



Rapid **e**ffective **a**ssistance
for **c**hildren with potentially
terminal illness

Annual Report and Financial Statements

1st April 2022 – 31st March 2023

Registered Charity No. 802440

Scotland SC038067

REACT
Officers and Advisors
Year ended 31st March 2023

Founder

Sister Frances Dominica OBE

Patrons

Baroness van Dedem

Sir Derek Jacobi CBE

Samantha Bond

Trustees

R Wiles (Chairman)

J Burdett

R Clifford

Sister Frances Dominica OBE

K Entwisle

P Mellor

Dr. M Miller

D Brownlee (Trustee Designate)

Honorary Medical Advisor

Dr. M Miller Consultant Paediatric Palliative Medicine (Retired)

Director

V Andreas

Office

React

Building 3, Chiswick Park

566 Chiswick High Road

Chiswick

London W4 5YA

Auditors

Just Audit & Assurances Ltd.

37 Market Square

Witney

Oxon

OX28 6RE

Bankers

Barclays Bank plc

8 George Street

Richmond Upon Thames

Surrey TW9 1JY

Weatherbys Bank

Sanders Road

Wellingborough

Northamptonshire NN8 4BX

REGISTERED CHARITY NUMBER 802440 Scotland SC038067

REACT
Report of the Trustees
Year ended 31st March 2023

The Trustees present their annual report and financial statements for the year ended 31st March 2023. The financial statements are prepared in accordance with the accounting policies set out in Note 1 to the accounts and comply with the charity's Trust Deed, Charity Act 2011, Charities and Trustee Investment (Scotland) Act 2005 and the Financial Reporting Standard applicable in the UK and Ireland SORP (FRS102).

React's aims and objectives

React's objective is to improve the quality of life for children with life-limiting conditions living in financially disadvantaged families throughout the UK.

The charity carries out this objective by:

- providing children with essential aid and equipment that will enhance their quality of life, following recommendations from medical professionals who have identified a specific need.
- responding with practical and sensitive support within days, if not hours. When a child's life is short, an immediate response is vital.
- supporting those families who are unlikely to receive the assistance they need from any other source in sufficient time.
- providing assistance throughout a child's lifetime. Many life-limiting illnesses are degenerative and a child's needs may continually change.
- eliminating red tape and bureaucracy, allowing aid to be given quickly and without fuss, keeping administrative costs as low as possible.

The Trustees confirm that the charity's aims and objectives are in accordance with the Charity Commission's guidance on Public Benefit.

React's Delivery of Public Benefit

In order to achieve the charity's aims and objectives, **React** provides a wide range of support to families caring for a terminally ill child. This support is essential to meet children's care, yet unavailable from any other source and the rapid response provided by **React** offers both practical and psychological support, thus improving the mental health of parents and carers.

Responding to requests from both families and healthcare professionals, **React** provides assistance to ensure a child's life remains comfortable, inclusive and stimulating in the form of:

- Specialist equipment, including specialist beds, sleep systems, rapid nebulisers, portable suction machines, chairs and baths;
- Mobility equipment, including wheelchairs, arm supports, hoists, buggies, adapted trikes and walking frames;
- Educational equipment, including computers, educational software, communication aids and sensory equipment;
- Respite holidays, at one of **React's** five mobile homes located in the UK;
- Safety and Hygiene essential home care items, including white goods, beds, clothing and flooring;
- Travel and subsistence for lengthy hospital stays enabling parents to divide their time between a gravely ill child and siblings left at home;
- 'End of life' care, including memorial headstones.

React's Delivery of Public Benefit (continued)

By providing aid and essential equipment to children and their families, the charity meets essential needs that are unavailable from statutory sources and local authorities. React recognises the additional cost involved, in both time and finance for families caring for children who are living with terminal illness, and this is often compounded by a reduction of income especially when the need occurs for one or both parents to give up paid employment.

React achieved its aims and objectives during 2022/23, and in doing so provided a beneficial service for children with life-shortening conditions, living within financially disadvantaged families. The charity reviews the outcome of its work each year and assesses the value its service brings to each family. **React's** Honorary Medical Advisor and Trustee, Dr. Mike Miller brings a wealth of experience and a greater understanding of the complex care needs our families face.

An analysis of total charitable expenditure amounting to £627,993 is given in Note 3 of the Financial Statements and this provides a detailed outline of the different areas of support as described above.

React encourages referrals from all professionals working in the field of children's palliative care and works to expand its service to those who are not familiar with the charity's work. Likewise, **React** actively seeks out organisations working with families caring for terminally ill children and welcomes enquiries directly from parents and carers.

