the company owed £877 (2021/22 £877) to Break.

In the opinion of the Board, on the basis of income received, the value of the investments in Helpcards Holdings Limited is unchanged from 2021/22.

**14. Stocks**

	<b>2023 £000</b>	2022 £000
Retail goods for resale	<u>-</u>	<u>-</u>

**15. Debtors**

	<b>2023 £000</b>	2022 £000
Trade debtors	596	204
Accrued income	296	461
Other debtors	130	133
Prepayments	211	198
	<u>1,233</u>	<u>996</u>

Break

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 March 2023

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16. Cash in bank and in hand

	<b>2023</b> <b>£000</b>	2022 £000
Current accounts	<b>105</b>	406
Treasury and other deposits	<b>1,496</b>	1,655
Cash in hand and imprest accounts	<b>37</b>	40
	<hr/> <b>1,638</b> <hr/>	<hr/> 2,101 <hr/>

17. Creditors: amounts falling due within one year

	<b>2023</b> <b>£000</b>	2022 £000
Mortgages	<b>45</b>	75
Trade creditors	<b>235</b>	255
Social security and other taxes	<b>158</b>	147
Accruals	<b>185</b>	81
Deferred income	<b>-</b>	1
Other creditors	<b>62</b>	52
	<hr/> <b>685</b> <hr/>	<hr/> 611 <hr/>

Secured creditors included above are as follows:

Mortgages: Secured by fixed charges over the Charity's freehold properties	<b>45</b>	75
	<hr/>	<hr/>

Deferred income included above is as follows:

Brought forward	<b>1</b>	41
Released during the year	<b>(1)</b>	(41)
Deferred during the year	<b>-</b>	1
	<hr/>	<hr/>

Carried forward	<b>-</b>	1
	<hr/> <hr/>	<hr/> <hr/>

**Break****NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31 March 2023****18. Creditors: amounts falling due after more than one year**

	<b>2023</b> <b>£000</b>	2022 £000
Mortgages: secured by fixed charges over the Charity's freehold properties	<b>202</b>	375
Mortgages are analysed as follows:		
Between one and two years	<b>41</b>	56
Between two and five years	<b>80</b>	141
Over five years	<b>81</b>	178
	<b>202</b>	375
Within one year	<b>45</b>	75
	<b>247</b>	450

Mortgages include a loan of £292k drawn from Lloyds Bank plc in September 2011 repayable over 15 years at a variable rate of 2.25% above the Bank of England Base Rate, a loan of £176k drawn from Lloyds Bank plc in June 2013 repayable over 10 years at a variable rate of 2.34% above the Bank of England Base Rate and a loan of £166.5k drawn from Lloyds Bank plc in April 2019 repayable over 15 years at a fixed rate of 4.58%. During the year the loan of £166.5k drawn from Lloyds Bank in June 2013 at a variable rate of 2.75% above the Bank of England Base Rate was paid off in full. The loans are secured on various freehold properties.

**19. Operating lease commitments**

The total future minimum lease payments under non-cancellable operating leases are as follows:

	<b>Land &amp; buildings</b> <b>2023</b> <b>£000</b>	Land & buildings 2022 £000	<b>Motor vehicles</b> <b>2023</b> <b>£000</b>	Motor vehicles 2022 £000
Not later than 1 year	<b>538</b>	594	<b>103</b>	121
Later than 1 year and not later than 5 years	<b>977</b>	1,396	<b>152</b>	139
Later than 5 years	<b>400</b>	489	-	-
	<b>1,915</b>	2,479	<b>294</b>	260

Break

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 March 2023

20. Funds

2022/23

	Balance as at 01.04.22 £000	Income £000	Expenditure £000	Transfers £000	Valuation Losses £000	Balance as at 31.03.23 £000
<b>Restricted Funds</b>						
Centre funds	18	29	(30)	-	-	17
SCSC	4	1,047	(1,160)	112	-	3
Young Persons Celebration	3	-	(2)	-	-	1
Norwich Consolidated Charities	19	-	(5)	-	-	14
Staying on Track	37	85	(90)	-	-	32
Fostering Futures	74	43	(117)	-	-	-
Education Officer	-	17	(20)	3	-	-
Mentoring	-	21	(20)	-	-	1
Make a dream	-	15	(15)	-	-	-
Opportunities Team	101	162	(246)	30	-	47
	<u>256</u>	<u>1,419</u>	<u>(1,705)</u>	<u>145</u>	<u>-</u>	<u>115</u>
<b>Designated Funds</b>						
Wellbeing & Services Added Value (My Break 50)	32	-	(19)	38	-	51
Organisational Well-being	10	-	-	(10)	-	-
Adding Value (Go-Go Hares)	28	-	-	(28)	-	-
Commercial Development	50	-	-	150	-	200
Apprenticeships	125	-	(23)	-	-	102
Cambridge Trail	91	-	-	-	-	91
Charms Development	13	-	(13)	-	-	-
Go-Go Discover	53	469	(241)	(281)	-	-
Standing Tall Trail	-	94	(56)	-	-	38
Go-Go Break	240	-	(200)	136	-	176
Building repairs	152	-	(54)	52	-	150
	<u>794</u>	<u>563</u>	<u>(606)</u>	<u>57</u>	<u>-</u>	<u>808</u>
<b>Unrestricted Funds</b>						
Revaluation reserve	635	-	-	-	27	662
General Funds	4,248	12,364	(12,190)	(202)	(376)	3,844
	<u>4,883</u>	<u>12,364</u>	<u>(12,190)</u>	<u>(202)</u>	<u>(349)</u>	<u>4,506</u>
Total unrestricted funds	<u>5,677</u>	<u>12,927</u>	<u>(12,796)</u>	<u>(145)</u>	<u>(349)</u>	<u>5,314</u>
<b>Total Funds</b>	<b><u>5,933</u></b>	<b><u>14,346</u></b>	<b><u>(14,501)</u></b>	<b><u>-</u></b>	<b><u>(349)</u></b>	<b><u>5,429</u></b>

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 March 2023**

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**Transfers Between funds 2022/23**

During the year transfers were made between funds as follows:-

**SCSC, Education Officer and Opportunities** – Funds transferred from the Designated Go-Go Discover fund to cover shortfall of income in services.

**Wellbeing and Services added value (Previously My Break 50)** –The balances from **Organisational Wellbeing** and **Adding value** have been added to this fund to amalgamate into one fund.

**Commercial Development** – £150k has been transferred from unrestricted funds to fund future tender and bid support.

**Go-Go Discover** – These funds have been used to support SCSC, Education Offer and Opportunities as above, with the balance then transferred into the Go-Go Break fund.

**Building Repairs** – £52k has been transferred from unrestricted funds to cover future repair costs across the organisations buildings.

**Transfers Between funds 2021/22**

During 2021/22 transfers were made between funds as follows:-

**Centre funds & Staying on Track** – allocation of related expenditure incurred in general funds in the year.

**Cambridge Trail** – costs incurred in previous years relating to the Cambridge trail incurred in General funds

**Go-Go Hares** – allocation to adding value to support **SCSC**, Moving on Team, Mentoring and the new quality and performance manager.

**Building Repairs** – Transfer from general funds to build reserves for repairs on the Charity's properties.

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 March 2023

## Funds (continued)

2021/22

	Balance as at 01.04.21 £000	Income £000	Expenditure £000	Transfers £000	Balance as at 31.03.22 £000
<b>Restricted Funds</b>					
Centre funds	59	6	(39)	(8)	18
Children in Need	-	6	(6)	-	-
Break Therapeutic Service	-	3	(3)	-	-
SCSC	78	1,113	(1,208)	21	4
Young Persons Celebration	3	-	-	-	3
Norwich Consolidated Charities	-	19	-	-	19
CHK Foundation Fund	41	-	(41)	-	-
Staying on Track	64	84	(89)	(22)	37
Fostering Futures	-	117	(43)	-	74
Education Officer	-	28	(28)	-	-
Mentoring	7	11	(27)	9	-
Opportunities Team	250	166	(315)	-	101
	<u>502</u>	<u>1,553</u>	<u>(1,799)</u>	<u>-</u>	<u>256</u>
<b>Designated Funds</b>					
Building Futures (My Break 50)	32	-	-	-	32
Organisational Well-being	10	-	-	-	10
Adding Value (Go-Go Hares)	29	-	(2)	1	28
Commercial Development	50	-	-	-	50
Apprenticeships	133	-	(8)	-	125
Cambridge Trail	-	294	(147)	(56)	91
Charms Development	13	-	-	-	13
Go-Go Discover	16	350	(313)	-	53
Go-Go Hares	373	-	-	(133)	240
Building repairs	77	-	-	75	152
	<u>733</u>	<u>644</u>	<u>(470)</u>	<u>(113)</u>	<u>794</u>
<b>Unrestricted Funds</b>					
Revaluation reserve	635	-	-	-	635
General Funds	3,777	11,411	(11,053)	113	4,248
	<u>4,412</u>	<u>11,411</u>	<u>(11,053)</u>	<u>113</u>	<u>4,883</u>
Total unrestricted funds	<u>5,145</u>	<u>12,055</u>	<u>(11,523)</u>	<u>-</u>	<u>5,677</u>
<b>Total Funds</b>	<u><b>5,647</b></u>	<u><b>13,608</b></u>	<u><b>(13,322)</b></u>	<u><b>-</b></u>	<u><b>5,933</b></u>

**Restricted Funds**

Centre funds - relates to all income restricted to spending on equipment etc. at the various care homes.

Children in Need - provides funding for Time for Me projects which helps children aged 4-15 who are finding it difficult to cope with the effects of their parents' separation.

Break Therapeutic Service - Grants received to deliver specific sessions for children.

Staying Close Staying Connected (SCSC) - a programme funded by the Department for Education to provide housing and support for care leavers.

Young Persons' Celebration - grants from the A Boswell CT and the Ardwick Trust to support the YP's Celebration in 2022.

Norwich Consolidated Charities - Grant for a housing support worker in Norwich.

CHK Foundation fund - grants from CHK Foundation to support aspirational projects with young people.

Staying on Track - a grant from Esmee Fairbairn Foundation to provide an emotional well-being service to young people aged 18 - 24.

Fostering Futures - a CHK funded project providing housing and support to foster care leavers.

Make a Dream - Project funded by the Free masons giving service users the chance to live out their dreams.

Education officer, Mentoring and Opportunities funds are specific funding received to carry out services in these areas.

**Designated Funds**

Building Futures (My Break 50) - This is now the Wellbeing and Service added value fund , which provides wellbeing activities to staff throughout the organisation and added value to young people in services by accessing additional activities and resources outside statutory funding.

Organisational Well-being - This has now been combined to the Wellbeing fund mentioned earlier, to foster and encourage good practice in the care and development of Break's staff.

Adding Value (Go-Go Hares) - a fund from the profits of the Hares trail to make special provision for the users of Break's services, this has now been combined to the first fund.

Commercial Development - a fund set up to provide start-up funding for innovative income generating projects.

Apprenticeships - a fund to create apprenticeship opportunities for our young people.

Cambridge Trail - a fund to provide development funding for the 2022 Cambridge Sculpture Trail and from the proceeds of the trail to invest in care services in Cambridgeshire.

Charms Development - to promote, develop and expand the use of the Charms data collection and management systems within Break's care services.

Go-Go Discover - for income and expenditure for the future Go-Go Discover Trail.

Go-Go Break (Go-Go Hares renamed) - the profits of the Go-Go Trails used to support young people leaving care and services adding value to the organisation.

Building repairs - this fund has been created to set aside monies for major works to properties such as boiler replacement and roof repairs.

**Break****NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31 March 2023****21. Analysis of net assets between funds**

	Unrestricted £000	Designated £000	Restricted £000	Total £000
Tangible fixed assets	3,437	-	-	3,437
Investments	8	-	-	8
Current assets	1,948	808	115	2,871
Current liabilities	(685)	-	-	(685)
Long-term liabilities	(202)	-	-	(202)
<b>Total net assets</b>	<b>4,506</b>	<b>808</b>	<b>115</b>	<b>5,429</b>

<b>2021/22</b>	Unrestricted £000	Designated £000	Restricted £000	Total £000
Tangible fixed assets	3,814	-	-	3,814
Investments	8	-	-	8
Current assets	2,047	794	256	3,097
Current liabilities	(611)	-	-	(611)
Long-term liabilities	(375)	-	-	(375)
<b>Total net assets</b>	<b>4,883</b>	<b>794</b>	<b>256</b>	<b>5,933</b>

**22. Company status**

Break is a company limited by guarantee and has no share capital. Each of the 13 (2021/22 - 13) members undertakes to contribute such amounts (not exceeding £10) as may be required in the event of a winding up.

**23. Reconciliation of net expenditure to net cash flow from operating activities**

	<b>2023</b> <b>£000</b>	2022 £000
Net income for the year	(155)	286
Interest receivable	(23)	(1)
Interest payable	19	29
(Profit) / loss on disposal of tangible assets	(4)	30
Depreciation	25	91
Decrease in stocks	-	1
(Increase) / decrease in debtors	(237)	341
Increase in creditors	104	65
<b>Net cash flow from operating activities</b>	<b>(271)</b>	<b>842</b>

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 March 2023

## 24. Analysis of changes of net debt

	At start of year £000	Cash flows £000	Other changes £000	At end of year £000
Cash	446	(304)	-	142
Cash equivalents	1,655	(159)	-	1,496
Loans falling due within 1 year	(75)	30	-	(45)
Loans falling due after more than 1 year	(375)	173	-	(202)
Total net assets	1,651	(260)	-	1,391

## 25. Pension and other post-retirement benefits

## Defined contribution plans

The Charity operates a defined contribution pension plan for its employees. The amount recognised as an expense in the period was £408k (2021/22 £390k). At the year end £50k (2021/22 £51k) was payable to the scheme.

## 26. Contingent liability

On the retirement of two of the founders of Break in late 2002 and early 2003, the Charity entered into separate agreements with the retiring founders. Under the agreements, annual indexed linked payments of £3,500 were to be paid for life, with an additional 50% annual payment to the surviving spouse for their lifetime. This additional payment commenced in April 2017 upon the death of one of the retired founders. The current annual payment for the surviving spouse is £7,010 (£6,906) per annum (as adjusted for inflationary increases). Based on standard actuarial assumptions, Break calculates the value of the future potential liability at £68k as at 31 March 2023 (2022 £74k).

This arrangement has been agreed by the Charity Commission.

## 27. Related party transactions

During the year the Charity received sponsorship income of £7,000 (2021/22 £5,000) towards the current Trail from the Aspiration Europe Limited, owned 100% by Mrs A Ovens, who is a Trustee of Break. There is £Nil (2021/22 £Nil) due from the company as at 31 March 2023.

H Walker, spouse of R Cowdry, Chief Executive Officer (and a member of key management personnel), is employed by the Charity as a Grants and Growth Co-ordinator. H Walker's appointment was made in open competition and R Cowdry was not involved in the decision-making process regarding appointment. H Walker is paid within the normal pay scale for her role and receives no special treatment as a result of her relationship to the Chief Executive Officer.

## 28. Financial instruments

The carrying amounts of the Charity's financial instruments are as follows:

	2023 £000	2022 £000
<b>Financial assets</b>		
<i>Equity instruments measured at cost less impairment:</i>		
Fixed asset unlisted investments	8	8

**BREAK**

England & Wales - Charity number 286650

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# Accounts

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**Break**  
**(A company limited by guarantee)**

**REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

Charity number 286650  
Company number 01699685

**Break**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2022**

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## Break

### CHARITY REFERENCE AND ADMINISTRATIVE DETAILS

FOR THE YEAR ENDED 31 MARCH 2022

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Charity Registration Number: 286650  
Company Registration Number: 01699685  
Registered Office and Operational Address: Schofield House  
1 Spar Road  
Norwich  
Norfolk  
NR6 6BX

#### Board of Trustees

Mrs B Hall B.Ed (Hons) NPQH, PgD, SSStJ (Chair from 19.07.21)  
Mr A P K Roy (resigned 19.07.21)  
Mr F M E Shippam FCA, DChA (Treasurer)  
Mrs M Corti FCCA, MBA  
Ms J Darlington MA (Cantab)  
Mr N Dobson (appointed 04.04.22)  
Mr D Evans (resigned 12.01.22)  
Mr S Fowler TD, LLB  
Mr G Gildersleeve MA, DipSW (resigned 18.10.21)  
Mrs S Harvey (appointed 19.07.21)  
Mr L Hilldrup-Boorman (resigned 27.10.21)  
Mrs A Joyce BSc (resigned 04.10.21)  
Mr T Krykant (appointed 20.04.22)  
Mrs P Ledward (appointed 12.01.22)  
Mrs A L Ovens FCCA, DipIFR, MIoD  
Mr J Sam MBCS, CITP, MIoD  
J Stanley (resigned 15.07.22)

#### Presidents and Co-founders

Mrs J A Davison  
Reverend Canon L J Morley

#### Chief Executive Officer

Ms R Cowdry BA (Hons), MA DipSW, Diploma

#### Executive Team

Mr M Hudson BSc (Hons), Chartered MCIPD (Deputy Chief Executive Officer)  
Mr A Flack FCCA (Director of Finance)  
Mrs R Leslie BA (Hons) MA DIPSW (Director of Care Services)  
Mr D Crouch BSc (Hons) (Director of Income Generation)

#### Company Secretary

Mr M Hudson BSc, Chartered MCIPD

#### Auditor

Lovewell Blake LLP, Bankside 300, Peachman Way, Broadland Business Park, Norwich, NR7 0LB

#### Solicitors

Butcher Andrews, 1 Old Post Office Street, Fakenham, Norfolk, NR21 9BL  
Clapham & Collinge, St Catherine's House, All Saints Green, Norwich NR1 3GA

#### Bankers

Lloyds Bank plc, The Undercroft, Queens Street, Norwich, NR2 4SG

## **Break**

### **REPORT OF THE BOARD OF TRUSTEES (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) FOR THE YEAR ENDED 31 MARCH 2022**

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The Trustees, who are also directors for the purposes of company law, present their report and the audited financial statements of the charity for the year ended 31 March 2022 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

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 Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, 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 published in October 2020.

## **Trustees of the Charity**

The Trustees who have served during the year and since the year end are shown on Page 1. Five Trustees resigned during the year and four were appointed (see Page 1).

## **Objectives and Activities**

The Memorandum and Articles of Association state that Break's charitable objectives and principal activities are:-

- The relief of the needs of persons who are sick, disabled (whether physically or mentally), disadvantaged, infirm or who have learning disabilities or other special needs and of children who come from poor or deprived backgrounds
- The advancement of the education and training of any persons who fall within the categories specified above
- The relief of the needs of persons who experience emotional and behavioural disorders
- The relief of the needs and the support of families of any persons falling into the categories specified

The objectives and aims are achieved by the implementation of individual unit and departmental business plans.

The objectives have been met by providing the following services:-

- Activity Breaks delivered across Norfolk and Short Breaks at Nelson Lodge in Long Stratton
- Family Assessments delivered at Hazeldene, an Ofsted registered Centre in Lowestoft, Suffolk
- Eight Children's Homes (including Trafalgar Lodge in Long Stratton and Morley House in Kings Lynn, both for children with learning disabilities)
- Break Therapeutic Service across Norfolk
- Fostering
- Staying Connected Team
- Opportunities Team

Break's policy is to work in partnership with Local Authorities, Housing Associations and other relevant agencies to provide the best possible service. We maintain strong working connections with Norfolk County Council Children's Services and work closely with Cambridgeshire/Peterborough and Suffolk Children's Services on a range of successful projects and commissioned placements.

## **Break**

### **REPORT OF THE BOARD OF TRUSTEES (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) FOR THE YEAR ENDED 31 MARCH 2022**

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#### ***Public Benefit Statement***

The Board have paid due regard to the Charity Commission's guidance on public benefit.

In the terms of the Charities Act 2011, Break's Objectives fall within two definitions of charitable activity, "the relief of those in need by reason of ill-health, disability or other disadvantage" and "the advancement of education". On both counts Break provides benefits, irrespective of their financial circumstances, to a number of distinct groups of the public including: children and young people; families; and young people with learning and physical difficulties.

Detailed information on the services provided, and the benefits which accrue to the service users, is set out in this Report and on the Break website, [www.break-charity.org](http://www.break-charity.org)

## **Strategic Report**

### **A) Achievements and Performance**

Break is an established and confident charity. We support a wide range of young people across East Anglia to achieve great things. We are proud to push the boundaries of innovation. We have co-production at the heart of the services we provide for our young people, enabling them to influence both their own future and the development of our Charity.

Our vision creates a pathway approach to childhood that offers support to a child where and when they need it, for as long as they need it. This is at the core of our ambitious plans and we will engage all stakeholders in holding us to account for the impact we have.

#### ***Covid-19***

During this year, although Break's services have not been impacted as much by the pandemic as the previous year, we have seen increased staff absence from services while Covid isolation measures were in place which has led to increased pressure in teams and increased costs in services. At the start of the financial year our retail operations were closed in compliance with the lockdown restrictions, once allowed to they were opened during the week commencing 11<sup>th</sup> April 2021, and since then sales have remained at a level higher than budgeted. Our fundraising activities that were impacted as all physical events had to be suspended restarted in the year, including a major Sculpture Trail that commenced in 2021.

We continued to be able to access Government support for our retail activities at the start of the financial year. The Coronavirus Business Interruption Loan taken out in the previous year was repaid in full.

The pandemic restrictions influenced the services we were able to deliver, some of those changes made to ensure service delivery remain where they have worked better than pre pandemic methods. Throughout the year, Break's staff have worked hard to ensure our young people felt safe, secure and supported within the services as we came through the pandemic. Our retail staff who were furloughed for prolonged periods in the previous year and at the beginning of this financial year, came back to work with enthusiasm and, alongside our dedicated volunteers, reorganised our shops to ensure customers felt safe and welcome.

The Trustees appreciate and value the staff and volunteers and thank them for their continued work for Break.

## Break

### REPORT OF THE BOARD OF TRUSTEES (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) FOR THE YEAR ENDED 31 MARCH 2022

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#### ***A safe place to call home for looked after children***

At Break we are proud that our **children's homes** are somewhere safe that young people can call home, with adults who love, care and look out for them. We provide a home where young people can belong, begin to flourish and embrace their future with confidence and hope.

The staff at our children's homes have supported our young people throughout the pandemic. New procedures have been adopted to ensure everyone remained safe. Every year we have young people move in and out of our homes but not our hearts. Although young people move on from our homes that is not where our support stops as we are with our young people through their life through our other services. Some of the progressions on from Break included a successful family re-union with their family, transition into the Staying Close Staying Connected service and into another semi-independence provision. The 3 young people have remained settled in all their new homes and this is a testament to the stability created within them and their relationships with those teams and experiences over the years within the homes.

In the year, we **cared for 20 young people** within our four homes. Three of the four homes are rated as 'Good' by Ofsted, with one home rated as Requires Improvement due to significant staff shortages. This situation was rectified quickly and at the next Ofsted Inspection the service was able to evidence considerable progress with Ofsted grading the service as having "improved effectiveness". Our average length of placement at the end of March 2022 was 2.3 years, with 3 young people living at their Break Home for 4 years or more. At 31 March 2022, 55% of the young people living in our children's homes were in full time education.

In 2020, Norfolk County Council recognised a requirement for more specialist services to meet the needs of the most complex young people in their care. One of our children's homes, Birchwood House, was identified in June 2020 to offer this care from and a further home Primrose House in Early 2021. The service offers solo or dual placements and intensive support to young people in care who find it too difficult to live with other young people. To deliver this more intensive service, the teams access comprehensive training programmes, and developed their skills and confidence to meet the needs of young people.

We work closely with Norfolk Commissioning teams to ensure placements are suitable, a lot of emphasis is put into pre-planning and with careful management and joined up working from the team around the child the transition for the young people is smooth and is a big factor in the successful transition. The service along with all our other ones is supported by the Break Therapeutic Team where we discuss strategies and carry out reflective practice looking at what's going well and what we are finding difficult. The nature of the provision is that we do face a variety of challenging situations. This puts a lot of importance on a close and committed team which our teams do incredibly well.

Break has worked in collaboration with the local authority to manage and respond to high risks. Birchwood and Primrose House have been a home to **5 young people** in the year and both are rated as 'Good' by Ofsted.

#### ***Therapeutic Support***

Break Therapeutic Services (BTS) are delivered by our highly skilled team of therapists, social workers and specialist parenting and therapeutic practitioners. The Service supports children and young adults who have had adverse childhood experiences. Many have experienced trauma, abuse and neglect and no longer live with their birth families. The BTS team ensures the provision of high quality and innovative care services across Break, supporting our children's homes, our fostering service and our leaving care services (the Emotional Wellbeing Service).

The work of BTS reaches into the wider community as BTS is a trusted provider for Norfolk Adoption Service and also works within several local schools. BTS aims to strengthen relationships and support families, individuals and professionals to understand and process the difficulties that are being experienced. Therapy sessions take place in our purpose built suite of therapeutic rooms, using creative techniques such as play, drama and art to enable children to explore their experiences and recognise and process their emotions. Children are supported to emotionally cope and are better able to access social and learning opportunities. Support is offered for shorter periods, a term or two up to longer interventions of 2 to 3 years. On average **BTS support 50** different children and families a week.

## Break

### REPORT OF THE BOARD OF TRUSTEES (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) FOR THE YEAR ENDED 31 MARCH 2022

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#### ***Emotional Wellbeing Service***

This service sits within BTS and supports care experienced young people to enjoy enhanced emotional wellbeing, improving their potential to access opportunities and successfully transition to independence. Referral routes include self-referral, social workers, GPs, personal advisors from local authorities and young people accessing Break's Staying Close Staying Connected (SCSC). The Emotional Wellbeing Service encompasses two tiers of relationship-based intervention, allowing for more intensive interventions where indicated:

1. Short term work (12 weeks) – developing strategies for managing anxiety or low mood, recognising triggers and thinking about sources of support. Thinking about self-care and good physical and mental health.
2. Longer term work – using a psychotherapeutic approach, young people are given the opportunity to explore their feelings about themselves, their histories and relationships. This supports increased capacity for emotional regulation.

The Emotional Wellbeing Service aims to address the entrenched underlying mental health issues which can present as difficult, challenging and frustrating behaviours. Without processing past trauma many young people are unable to access solution-based approaches and move forwards in their lives.

Working alongside children and young people who have experienced trauma is complex, requiring teams and professionals to remain empathetic, sensitive and focussed on the young people's needs. To do this, they need to understand where our young people's struggles come from and that the behaviours we see are trauma responses. During the year BTS has developed a 2 day Foundation Trauma and Attachment training course which is being rolled out to all staff over the coming 12months.

#### ***Mentoring***

During the year, the Break Mentoring Service **supported 29 volunteer mentors** who were matched with young people. Our mentoring programme offers positive outcomes and added value for our young people. The young people Break support have had contact with care professionals throughout their lives. The young people report that they especially value their volunteer mentor who is choosing to be there for them. The aim is to empower young people to learn how to maintain a relationship, experience new activities and create a solid foundation to build their future self. Having someone outside their everyday network whom they can speak openly to and support in building their self-esteem, self-worth and confidence.

The Break Mentoring Service is dynamic, and has continued to change and evolve in response to the current climate. We offer a Peer Mentoring facility, and hope to increase the participation of Peer Mentors across our children's homes. Our aspiration is that all young people within Break will have access to a volunteer mentor. The focus of Peer Mentoring is for young people who have experienced challenges to support those who are currently going through similar challenges. Empowering through knowledge, skills, someone to speak openly to who is accessible and approachable.

#### ***Fostering***

We provide long term therapeutic foster placements for children and young people between the ages of 3 and 18. During the year we had **9 young people** in placements.



Our service offers predominantly intensive placements offering a family placement for young people who have experienced extreme trauma in their lives and cannot live in a "mainstream" foster home. Our team works hard to begin to heal some of the hurt through the relationships our carers build with the young people, and through the therapeutic support offered.

## Break

### REPORT OF THE BOARD OF TRUSTEES (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) FOR THE YEAR ENDED 31 MARCH 2022

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#### ***Staying Close, Staying Connected***

Staying Close, Staying Connected (SCSC) offers a framework for young people as they leave residential care and this year through funding from CHK Foundation we have extended this offer to those leaving Foster care. SCSC offers the young people lifelong relationships.

The Department for Education Innovation Fund has supported the Break SCSC project since April 2018. Quarterly project boards with representation from our partners (Cambridgeshire County Council, Norfolk County Council and Peterborough City Council) have overseen the SCSC strategy and project direction.

SCSC offered **20 houses and flats** in the year across the region. Each house provided much-needed stability to young people as they moved on from their children's home. In response to the needs of the service we now lease 4 one bed flats.

Challenges in the year were overcome by the team working collaboratively across the regions, enabling young people to continue to move in and move on successfully from the SCSC service. Staying Connected coordinators continued to support young people to identify important people in their lives, and to find ways of building opportunities to engage with these people.

#### ***Lifelong Support – the Staying Connected Service***

Since 2009, Break has charitably funded a service to support the transition to adulthood, and to provide a sense of stability for young people leaving Break's care. Amongst things, the service ensures the young people have support to call on in times of crisis.

#### ***Staying on Track***

The Staying on Track service offers leaving care support to build healthy relationships and positive transitions to independence. The service provided access to emotional wellbeing **support for 24 young people** and **peer network activities for 100 care experienced young people in the year.**

#### ***Support for families – Hazeldene***

Break's residential family Assessment Centre, Hazeldene, provides a safe environment for parents who have had difficulties in caring for their children. We offer tailored packages to meet the needs of each individual family. Families are referred to Break by local authorities from across the country. The service received a Good rating from Ofsted during the year.



We promote and assess parenting skills to ensure that children are safe and protected and offer families an opportunity for intensive support to help them recognise the needs of their children. Safeguarding vulnerable children is our prime focus and the clarity of our assessments inform the referrers whether a child's needs can be adequately met by parents or carers, or whether there is a need for intervention and alternative care arrangements that will secure the longer term future for the child. In the year, we supported **21 families.**

## Break

### REPORT OF THE BOARD OF TRUSTEES (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) FOR THE YEAR ENDED 31 MARCH 2022

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#### *Services for Children and young people with disabilities*

The Break services for children with disabilities gives young people access to opportunities to enable them to make progress. We operate three homes across the Norfolk, together with a mobile service delivering in the community.

**Nelson Lodge** offers residential short breaks for children and young people with disabilities who live in Norfolk. The young people have time away from their families in a safe, secure environment while their parents and siblings enjoy a break from their 24/7 care responsibilities. Break's skilled and dedicated staff support young people to enjoy a range of activities, building confidence, independence skills and helping to form friendships. The service also provides opportunities for our young people to have experiences that would otherwise be out of reach due to the challenges that their disability brings, this has included in the year trips to climbing walls, ski slopes and an indoor skydiving centre.

**We provided short breaks to 25 young people for a total of 959 nights.** Many of our families report that without the support of our service, their children would be in full-time residential care, often in a different county. During the pandemic, without access to the usual support networks such as school or other similar services, our families relied on us more than ever as for many of them, we were their only level of support.

**Morley House** is a residential children's home for young people with learning disabilities and complex needs. During the year **we supported 5** young people in everyday tasks such as managing their health and wellbeing, their safety, education and achievement. By knowing the young people well and having trusting relationships, we are able to support them with daily living skills and independence, preparing our young people for adult services alongside activities they enjoy such as trips to the cinema, beach, park, together with drives which the young people find relaxing. The home is filled with sensory equipment which is very important to our young people as it enables them to relax in the comfort of their own home.

We work closely with the young people's families. Our main strength is enabling the young person to maintain their family network and ensuring parents can spend quality time with their children, completing simple tasks such as spending time together at Morley, going out to cafes and supporting families to have holidays together.

**Trafalgar Lodge** is a children's home which provides individually focused and child-centred professional care and support for children and young people who have learning disabilities, physical disabilities, and communication difficulties. Trafalgar offers a safe environment that is caring and homely. Young people can enjoy activities, are encouraged to make choices, pursue their wishes and achieve personal goals. During the year **we supported 6** young people.

Our **Activity Breaks** service gives young people with disabilities the opportunity to do many of the things their peers take for granted and that would otherwise be denied to them because of their disability. We provide a range of supported community-based activities that are centered around the young person and what they want to do. Over the last year **we have supported 21 young people** with disabilities with Activity Breaks across Norfolk and Suffolk.

## Break

### REPORT OF THE BOARD OF TRUSTEES (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) FOR THE YEAR ENDED 31 MARCH 2022

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#### ***Pathways to Work – Opportunities team***

Break knows how important it is to expand the horizons of our young people and support them to achieve their potential as care experienced young people aged between 16 and 20 are four times more likely to be unemployed than their peers. Break offers safe environments with appropriate support to enable our young people to explore, build skills, have great experiences, test ideas and experiment.

Our aspiration projects continue to offer new experiences and opportunities for our young people to try new things and develop their peer network. We have hosted 9 residential and camping events which give our young people the chance to co-produce their experience over a number of days and take part in all kinds of activities both indoors and outdoors and while developing life skills such as cooking, cleaning, budgeting and living together. Over the year **42 young people** from a range of our care services were able to access these residencies and camping trips and enjoy a wide range of aspirational activities from sharing a picnic in the park to Go karting and Paintballing. All these activities give our young people the opportunity to build friendships and develop their support network with their peers. We have seen some great bonds develop over the year with many of our young people meeting up independently and socializing outside of our break events.

We continue to develop strong partnerships with other organisations which help us to deliver the aspirational work that we do, one of those is with Wrongs Covert where our young people get the opportunity to be in nature for the day or over a few weeks to understand conservation and to detox from their normal lives. Through facilitators at this site we can offer our young people opportunities from building and construction in nature to storytelling and performance. During our greening communities project our young people worked first hand on building board walks and path ways to make this space more accessible, something they have been so proud of and which has led to even more opportunities for volunteering and employment in the local community.

During the course of the year the coffee van has attended over 70 events from small car park gatherings for some of our corporate supporters to a local 3 day music festival and has worked with young people providing coffee making workshops with all of our care services including fostering SCSC and residential. We have delivered barista training sessions for **9 young people** and offered work to **7 young people**.

The aim of the project has always been to help our young people into employment and we are so pleased that over the last year we have seen 3 of our young baristas move onto new jobs, safe in the knowledge that we will always be there for them if they need our help.

Our construction workshop gives our young people the chance to develop their skills in construction and explore the potential careers on offer there. The project has supported **16 young people** and is working regularly with students in further education to provide additional tutoring for those in need of extra support.



## Break

### REPORT OF THE BOARD OF TRUSTEES (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

#### FOR THE YEAR ENDED 31 MARCH 2022

#### *Our Shops*

Break's shops are valuable assets for the Charity. They generate income to help fund our charitable services and provide vital links with the local community, offering opportunities for people to support our work by donating goods or volunteering their time. Our volunteers are able to give something back, learn new skills and meet new people within a friendly environment. We are grateful for the many good quality donations of clothing, household items, toys and books we receive which we sell in our shops. Items not suitable for sale are recycled whenever possible to avoid them going to landfill.

During the previous year to 31 March 2021 Break had to close its shops for several months due to the national lockdown restrictions. We were able to open fully during April 2021 and would like to thank our donors and customers for coming back to us and helping contribute to a successful year. We are immensely grateful to the volunteers working in our shops in East Anglia and the West Country. Most of our volunteers returned after the country's lockdown and have supported us in providing a Covid safe shopping environment. During the year **671 volunteers** worked in our shops.



At the year end, **Break had 45 shops plus an online operation**, 30 in East Anglia and 15 in the West Country. There are plans to open an additional shop in Norwich during 2022 with a specialist Wedding and Prom department providing reasonably priced items for these very special occasions in people's lives.

#### *Fundraising*

Much of the support offered by Break to children, young people and families is funded by charitable income from fundraising. In the past, a focus for our fundraising has been events. The pandemic led to the cancellation of a calendar of planned fundraising events however, these have now started to recommence. During the year the postponed Cambridge Sculpture trail came to a successful conclusion with the Auction in September 2021.



The table below shows some of the restricted grant funding we received in the year following successful grant applications.

Funder	Break Service	Amount
CHK Foundation	Staying Close, Staying Connected - Fostering Futures	£117,000
Esmee Fairbairn Foundation	Staying on Track	£83,688
Garfield Weston Foundation	Opportunities Team	£25,000
Masonic Charitable Foundation	Opportunities Team	£21,500
Norwich Consolidated Charities	Staying Close, Staying Connected	£19,140
Anguish's Educational Foundation	Opportunities Team	£15,000
Insurance Industry Charitable Foundation	Opportunities Team	£10,000
The Educational Foundation of Alderman John Norman	Opportunities Team	£10,000
Norfolk Community Foundation	Residential - Education	£8,000
Esmee Fairbairn Foundation	Opportunities Team	£7,500
Social Investment Business	Opportunities Team	£7,000
Martin Laing Foundation	Opportunities Team	£6,000
BBC Children in Need	Break Therapeutic Service	£5,938
The Geoffrey Watling Charity	Opportunities Team	£5,000
The Educational Foundation of Alderman John Norman	Education	£5,000
Norfolk Community Foundation Greening Communities	Opportunities Team	£4,950
Norfolk Community Foundation	Break Therapeutic Service	£3,489
The Outlook Fund – Cambridge Community Foundation	Staying Close, Staying Connected	£3,000
Norfolk Community Foundation	Staying Close, Staying Connected, BTS - Food Vouchers	£1,400

In addition to the above we have also received unrestricted income from Trusts and Foundations. We thank all our Funders for the support they offer which helps the young people within our services.

## Break

### REPORT OF THE BOARD OF TRUSTEES (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) FOR THE YEAR ENDED 31 MARCH 2022

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## B) Financial Review

### Results

Break made a surplus of **£286k** (2020/21 £655k) for the year. This comprised a surplus of **£358k** (2020/21 £376k) on unrestricted funds, a surplus of **£174k** (2020/21 deficit £28k) on designated funds and a deficit of **£246k** (2020/21 surplus £307k) on restricted funds. The value of net assets rose from £5,647k to **£5,933k**. Of these, unrestricted funds accounted for **£5,677k** (2020/21 £5,145k) (including designated funds of **£794k** (2020/21 £733k)).

The lockdowns in 2020/21 had a significant impact upon our retail trading, however this year we were able to trade from the week commencing 11 April 2021 and our results are detailed in note 4.

### Reserves Policy

Free reserves are unrestricted funds that are available to be spent on any of the Charity's objectives. Tangible fixed assets, and the connected bank loans, are not included in free reserves as these assets are essential to the Charity's activities. Their disposal would adversely impact the Charity's ability to deliver its aims.

The level of free reserves is set by the Board of Trustees on an annual basis and regularly monitored throughout the year. Action is taken if actual free reserves fall significantly outside the target level established. The Finance Committee reviewed the Reserves Policy in February 2022 alongside the budget for April 2022 to March 2025 and recommended to the Board of Trustees a target for free reserves of £1,092k.

In determining the level of free reserves, Trustees consider the financial impact of the risks facing the Charity, including the loss of income from partner agencies and voluntary donations, and balance the need to hold sufficient reserves to enable the Charity to:

- continue its activities when faced with unforeseen circumstances,
- support the development of additional services to children, young people and their families, and
- maximise expenditure on charitable activities.

Free reserves as at 31 March 2022 were £1,511k (2020/21 £1,008k). Free reserves were higher than the target due to increased costs planned for 2022/23 where £462k of reserves held at March 2022 will be used to fund expenditure in the next financial year.

As at 31 March 2022, the Charity had Designated Funds of **£794k** (2020/21 £733k). Designated Funds are funds set aside by the Trustees out of unrestricted funds to support specific future purposes and projects. Details of the Designated Funds, together with movements during the year, are given in Note 20 to the Accounts.

As at 31 March 2022, the Charity had Restricted Funds of **£256k** (2020/21 £502k). Restricted Funds are funds received for undertaking an activity specified by the donor when making the gift, or may result from the terms of an appeal for funds. Details of the Restricted Funds, together with movements during the year, are given in Note 20 to the Accounts.

### Funding Sources

Break has three main funding sources; service level agreements and spot purchase contracts from local authorities, retail and fundraising.

## Break

### REPORT OF THE BOARD OF TRUSTEES (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

#### FOR THE YEAR ENDED 31 MARCH 2022

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#### *Investment Policy*

The Charity holds cash to fund expenditure in the short and medium terms. The cash is held on deposit accounts as capital preservation is of particular importance, as is the ready availability of a substantial proportion of the assets to meet immediate cash flow requirements. Given these parameters, the Charity seeks to produce the best financial return within an acceptable level of risk. In implementing the Investment Policy, the Charity will have regard to the spread of risk, future liquidity requirements and ethical considerations. The treasury and investment position is regularly reported to and monitored by the Finance Committee.