Plans for the Future

React continues to evolve as an organisation and respond to changes and developments in the voluntary and healthcare sector. The charity is keen to expand its reach as a national charity and, following the introduction of remote working for staff during the Covid-19 pandemic, **React** now employs two members of staff based outside of London and the home counties. As further part of **React's** efforts to increase its national scope, the charity is currently in the process of closing its office in Kew, which has served as **React's** base for over 30 years, with the view to transitioning to home-working for all staff. **React** is confident that with more staff from across the UK joining the team, it will be of great benefit to families who are not London or Surrey based. **React** will maintain its base in London, with a new virtual office space in Chiswick, which the charity hopes will preserve its close connection to the local community and relationships to volunteers, who have generously supported the charity for many years.

Other developments include the recruitment of **React's** Head of Family Care, who is responsible for building and maintaining the charity's relationships with its large network of families and healthcare professionals. The Head of Family Care is also committed to reaching out to families in areas of the UK which yield fewer requests than others, but where families who could benefit from **React's** service. The charity will continue to work with health and medical organisations across the country in order to raise as much awareness for its work in the children's palliative care sector as possible.

Recycling of Equipment

The responsibility and maintenance of equipment provided by **React** is passed on to each family. However, when there is a change of need or death of a child, **React** will endeavour to re-home each item to a child with a similar need providing the equipment remains in good serviceable condition.

Respite Breaks for Terminally Ill Children - '*Giving Precious Quality Time*'

All families who turn to **React** are financially disadvantaged and it is not uncommon to find that when children live with complex care needs, one or both parents are required to give up paid employment. Parents who are 24-hour carers each day often do not have the option to seek employment to support the family. This can lead to financial pressures, dependence on benefits and poverty.

When families are living with the devastating impact of caring for a child with a terminal diagnosis, the daily struggles of every family member are unimaginably difficult. The physical and emotional demands of caring can lead to problems which are both mental and physical. For the families referred to **React**, a holiday is not financially obtainable, yet often, so desperately needed. This is why **React** is delighted to offer holidays to families to enjoy a week's stay at mobile homes located at four sites around the UK: Skegness (Coastfields); South Wales (Trecco Bay); Blackpool (Cala Gran); and East Lothian (Seton Sands).

React recognises just how difficult daily life is for the families referred for assistance. The charity also understands the hugely positive impact a break away can have on the whole family and that a new environment away from home can help families undertaking some of the most demanding and constant care routines possible. They face a daily challenge to not only keep their child well, but to add quality to a short life.

For many parents, it is incredibly difficult to divide their time and support equally between their children. Siblings may feel isolated by a brother or sister's illness and, it is not uncommon for siblings to be separated from parents during lengthy hospital admissions, often needing to stay with relatives. Additionally, essential care routines are often lengthy and time consuming. Serious illness can be far beyond emotional maturity and a **React** holiday provides some kind of normality and gives the whole family the opportunity to enjoy activities together within the structured framework of park activities.

The charity's three-bedroom holiday homes provide families with similar amenities found in any home, including kitchen, spacious living and dining areas, bathroom and comfortable sleeping for up to six family members. **React** provides families with site pass giving access to indoor swimming, outdoor play, various sport facilities and evening entertainment. **React** has formed a good relationship with site managers to ensure families can speak directly with site staff should any problems occur during their stay.

All holiday site maintenance teams work alongside the charity and provide detailed reports with regards to the condition of each mobile home and suggestions of any essential repairs. Furthermore, **React** values feedback obtained from visiting families and ensures each home is visited annually by a member of staff who will report any issues to site management. The **React** homes are as popular as ever and we shall work towards expanding our fleet to ensure more families can take up the opportunity to holiday in the UK, yet near enough to medical amenities if so required.

React in Scotland

The charity works closely with healthcare professionals and palliative care organisations across Scotland, proudly maintaining its existing relationships while also building new connections. Well-established rapports with organisations such as Children's Hospice Association Scotland and the Royal Hospital for Sick Children in both Edinburgh and Glasgow have enabled the charity to reach families who are eligible for **React's** services. **React** is grateful for the connections it has with social work and medical healthcare professionals, who continue to play a pivotal role in supporting the charity's mission of 'Giving Depth to Short Lives' in Scotland. We deeply value our relationships with professionals who act as key pillar in ensuring the maintained efficacy of **React's** service in Scotland.

Referrals from families in Scotland reflect the varied nature of the need across the country and the demand for specialist equipment and aid remains acutely apparent. Requests to the charity range from physio mats for children with complex needs to specialist tricycles to aid mobility. Such requests demonstrate the depth of need for the charity's assistance. Additionally, **React's** mobile home situated in the Seton Sands holiday village continues to be a popular setting for **React** families to gain some respite from everyday life and create lasting memories together with parents and siblings.