#### *Principal Risks and Uncertainties*

##### **Covid-19**

During the year the Board carefully assessed the impact of the Coronavirus pandemic on Break's activities and finances. Fundraising and retail activities resumed and the impact from the restrictions was negligible. Both of these income generating functions support charitably funded work undertaken by Break. The £1m Coronavirus Business Interruption Loan was repaid in the year as the facility was no longer required. With continued easing of Government restrictions the Trustees consider the impact of Covid-19 to be manageable and have minimal impact on the Charity going forward.

The services commissioned directly by local authorities were not affected from a financial point of view but new methods of management and operation had to be applied and, where efficiencies have been made, these have been adopted on an ongoing basis. The Executive team and the Finance Committee met regularly and updated the Board on developments and forecasts. The Charity's risk assessments were updated in light of the Coronavirus pandemic and action plans implemented and approved to mitigate risks in the following key areas throughout the year:

Risk	Mitigation
Safety of staff and people in care	Dynamic risk assessments in place at all sites; clear central strategy and communication; supply of PPE and other protective measures where possible; Covid-19 testing.
Lack of staff to operate services	Contingency support team of 8 staff, full use of relief staff, cross-working with local authorities. Covid-19 testing of support staff to enable staff to return to work.
Loss of expert advice through illness of key trustees or members of leadership team	Extend term of office of key trustees, seek advice from retired trustees, use of external consultancy.
Loss of voluntary income through cessation of retail or fundraising	Optimise use of CJRS and other Government grants available; trust and grant applications; reduction in operating and overhead costs; optimise virtual opportunities.
Cash flow and funding	Apply for government grants and loans, negotiate payment terms with commissioners and landlords; optimise occupancy in services; examination and re-designation of reserves.

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##### **Other principal risks**

In addition to the risks associated with the Coronavirus pandemic, the Trustees monitor other risks. The risk analysis is categorised in terms of Governance, External Factors and Operational Factors, which include care service delivery, finance, human resources, health & safety, and IT & data management. Levels of risk are monitored through key performance indicators. Any elevated risks are referred to the Board either immediately or at the next meeting depending on severity. The risk analysis is reviewed by the Trustees on an annual basis.

Examples of other key risks are

- Cover for staff in the event of absence or illness
- Void periods in spot purchase services
- Major contracts going out for retendering
- Serious incident e.g. fire at a care provision or damage to reputation
- Competition

## Break

### REPORT OF THE BOARD OF TRUSTEES (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) FOR THE YEAR ENDED 31 MARCH 2022

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Measures agreed by the Trustees are in place to mitigate these risks.

#### ***Key Performance Indicators***

Trustees monitor the financial performance of Break on a regular basis. During the pandemic, the meetings increased in frequency to enable a closer level of scrutiny during the turbulent times. The indicators are reviewed periodically and the results reported through the Management Accounts. The indicators include performance against budget, occupancy, targets for net current assets, reserve levels and staff costs compared with income.

#### ***Going concern***

The Trustees have carefully considered all available information impacting the finances and operations of the Charity for 12 months from the date of this Report. Information from budgets and forecasts for income, expenditure and cash-flow, including the availability of unrestricted funds and reserves, credit facilities and any other forms of financial assistance have been considered. The Trustees are confident that there are no going concern issues.

## **C) Plans for future periods**

The Trustees anticipate a challenging year ahead for the Charity in light of inflationary rises impacting expenditure which is not always matched in income, especially that which is restricted by contractual terms.

We have seen a strong return to our income streams from our retail and fundraising activities, sustaining these levels is key. The 2022 **GoGo Discover** trail will go ahead in the summer which follows the success of a smaller trail of T-Rex sculptures in 2021 around Norwich. The 2022 trail will be a larger county-wide trail of T-Rex and Steppe Mammoths, culminating in a charity auction in September 2022.

#### ***Our Vision 2022-2025***

Throughout 2022/23 Break will continue to develop the 2021-2025 vision. This will build on the successes of 2021/22, as despite the challenges caused by the Coronavirus pandemic, Break met and surpassed many of the targets within the strategy.

The focus for 2022/23 is to develop the vision and focus on three core themes; people, culture and performance. Break will continue to invest in its people, building on their expertise; Break will review its culture to ensure it reflects Break's values and ethos; and stretching but achievable targets will be set at all levels to ensure Break continues to change young lives.

The Coronavirus pandemic has created further obstacles for young people already disadvantaged by their traumatic start in life. Break will explore ways in which each young person can be supported to be in the best possible position for the next stage in their lives. In 2022/23 Break will look to

- Increase the pathway to education, employment opportunities and develop the Coffee Break and Building Futures projects to support young people into education and the work place.
- Increase the Staying Connected (leaving care) service to offer the support to more young people – working with the Department of Education to share our expertise across the country
- Create a bespoke education offer to young people to support them to achieve in all areas of their lives
- Focus on the co-production and participation agendas to work with young people and partner agencies to ensure all changes in work are led by young people, for young people.
- Ensure that all who work at Break understand the role they play in changing young lives – making everything Break does connected to our purpose.
- Create a positive shift in the de-stigmatisation of young people who are care experienced.

## **D) Structure, Governance and Management**

### ***Governing Document***

Break is a charitable company limited by guarantee, incorporated in England and Wales on 15 February 1983 and registered as a charity on 6 May 1983. Break's Memorandum of Association establishes its objects and powers, which are governed under Break's Articles of Association. In the event of the Charity being wound up, the members are required to contribute an amount not exceeding £10. The Memorandum of Association was updated in 2021 to reflect current practices and specific changes were made to section 19,28,32,38 and 58 relating to terms of office and number of Trustees, none of these changes were fundamental to the scope and purpose of the charity.

### ***Recruitment and Appointment of Trustees***

The directors of the company are Trustees for the purpose of charity law.

It is the Board of Trustees' collective responsibility to ensure that the Charity is fit for purpose and to determine and support its strategic direction in order to enable it to attain its stated objective. The Charity follows the Code of Governance for the Voluntary and Community Sector.

New appointments to the Board are made after completion of a Trustee skills gap analysis and an open recruitment process to attract volunteers with appropriate skills.

Trustees shall hold office for an initial term of three years from the date of their election at the end of which they shall retire but shall be eligible for re-election for up to a further two terms of three years.

### ***Trustee Induction and Training***

All Trustees receive a full induction pack and training needs are assessed periodically.

### ***Members***

During the year in accordance with the Memorandum and Articles of Association a number of ex trustees were invited to become members.

### ***Organisational Structure***

The Board may delegate any of its powers to any committee consisting of one or more members of the Board or Executive Officers.

Break has 4 sub-committees on Finance, Income Generation, Care Services, and Risk, Governance and HR. These are chaired by Board members and involve Executive Officers and some of the wider staff team.

The Governance and Management Structures operate under the shared principles of:

- Working together with common purpose, values and goals
- Adhering to Break's charitable objectives and the Charity Commission's guidance on public benefit
- Ensuring no small group or one individual dominates the decision making
- Adhering to the principles of openness, honesty, integrity, objectivity, accountability and clear leadership

**Break**

**REPORT OF THE BOARD OF TRUSTEES (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)  
FOR THE YEAR ENDED 31 MARCH 2022**

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***Trustee attendance***

The Board of Trustees formally met five times during the year. Attendance during the year was as follows:

<i>Trustee</i>	<i>Meetings attended</i>	<i>Out of a possible</i>
B Hall (Chair from 19.07.21)	5	5
A Roy (Chair to 19.07.21)	2	2
F Shippam (Treasurer)	4	5
M Corti	5	5
J Darlington	4	5
D Evans (to 12.01.22)	3	4
S Fowler	4	5
G Gildersleeve (to 18.10.21)	2	2
S Harvey (from 19.07.21)	3	4
L Hilldrup-Boorman (to 27.10.21)	2	3
P Ledward (from 12.01.22)	1	1
A Ovens	4	5
J Sam	4	5
J Stanley	3	5

The Finance Committee usually meet three times a year. However, due to the Coronavirus pandemic, four meetings took place to allow the close monitoring of the Charity's finances as we came out of Lockdown in early 2021. Attendance was as follows:

<i>Trustee</i>	<i>Meetings attended</i>	<i>Out of a possible</i>
F Shippam (Chair)	4	4
M Corti	4	4
J Darlington	4	4
B Hall	3	4
A Ovens	2	4
A Roy (to 19.07.21)	2	2

The Care Committee met four times during the year. Attendance was as follows:

<i>Trustee</i>	<i>Meetings attended</i>	<i>Out of a possible</i>
S Fowler (Chair from 18.10.21)	4	4
G Gildersleeve (Chair to 18.10.21)	2	3
M Corti	4	4
J Darlington (from 15.06.21 to 15.07.21)	1	1
D Evans (to 12.01.22)	2	3
B Hall	4	4
P Ledward (from 12.01.22)	1	1
A Roy (to 19.07.21)	2	2
J Stanley	3	4

## Break

### REPORT OF THE BOARD OF TRUSTEES (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) FOR THE YEAR ENDED 31 MARCH 2022

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The Income Generation Committee met three times during the year. Attendance was as follows:

<i>Trustee</i>	<i>Meetings attended</i>	<i>Out of a possible</i>
A Ovens (Chair)	3	3
J Darlington	3	3
B Hall	3	3
L Hilldrup-Boorman (to 27.10.21)	1	1
A Roy (to 19.07.21)	-	1
J Sam	3	3

The Risk, Governance and HR Committee met five times during the year. Attendance was as follows:

<i>Trustee</i>	<i>Meetings attended</i>	<i>Out of a possible</i>
B Hall (Chair from 19.07.21)	5	5
A Roy (Chair to 19.07.21)	1	1
M Corti	5	5
S Fowler (to 19.07.21)	1	1
S Harvey (from 19.07.21)	4	4
J Sam	5	5

#### ***Pay policy for key management personnel***

The key management personnel are paid on Grades 1-3 of a 7 point ranking that is used for all managerial and administrative support staff. The grades all have a scale with a minimum appointment rate, standard job value and maximum job rate. Progress towards the top of the scale is through performance not service.

An Executive Pay Committee, with Trustee input, determines any performance related pay increases for Grades 3-7. Pay increases for the CEO and Directors (Grades 1 and 2) are determined solely by the Trustees and limited by the confines of the scales that are transparently published within the Charity.

No bonuses are paid to key management and employer pension contributions are set at 5% of salary for all eligible Break employees.

#### ***Risk Management***

The Trustees believe that the major risks to which the Charity are exposed to have been identified, reviewed and assessed. Systems are established to mitigate those risks, The principal risks and uncertainties and the response to specific risks are set out on Page 11.

#### ***Fundraising Practices***

Break manages all of its fundraising activities in-house and does not use external, professional fundraisers. Members of Break's fundraising team organise and support fundraising events and activities for our corporate, community and individual supporters. Commercial participators are exclusively involved with the GoGoSculpture trails by written agreement with Break. Break complies with the Fundraising Regulators Guidance Code of Practice.

No complaints about fundraising activity were received in the year (2020/21 – none).

Break has signed up to the Fundraising Regulator's Code of Fundraising Practice and is a member of the Institute of Fundraising. All of Break's fundraising guidance and working practices are compliant. Some of the staff in the fundraising team are also individual members of the Institute. Volunteer fundraisers are given a full induction and briefing before they raise funds for Break.

## **Break**

### **REPORT OF THE BOARD OF TRUSTEES (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) FOR THE YEAR ENDED 31 MARCH 2022**

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All direct marketing is undertaken by the fundraising department. It is neither unreasonably intrusive or persistent and is only sent to people who have consented to engage with Break. Break never make cold calls. All marketing material or information sent from Break contains clear instructions on how a person can remove themselves from mailing lists. All of Break's processes are GDPR compliant. Break's work is with vulnerable people and Break has an agreed operating procedure to protect vulnerable people. All Break's fundraisers are familiarised with the Code of Conduct to ensure that it is applied properly.

#### ***Staff and volunteers***

Break's staff and volunteers are critical for the ongoing success of the Charity. Their time, skill, passion and dedication ensure Break is able to deliver the best possible services for the children and families supported. Break's volunteers continue to provide invaluable input throughout the Charity, but especially to the retail operations. A conservative estimate of their contribution to the Charity is equivalent to £285,000 of paid salary hours.

#### ***Employee engagement***

Break actively encourages the engagement of employees and welcomes constructive comments on the running of the Charity. The principal structure for this is the Staff Consultation Forum, a staff body of 25 representatives from all disciplines, departments and services. The Forum meets three times a year and is attended by senior members of the Executive and Trustees. During the year, feedback from Break staff was gathered on a number of Break's policies, including Policies on bereavement, dress code and code of conduct. The Forum also discussed other topics including terms of service, staff wellbeing and Mental Health Awareness.

The wider views of staff are also sought by on-line questionnaires and other surveys. Staff have been consulted in their career aspirations and the wellbeing activities offered through Break. The results have been fed back to staff and the feedback has formed part of the strategies.

Survey results provide an important source of information to Break's management for the assessment of Break policies and practice. Break was awarded a Gold standard by IIP in 2020 and has had positive reviews in the subsequent two years.

Break continued to increase the communication with employees and volunteers during the year. The frequency of a news update from the CEO was increased from monthly to a weekly update during the Coronavirus pandemic to keep staff informed of Break's response to the rapidly changing situations and this has continued. The Director of Care reports on a weekly basis to all colleagues in care services covering achievements and activities in the division. In 2022, there will be a key focus on communication and consultation with colleagues to ensure updates reach the whole workforce.

#### ***Policy for employment of disabled persons***

Break welcomes applications for employment from all prospective employees regardless of disabilities. Break is committed to developing practices that not only meet the requirements of equalities legislation but which actively promote equality of opportunity and maximise the abilities, skills, and experience of all employees. Break already has the DWP designation of "Disability Confident – Committed" and is working towards recognition at an enhanced level of this scheme.

Break's commitment is to ensure that employees are managed in an inclusive way, taking into account individual differences and giving employees the confidence to disclose a disability should they so wish. If an employee discloses that they have a disability or become disabled during the course of their employment we will engage in a discussion with them to determine what they need to be successful in their role and seek to make reasonable adjustments to facilitate this. These could include training, specialist technology or equipment, for example. In deciding what is reasonable, the practicalities and resources available to Break including through the government funded "Access to work scheme" are taken into account.

Break

**REPORT OF THE BOARD OF TRUSTEES (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)  
FOR THE YEAR ENDED 31 MARCH 2022**

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***Responsibilities of the Board of Trustees***

The Board of Trustees (who are also directors of Break for the purposes of company law) are responsible for preparing the Report of the Board and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Board of Trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Board of Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS102);
- 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 charitable company will continue in operation.

The Board of Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

***Auditor***

Lovewell Blake LLP shall be deemed to be re-appointed under section 487(2) of the Companies Act 2006.

***Disclosure of information to the auditor***

We, the directors of the company who held office at the date of approval of these Financial Statements as set out above each confirm, so far as we are aware, that:

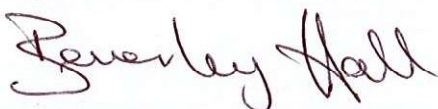
- there is no relevant audit information of which the company's auditor is unaware; and
- we have taken all the steps that we ought to have taken as directors to make ourselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

With regard to Covid-19, we have set out the risks and actions that are being taken to minimise the impact of the pandemic on Break's finances and operations on page 11 of this report. We have disclosed to the company's auditor all forecasts and workings based on current knowledge and actions, including the effect on cash flow, reserves and funds, to validate our conclusion that Break's accounts should be prepared on a going-concern basis.

The Board of Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

In approving the Trustees' Annual Report, we also approve the Strategic Report in our capacity as company directors.

Approved by the Board of Trustees on 19<sup>th</sup> July 2022 and signed on its behalf by:



Beverley Hall, Trustee

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS

FOR THE YEAR ENDED 31 MARCH 2022

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### Opinion

We have audited the financial statements of Break (the 'charitable company') for the year ended 31 March 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including 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 March 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 charitable company 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 charitable company'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 trustees 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 the audit:

- the information given in the trustees' report (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

## Break

### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS

#### FOR THE YEAR ENDED 31 MARCH 2022

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## Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' 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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

### Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement (set out on page 18), the trustees (who are also the directors of the charitable company for the purposes 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 charitable company'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.

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

- Enquiry of management and those charged with governance;
- Enquiry of entity staff compliance functions to identify any instances of non-compliance with laws and regulations;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

Because of 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 regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

**Break**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS**

**FOR THE YEAR ENDED 31 MARCH 2022**

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**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.



Mark Proctor FCA DChA (Senior Statutory Auditor)

For and on behalf of

LOVEWELL BLAKE LLP

Chartered Accountants & Statutory Auditor

Bankside 300, Peachman Way, Broadland Business Park, Norwich, Norfolk NR7 0LB

19/07/2022

**Break****STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)****FOR THE YEAR ENDED 31 MARCH 2022**

	Note	Unrestricted Funds £000	Designated Funds £000	Restricted Funds £000	2022 Total £000	2021 Total £000
<b>Income from:</b>						
Donations and legacies	2	384	644	1,267	<b>2,295</b>	2,735
Charitable activities	3	6,885	-	286	<b>7,171</b>	7,180
Other trading activities	4	4,095	-	-	<b>4,095</b>	1,447
Investments	5	1	-	-	<b>1</b>	5
Other	6	46	-	-	<b>46</b>	1,323
<b>Total</b>		<u>11,411</u>	<u>644</u>	<u>1,553</u>	<b>13,608</b>	12,690
<b>Expenditure on:</b>						
Raising funds	7	3,722	460	-	<b>4,182</b>	3,415
Charitable activities	7	7,331	10	1,799	<b>9,140</b>	8,620
<b>Total</b>	7	<u>11,053</u>	<u>470</u>	<u>1,799</u>	<b>13,322</b>	12,035
<b>Net income / (expenditure)</b>		358	174	(246)	<b>286</b>	655
<b>Transfers between funds</b>		113	(113)	-	-	-
<b>Net movement in funds</b>		<u>471</u>	<u>61</u>	<u>(246)</u>	<b>286</b>	655
<b>Reconciliation of funds</b>						
Total funds brought forward		<u>4,412</u>	<u>733</u>	<u>502</u>	<b>5,647</b>	4,992
Total funds carried forward	20	<u>4,883</u>	<u>794</u>	<u>256</u>	<b>5,933</b>	5,647

The statement of financial activities includes all gains and losses in the year. All income and expenditure derives from continuing activities

The notes on pages 24 to 41 form part of these financial statements

Break

BALANCE SHEET

AS AT 31 MARCH 2022

COMPANY NUMBER:0699685

	Note	2022 £000	2021 £000
<b>Fixed assets</b>			
Tangible fixed assets	12	3,814	3,918
Investments	13	8	8
		<u>3,822</u>	<u>3,926</u>
<b>Current assets</b>			
Stock	14	-	1
Debtors	15	996	1,337
Cash at bank and in hand	16	2,101	2,377
		<u>3,097</u>	<u>3,715</u>
<b>Current liabilities</b>			
Creditors: amounts falling due within one year	17	(611)	(638)
<b>Net current assets</b>		<u>2,486</u>	<u>3,077</u>
<b>Total assets less current liabilities</b>		<u>6,308</u>	<u>7,003</u>
<b>Long-term liabilities</b>			
Creditors: amounts falling due after more than one year	18	(375)	(1,356)
<b>Total net assets</b>		<u>5,933</u>	<u>5,647</u>
<b>The funds of the Charity</b>			
<b>Restricted funds</b>	20	256	502
<b>Unrestricted funds</b>			
Designated funds	20	794	733
General funds	20	4,248	3,777
Revaluation reserve	20	635	635
		<u>5,677</u>	<u>5,145</u>
		<u>5,933</u>	<u>5,647</u>

The financial statements were approved and authorised for issue by the Board of Trustees on 19<sup>th</sup> July 2022.

Signed on behalf of the Board of Trustees

Beverley Hall, Trustee

Frank Shippam, Trustee

The notes on pages 24 to 41 form part of these financial statements

**Break****CASH FLOW STATEMENT****FOR THE YEAR ENDED 31 MARCH 2022**

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	Note	2022 £000	2021 £000
<b>Cash flows from operating activities</b>	23	<b>842</b>	562
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(17)	(7)
Proceeds from the sale of tangible assets		-	10
Interest paid		(29)	(33)
Interest received		1	5
<b>Net cash flow from investing activities</b>		<b>(45)</b>	(25)
<b>Cash flows from financing activities</b>			
Mortgage advances		-	1,000
Repayment of mortgage		(1,073)	(69)
<b>Net cash flow from financing activities</b>		<b>(1,073)</b>	931
<b>Net (decrease) / increase in cash and cash equivalents</b>		<b>(276)</b>	1,468
Cash and cash equivalents at 1 April 2021		<b>2,377</b>	909
<b>Cash and cash equivalents at 31 March 2022</b>		<b>2,101</b>	2,377
<b>Cash and cash equivalents consist of:</b>			
Cash at bank and in hand		<b>446</b>	573
Short term deposits		<b>1,655</b>	1,804
<b>Cash and cash equivalents at 31 March 2022</b>		<b>2,101</b>	2,377

The notes on pages 24 to 41 form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2022**

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**1. Accounting Policies**

The Charity is a private company limited by guarantee registered in England and Wales. The address of the registered office is Schofield House, 1 Spar Road, Norwich, NR6 6BX.

The principal accounting policies, judgements and key sources of estimation and uncertainty adopted in the preparation of the financial statements are as follows:

**a) Basis of preparation**

The accounts (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 issued in October 2020, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

The Charity constitutes a public benefit entity as defined by FRS 102.

The financial statements are prepared under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in sterling which is the functional currency of the Charity and rounded to the nearest £000.

**b) Judgements and key sources of estimation uncertainty**

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 in the circumstances. The most significant of these judgements relates to the valuation of the charity's properties as per accounting policy g) below

**c) Going concern**

The financial statements have been prepared on a going concern basis as the Trustees consider that the Charity's ability to continue operating is beyond reasonable doubt.

In particular, the Trustees have carefully considered all available information about the effect of coming out of the Covid-19 pandemic and the inflationary pressures on the finances and operations of the Charity for 12 months from the time of approving these financial statements. The Trustees have had regard to information from budgets and forecasts for income, expenditure and cash-flow, including the availability of unrestricted funds and reserves.

The Trustees consider that the budgeted income and expenditure is sufficient with the level of reserves for the Charity to be able to continue as a going concern.

**d) Group financial statements**

The charity's subsidiary company remained dormant for the year ended 31 March 2022 and have therefore not been consolidated.

**e) Income**

All income is included in the Statement of Financial Activities when the Charity is entitled to the income and the amount can be quantified with reasonable accuracy. Income is allocated as unrestricted and restricted in accordance with fund accounting rules. Analysis of restricted funds is detailed in note 20.

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2022**

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**1. Accounting Policies (continued)**

The following specific policies are applied to particular categories of income:

Income from donations and legacies includes grants and donations and is included in full in the Statement of Financial Activities when receivable.

Government grants are received in respect of the Staying Close Staying Connected project and support relating to the Covid-19 pandemic. Income from government and other grants are recognised at fair value when the Charity has entitlement after any performance conditions have been met, it is probable that income will be received and the amount can be measured reliably. If entitlement is not met, then these amounts are deferred.

Donated goods, facilities and services are recognised in income at their fair value when their economic benefit is probable, it can be measured reliably, and the Charity has control over the item. Fair value is determined on the basis of the value of the gift to the Charity, for example the amount the Charity would be willing to pay on the open market for such facilities. A corresponding amount is included in expenditure.

Legacies are included in the Statement of Financial Activities when the Charity becomes aware of its entitlement to the gift and the amount involved can be quantified.

Clothing and other items donated for resale through the Charity's shop are included as income within other trading activities when they are sold.

Income from investments is included when receivable.

Income from other trading activities is accounted for when earned.

**f) Expenditure**

Expenditure is recognised on an accrual basis as a liability is incurred, split between unrestricted and restricted funds. An analysis of restricted funds is detailed in note 20.

Expenditure on raising funds comprises those costs associated with attracting donations and legacies and the costs of other trading activities including the Charity's shops.

Expenditure on charitable activities comprises those costs incurred in the delivery of services to beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs are those associated with meeting the constitution and statutory requirements of the Charity including the audit fees and costs linked to the strategic management of the Charity.

Identifiable direct costs are allocated between expenditure categories of the Statement of Financial Activities on an actual basis. All other costs are allocated on a departmental 'head count' basis.

**g) Freehold property**

The Board have adopted a policy of revaluing freehold property as permitted by FRS 102. The Board have elected to conduct a periodic revaluation of the Charity's properties. Specialist properties (Nelson Lodge and Morley House) are valued on a value by use basis, whereas other properties are valued with reference to similar properties.

Freehold property is not depreciated on the basis that it relates to properties which have a very long useful life and the residual value is likely to be not materially different from the carrying amount. Annual impairment reviews are carried out.

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2022**

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**1. Accounting Policies (continued)**

It is the policy of the Board to maintain all properties to a very high standard with all maintenance and refurbishment costs being charged to the Statement of Financial Activities.

**h) Tangible assets**

Tangible assets are initially recorded at cost and subsequently stated at cost less any accumulated depreciation and impairment losses. Assets costing over £2,500 are capitalised.

**i) Depreciation**

Depreciation is calculated to write off the cost or valuation less estimated residual values of tangible fixed assets, excluding freehold property (see above), over their estimated useful lives using the following rates:

Leasehold property	Over the period of the lease
Office furniture and fittings	15% straight line
Care homes furniture	20% straight line
Computer equipment and software	33 1/3% straight line
Motor vehicles	25% straight line

The expenditure on furnishing new care homes is capitalised and depreciated over five years. Expenditure on the replacement of furniture, fixtures and fittings is written off in the year the cost is incurred.

**j) Investments**

Investments in unquoted securities are included at a valuation estimated by the Board. Any gains or losses arising on revaluation are included in the Statement of Financial Activities.

**k) Leasing**

Rentals payable and receivable under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

**l) Pension schemes**

Break operates two defined contribution schemes. The assets of the schemes are held separately from those of Break in independently administered funds. The charge in the Statement of Financial Activities is the contribution payable by Break to the funds for the year.

**m) Fund accounting**

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity.

Designated funds are funds that have been set aside by the Trustees for particular purposes.

Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of an appeal.

**n) Stock**

The fair value of donated stock has not been included in these accounts on the basis that it is impractical to obtain a fair value due to the volume of low-value items received and the absence of detailed stock control systems and records. New goods purchased for sale within the shops are measured at the lower of cost and net realisable value

**o) Redundancies**

Where an obligation to make a redundancy or termination payment exists, the costs incurred by the Charity are accounted for on an accruals basis and included within employee benefits.

**Break**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2022**

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**p) Taxation**

The Charity is exempt from corporation tax as surplus income and gains are applied for charitable purposes.

**q) Debtors and creditors**

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

**r) Cash at bank**

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**2. Income from donations and legacies**

	<b>Unrestricted</b>	<b>Designated</b>	<b>Restricted</b>	<b>2022</b>	2021
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	£000
Grants & donations	177	644	427	<b>1,248</b>	757
Government Grants:-					
Service Delivery	-	-	840	<b>840</b>	866
RHLG	163	-	-	<b>163</b>	965
CBILs	11	-	-	<b>11</b>	15
Legacies	33	-	-	<b>33</b>	132
	<u><b>384</b></u>	<u><b>644</b></u>	<u><b>1,267</b></u>	<u><b>2,295</b></u>	<u>2,735</u>

Income from donations and legacies in 2020/21 included £1,343 attributable to restricted funds.

Service Delivery Government Grants are for the Staying Close Staying Connected project. See Note 7 for associated costs.

Unrestricted Government Grants received as

- Retail, Hospitality and Leisure Grants (RHLG) due to lockdown closures of Break's retail shops
- Interest payments on the Coronavirus Business Interruption Loan Scheme (CBILs) loan that was repaid in the year.

**3. Income from charitable activities**

	<b>Unrestricted</b>	<b>Designated</b>	<b>Restricted</b>	<b>2022</b>	2021
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	£000
Fees for care services	6,726	-	15	6,741	6,776
Housing income	147	-	271	418	382
Training income	12	-	-	12	22
	<u>6,885</u>	<u>-</u>	<u>286</u>	<u>7,171</u>	<u>7,180</u>

Income from charitable activities in 2020/21 included £386k attributable to restricted funds.

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**4. Income from other trading activities**

	<b>2022</b>	2021
	<b>Unrestricted</b>	Unrestricted
	<b>£000</b>	£000
Rental income from Property	5	12
Fundraising sale of new goods	2	10
Coffee van sales	12	4
Retail income – see analysis below	4,076	1,421
	<u>4,095</u>	<u>1,447</u>

<b>Analysis of Retail Income</b>	<b>2022</b>		2021	
	<b>£000</b>	<b>£000</b>	£000	£000
Retail income	4,062		1,415	
*Sale of new goods	14		6	
		<u>4,076</u>		<u>1,421</u>
<b>Government Support</b>				
RHLG Grants – (Note 2)	163		965	
CJRS Grants (Note 6)	23		645	
		<u>186</u>		<u>1,610</u>
Retail costs		<u>4,262</u>		<u>3,031</u>
		(3,504)		(3,032)
Surplus / (Deficit)		<u>758</u>		<u>(1)</u>

\*All goods, except where stated above, sold in Break's shops have been donated.

**5. Income from investments**

	<b>Unrestricted</b>	Unrestricted
	<b>2022</b>	2021
	<b>£000</b>	£000
Interest receivable	1	5
	<u>1</u>	<u>5</u>

**Break**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**6. Other income**

	<b>Unrestricted</b>	Unrestricted
	<b>2022</b>	2021
	<b>£000</b>	£000
Miscellaneous income	14	395
Coronavirus Job Retention Scheme	32	928
	<u>46</u>	<u>1,323</u>

In the previous year, a business interruption insurance payment was received. The receipt replaced the surplus that would have been raised from retail operations had they not been closed during the initial pandemic lockdown. Also included within miscellaneous income is £Nil (2020/21 £2k) relating to designated income.

The Coronavirus Job Retention Scheme income relates to furloughed employees across the Charity

**7. Analysis of Expenditure by Activity**

	<b>Direct costs</b>	<b>Support costs</b>	<b>2022 Total</b>	2021 Total
	<b>£000</b>	<b>£000</b>	<b>£000</b>	£000
<i>Charitable expenditure</i>				
Young people in Care	2,467	518	2,985	3,024
Children with disabilities	2,247	454	2,701	2,591
Family Support	1,346	289	1,635	1,532
Children at risk	1,419	312	1,731	1,473
Support Services	-	88	88	-
	<u>7,479</u>	<u>1,661</u>	<u>9,140</u>	<u>8,620</u>
<i>Raising funds</i>				
Retail and other trading activities	3,050	465	3,515	3,039
Fundraising	613	54	667	376
	<u>3,663</u>	<u>519</u>	<u>4,182</u>	<u>3,415</u>
	<u>11,142</u>	<u>2,180</u>	<u>13,322</u>	<u>12,035</u>

Charitable expenditure includes £1,799k attributed to restricted funds (2020/21: £1,420k) and £10k (2020/21: £1k) relating to designated funds, all other expenditure was unrestricted.

Expenditure on raising funds includes £Nil (2020/21 £2k) attributed to restricted funds and £460k (2020/21 £121k) relating to designated funds, all other expenditure was unrestricted.

**Break****NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31 MARCH 2022****Governance costs**

	<b>2022</b>	2021
	<b>£000</b>	£000
Governance costs (included within support costs below) comprise:		
Salaries	59	21
Travel	1	1
Audit fees	12	13
Auditors' remuneration for non-audit services	1	1
Other professional fees and support costs	-	1
	<u>73</u>	<u>37</u>
<b>Expenditure includes:</b>		
Depreciation (owned assets)	91	101
Loss on disposal of assets	30	7
Operating lease rentals land and buildings	857	803
Trustees' indemnity insurance	-	1
Auditors' remuneration	12	13
	<u>912</u>	<u>934</u>

**8. Analysis of support costs**

	<i>Basis of allocation</i>	<b>2022</b>	2021
		<b>£000</b>	£000
<i>Direct support costs</i>			
Operational management	Direct expenditure	376	298
Training	Head count	300	285
Maintenance	Direct expenditure	144	213
		<u>820</u>	<u>796</u>
<i>Central overheads</i>			
Head office establishment	Direct expenditure	183	138
Finance	Direct expenditure	247	259
Health & Safety	Head count	73	70
Human Resources	Head count	231	220
Information technology	Head count	209	171
Communications	Direct expenditure	131	136
Chief Executive's Office / Governance	Direct expenditure	286	271
		<u>1,360</u>	<u>1,265</u>
Total		<u>2,180</u>	<u>2,061</u>

**9. Interest payable**

	<b>2022</b>	2021
	<b>£000</b>	£000
On mortgages not wholly repayable within five years	29	33
	<u>29</u>	<u>33</u>

**Break****NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31 MARCH 2022****10. Staff Costs**

	<b>2022</b>	2021
	<b>£000</b>	£000
Wages and salaries	7,817	7,454
Social security costs	614	580
Pension contributions and life insurance	417	414
Other staff costs	467	464
	<u>9,315</u>	<u>8,912</u>

The figure for staff costs includes taxable benefits of £28k (2020/21: £28k)

The number of higher paid employees whose emoluments exceeded £60,000 fell within the following bands:

	2022	2021
	No.	No.
£60,000 to £69,999	2	-

Pension contributions of £5,736 (2020/21: £Nil) were made to a defined contribution scheme in respect of the highest paid employees.

The average number of employees, excluding Board members, during the year were:

	2022	2021
	No.	No.
Care	260	239
Fundraising	139	141
Administration	39	37
	<u>438</u>	<u>417</u>

The average number of full time equivalents employed during 2022 was; Care 193 (2020/21 - 183); Fundraising 118 (2020/21 - 72); Administration 34 (2020/21 - 30)

Redundancy/termination payments of £19k (2020/21: £85k) were made in the year. No amounts were outstanding at the year end (2020/21 £Nil).

**11. Trustees' and key management personnel's remuneration and expenses**

No members of the Board received any remuneration during the year.

No members of the Board received expenses in the course of their duties during the year in respect of travelling and subsistence (2020/21 None - £Nil).

Key management personnel are considered to be the Chief Executive and the Executive team as detailed on Page 1. The total amount of employee benefits received by key personnel is £377k (2020/21 £345k).

Break

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

12. Tangible fixed assets

	Freehold property £000	Leasehold property £000	Furniture, fixtures and fittings £000	Computer equipment and software £000	Motor vehicles £000	Total £000
<b>Cost or valuation</b>						
At 1 April 2021	3,749	359	714	178	89	5,089
Additions	-	-	-	-	17	17
Disposals	-	-	(29)	-	(6)	(35)
At 31 March 2022	3,749	359	685	178	100	5,071
<b>Depreciation</b>						
At 1 April 2021	-	307	678	127	59	1,171
Charge for the year	-	19	3	51	18	91
Depreciation on disposals	-	-	-	-	(5)	(5)
At 31 March 2022	-	326	681	178	72	1,257
<b>Net book value</b>						
<b>At 31 March 2022</b>	<b>3,749</b>	<b>33</b>	<b>4</b>	<b>-</b>	<b>28</b>	<b>3,814</b>
At 31 March 2021	3,749	52	36	51	30	3,918

All fixed assets are held for charitable purposes. All freehold property is non-depreciable.

The freehold properties were revalued as at 31 March 2022 to the Board's best estimate of its fair value. Specialist properties (Nelson Lodge and Morley House) are valued on a value by use basis, whereas other properties are valued with reference to the recent market value of similar properties. The Board have adopted a policy of revaluing freehold property as permitted by FRS 102 and will review the need for revaluation of the Charity's properties on an annual basis. The Board consider that no revaluation is necessary at 31 March 2022.

On an historical cost basis, the cost and depreciation of these freehold properties would have been as follows:

	2022		2021	
	Cost £000	Depreciation £000	Cost £000	Depreciation £000
Freehold property	3,673	630	3,673	594

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

**13. Fixed Asset Investments****Investment holdings**

	<b>Unquoted investments £000</b>	<b>Total 2022 £000</b>	2021 £000
Market value at 1 April 2021	8	8	8
Market value at 31 March 2022	8	8	8

**Unquoted investments**

	<b>2022 £000</b>	2021 £000
Subsidiary undertaking:		
Break Trading Company Limited	-	-
Helpcards Holdings Limited (0.67% holding)	8	8
	<b>8</b>	<b>8</b>

The investment of £100 in Break Trading Company Limited (01300043), a company incorporated in England, represents 100% of the issued share capital of that company. The company has remained dormant throughout the year. The aggregate amount of net assets attributable to Break is £Nil (2020/21: £Nil). As at 31 March 2022 the company owed £877 (2020/21: £877) to Break.

In the opinion of the Board, on the basis of income received, the value of the investments in Helpcards Holdings Limited is unchanged from 2020/21.

**14. Stocks**

	<b>2022 £000</b>	2021 £000
Retail goods for resale	-	1

**15. Debtors**

	<b>2022 £000</b>	2021 £000
Trade debtors	204	716
Accrued income	461	212
Other debtors	133	208
Prepayments	198	201
	<b>996</b>	<b>1,337</b>

**Break****NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31 MARCH 2022**

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**16. Cash in bank and in hand**

	<b>2022</b>	2021
	<b>£000</b>	£000
Current accounts	<b>406</b>	534
Treasury and other deposits	<b>1,655</b>	1,804
Cash in hand and imprest accounts	<b>40</b>	39
	<hr/> <b>2,101</b> <hr/>	<hr/> 2,377 <hr/>

**17. Creditors: amounts falling due within one year**

	<b>2022</b>	2021
	<b>£000</b>	£000
Mortgages	<b>75</b>	167
Trade creditors	<b>255</b>	196
Social security and other taxes	<b>147</b>	127
Accruals	<b>81</b>	61
Deferred income	<b>1</b>	41
Other creditors	<b>52</b>	46
	<hr/> <b>611</b> <hr/>	<hr/> 638 <hr/>
Secured creditors included above are as follows:		
Mortgages: Secured by fixed charges over the Charity's freehold properties	<b>75</b>	167
Deferred income included above is as follows:		
Brought forward	<b>41</b>	1
Released during the year	<b>(41)</b>	(1)
Deferred during the year	<b>1</b>	41
Carried forward	<hr/> <b>1</b> <hr/>	<hr/> 41 <hr/>

Deferred income relates to grants to be carried forward to 2022/23.

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**18. Creditors: amounts falling due after more than one year**

	<b>2022</b> <b>£000</b>	2021 £000
Mortgages—secured by fixed charges over the Charity’s freehold properties	<b>375</b>	1,356
Mortgages are analysed as follows:		
Between one and two years	<b>56</b>	267
Between two and five years	<b>141</b>	769
Over five years	<b>178</b>	320
	<b>375</b>	1,356
Within one year	<b>75</b>	167
	<b>450</b>	1,523

Mortgages include a loan of £292k drawn from Lloyds Bank plc in September 2011 repayable over 15 years at a variable rate of 2.25% above the Bank of England Base Rate, a loan of £176k drawn from Lloyds Bank plc in June 2013 repayable over 10 years at a variable rate of 2.34% above the Bank of England Base Rate, a loan of £166.5k drawn from Lloyds Bank plc in April 2020 repayable over 15 years at a fixed rate of 4.58% and a loan of £166.5k drawn from Lloyds Bank in May 2020 at a variable rate of 2.75% above the Bank of England Base Rate. During the previous financial year (September 2020) Break accessed the Coronavirus Business Interruption Loan scheme and drew down a loan of £1m, interest was charged at 2.59% above base rate, the loan was repaid in October 2021,. The loans are secured on various freehold properties.