React has appointed Debbie Brownlee to its Board of Trustees. As a retired medical practitioner, Nurse Debbie's work across Scotland is well regarded and, through her knowledge of children's palliative care, **React** will forge stronger bonds with healthcare organisations, medical professionals, and families, throughout the country.

React thanks all volunteers, donors, community fundraising groups, charitable trusts and foundations whose generous assistance to the charity's work in Scotland has enabled **React** to provide equipment and aid to so many families in the country.

React in England

All families caring for a terminally ill child have been disproportionately affected by the pandemic and, the cost of living crisis. Whilst struggling with the additional costs associated when caring for a seriously ill child, many families find themselves having to face the impossible choice between prioritising for their child's care needs or, contributing to general living costs such as paying utility bills or buying food. **React** remains committed to providing its essential service, which acts as a life-line to so many families. Although the charity continues to receive a high number of requests for highly specialised equipment, such as P-Pods, Trikes and Baths, many families apply for relatively minor provisions such as sensory toys, domestic items and/or clothing and travel which, in many cases, seemed previously unaffordable. Furthermore, families caring for terminally ill children in England are challenged by a different set of factors to those in Wales and Scotland. Adult prescription costs and university fees are just two examples of such nuances which, again, increase the financial pressures on families caring for gravely ill children in the country.

React maintains its position as a 'last stop' for families by filling the void left by local authorities and providing the essential equipment and aid necessary for the well-being of children living with a life shortening illness.

React is proud of the long-standing relationships it has with healthcare services across the country and the charity continues to enjoy close links with organisations like Great Ormond Street Hospital, Birmingham Children's Hospital and Alder Hey Children's Hospital which, among many others such as Noah's Ark and Acorn's Children's Hospice, have proven invaluable to **React's** ability to provide its services. The charity is grateful to all key workers and medical professionals who enable **React** to support children and their families through these difficult times.

The charity's mobile homes, situated in Skegness and Blackpool remain popular with **React's** families. While each of these sites are available to all families who are eligible for **React's** services across the UK, they are especially convenient for those based in England, providing a comfortable break from the daily care routine.

React continues to benefit from a generous support base and we are immensely grateful for all trusts, foundations, community groups, and volunteers, who remain central in enabling the charity to provide its rapid service to families.

React in Wales

The demand for **React** in Wales continues to grow, as the average cost of a single request from families living in the country has risen by 35% when comparing requests received in 2023 to 2022. This increase can be widely attributed to the increased cost-of-living, as many families continue to face multiple financial challenges brought about by the fiscal crisis. It has been increasingly difficult for families to afford the basic essentials including food, heating, and transport, and costs continue to rise across the board. Many families are unable to afford vital equipment needed for their child's care, especially given the expensive nature of specialist medical equipment which is prohibitive to many. It is understandable as to why so many families must turn to **React**, and why the average cost of a single request from families living in Wales has risen greatly.

React's holiday homes are situated in Trecco Bay holiday park in Porthcawl, South Wales, where the charity houses two caravans for families to use. The homes are situated alongside Trecco Bay beach which holds a prestigious Blue Flag award, as well as being surrounded by many other beaches for families to choose from including Porthcawl and Sandy Bay. The mobile homes give families the opportunity to spend quality time together, whilst enjoying remarkable Welsh views, golden sands, and rock pools. During their stay, families can also visit local attractions such as St Fagan's National History Museum and Margam Country Park, both of which are free of charge. **React** can offer families assistance towards fuel and transport costs for those in the greatest financial need.

React works closely with healthcare professionals at multiple hospitals and hospices across Wales, including University Hospital of Wales and Ty Hafan, to deliver a prompt and efficient service. **React** also thanks and acknowledges all volunteers, donors and fundraisers who kindly fund our work in Wales, and are delighted with the ongoing partnership with the Millenium Stadium Trust.

React in Northern Ireland

Many families living in Northern Ireland not only face limitations obtaining basic essential equipment from statutory services but, are limited to the number of major high street stores operating in the country. The charity works closely with many palliative care organisations including Northern Ireland Children's Hospice, The Royal Belfast Hospital for Sick Children, and Children's Disability and Palliative Care Teams to identify families who will benefit from **React's** service. Appropriate aids and equipment can significantly improve a child's quality of life, as well as making care routines easier for family members and carers. Children living with life-shortening illnesses are often highly susceptible to infection and tend to require more clothing, bibs, and bedding during any given day. Domestic equipment including white goods are essential to maintain sufficient levels of hygiene and to ensure the child is clean and comfortable. **React** welcomes applications of this nature and, as the presence of high street stores are limited, **React** Family Liaison Officers help families by liaising with small local retailers to ensure an effective and efficient service is provided.