**19. Operating lease commitments**

The total future minimum lease payments under non-cancellable operating leases are as follows:

	<b>Land &amp; buildings</b> <b>2022</b> <b>£000</b>	Land & buildings 2021 £000	<b>Motor vehicles</b> <b>2022</b> <b>£000</b>	Motor vehicles 2021 £000
Not later than 1 year	<b>594</b>	598	<b>121</b>	103
Later than 1 year and not later than 5 years	<b>1,396</b>	1,544	<b>139</b>	100
Later than 5 years	<b>489</b>	634	-	-
	<b>2,479</b>	2,776	<b>260</b>	203

Break

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

20. Funds

2021/22

	Balance as at 01.04.21 £000	Income £000	Expenditure £000	Transfers £000	Balance as at 31.03.22 £000
<b>Restricted Funds</b>					
Centre funds	59	6	(39)	(8)	18
Children in Need	-	6	(6)	-	-
Break Therapeutic Service	-	3	(3)	-	-
SCSC	78	1,113	(1,208)	21	4
Young Persons Celebration	3	-	-	-	3
Norwich Consolidated Charities	-	19	-	-	19
CHK Foundation Fund	41	-	(41)	-	-
Staying on Track	64	84	(89)	(22)	37
Fostering Futures	-	117	(43)	-	74
Education Officer	-	28	(28)	-	-
Mentoring	7	11	(27)	9	-
Opportunities Team	250	166	(315)	-	101
	<u>502</u>	<u>1,553</u>	<u>(1,799)</u>	<u>-</u>	<u>256</u>
<b>Designated Funds</b>					
Building Futures (My Break 50)	32	-	-	-	32
Commercial Development	50	-	-	-	50
Apprenticeships	133	-	(8)	-	125
Cambridge Trail	-	294	(147)	(56)	91
Charms Development	13	-	-	-	13
Organisational Well-Being	10	-	-	-	10
Go-Go Discover	16	350	(313)	-	53
Adding Value (Go-Go Hares)	29	-	(2)	1	28
Go-Go Hares	373	-	-	(133)	240
Building repairs	77	-	-	75	152
	<u>733</u>	<u>644</u>	<u>(470)</u>	<u>(113)</u>	<u>794</u>
<b>Unrestricted Funds</b>					
Revaluation reserve	635	-	-	-	635
General Funds	3,777	11,411	(11,053)	113	4,248
	<u>4,412</u>	<u>11,411</u>	<u>(11,053)</u>	<u>113</u>	<u>4,883</u>
Total unrestricted funds	<u>5,145</u>	<u>12,055</u>	<u>(11,523)</u>	<u>-</u>	<u>5,585</u>
<b>Total Funds</b>	<u><b>5,647</b></u>	<u><b>13,608</b></u>	<u><b>(13,322)</b></u>	<u><b>-</b></u>	<u><b>5,933</b></u>

Transfers Between funds

During the year transfers were made between funds as follows:-

**Centre funds & Staying on Track** - allocation of related expenditure incurred in general funds in the year.

**Cambridge Trail** – costs incurred in previous years relating to the Cambridge trail incurred in General funds

**GoGo Hares** - allocation to adding value to support **SCSC**, Moving on Team, Mentoring and the new quality and performance manager.

**Building Repairs** – Transfer from general funds to build reserves for repairs on the Charity's properties.

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

## Funds (continued)

2020/21

	Balance as at 01.04.20 £000	Income £000	Expenditure £000	Transfers £000	Balance as at 31.03.21 £000
<b>Restricted Funds</b>					
Centre funds	54	7	(2)	-	59
Children in Need	3	20	(23)	-	-
Family Support fund	14	-	(14)	-	-
SCSC	5	1248	(1,175)	-	78
Young Persons Celebration	3	-	-	-	3
CHK Foundation Fund	80	50	(89)	-	41
Staying on Track	36	69	(41)	-	64
Education Officer	-	4	(4)	-	-
Mentoring	-	15	(8)	-	7
Retail – Ebay	-	2	(2)	-	-
Opportunities Team	-	314	(64)	-	250
	<u>195</u>	<u>1,729</u>	<u>(1,422)</u>	<u>-</u>	<u>502</u>
<b>Designated Funds</b>					
Building Futures (My Break 50)	32	-	-	-	32
Commercial Development	75	-	-	(25)	50
Apprenticeships	133	-	-	-	133
West of England Fund	15	-	-	(15)	-
Cambridge Trail	42	5	(48)	1	-
Cambridge Development	50	-	-	(50)	-
Charms Development	13	-	-	-	13
Organisational Well-Being	10	-	-	-	10
Go-Go Discover	-	89	(73)	-	16
Adding Value (Go-Go Hares)	17	-	(1)	13	29
Go-Go Hares	374	-	-	(1)	373
Building repairs	-	-	-	77	77
	<u>761</u>	<u>94</u>	<u>(122)</u>	<u>-</u>	<u>733</u>
<b>Unrestricted Funds</b>					
Revaluation reserve	875	-	-	(240)	635
General Funds	3,161	10,867	(10,491)	240	3,777
	<u>4,036</u>	<u>10,867</u>	<u>(10,491)</u>	<u>-</u>	<u>4,412</u>
Total unrestricted funds	<u>4,797</u>	<u>10,961</u>	<u>(10,613)</u>	<u>-</u>	<u>5,145</u>
<b>Total Funds</b>	<u><b>4,992</b></u>	<u><b>12,690</b></u>	<u><b>(12,035)</b></u>	<u><b>-</b></u>	<u><b>5,647</b></u>

**Restricted Funds**

Centre funds - relates to all income restricted to spending on equipment etc. at the various care homes.

Children in Need – provides funding for Time for Me projects which helps children aged 4-15 who are finding it difficult to cope with the effects of their parents' separation.

Break Therapeutic services – Grants received to deliver specific sessions for children.

Staying Close Staying Connected (SCSC) - a programme funded by the Department for Education to provide housing and support for care leavers.

Young Persons' Celebration - grants from the A Boswell CT and the Ardwick Trust to support the YP's Celebration in 2021.

Norwich Consolidated Charities – Grant for a housing support worker in Norwich

CHK Foundation fund - grants from CHK Foundation to support aspirational projects with young people.

Staying on Track - a grant from Esmee Fairbairn Foundation to provide an emotional well-being service to young people aged 18 - 24.

Fostering Futures – a CHK funded project providing housing and support to foster care leavers.

Education officer, Mentoring and Opportunities funds are specific funding received to carry out services in these areas.

**Designated Funds**

Building Futures (My Break 50) - a fund set up to celebrate Break's 50th Anniversary to support “Our Young people, our Communities and our Future”

Commercial Development - a fund set up to provide start-up funding for innovative income generating projects.

Apprenticeships - a fund to create apprenticeship opportunities for our young people.

Cambridge Trail - a fund to provide development funding for the 2021 Cambridge Sculpture Trail and from the proceeds of the trail to invest in care services in Cambridgeshire

Cambridge Development - to fund initiatives to develop Break's services and profile within Cambridgeshire (combined with above fund following auction).

Charms Development - to promote, develop and expand the use of the Charms data collection and management systems within Break's care services.

Organisational Well-being - to foster and encourage good practice in the care and development of Break's staff.

The Go-Go Discover - for income and expenditure for the future Go-Go Discover Trail.

Adding Value (Go-Go Hares) - a fund from the profits of the Hares trail to make special provision for the users of Break's services.

Go-Go Hares - the remaining profits of the Go-Go Hares Sculpture Trail in 2018 to support young people leaving care and services adding value to the organisation.

Building repairs – this fund has been created to set aside monies for major works to properties such as boiler replacement and roof repairs.

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

**21. Analysis of net assets between funds**

	Unrestricted £000	Designated £000	Restricted £000	Total £000
Tangible fixed assets	3,814	-	-	3,814
Investments	8	-	-	8
Current assets	2,047	794	256	3,097
Current liabilities	(611)	-	-	(611)
Long-term liabilities	(375)	-	-	(375)
<b>Total net assets</b>	<b>4,883</b>	<b>794</b>	<b>256</b>	<b>5,933</b>

2020/21	Unrestricted £000	Designated £000	Restricted £000	Total £000
Tangible fixed assets	3,918	-	-	3,918
Investments	8	-	-	8
Current assets	2,480	733	502	3,715
Current liabilities	(638)	-	-	(638)
Long-term liabilities	(1,356)	-	-	(1,356)
<b>Total net assets</b>	<b>4,412</b>	<b>733</b>	<b>502</b>	<b>5,647</b>

**22. Company status**

Break is a company limited by guarantee and has no share capital. Each of the members undertakes to contribute such amounts (not exceeding £10) as may be required in the event of a winding up.

**23. Reconciliation of net expenditure to net cash flow from operating activities**

	2022 £000	2021 £000
Net income for the year	286	655
Interest receivable	(1)	(5)
Interest payable	29	33
Loss on disposal of tangible assets	30	7
Depreciation	91	101
Decrease / (Increase) in stocks	1	(1)
Decrease / (Increase) in debtors	341	(446)
Increase in creditors	65	218
<b>Net cash flow from operating activities</b>	<b>842</b>	<b>562</b>

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

**24. Analysis of changes of net debt**

	At start of year £000	Cash flows £000	Other changes £000	At end of year £000
Cash	573	(127)	-	446
Cash equivalents	1,804	(149)	-	1,655
Loans falling due within 1 year	(167)	92	-	(75)
Loans falling due after more than 1 year	(1,356)	981	-	(375)
	<u>854</u>	<u>797</u>	<u>-</u>	<u>1,651</u>
Total net assets	854	797	-	1,651

**25. Pension and other post retirement benefits**

Defined contribution plans

The Charity operates a defined contribution pension plan for its employees. The amount recognised as an expense in the period was £390k (2020/21 £387k). At the year end £51k (20/21 £45k) was payable to the scheme.

**26. Contingent liability**

On the retirement of two of the founders of Break in late 2002 and early 2003, Break entered into separate agreements with the retiring founders. Under the agreements, annual payments of £3,500 were to be paid for life, with a 50% annual payment to the surviving spouse for their life time. Following the death of one of the retired founders in April 2017, the annual payment for the surviving spouse was £6,906 per annum as at 31 March 2022. Based on standard actuarial assumptions, Break calculates the value of the future potential liability at £74k as at 31 March 2022.

This arrangement has been agreed by the Charity Commission.

**27. Related party transactions**

During the year the charity received sponsorship income of £5,000 (2020/21 - £Nil) towards the Go-Go Discover trail from the Aspiration Group, owned 100% by Mrs A Ovens, who is a Trustee of Break.

**28. Financial instruments**

The carrying amounts of the Charity's financial instruments are as follows:

	2022 £000	2021 £000
<b>Financial assets</b>		
<i>Equity instruments measured at cost less impairment:</i>		
Fixed asset unlisted investments	8	8
	<u>8</u>	<u>8</u>

**BREAK**

England & Wales - Charity number 286650

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# Accounts

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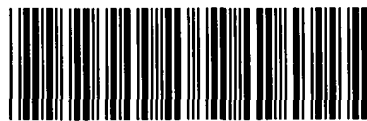


**Break**  
**(A company limited by guarantee)**

**REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021**

**Charity number 286650**  
**Company number 01699685**

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COMPANIES HOUSE

Break

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2021**

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## Break

### CHARITY REFERENCE AND ADMINISTRATIVE DETAILS

FOR THE YEAR ENDED 31 MARCH 2021

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Charity Registration Number: 286650  
Company Registration Number: 01699685  
Registered Office and Operational Address: Schofield House  
1 Spar Road  
Norwich  
Norfolk  
NR6 6BX

#### Board of Trustees

Mr A P K Roy (Chair)  
Mr F M E Shippam FCA, DChA (Treasurer)  
Mrs M Corti FCCA, MBA  
Ms J Darlington MA (Cantab)  
Mr D Evans (appointed 19.10.20)  
Mr S Fowler TD, LLB  
Dr M Gardiner MSc, PhD (resigned 20.07.20)  
Mr G Gildersleeve MA, DipSW  
Mrs B Hall B.Ed (Hons), PgD, SSStJ  
Mr L Hilldrup-Boorman (appointed 20.07.20)  
Mrs A Joyce BSc  
Mrs S Martin (resigned 20.07.20)  
Mrs A L Ovens FCCA, DipIFR, MIO D  
Mr J Sam MBCS, CITP, MIO D  
J Stanley (appointed 19.10.20)

#### Trustee Observers

Mr L Hilldrup-Boorman (to 19.07.20)

#### Presidents and Co-founders

Mrs J A Davison  
Reverend Canon L J Morley

#### Chief Executive Officer

Ms R Cowdry BA (Hons), MA DipSW, Diploma

#### Executive Team

Mr M Hudson BSc (Hons), Chartered MCIPD (Deputy Chief Executive Officer)  
Mr A Flack FCCA (Director of Finance)  
Mrs R Leslie BA (Hons) MA DIPSW (Director of Care Services)  
Mr D Crouch BSc (Hons) (Director of Income Generation)

#### Company Secretary

Mr M Hudson BSc, Chartered MCIPD

#### Auditor

Lovewell Blake LLP, Bankside 300, Peachman Way, Broadland Business Park, Norwich, NR7 0LB

#### Solicitors

Butcher Andrews, 1 Old Post Office Street, Fakenham, Norfolk, NR21 9BL  
Clapham & Collinge, St Catherine's House, All Saints Green, Norwich NR1 3GA

#### Bankers

Lloyds Bank plc, The Undercroft, Queens Street, Norwich, NR2 4SG

## **Break**

### **REPORT OF THE BOARD OF TRUSTEES (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) FOR THE YEAR ENDED 31 MARCH 2021**

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The Trustees, who are also directors for the purposes of company law, present their report and the audited financial statements of the charity for the year ended 31 March 2021 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, 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 published in October 2020.

### **Trustees of the Charity**

The Trustees who have served during the year and since the year end are shown on Page 1. Two Trustees resigned during the year and three were appointed (see Page 1).

### **Objectives and Activities**

The Memorandum and Articles of Association state that Break's charitable objectives and principal activities are:-

- The relief of the needs of persons who are sick, disabled (whether physically or mentally), disadvantaged, infirm or who have learning disabilities or other special needs and of children who come from poor or deprived backgrounds
- The advancement of the education and training of any persons who fall within the categories specified above
- The relief of the needs of persons who experience emotional and behavioural disorders
- The relief of the needs and the support of families of any persons falling into the categories specified

The objectives and aims are achieved by the implementation of individual unit and departmental business plans.

The objectives have been met by providing the following services:-

- Activity Breaks delivered across Norfolk and Short Breaks at Nelson Lodge in Long Stratton
- Family Assessments delivered at Hazeldene, an Ofsted registered Centre in Lowestoft, Suffolk
- Eight Children's Homes (including Trafalgar Lodge in Long Stratton and Morley House in Kings Lynn for children with learning disabilities)
- Break Therapeutic Service across Norfolk
- Fostering
- Staying Connected Team
- Opportunities Team

Break's policy is to work in partnership with Local Authorities, Housing Associations and other relevant agencies to provide the best possible service. We maintain strong working connections with Norfolk County Council Children's Services and acknowledge full funding we receive through contracts for our residential disability services. Break also works closely with Cambridgeshire/Peterborough and Suffolk Children's Services on a range of successful projects and commissioned placements.

Break

**REPORT OF THE BOARD OF TRUSTEES (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)  
FOR THE YEAR ENDED 31 MARCH 2021**

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***Public Benefit Statement***

The Board have paid due regard to the Charity Commission's guidance on public benefit.

In the terms of the Charities Act 2011, Break's Objectives fall within two definitions of charitable activity, "the relief of those in need by reason of ill-health, disability or other disadvantage" and "the advancement of education". On both counts Break provides benefits, irrespective of their financial circumstances, to a number of distinct groups of the public including: children and young people; families; and young people with learning and physical difficulties.

Detailed information on the services provided, and the benefits which accrue to the service users, is set out in this Report and on the Break website, [www.break-charity.org](http://www.break-charity.org)

**Strategic Report**

**A) Achievements and Performance**

Break is an established and confident charity. We support a wide range of young people across East Anglia to achieve great things. We are proud to push the boundaries of innovation. We have co-production at the heart of the services we provide for our young people, enabling them to influence both their own future and the development of our Charity.

Our vision creates a pathway approach to childhood that offers support to a child where and when they need it, for as long as they need it. This is at the core of our ambitious plans and we will engage all stakeholders in holding us to account for the impact we have.

***Covid-19***

During the year, Break's services were impacted by the pandemic. At the start and end of the financial year our retail operations were closed in compliance with the lockdown restrictions. Our fundraising activities were also impacted as all physical events had to be suspended, including a major Sculpture Trail we had planned for 2020.

However, the impact of the pandemic on the financial results was lessened due to the Government support for our retail activities. In addition, the Coronavirus Job Retention Scheme helped support services that were unable to operate during the lockdowns. We also successfully applied for Covid-19 specific grants from a number of charitable organisations. Details of these grants are in the fundraising section of this report.

The pandemic restrictions influenced the services we were able to deliver. Young people had changes to their daily patterns and spent more time within our homes than would otherwise have been the case. Our staff responded by forming bubbles to ensure services remained secure and minimised the disruption from staff isolating.

Throughout the year, Break's staff have worked hard to ensure our young people felt safe, secure and supported within the services. Our retail staff who were furloughed for prolonged periods, came back to work with enthusiasm and, alongside our dedicated volunteers, reorganised our shops to ensure customers felt safe and welcome.

The Trustees appreciate and value the staff and volunteers and thank them for their continued work for Break.

## Break

### REPORT OF THE BOARD OF TRUSTEES (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) FOR THE YEAR ENDED 31 MARCH 2021

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#### *A safe place to call home for looked after children*

At Break we are proud that our **children's homes** are somewhere safe that young people can call home, with adults who love, care and look out for them. We provide a home where young people can belong, begin to flourish and embrace their future with confidence and hope.

The staff at our children's homes have supported our young people throughout the pandemic. New procedures have been adopted to ensure everyone remained safe and our staff have worked tirelessly to ensure children in education kept up with their school work.

In the year, we **cared for 22 young people** within our five homes. All five homes are rated as 'Good' by Ofsted. Our average length of placement at the end of March 2021 was 2.4 years, with 3 young people living at their Break Home for 4 years or more. At 31 March 2021, 69% of the young people living in our children's homes were in full time education.

In 2020, Norfolk County Council recognised a requirement for more specialist services to meet the needs of the most complex young people in their care. One of our children's homes, Birchwood House, was identified in June 2020 as a base to offer this care. The service offers solo or dual placements and intensive support to young people in care who find it too difficult to live with other young people. To deliver this more intensive service, the Birchwood House team accessed comprehensive training programmes, and developed their skills and confidence to meet the needs of young people.

Break has worked in collaboration with the local authority to manage and respond to high risks. Birchwood House has been a home to **2 young people** in the year and was rated as 'Good' by Ofsted.

Towards the end of the year, another of our children's homes, Primrose House, was identified to offer intensive support to complex young people. We were pleased to welcome the first young person to the new service at Primrose House in April 2021.

#### *Therapeutic Support*

Break Therapeutic Services (BTS) are delivered by our highly skilled team of therapists, social workers and specialist parenting and therapeutic practitioners. The Service supports children and young adults who have had adverse childhood experiences. Many have experienced trauma, abuse and neglect and no longer live with their birth families. The BTS team ensures the provision of high quality and innovative care services across Break, supporting our children's homes, our fostering service and our leaving care services (the Emotional Wellbeing Service).

The work of BTS reaches into the wider community as BTS is a trusted provider for Norfolk Adoption Service and also works within several local schools. BTS aims to strengthen relationships and support families, individuals and professionals to understand and process the difficulties that are being experienced. Therapy sessions take place in our purpose built suite of therapeutic rooms, using creative techniques such as play, drama and art to enable children to explore their experiences and recognise and process their emotions. Children are supported to emotionally cope and are better able to access social and learning opportunities. Support is offered for short, 12 weeks periods, or for longer interventions of 3 to 4 years. On average **BTS support 80** different children and families a week.



## Break

### REPORT OF THE BOARD OF TRUSTEES (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) FOR THE YEAR ENDED 31 MARCH 2021

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#### ***Emotional Wellbeing Service***

This service sits within BTS and supports care experienced young people to enjoy enhanced emotional wellbeing, improving their potential to access opportunities and successfully transition to independence. Referral routes include self-referral, social workers, GPs, personal advisors from local authorities and young people accessing Break's Staying Close Staying Connected (SCSC). The Emotional Wellbeing Service encompasses two tiers of relationship-based intervention, allowing for more intensive interventions where indicated:

1. Short term work (12 weeks) – developing strategies for managing anxiety or low mood, recognising triggers and thinking about sources of support. Thinking about self-care and good physical and mental health.
2. Longer term work – using a psychotherapeutic approach, young people are given the opportunity to explore their feelings about themselves, their histories and relationships. This supports increased capacity for emotional regulation.

The Emotional Wellbeing Service aims to address the entrenched underlying mental health issues which can present as difficult, challenging and frustrating behaviours. Without processing past trauma many young people are unable to access solution-based approaches and move forwards in their lives.

#### ***Mentoring***

During the year, the Break Mentoring Service **supported 29 volunteer mentors** who were matched with young people. Our mentoring programme offers positive outcomes and added value for our young people. The young people Break support have had contact with care professionals throughout their lives. The young people report that they especially value their volunteer mentor who is choosing to be there for them. .

The Break Mentoring service is dynamic, and has continued to change and evolve in response to the current climate. We have young people engaged in a Peer mentoring offer, and hope to increase the participation of Peer mentors across our children's homes. Our aspiration is that all young people within Break will have access to a volunteer mentor.

#### ***Fostering***

We provide long term therapeutic foster placements for children and young people between the ages of 3 and 18. During the year we had **13 young people** in placements.



Our service offers predominantly intensive placements offering a family placement for young people who have experienced extreme trauma in their lives and cannot live in a "mainstream" foster home. Our team works hard to begin to heal some of the hurt through the relationships our carers build with the young people, and through the therapeutic support offered. After the year end, in May 2021, Ofsted graded the Break Fostering service as 'Good' in all areas, and made the following observations:

- *'Good matching, longevity of placements and use of therapeutic services'*
- *'good examples of care and progress' for all our young people*
- *'All children in education...D at uni'*
- *'Good support to maintain relationships with families'*
- *'child centred service'*

## Break

### REPORT OF THE BOARD OF TRUSTEES (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) FOR THE YEAR ENDED 31 MARCH 2021

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#### ***Staying Close, Staying Connected***

Staying Close, Staying Connected (SCSC) offers a framework for young people as they leave residential care. SCSC offers the young people lifelong relationships.

The Department for Education Innovation Fund has supported the Break SCSC project since April 2018. Quarterly project boards with representation from our partners (Cambridgeshire County Council, Norfolk County Council and Peterborough City Council) have overseen the SCSC strategy and project direction.

SCSC offered **17 houses and flats** in the year across the region. Each house provided much-needed stability to young people as they moved on from their children's home. In response to requests from young people, in the year we added one bedroom properties for those ready to live on their own. This option proved successful for 2 young people in the year, and a further one bed property has undergone refurbishment after the year end.

Challenges in the year were overcome by the team working collaboratively across the regions, enabling young people to continue to move in and move on successfully from the SCSC service. Staying Connected coordinators continued to support young people to identify important people in their lives, and to find ways of building opportunities to engage with these people.

During the pandemic, IT equipment and digital devices were essential to connect young people with activities, social networks and educational opportunities. Personalised budgets funded the necessary purchases.

#### ***Lifelong Support – the Staying Connected Service***

Since 2009, Break has charitably funded a service to support the transition to adulthood, and to provide a sense of stability for young people leaving Break's care. Amongst things, the service ensures the young people have support to call on in times of crisis.

#### ***Staying on Track***

The Staying on Track service offers leaving care support to build healthy relationships and positive transitions to independence. The service provided access to emotional wellbeing **support for 32 young people and peer network activities for 100 care experienced young people in the year.**

#### ***Support for families – Hazeldene***

Break's residential family Assessment Centre, Hazeldene, provides a safe environment for parents who have had difficulties in caring for their children. We offer tailored packages to meet the needs of each individual family. Families are referred to Break by local authorities from across the country.



We promote and assess parenting skills to ensure that children are safe and protected and offer families an opportunity for intensive support to help them recognise the needs of their children. Safeguarding vulnerable children is our prime focus and the clarity of our assessments inform the referrers whether a child's needs can be adequately met by parents or carers, or whether there is a need for intervention and alternative care arrangements that will secure the longer term future for the child. In the year, we continued to safely provide our service and support **20 families and 25 children.**

## Break

### REPORT OF THE BOARD OF TRUSTEES (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) FOR THE YEAR ENDED 31 MARCH 2021

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#### *Services for Children and young people with disabilities*

The Break services for children with disabilities gives young people access to opportunities to enable them to make progress. We operate three homes across the Norfolk, together with a mobile service delivering in the community.

**Nelson Lodge** offers residential short breaks for children and young people with disabilities who live in Norfolk. The young people have time away from their families in a safe, secure environment while their parents and siblings enjoy a break from their 24/7 care responsibilities. Break's skilled and dedicated staff support young people to enjoy a range of activities, building confidence, independence skills and helping to form friendships. In the year, Nelson Lodge was one of the few services throughout Norfolk which stayed open during the pandemic, albeit with reduced occupancy levels to ensure safety whilst prioritising those in greatest need.

Despite the reduction, **we provided short breaks to 25 young people for a total of 800 nights**. Many of our families report that without the support of our service, their children would be in full-time residential care, often in a different county. During the pandemic, without access to the usual support networks such as school or other similar services, our families relied on us more than ever as for many of them, we were their only level of support.



**Morley House** is a children's home for young people with learning disabilities and complex needs. During the year **we supported 4** young people in everyday tasks such as managing their health and wellbeing, their safety, education and achievement. By knowing the young people well and having trusting relationships, we are able to support them with daily living skills and independence, preparing our young people for adult services.

We work closely with the young people's families. Our main strength is enabling the young person to maintain their family network and ensuring parents can spend quality time with their children, completing simple tasks such as clothes shopping or activities.

**Trafalgar Lodge** is a children's home which provides individually focused and child-centred professional care and support for children and young people who have learning disabilities, physical disabilities, and communication difficulties. Trafalgar offers a safe environment that is caring and homely. Young people can enjoy activities, are encouraged to make choices, pursue their wishes and achieve personal goals. During the year **we supported 4** young people.

For the last two years Trafalgar Lodge have received an Ofsted "Outstanding" rating and in the last inspection report the staff at Trafalgar Lodge were applauded for their creative approach in involving the young people in day to day tasks, helping the young people to communicate and enabling the young people to express themselves and make informed choices. Overall, the team provide high quality care which enables the young people to enjoy a variety of meaningful daily experiences within a positive environment.

Our **Activity Breaks** service gives young people with disabilities the opportunity to do many of the things their peers take for granted and that would otherwise be denied to them because of their disability. We provide a range of supported community-based activities that are centered around the young person and what they want to do. Over the last year **we have supported 21 young people** with disabilities with Activity Breaks across Norfolk and Suffolk.

## Break

### REPORT OF THE BOARD OF TRUSTEES (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) FOR THE YEAR ENDED 31 MARCH 2021

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#### *Pathways to Work – Opportunities team*

Break knows how important it is to expand the horizons of our young people and support them to achieve their potential as care experienced young people aged between 16 and 20 are four times more likely to be unemployed than their peers.

Break offers safe environments with appropriate support to enable our young people to explore, build skills, have great experiences, test ideas and experiment.

In the summer of 2020, pursuing an idea generated by our young people, we launched our mobile coffee van enterprise. During the year the mobile coffee van offered **15 young people paid employment, opportunities to train and to volunteer**. During the year, funding was secured to start a pathway into the construction industry.



#### *Our Shops*

Break's shops are valuable assets for the Charity. They generate income to help fund our charitable services and provide vital links with the local community, offering opportunities for people to support our work by donating goods or volunteering their time.

We are grateful for the many good quality donations of clothing, household items, toys and books we receive which we sell in our shops. Items not suitable for sale are recycled whenever possible to avoid them going to landfill.

During the year to 31 March 2021 Break had to close its shops for several months due to the national lockdown restrictions. We are immensely grateful to the volunteers working in our shops in East Anglia and the West Country. Most of our volunteers returned after the country's lockdown and have supported us in providing a Covid safe shopping environment. During the year **844 volunteers** worked in our shops contributing **37,753 hours** (2019/20; 95,426 hours) during the 6 months the shops were open

At the year end, **Break had 45 shops**, 30 in East Anglia and 15 in the West Country. There are plans to open an additional shop in Norwich during 2021 with a specialist Wedding and Prom department as such specialist services have proven successful elsewhere.



## Break

### REPORT OF THE BOARD OF TRUSTEES (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) FOR THE YEAR ENDED 31 MARCH 2021

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#### *Fundraising*

Much of the support offered by Break to children, young people and families is funded by charitable income from fundraising. In the past, a focus for our fundraising has been events but the pandemic led to the cancellation of a calendar of planned fundraising events.

A Covid-19 recovery campaign, "Be There", launched at the end of the year generated some charitable income and the table below shows the grant funding we received in the year following successful grant applications.

Funder	Break Service	Amount
Barclays 100 x 100 Covid Fund	Opportunities Team	£100,000
Esmee Fairbairn	Staying on Track	£69,034
Norfolk Construction Fund	Opportunities Team	£64,000
CHK Foundation	Opportunities Team	£50,000
Esmee Fairbairn	Staying Close; Staying Connected	£44,852
Erasmus	Opportunities Team	£29,191
Children in Need – Covid-19 Next steps	Opportunities Team / Break Therapeutic Service	£22,873
Social Investment Business	Opportunities Team	£21,600
Children in Need	Break Therapeutic Service	£19,601
National Lottery – Awards for All	Opportunities Team	£9,970
Norfolk Community Foundation	Opportunities Team	£6,204
Norman Lamb Wellbeing Trust	Opportunities Team	£4,500
D'Oyly Trust	Opportunities Team	£3,000
Ebay	Retail	£1,660

We thank all our Funders for the support they offer which helps the young people within our services.

Break

**REPORT OF THE BOARD OF TRUSTEES (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)  
FOR THE YEAR ENDED 31 MARCH 2021**

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## **B) Financial Review**

### **Results**

Break made a surplus of **£655k** (2019/20 £94k) for the year. This comprised a surplus of **£376k** (2019/20 £220k) on unrestricted funds, a deficit of **£28k** (2019/20 £136k) on designated funds and a surplus of **£307k** (2019/20 £10k) on restricted funds. The value of net assets therefore rose from £4,992k to **£5,647k**. Of these, unrestricted funds accounted for **£5,145k** (2019/20 £4,797k) (including designated funds of **£733k** (2019/20 £761k)).

The lockdowns had a significant impact upon our retail trading as detailed in note 4. During 2020/21 retail was able to breakeven having received Government support of £1,610k in the year. In the previous year retail contributed a surplus of £276k to the Charity. In light of uncertain trading conditions and the likely reduction in Government support in 2021/22, the Charity launched the "Be There" campaign post year end to mitigate the anticipated reduction in funds from retail activities.

### **Reserves Policy**

Free reserves are unrestricted funds that are available to be spent on any of the Charity's objectives. Tangible fixed assets, and the connected bank loans, are not included in free reserves as these assets are essential to the Charity's activities. Their disposal would adversely impact the Charity's ability to deliver its aims.

The level of free reserves is set by the Board of Trustees on an annual basis and regularly monitored throughout the year. Action is taken if actual free reserves fall significantly outside the target level established.

In determining the level of free reserves, Trustees consider the financial impact of the risks facing the Charity, including the loss of income from partner agencies and voluntary donations, and balance the need to hold sufficient reserves to enable the Charity to:

- continue its activities when faced with unforeseen circumstances,
- support the development of additional services to children, young people and their families, and
- maximise expenditure on charitable activities.

The Charity's Reserves Policy in the year was to hold free reserves equivalent to at least one month's salary costs, estimated at £740k. Free reserves as at 31 March 2021 were £1,008k (2019/20 £591k). The Finance Committee reviewed the Reserves Policy in June 2021 and recommended to the Board of Trustees a target for free reserves of £1,400k for 2021/22, representing an estimate of redundancy and lease obligations. Due to the current financial climate, with uncertainties in relation to the future funding levels of some of our care services and the on-going impact of Covid-19 on the Charity's retail and fundraising income, it is recognised that the targeted level of free reserves is unlikely to be achieved by 31 March 2022.

As at 31 March 2021, the Charity had Designated Funds of **£733k** (2019/20 £761k). Designated Funds are funds set aside by the Trustees out of unrestricted funds to support specific future purposes and projects. Details of the Designated Funds, together with movements during the year, are given in Note 20 to the Accounts.

As at 31 March 2021, the Charity had Restricted Funds of **£502k** (2019/20 £195k). Restricted Funds are funds received for undertaking an activity specified by the donor when making the gift, or may result from the terms of an appeal for funds. Details of the Restricted Funds, together with movements during the year, are given in Note 20 to the Accounts.

### **Funding Sources**

Break has three main funding sources; service level agreements and spot purchase contracts from local authorities, retail and fundraising.

## Break

### REPORT OF THE BOARD OF TRUSTEES (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) FOR THE YEAR ENDED 31 MARCH 2021

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#### *Investment Policy*

The Charity holds cash to fund expenditure in the short and medium terms. The cash is held on deposit accounts as capital preservation is of particular importance, as is the ready availability of a substantial proportion of the assets to meet immediate cash flow requirements. Given these parameters, the Charity seeks to produce the best financial return within an acceptable level of risk. In implementing the Investment Policy, the Charity will have regard to the spread of risk, future liquidity requirements and ethical considerations. The treasury and investment position is regularly reported to and monitored by the Finance Committee.

#### *Principal Risks and Uncertainties*

##### *Covid-19*

The Board have carefully assessed the impact of the Coronavirus pandemic on Break's activities and finances. During the year, the fundraising and retail activities were severely impacted by the restrictions. Both of these income generating functions support charitably funded work undertaken by Break. To an extent the negative financial impacts on fundraising and retail activities were offset by the Government grants and support available to Break, including a £1m Coronavirus Business Interruption Loan.

The services commissioned directly by local authorities were not affected from a financial point of view but had to apply new methods of management and operation. The Executive team and the Finance Committee met regularly and updated the Board on developments and forecasts. The Charity's risk assessments were updated in light of the Coronavirus pandemic and action plans implemented and approved to mitigate risks in the following key areas:

Risk	Mitigation
Safety of staff and people in care	Dynamic risk assessments in place at all sites; clear central strategy and communication; supply of PPE and other protective measures where possible; Covid-19 testing.
Lack of staff to operate services	Contingency support team of 8 staff, full use of relief staff, cross-working with local authorities. Covid-19 testing of support staff to enable staff to return to work.
Loss of expert advice through illness of key trustees or members of leadership team	Extend term of office of key trustees, seek advice from retired trustees, use of external consultancy.
Loss of voluntary income through cessation of retail or fundraising	Optimise use of CJRS and other Government grants available; trust and grant applications; reduction in operating and overhead costs; optimise virtual opportunities.
Cash flow and funding	Apply for government grants and loans, negotiate payment terms with commissioners and landlords; optimise occupancy in services; examination and re-designation of reserves.

#### *Other principal risks*

In addition to the risks associated with the Coronavirus pandemic, the Trustees monitor other risks. The risk analysis is categorised in terms of Governance, External Factors and Operational Factors, which include care service delivery, finance, human resources, health & safety, and IT & data management. Levels of risk are monitored through key performance indicators. Any elevated risks are referred to the Board either immediately or at the next meeting depending on severity. The risk analysis is reviewed by the Trustees on an annual basis.

Examples of other key risks are

- Cover for staff in the event of absence or illness
- Void periods in spot purchase services
- Major contracts going out for retendering
- Serious Incident e.g. fire at a care provision or damage to reputation
- Competition

Measures, agreed by the Trustees, are in place to seek to reduce the impact of these risks on the quality of service that Break provides.

## Break

### REPORT OF THE BOARD OF TRUSTEES (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) FOR THE YEAR ENDED 31 MARCH 2021

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#### **Key Performance Indicators**

Trustees monitor the financial performance of Break on a regular basis. During the pandemic, the meetings increased in frequency to enable a closer level of scrutiny during the turbulent times. The indicators are reviewed periodically and the results reported through the Management Accounts. The indicators include performance against budget, occupancy, targets for net current assets, reserve levels and staff costs compared with income.

#### **Going concern**

The Trustees have carefully considered all available information about the effect of the Coronavirus pandemic on the finances and operations of the Charity for 12 months from the date of this Report. Information from budgets and forecasts for income, expenditure and cash-flow, including the availability of unrestricted funds and reserves, credit facilities and any other forms of financial assistance have been considered. The Trustees are confident that there are no going concern issues.

#### **Post Balance Sheet Date events**

Note 26 gives details of events after the year end.

## **C) Plans for future periods**

The Trustees anticipate a challenging year ahead for the Charity. The young people we support will need extra time, guidance and help as restrictions gradually ease.

The return of strong income streams from our retail and fundraising activities is key. The Trustees are pleased with the early indications that retail sales have bounced back and are above forecast. The postponed 2020 **Cows about Cambridge**, a sculpture trail planned around the city of Cambridge, started in June 2021. Proceeds from this trail will be used to further Break's work across Cambridgeshire. The 2020 **GoGo Discover** trail will go ahead in the summer of 2021 and summer 2022. A smaller trail of T-Rex sculptures in 2021 will coincide with the display of "Dippy the Diplodocus" at Norwich Cathedral and a larger county-wide trail of T-Rex and Steppe Mammoths is scheduled for 2022, culminating in a charity auction.

#### **Our Vision 2021-2025**

Throughout 2021/22 Break will continue to develop the 2021-2025 vision. This will build on the successes of 2020/21, as despite the challenges caused by the Coronavirus pandemic, Break met and surpassed many of the targets within the strategy.

The focus for 2021/22 is to develop the vision and focus on three core themes; people, culture and performance. Break will continue to invest in its people, building on their expertise; Break will review its culture to ensure it reflects Break's values and ethos; and stretching but achievable targets will be set at all levels to ensure Break continues to change young lives.

The Coronavirus pandemic has created further obstacles for young people already disadvantaged by their traumatic start in life. Break will explore ways in which each young person can be supported to be in the best possible position for the next stage in their lives. In 2021/22 Break will look to

- Increase the pathway to employment opportunities and develop the Coffee Break and Building Futures projects to support young people into the work place.
- Increase the Staying Connected (leaving care) service to offer the support to more young people – specifically those leaving foster care
- Focus on the co-production and participation agendas to work with young people and partner agencies to ensure all changes in work are led by young people, for young people.

## Break

### REPORT OF THE BOARD OF TRUSTEES (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) FOR THE YEAR ENDED 31 MARCH 2021

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Break's identified objectives in 5 key areas are:

Vision area	Objective headings
Evidencing our excellence	Show where we have made a difference Offer a voice to young people and employees Celebrate success
Always adding value	Capture our added value Support our communities
Increasing connections	Put relationships first Have something for everyone to connect to
Sustainable growth	Seek opportunities in Norfolk, Suffolk and Cambridgeshire Develop services for children and young people Use all our resources efficiently
Become the "go-to" organisation	Tell people what we do Help shape ideas Be creative

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## D) Structure, Governance and Management

### *Governing Document*

Break is a charitable company limited by guarantee, incorporated in England and Wales on 15 February 1983 and registered as a charity on 6 May 1983. Break's Memorandum of Association establishes its objects and powers, which are governed under Break's Articles of Association. In the event of the Charity being wound up, the members are required to contribute an amount not exceeding £1.

### *Recruitment and Appointment of Trustees*

The directors of the company are Trustees for the purpose of charity law.

It is the Board of Trustees' collective responsibility to ensure that the Charity is fit for purpose and to determine and support its strategic direction in order to enable it to attain its stated objective. The Charity follows the Code of Governance for the Voluntary and Community Sector.

New appointments to the Board are made after completion of a Trustee skills gap analysis and an open recruitment process to attract volunteers with appropriate skills.

The term of office for a Trustee is three years, at which point they must resign or seek re-election.

### *Trustee Induction and Training*

All Trustees receive a full induction pack and training needs are assessed periodically.

### *Organisational Structure*

The Board may delegate any of its powers to any committee consisting of one or more members of the Board or Executive Officers.

Break has 4 sub-committees on Finance, Commercial Services, Care Services, and Risk and Governance. These are chaired by Board members and involve Executive Officers and some of the wider staff team.

## Break

### REPORT OF THE BOARD OF TRUSTEES (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) FOR THE YEAR ENDED 31 MARCH 2021

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The Governance and Management Structures operate under the shared principles of:

- Working together with common purpose, values and goals
- Adhering to Break's charitable objectives and the Charity Commission's guidance on public benefit
- Ensuring no small group or one individual dominates the decision making
- Adhering to the principles of openness, honesty, integrity, objectivity, accountability and clear leadership

#### **Trustee attendance**

The Board of Trustees formally met five times during the year. Attendance during the year was as follows:

<i>Trustee</i>	<i>Meetings attended</i>	<i>Out of a possible</i>
A Roy (Chair)	5	5
F Shippam (Treasurer)	4	5
M Corti	5	5
J Darlington	5	5
D Evans (from 19.10.20)	3	3
S Fowler	5	5
M Gardiner (to 20.07.20)	1	2
G Gildersleeve	4	5
B Hall (Vice Chair)	5	5
L Hilldrup-Boorman (from 20.07.20)	3	4
A Joyce	4	5
S Martin (to 20.07.20)	2	2
A Ovens	5	5
J Sam	5	5
J Stanley (from 19.10.20)	3	3

The Finance Committee usually meet three times a year. However, due to the Coronavirus pandemic, eight meetings took place to allow the close monitoring of the Charity's finances throughout this challenging period. Attendance was as follows:

<i>Trustee</i>	<i>Meetings attended</i>	<i>Out of a possible</i>
F Shippam (Chair)	8	8
M Corti	8	8
J Darlington (from May 2020)	7	7
B Hall (from August 2020)	4	4
A Ovens	5	8
A Roy	7	8

The Care Committee met four times during the year. Attendance was as follows:

<i>Trustee</i>	<i>Meetings attended</i>	<i>Out of a possible</i>
G Gildersleeve (Chair)	4	4
M Corti	4	4
D Evans	2	2
S Fowler	3	4
M Gardiner (to 20.07.20)	1	1
B Hall	4	4
A Roy	3	4
J Stanley (from 19.10.20)	2	2

## Break

### REPORT OF THE BOARD OF TRUSTEES (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

#### FOR THE YEAR ENDED 31 MARCH 2021

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The Commercial Services Committee met six times during the year to allow monitoring of the impact of the Coronavirus pandemic on the retail and fundraising activities. Attendance was as follows:

<i>Trustee</i>	<i>Meetings attended</i>	<i>Out of a possible</i>
A Ovens (Chair)	6	6
J Darlington	5	6
B Hall	4	4
L Hilldrup-Boorman	6	6
A Joyce	5	6
S Martin (To 20.07.20)	2	2
A Roy	3	3
J Sam	5	6

The Risk and Governance Committee met twice during the year. Attendance was as follows:

<i>Trustee</i>	<i>Meetings attended</i>	<i>Out of a possible</i>
A Roy (Chair)	2	2
M Corti	2	2
S Fowler	2	2
B Hall	2	2
J Sam	2	2

#### ***Pay policy for key management personnel***

The key management personnel are paid on Grades 1-3 of a 7 point ranking that is used for all managerial and administrative support staff. The grades all have a scale with a minimum appointment rate, standard job value and maximum job rate. Progress towards the top of the scale is through performance not service.

An Executive Pay Committee, with Trustee input, determines any performance related pay increases for Grades 3-7. Pay increases for the CEO and Directors (Grades 1 and 2) are determined solely by the Trustees and limited by the confines of the scales that are transparently published within the Charity.

No bonuses are paid to key management and employer pension contributions are set at 5% of salary for all eligible Break employees.

#### ***Risk Management***

The Trustees believe that the major risks to which the Charity are exposed to have been identified, reviewed and assessed. Systems are established to mitigate those risks, The principal risks and uncertainties and the response to specific risks are set out on Page 11.

#### ***Fundraising Practices***

Break manages all of its fundraising activities in-house and does not use external, professional fundraisers. Members of Break's fundraising team organise and support fundraising events and activities for our corporate, community and individual supporters. Commercial participators are exclusively involved with the GoGoSculpture trails by written agreement with Break. Break complies with the Fundraising Regulators Guidance Code of Practice.

No complaints about fundraising activity were received in the year (2019/20 – none).

Break has signed up to the Fundraising Regulator's Code of Fundraising Practice and is a member of the Institute of Fundraising. All of Break's fundraising guidance and working practices are compliant. Some of the staff in the fundraising team are also individual members of the Institute. Volunteer fundraisers are given a full induction and briefing before they raise funds for Break.

## **Break**

### **REPORT OF THE BOARD OF TRUSTEES (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)**

#### **FOR THE YEAR ENDED 31 MARCH 2021**

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All direct marketing is undertaken by the fundraising department. It is neither unreasonably intrusive or persistent and is only sent to people who have consented to engage with Break. Break never make cold calls. All marketing material or information sent from Break contains clear instructions on how a person can remove themselves from mailing lists. All of Break's processes are GDPR compliant. Break's work is with vulnerable people and Break has an agreed operating procedure to protect vulnerable people. All Break's fundraisers are familiarised with the Code of Conduct to ensure that it is applied properly.

#### ***Staff and volunteers***

Break's staff and volunteers are critical for the ongoing success of the Charity. Their time, skill, passion and dedication ensure Break is able to deliver the best possible services for the children and families supported. Break's volunteers continue to provide invaluable input throughout the Charity, but especially to the retail operations. A conservative estimate of their contribution to the Charity is equivalent to £329,000 of paid salary hours.

#### ***Employee engagement***

Break actively encourages the engagement of employees and welcomes constructive comments on the running of the Charity. The principal structure for this is the Staff Consultation Forum, a staff body of 25 representatives from all disciplines, departments and services. The Forum meets three times a year and is attended by senior members of the Executive and Trustees. During the year, feedback from Break staff was gathered on a number of Break's policies, including Policies on bereavement, dress code and code of conduct. The Forum also discussed other topics including Volunteers, terms of service and Mental Health Awareness.

The wider views of staff are also sought by on-line questionnaires and other surveys. A wide-ranging survey was conducted during the year to inform an assessment of Break's management and engagement of staff through the Investors in People (IIP) programme. Members of staff selected by IIP were also interviewed.

Survey results provide an important source of information to Break's management for the assessment of Break's policies and practice. Break was awarded a Gold standard by IIP during the year.

Just after the year end, a survey was carried out in April 2021 to gauge employees' views on Break's response to the Coronavirus pandemic.

Break continued to increase the communication with employees and volunteers during the year. A monthly news update sent by the CEO to all staff was increased to a weekly update during the Coronavirus pandemic to keep staff informed of Break's response to the rapidly changing situations. In addition, "Breaking News", a new engaging and accessible monthly internal newsletter, launched during the year.

#### ***Policy for employment of disabled persons***

Break welcomes applications for employment from all prospective employees regardless of disabilities. Break is committed to developing practices that not only meet the requirements of equalities legislation but which actively promote equality of opportunity and maximise the abilities, skills, and experience of all employees. Break already has the DWP designation of "Disability Confident – Committed" and is working towards recognition at an enhanced level of this scheme.

Break's commitment is to ensure that employees are managed in an inclusive way, taking into account individual differences and giving employees the confidence to disclose a disability should they so wish. If an employee discloses that they have a disability or become disabled during the course of their employment we will engage in a discussion with them to determine what they need to be successful in their role and seek to make reasonable adjustments to facilitate this. These could include training, specialist technology or equipment, for example. In deciding what is reasonable, the practicalities and resources available to Break including through the government funded "Access to work scheme" are taken into account.

Break

**REPORT OF THE BOARD OF TRUSTEES (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)  
FOR THE YEAR ENDED 31 MARCH 2021**

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***Responsibilities of the Board of Trustees***

The Board of Trustees (who are also directors of Break for the purposes of company law) are responsible for preparing the Report of the Board and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Board of Trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Board of 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Board of Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

***Auditor***

Lovewell Blake LLP shall be deemed to be re-appointed under section 487(2) of the Companies Act 2006.

***Disclosure of information to the auditor***

We, the directors of the company who held office at the date of approval of these Financial Statements as set out above each confirm, so far as we are aware, that:

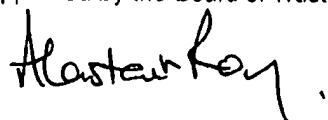
- there is no relevant audit information of which the company's auditor is unaware; and
- we have taken all the steps that we ought to have taken as directors to make ourselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

With regard to Covid-19, we have set out the risks and actions that are being taken to minimise the impact of the pandemic on Break's finances and operations on page 11 of this report. We have disclosed to the company's auditor all forecasts and workings based on current knowledge and actions, including the effect on cash flow, reserves and funds, to validate our conclusion that Break's accounts should be prepared on a going-concern basis.

The Board of Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

In approving the Trustees' Annual Report, we also approve the Strategic Report in our capacity as company directors.

Approved by the Board of Trustees on 19<sup>th</sup> July 2021 and signed on its behalf by:



Alastair Roy, Trustee

Break

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS

FOR THE YEAR ENDED 31 MARCH 2021

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### Opinion

We have audited the financial statements of Break (the 'charitable company') for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including 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 March 2021, 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 charitable company 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 charitable company'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 trustees 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 the audit:

- the information given in the trustees' report (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Break

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS

FOR THE YEAR ENDED 31 MARCH 2021

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### Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' 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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

### Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement (set out on page 18), the trustees (who are also the directors of the charitable company for the purposes 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 charitable company'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.

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

- Enquiry of management and those charged with governance;
- Enquiry of entity staff compliance functions to identify any instances of non-compliance with laws and regulations;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

Because of 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 regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

Break

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS**

**FOR THE YEAR ENDED 31 MARCH 2021**

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**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.

*Lowell Blake LLP*

Mark Proctor FCA DChA (Senior Statutory Auditor)

For and on behalf of

LOVEWELL BLAKE LLP

Chartered Accountants & Statutory Auditor

Bankside 300, Peachman Way, Broadland Business Park, Norwich, Norfolk NR7 0LB

27/07/2021

Break

**STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)**

**FOR THE YEAR ENDED 31 MARCH 2021**

	Note	Unrestricted Funds £000	Designated Funds £000	Restricted Funds £000	2021 Total £000	2020 Total £000
<b>Income from:</b>						
Donations and legacies	2	1,300	92	1,343	2,735	1,691
Charitable activities	3	6,794	-	386	7,180	7,207
Other trading activities	4	1,447	-	-	1,447	3,773
Investments	5	5	-	-	5	7
Other	6	1,321	2	-	1,323	34
<b>Total</b>		<b>10,867</b>	<b>94</b>	<b>1,729</b>	<b>12,690</b>	<b>12,712</b>
<b>Expenditure on:</b>						
Raising funds	7	3,292	121	2	3,415	4,059
Charitable activities	7	7,199	1	1,420	8,620	9,006
<b>Total</b>	<b>7</b>	<b>10,491</b>	<b>122</b>	<b>1,422</b>	<b>12,035</b>	<b>13,065</b>
<b>Net income / (expenditure)</b>		<b>376</b>	<b>(28)</b>	<b>307</b>	<b>655</b>	<b>(353)</b>
<b>Other recognised gains</b>						
Gains in revaluation of fixed assets		-	-	-	-	447
<b>Net movement in funds</b>		<b>376</b>	<b>(28)</b>	<b>307</b>	<b>655</b>	<b>94</b>
<b>Reconciliation of funds</b>						
Total funds brought forward		4,036	761	195	4,992	4,898
Total funds carried forward	20	4,412	733	502	5,647	4,992

The statement of financial activities includes all gains and losses in the year. All income and expenditure derives from continuing activities

The notes on pages 24 to 41 form part of these financial statements

Break

BALANCE SHEET

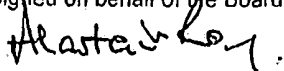
AS AT 31 MARCH 2021

COMPANY NUMBER:0699685

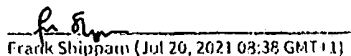
	Note	2021 £000	2020 £000
<b>Fixed assets</b>			
Tangible fixed assets	12	3,918	4,029
Investments	13	8	8
		<u>3,926</u>	<u>4,037</u>
<b>Current assets</b>			
Stock	14	1	-
Debtors	15	1,337	891
Cash at bank and in hand	16	2,377	909
		<u>3,715</u>	<u>1,800</u>
<b>Current liabilities</b>			
Creditors: amounts falling due within one year	17	(638)	(323)
<b>Net current assets</b>		<u>3,077</u>	<u>1,477</u>
<b>Total assets less current liabilities</b>		<u>7,003</u>	<u>5,514</u>
<b>Long-term liabilities</b>			
Creditors: amounts falling due after more than one year	18	(1,356)	(522)
<b>Total net assets</b>		<u>5,647</u>	<u>4,992</u>
<b>The funds of the Charity</b>			
<b>Restricted funds</b>	20	502	195
<b>Unrestricted funds</b>			
Designated funds	20	733	761
General funds	20	3,777	3,161
Revaluation reserve	20	635	875
		<u>5,145</u>	<u>4,797</u>
		<u>5,647</u>	<u>4,992</u>

The financial statements were approved and authorised for issue by the Board of Trustees on 19<sup>th</sup> July 2021.

Signed on behalf of the Board of Trustees



Alastair Roy, Trustee



Frank Shippam (Jul 20, 2021 08:38 GMT+1)

Frank Shippam, Trustee

The notes on pages 24 to 41 form part of these financial statements

Break

**CASH FLOW STATEMENT**

**FOR THE YEAR ENDED 31 MARCH 2021**

	Note	2021 £000	2020 £000
<b>Cash flows from operating activities</b>	23	<b>562</b>	<b>(540)</b>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(7)	(634)
Proceeds from the sale of tangible assets		10	-
Interest paid		(33)	(21)
Interest received		5	7
<b>Net cash flow from investing activities</b>		<b>(25)</b>	<b>(648)</b>
<b>Cash flows from financing activities</b>			
Mortgage advances		1,000	333
Repayment of mortgage		(69)	(91)
<b>Net cash flow from financing activities</b>		<b>931</b>	<b>242</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>		<b>1,468</b>	<b>(946)</b>
Cash and cash equivalents at 1 April 2020		909	1,855
<b>Cash and cash equivalents at 31 March 2021</b>		<b>2,377</b>	<b>909</b>
<b>Cash and cash equivalents consist of:</b>			
Cash at bank and in hand		573	508
Short term deposits		1,804	401
<b>Cash and cash equivalents at 31 March 2021</b>		<b>2,377</b>	<b>909</b>

The notes on pages 24 to 41 form part of these financial statements

Break

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

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### 1. Accounting Policies

The Charity is a private company limited by guarantee registered in England and Wales. The address of the registered office is Schofield House, 1 Spar Road, Norwich, NR6 6BX.

The principal accounting policies, judgements and key sources of estimation and uncertainty adopted in the preparation of the financial statements are as follows:

#### a) Basis of preparation

The accounts (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 issued in October 2020, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

The Charity constitutes a public benefit entity as defined by FRS 102.

The financial statements are prepared under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in sterling which is the functional currency of the Charity and rounded to the nearest £000.

#### b) Judgements and key sources of estimation uncertainty

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 in the circumstances.

#### c) Going concern

The financial statements have been prepared on a going concern basis as the Trustees consider that the Charity's ability to continue operating is beyond reasonable doubt.

In particular, the Trustees have carefully considered all available information about the effect of the Covid-19 pandemic on the finances and operations of the Charity for 12 months from the time of approving these financial statements. The Trustees have had regard to information from budgets and forecasts for income, expenditure and cash-flow, including the availability of unrestricted funds and reserves, credit facilities and any other forms of Government financial assistance.

The Trustees consider that the budgeted income and expenditure is sufficient with the level of reserves for the Charity to be able to continue as a going concern.

#### d) Group financial statements

The results of the charity's subsidiary company to 31 March 2021 were not material and have therefore not been consolidated.

#### e) Income

All income is included in the Statement of Financial Activities when the Charity is entitled to the income and the amount can be quantified with reasonable accuracy. Income is allocated as unrestricted and restricted in accordance with fund accounting rules. Analysis of restricted funds is detailed in note 20.

Break

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

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### 1. Accounting Policies (continued)

The following specific policies are applied to particular categories of income:

Income from donations and legacies includes grants and donations and is included in full in the Statement of Financial Activities when receivable.

Government grants are received in respect of the Staying Close Staying Connected project and support relating to the Covid-19 pandemic. Income from government and other grants are recognised at fair value when the Charity has entitlement after any performance conditions have been met, it is probable that income will be received and the amount can be measured reliably. If entitlement is not met, then these amounts are deferred.

Donated goods, facilities and services are recognised in income at their fair value when their economic benefit is probable, it can be measured reliably, and the Charity has control over the item. Fair value is determined on the basis of the value of the gift to the Charity, for example the amount the Charity would be willing to pay on the open market for such facilities. A corresponding amount is included in expenditure.

Legacies are included in the Statement of Financial Activities when the Charity becomes aware of its entitlement to the gift and the amount involved can be quantified.

Clothing and other items donated for resale through the Charity's shop are included as income within other trading activities when they are sold.

Income from investments is included when receivable.

Income from other trading activities is accounted for when earned.

#### f) Expenditure

Expenditure is recognised on an accrual basis as a liability is incurred, split between unrestricted and restricted funds. An analysis of restricted funds is detailed in note 20.

Expenditure on raising funds comprises those costs associated with attracting donations and legacies and the costs of other trading activities including the Charity's shops.

Expenditure on charitable activities comprises those costs incurred in the delivery of services to beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs are those associated with meeting the constitution and statutory requirements of the Charity including the audit fees and costs linked to the strategic management of the Charity.

Identifiable direct costs are allocated between expenditure categories of the Statement of Financial Activities on an actual basis. All other costs are allocated on a departmental 'head count' basis.

#### g) Freehold property

The Board have adopted a policy of revaluing freehold property as permitted by FRS 102. The Board have elected to conduct a periodic revaluation of the Charity's properties. Specialist properties (Nelson Lodge and Morley House) are valued on a value by use basis, whereas other properties are valued with reference to similar properties.

Freehold property is not depreciated on the basis that it relates to properties which have a very long useful life and the residual value is likely to be not materially different from the carrying amount. Annual impairment reviews are carried out.

Break

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

### 1. Accounting Policies (continued)

It is the policy of the Board to maintain all properties to a very high standard with all maintenance and refurbishment costs being charged to the Statement of Financial Activities.

#### h) Tangible assets

Tangible assets are initially recorded at cost and subsequently stated at cost less any accumulated depreciation and impairment losses. Assets costing over £2,500 are capitalised.

#### i) Depreciation

Depreciation is calculated to write off the cost or valuation less estimated residual values of tangible fixed assets, excluding freehold property (see above), over their estimated useful lives using the following rates:

Leasehold property	Over the period of the lease
Office furniture and fittings	15% straight line
Care homes furniture	20% straight line
Computer equipment and software	33 1/3% straight line
Motor vehicles	25% straight line

The expenditure on furnishing new care homes is capitalised and depreciated over five years. Expenditure on the replacement of furniture, fixtures and fittings is written off in the year the cost is incurred.

#### j) Investments

Investments in unquoted securities are included at a valuation estimated by the Board. Any gains or losses arising on revaluation are included in the Statement of Financial Activities.

#### k) Leasing

Rentals payable and receivable under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

#### l) Pension schemes

Break operates two defined contribution schemes. The assets of the schemes are held separately from those of Break in independently administered funds. The charge in the Statement of Financial Activities is the contribution payable by Break to the funds for the year.

#### m) Fund accounting

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity.

Designated funds are funds that have been set aside by the Trustees for particular purposes.

Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of an appeal.

#### n) Stock

The fair value of donated stock has not been included in these accounts on the basis that it is impractical to obtain a fair value due to the volume of low-value items received and the absence of detailed stock control systems and records. New goods purchased for sale within the shops are measured at the lower of cost and net realisable value

#### o) Redundancies

Where an obligation to make a redundancy or termination payment exists, the costs incurred by the Charity are accounted for on an accruals basis and included within employee benefits.

Break

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2021**

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**p) Taxation**

The Charity is exempt from corporation tax as surplus income and gains are applied for charitable purposes.

**q) Debtors and creditors**

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

**r) Cash at bank**

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

**Break**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**2. Income from donations and legacies**

	<b>Unrestricted</b>	<b>Designated</b>	<b>Restricted</b>	<b>2021</b>	<b>2020</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Grants & donations	188	92	477	757	786
Government Grants:-					
Service Delivery	-	-	866	866	652
RHLG	965	-	-	965	-
CBILs	15	-	-	15	-
Legacies	132	-	-	132	253
	<u>1,300</u>	<u>92</u>	<u>1,343</u>	<u>2,735</u>	<u>1,691</u>

Income from donations and legacies in 2019/20 included £907k attributable to restricted funds.

Service Delivery Government Grants are for the Staying Close Staying Connected project. See Note 7 for associated costs.

Unrestricted Government Grants received as

- Retail, Hospitality and Leisure Grants (RHLG) due to lockdown closures of Break's retail shops
- Interest payments on the Coronavirus Business Interruption Loan Scheme (CBILs) loan drawn down in the period.

**3. Income from charitable activities**

	<b>Unrestricted</b>	<b>Designated</b>	<b>Restricted</b>	<b>2021</b>	<b>2020</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Fees for care services	6,772	-	4	6,776	6,833
Housing income	-	-	382	382	364
Training income	22	-	-	22	10
	<u>6,794</u>	<u>-</u>	<u>386</u>	<u>7,180</u>	<u>7,207</u>

Income from charitable activities in 2019/20 included £365k attributable to restricted funds.

Break

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021**

**4. Income from other trading activities**

	<b>2021</b>	<b>2020</b>
	<b>Unrestricted</b>	<b>Unrestricted</b>
	<b>£000</b>	<b>£000</b>
Rental income from Property	12	-
Fundraising sale of new goods	10	-
Coffee van sales	4	-
Retail income – see analysis below	1,421	3,773
	<u>1,447</u>	<u>3,773</u>

<b>Analysis of Retail Income</b>	<b>2021</b>		<b>2020</b>	
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Retail income	1,415		3,773	
Sale of new goods	6		-	
		<u>1,421</u>		<u>3,773</u>
<b>Government Support</b>				
RHLG Grants – (Note 2)	965		-	
CJRS Grants (Note 6)	645		24	
		<u>1,610</u>		<u>24</u>
		<u>3,031</u>		<u>3,797</u>
Retail costs		(3,032)		(3,521)
(Deficit) / Surplus		<u>(1)</u>		<u>276</u>

All goods, except where stated above, sold in Break's shops have been donated.

**5. Income from investments**

	<b>Unrestricted</b>	<b>Unrestricted</b>
	<b>2021</b>	<b>2020</b>
	<b>£000</b>	<b>£000</b>
Interest receivable	5	7
	<u>5</u>	<u>7</u>

Break

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

6. Other income

	Unrestricted	Unrestricted
	2021	2020
	£000	£000
Miscellaneous income	395	5
Coronavirus Job Retention Scheme	928	29
	<u>1,323</u>	<u>34</u>

In the year, a business interruption insurance payment was received. The receipt replaced the surplus that would have been raised from retail operations had they not been closed during the initial pandemic lockdown. Also included within miscellaneous income is £2k (2019/20 £Nil) relating to designated income. The Coronavirus Job Retention Scheme income relates to furloughed employees across the Charity

7. Analysis of Expenditure by Activity

	Direct costs	Support costs	2021 Total	2020 Total
	£000	£000	£000	£000
<i>Charitable expenditure</i>				
Young people in Care	2,468	556	3,024	5,172
Children with disabilities	2,039	552	2,591	2,560
Family Support	1,313	219	1,532	556
Children at risk	1,192	281	1,473	675
Governance	-	-	-	43
	<u>7,012</u>	<u>1,608</u>	<u>8,620</u>	<u>9,006</u>
<i>Raising funds</i>				
Retail and other trading activities	2,641	398	3,039	3,524
Fundraising	321	55	376	538
	<u>2,962</u>	<u>453</u>	<u>3,415</u>	<u>4,059</u>
	<u>9,974</u>	<u>2,061</u>	<u>12,035</u>	<u>13,065</u>

Charitable expenditure includes £1,420k attributed to restricted funds (2019/20: £1,242k). Expenditure on raising funds includes £2k (2019/20 £Nil) attributed to restricted funds and £122k relating to designated funds, all other expenditure was unrestricted.

Break

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

**Governance costs**

	2021 £000	2020 £000
Governance costs (included within support costs below) comprise:		
Salaries	21	27
Travel	1	1
Audit fees	13	11
Auditors' remuneration for non-audit services	1	1
Other professional fees and support costs	1	3
	<u>37</u>	<u>43</u>
<b>Expenditure includes:</b>		
Depreciation (owned assets)	101	124
Loss on disposal of assets	7	12
Impairment in property valuation	-	133
Operating lease rentals land and buildings	803	904
Trustees' indemnity insurance	1	1
Auditors' remuneration	13	11
	<u>106</u>	<u>1185</u>

**8. Analysis of support costs**

	<i>Basis of allocation</i>	2021 £000	2020 £000
<i>Direct support costs</i>			
Operational management	Direct expenditure	298	301
Training	Head count	285	262
Maintenance	Direct expenditure	213	265
		<u>796</u>	<u>828</u>
<i>Central overheads</i>			
Head office establishment	Direct expenditure	138	187
Finance	Direct expenditure	259	226
Health & Safety	Head count	70	89
Human Resources	Head count	220	223
Information technology	Head count	171	169
Communications	Direct expenditure	136	84
Chief Executive's Office / Governance	Direct expenditure	271	337
		<u>1,265</u>	<u>1,315</u>
Total		<u>2,061</u>	<u>2,143</u>

**9. Interest payable**

	2021 £000	2020 £000
On mortgages not wholly repayable within five years	33	21
	<u>33</u>	<u>21</u>

Break

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021**

**10. Staff Costs**

	<b>2021</b>	<b>2020</b>
	<b>£000</b>	<b>£000</b>
Wages and salaries	7,454	7,855
Social security costs	580	608
Pension contributions and life insurance	414	455
Other staff costs	464	456
	<u>8,912</u>	<u>9,374</u>

The figure for staff costs includes taxable benefits of £28k (2019/20: £23k)

The number of higher paid employees whose emoluments exceeded £60,000 fell within the following bands:

	<b>2021</b>	<b>2020</b>
	<b>No.</b>	<b>No.</b>
£60,000 to £69,999	-	1
£70,000 to £79,999	-	1

No pension contributions (2019/20: £7k) were made to a defined contribution scheme in respect of the highest paid employees.

The average number of employees, excluding Board members, during the year were:

	<b>2021</b>	<b>2020</b>
	<b>No.</b>	<b>No.</b>
Care	239	257
Fundraising	141	150
Administration	37	37
	<u>417</u>	<u>444</u>

The average number of full time equivalents employed during 2021 was; Care 183; Fundraising 72; Administration 30

Redundancy/termination payments of £85k (2019/20: £92k) were made in the year.

**11. Trustees' and key management personnel's remuneration and expenses**

No members of the Board received any remuneration during the year.

No members of the Board received expenses in the course of their duties during the year in respect of travelling and subsistence (2019/20 two members - £694).

Key management personnel are considered to be the Chief Executive and the Executive team as detailed on Page 1, in previous years key management personnel were classed as the Chief Executive and Deputy. The total amount of employee benefits received by key personnel is £345k (2019/20 £201k).

Break

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

12. Tangible fixed assets

	Freehold property £000	Leasehold property £000	Furniture, fixtures and fittings £000	Computer equipment and software £000	Motor vehicles £000	Total £000
<b>Cost or valuation</b>						
At 1 April 2020	3,749	437	759	387	101	5,433
Additions	-	-	-	-	7	7
Disposals	-	(78)	(45)	(209)	(19)	(351)
At 31 March 2020	3,749	359	714	178	89	5,089
<b>Depreciation</b>						
At 1 April 2020	-	347	717	283	57	1,404
Charge for the year	-	26	6	53	16	101
Depreciation on disposals	-	(66)	(45)	(209)	(14)	(334)
At 31 March 2020	-	307	678	127	59	1,171
<b>Net book value</b>						
At 31 March 2021	3,749	52	36	51	30	3,918
At 31 March 2020	3,749	90	42	104	44	4,029

**Tangible fixed assets (Continued)**

All fixed assets are held for charitable purposes. All freehold property is non-depreciable.

The freehold properties were revalued as at 31 March 2020 to the Board's best estimate of its fair value. Specialist properties (Nelson Lodge and Morley House) are valued on a value by use basis, whereas other properties are valued with reference to the recent market value of similar properties. The Board have adopted a policy of revaluing freehold property as permitted by FRS 102 and will review the need for revaluation of the Charity's properties on an annual basis. The Board consider that no revaluation is necessary at 31 March 2021.

On an historical cost basis, the cost and depreciation of these freehold properties would have been as follows:

	2021		2020	
	Cost £000	Depreciation £000	Cost £000	Depreciation £000
Freehold property	3,673	594	3,673	558

**Break**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**13. Fixed Asset Investments****Investment holdings**

	Unquoted investments £000	Total 2021 £000	2020 £000
Market value at 1 April 2020	8	8	8
Market value at 31 March 2021	8	8	8

**Unquoted investments**

	2021 £000	2020 £000
Subsidiary undertaking:		
Break Trading Company Limited	-	-
Helpcards Holdings Limited (0.67% holding)	8	8
	8	8

The investment of £100 in Break Trading Company Limited (01300043), a company incorporated in England, represents 100% of the issued share capital of that company. The company has remained dormant throughout the year. The aggregate amount of net assets attributable to Break is £nil (2019/20: £nil). As at 31 March 2021 the company owed £877 (2019/20: £877) to Break.

In the opinion of the Board, on the basis of income received, the value of the investments in Helpcards Holdings Limited is unchanged from 2019/20.

**14. Stocks**

	2021 £000	2020 £000
Retail goods for resale	1	-

**15. Debtors**

	2021 £000	2020 £000
Trade debtors	716	381
Accrued income	212	190
Other debtors	208	237
Prepayments	201	83
	1,337	891

Break

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

16. Cash in bank and in hand

	2021 £000	2020 £000
Current accounts	534	476
Treasury and other deposits	1,804	401
Cash in hand and imprest accounts	39	32
	<u>2,377</u>	<u>909</u>

17. Creditors: amounts falling due within one year

	2021 £000	2020 £000
Mortgages	167	70
Trade creditors	196	86
Social security and other taxes	127	150
Accruals	61	10
Deferred income	41	1
Other creditors	46	6
	<u>638</u>	<u>323</u>
Secured creditors included above are as follows:		
Mortgages: Secured by fixed charges over the Charity's freehold properties	167	70
Deferred income included above is as follows:		
Brought forward	1	31
Released during the year	(1)	(31)
Deferred during the year	41	1
Carried forward	<u>41</u>	<u>1</u>

Deferred income relates to grants to be carried forward to 2021/22.

Break

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**18. Creditors: amounts falling due after more than one year**

	<b>2021</b>	<b>2020</b>
	<b>£000</b>	<b>£000</b>
Mortgages—secured by fixed charges over the Charity's freehold properties	<b>1,356</b>	<b>522</b>
Mortgages are analysed as follows:		
Between one and two years	<b>267</b>	<b>72</b>
Between two and five years	<b>769</b>	<b>179</b>
Over five years	<b>320</b>	<b>271</b>
	<b>1,356</b>	<b>522</b>
Within one year	<b>167</b>	<b>70</b>
	<b>1,523</b>	<b>592</b>

Mortgages include a loan of £205k drawn from Lloyds Bank plc in April 2012 repayable over 10 years at a variable rate of 2% above the Bank of England Base Rate, a loan of £292k drawn from Lloyds Bank plc in September 2011 repayable over 15 years at a variable rate of 2.25% above the Bank of England Base Rate, a loan of £176k drawn from Lloyds Bank plc in June 2013 repayable over 10 years at a variable rate of 2.34% above the Bank of England Base Rate, a loan of £166.5k drawn from Lloyds Bank plc in April 2020 repayable over 15 years at a fixed rate of 4.58% and a loan of £166.5k drawn from Lloyds Bank in May 2020 at a variable rate of 2.75% above the Bank of England Base Rate. During the year (September 2020) Break accessed the Coronavirus Business Interruption Loan scheme and drew down a loan of £1m, this is repayable over 5 years from the term of the first anniversary of the loan, interest is charged at 2.59% above base rate. The loans are secured on various freehold properties.

**19. Operating lease commitments**

The total future minimum lease payments under non-cancellable operating leases are as follows:

	<b>Land &amp; buildings 2021 £000</b>	<b>Land &amp; buildings 2020 £000</b>	<b>Motor vehicles 2021 £000</b>	<b>Motor vehicles 2020 £000</b>
Not later than 1 year	<b>598</b>	<b>640</b>	<b>103</b>	<b>84</b>
Later than 1 year and not later than 5 years	<b>1,544</b>	<b>2,298</b>	<b>100</b>	<b>123</b>
Later than 5 years	<b>634</b>	<b>1,689</b>	<b>-</b>	<b>-</b>
	<b>2,776</b>	<b>4,627</b>	<b>203</b>	<b>207</b>

Break

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

20. Funds

2020/21

	Balance as at 01.04.20 £000	Income £000	Expenditure £000	Transfers £000	Balance as at 31.03.21 £000
<b>Restricted Funds</b>					
Centre funds	54	7	(2)	-	59
Children in Need	3	20	(23)	-	-
Family Support fund	14	-	(14)	-	-
SCSC	5	1248	(1,175)	-	78
Young Persons Celebration	3	-	-	-	3
CHK Foundation Fund	80	50	(89)	-	41
Staying on Track	36	69	(41)	-	64
Education Officer	-	4	(4)	-	-
Mentoring	-	15	(8)	-	7
Retail – Ebay	-	2	(2)	-	-
Opportunities Team	-	314	(64)	-	250
	<u>195</u>	<u>1,729</u>	<u>(1,422)</u>	<u>-</u>	<u>502</u>
<b>Designated Funds</b>					
Building Futures (My Break 50)	32	-	-	-	32
Commercial Development	75	-	-	(25)	50
Apprenticeships	133	-	-	-	133
West of England Fund	15	-	-	(15)	-
Cambridge Trail	42	5	(48)	1	-
Cambridge Development	50	-	-	(50)	-
Charms Development	13	-	-	-	13
Organisational Well-Being	10	-	-	-	10
Go-Go Discover	-	89	(73)	-	16
Adding Value (Go-Go Hares)	17	-	(1)	13	29
Go-Go Hares	374	-	-	(1)	373
Building repairs	-	-	-	77	77
	<u>761</u>	<u>94</u>	<u>(122)</u>	<u>-</u>	<u>733</u>
<b>Unrestricted Funds</b>					
Revaluation reserve	875	-	-	(240)	635
General Funds	3,161	10,867	(10,491)	240	3,777
	<u>4,036</u>	<u>10,867</u>	<u>(10,491)</u>	<u>-</u>	<u>4,412</u>
Total unrestricted funds	<u>4,797</u>	<u>10,961</u>	<u>(10,613)</u>	<u>-</u>	<u>5,145</u>
<b>Total Funds</b>	<u><b>4,992</b></u>	<u><b>12,690</b></u>	<u><b>(12,035)</b></u>	<u><b>-</b></u>	<u><b>5,647</b></u>

Break

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

Funds (continued)

2019/20

	Balance as at 01.04.19 £000	Income £000	Expenditure £000	Transfers £000	Balance as at 31.03.20 £000
<b>Restricted Funds</b>					
Centre funds	41	21	(11)	3	54
Children in Need	4	43	(44)	-	3
Thompson Family Trust	50	-	(50)	-	-
Family Support fund	15	4	(5)	-	14
SCSC	58	1,022	(1,075)	-	5
Wymondham Rotary	4	-	(1)	(3)	-
Young Persons Celebration	-	3	-	-	3
CHK Foundation Fund	-	100	(20)	-	80
Staying on Track	13	79	(56)	-	36
	<u>185</u>	<u>1,272</u>	<u>(1,262)</u>	<u>-</u>	<u>195</u>
<b>Designated Funds</b>					
Building Futures (My Break 50)	31	-	1	-	32
Commercial Development	100	-	(25)	-	75
Apprenticeships	150	-	(17)	-	133
West of England Fund	15	-	-	-	15
Cambridge Trail	50	88	(96)	-	42
Cambridge Development	50	-	-	-	50
Charms Development	20	-	(7)	-	13
Organisational Well-Being	15	-	(5)	-	10
Go-Go Discover	-	34	(75)	41	-
Adding Value (Go-Go Hares)	32	-	(15)	-	17
Go-Go Hares	434	-	(19)	(41)	374
	<u>897</u>	<u>122</u>	<u>(258)</u>	<u>-</u>	<u>761</u>
<b>Unrestricted Funds</b>					
Revaluation reserve	428	447	-	-	875
General Funds	3,388	11,318	(11,545)	-	3,161
	<u>3,816</u>	<u>11,765</u>	<u>(11,545)</u>	<u>-</u>	<u>4,036</u>
Total unrestricted funds	<u>4,713</u>	<u>11,887</u>	<u>(11,803)</u>	<u>-</u>	<u>4,797</u>
<b>Total Funds</b>	<u><b>4,898</b></u>	<u><b>13,159</b></u>	<u><b>(13,065)</b></u>	<u><b>-</b></u>	<u><b>4,992</b></u>

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2021**

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**Restricted Funds**

The Centres Fund - relates to all income restricted to spending on equipment etc. at the various care homes.

Children in Need – provides funding for Time for Me projects which helps children aged 4-15 who are finding it difficult to cope with the effects of their parents' separation.

Family Support Fund - this includes funds from the Great Yarmouth Contact Centre and grants from the Norwich Consolidated Charities and Garfield Weston to provide family support through projects run by the Break Family Centre.

Staying Close Staying Connected - a programme funded by the Department for Education to provide housing and support for care leavers.

Young Persons' Celebration - grants from the A Boswell CT and the Ardwick Trust to support the YP's Celebration in 2021.

CHK Foundation - grants from CHK Foundation to support aspirational projects with young people.

Staying on Track - a grant from Esmee Fairbairn Foundation to provide an emotional well-being service to young people aged 18 - 24.

**Designated Funds**

Building Futures Fund (My Break 50) - a fund set up to celebrate Break's 50th Anniversary to support "Our Young people, our Communities and our Future"

Commercial Development Fund - a fund set up to provide start-up funding for innovative income generating projects.

Apprenticeships Fund - a fund to create apprenticeship opportunities for our young people.

West of England Fund - a fund to support the work of Break's partner charity in the West of England.

Cambridge Trail Fund - a fund to provide development funding for the 2021 Cambridge Sculpture Trail.

Cambridge Development Fund - to fund initiatives to develop Break's services and profile within Cambridgeshire.

Charms Development Fund - to promote, develop and expand the use of the Charms data collection and management systems within Break's care services.

Organisational Well-being Fund - to foster and encourage good practice in the care and development of Break's staff.

The Go-Go Discover Fund - for income and expenditure for the future Go-Go Discover Trail.

Adding Value Fund - a fund from the profits of the Hares trail to make special provision for the users of Break's services.

The Go-Go Hares Fund - the remaining profits of the Go-Go Hares Sculpture Trail in 2018 to support young people leaving care.

The Building repairs fund has been created to set aside monies for major works to properties such as boiler replacement and roof repairs.

**Break****NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31 MARCH 2021****21. Analysis of net assets between funds**

	Unrestricted £000	Designated £000	Restricted £000	Total £000
Tangible fixed assets	3,918	-	-	3,918
Investments	8	-	-	8
Current assets	2,480	733	502	3,715
Current liabilities	(638)	-	-	(638)
Long-term liabilities	(1,356)	-	-	(1,356)
<b>Total net assets</b>	<b>4,412</b>	<b>733</b>	<b>502</b>	<b>5,647</b>

<b>2019/20</b>	Unrestricted £000	Designated £000	Restricted £000	Total £000
Tangible fixed assets	4,029	-	-	4,029
Investments	8	-	-	8
Current assets	817	764	219	1,800
Current liabilities	(296)	(3)	(24)	(323)
Governance	(522)	-	-	(522)
<b>Total net assets</b>	<b>4,036</b>	<b>761</b>	<b>195</b>	<b>4,992</b>

**22. Company status**

Break is a company limited by guarantee and has no share capital. The members of the Charity total 15 and comprise the current Trustees and the two founder members. Each of the members undertakes to contribute such amounts (not exceeding £1) as may be required in the event of a winding up.

**23. Reconciliation of net expenditure to net cash flow from operating activities**

	2021 £000	2020 £000
Net income / (expenditure) for the year	655	(353)
Interest receivable	(5)	(7)
Interest payable	33	21
Loss on disposal of tangible assets	7	12
Depreciation	101	124
Impairment	-	133
Increase in stocks	(1)	-
Increase in debtors	(446)	(320)
Increase / (decrease) in creditors	218	(150)
<b>Net cash flow from operating activities</b>	<b>562</b>	<b>(540)</b>

**Break****NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31 MARCH 2021****24. Analysis of changes of net debt**

	At start of year £000	Cash flows £000	Other changes £000	At end of year £000
Cash	508	65	-	573
Cash equivalents	401	1,403	-	1,804
Loans falling due within 1 year	(70)	(97)	-	(167)
Loans falling due after more than 1 year	(522)	(834)	-	(1,356)
	<hr/>	<hr/>	<hr/>	<hr/>
Total net assets	317	537	-	854
	<hr/>	<hr/>	<hr/>	<hr/>

**25. Pension and other post retirement benefits****Defined contribution plans**

The Charity operates a defined contribution pension plan for its employees. The amount recognised as an expense in the period was £387k (2018/19 £423k). At the year end £45k (19/20 £5k) was payable to the scheme.

**26. Events after the end of the period**

At the year end, all of the Charity's shops were temporarily closed due to the Government's Lockdown restrictions relating to the Coronavirus pandemic. From the 12<sup>th</sup> April 2021, the retail outlets reopened and retail staff came off furlough.

**27. Contingent liability**

On the retirement of two of the founders of Break in late 2002 and early 2003, Break entered into separate agreements with the retiring founders. Under the agreements, annual payments of £3,500 were to be paid for life, with a 50% annual payment to the surviving spouse for their life time. Following the death of one of the retired founders in April 2017, the annual payment for the surviving spouse was £6,906 per annum as at 31 March 2021. Based on standard actuarial assumptions, Break calculates the value of the future potential liability at £81k as at 31 March 2021.

These arrangement has been agreed by the Charity Commission.

**28. Related party transactions**

During the year the charity received sponsorship income of £5,000 (2019/20 - £Nil) towards the Go-Go Discover trail from the Aspiration Group, owned 100% by Mrs A Ovens, who is a Trustee of Break..

**29. Financial instruments**

The carrying amounts of the Charity's financial instruments are as follows:

	2021 £000	2020 £000
<b>Financial assets</b>		
<i>Equity instruments measured at cost less impairment:</i>		
Fixed asset unlisted investments	8	8
	<hr/>	<hr/>