React's work in Northern Ireland is supported by various Charitable Trusts and Foundations, and this enables the charity to help financially disadvantaged families caring for a terminally ill child.

PR & Marketing

React does not engage in costly PR, marketing or advertising campaigns, in line with the charity's policy to keep costs and overheads to a minimum, and prefers to increase its profile by direct engagement with palliative care teams. Exceptions include **React's** biannual newsletter, which acts as a vital tool for raising awareness among donors and potential service-users. The cost of

production relating to the newsletter has substantially reduced both for this year and future editions. Hard copies posted to health and medical professionals have been replaced with a digital format. This has not only benefitted the reduction of the charity's environmental footprint but offers a user friendly way of redistribution.

Volunteers and Gifts in Kind

React thanks its dedicated network of volunteers, whose hard work and commitment to the charity's cause has enabled React to reach out to many more families across the UK and raise vital funds. **React** volunteers contribute in a variety of ways, such as organising events, giving talks and presentations, raising awareness and holding collections. All volunteer activity is managed and facilitated by **React** staff members, who provide the fundraising and promotional materials required.

Following the suspension of events due to the coronavirus pandemic, the charity is pleased to confirm, in-house events are set to make a return and currently in early planning stages. **React** remains grateful to all businesses and organisations who have generously provided gifts in kind in support of events over the years, and to volunteers who have kindly lent their time to ensure the resumption of fundraising events returns to previous levels.

Structure, Governance and Management

The charity is an unincorporated association constituted under a Trust Deed dated 7th November, 1989 as varied by a supplemental Deed dated 25th February 2010 and a resolution dated 4th March, 2015. The charity is honoured to receive guidance from **React's** Founder, Sister Frances Dominica OBE. Sister Frances is the Founder of Helen and Douglas House, the world's first children's hospice, based in Oxford.

React is proud to receive the support of its three Patrons, Samantha Bond, The Baroness van Dedem and Sir Derek Jacobi CBE who are willing to give up their valuable time in helping **React** with its fundraising activities.

Whilst the Trustees accept ultimate responsibility for directing the charity's affairs they have delegated the day-to-day operational decisions to the Director, who reports to the Board at Trustees meetings. In addition, the Director regularly consults and involves the Trustees on all significant developments relating to the charity's work.

The Trustees receive monthly management information to ensure finances are in keeping with the budget agreed by the Board at the beginning of the financial year.

Trustees Induction and Training

When required, the Trustees look for suitable candidates to join the Board who can bring experience and expertise relevant to the charity's objectives. New Trustees are invited to join the Board (initially for a year as a Trustee Designate) by the Chairman following consultations with existing Trustees. This method of recruitment enables the Board to assess the future contribution and effectiveness of each new member.

Having accepted an invitation to join the Board, the Trustee Designate must sign a declaration relating to the purposes and aims of the charity, as well as their general and specific duties determined by the Chairman. The Trustee Designate is then supplied with a welcome pack containing information covering all aspects of **React's** work. This includes the history of **React**, annual reports and accounts and, a brief overview of all key policies relating to the Board and the organisation. New Trustees are also provided with published literature relating to Good Governance.

The Trustee Designate must then attend a series of meetings, initially with the Chairman, and later with the Director who will familiarise the Trustee with all the activities of the charity. In addition, all Trustees are encouraged to attend appropriate external training seminars, found in publications such as Governance and Third Sector.

Related Party Transactions & Conflict of Interest

In accordance with charity policy, on joining the board, Trustees must declare any interests that may conflict with their ability to act appropriately in their role as Trustee. If a conflict of interest should arise, they will be required to withdraw from any related decision-making situations. There have been no such issues of conflict this year.

Trustee Remuneration and Expenses

Trustees give their time freely with no remuneration paid during the year. However, expenses incurred whilst operating on behalf of the charity are paid to the Trustees, primarily to cover any claimed travel and subsistence costs. The policy of paying these expenses, as agreed by the Board and Director, is as follows:

- All expenses are entered on an Expenses Claim Form and must be authorised by the Director and a Trustee independent of the transaction before payment is made.

Details of Trustee expenses are disclosed on Note 6a in the Financial Statements.

The Trustees review the level of pay and remuneration awarded to key management personnel annually. Consideration, where available is given to comparable pay and remuneration set in similar organisations.

Risk Management

The Trustees and Director, with input from key staff members, review annually major risks to which **React** is exposed, in particular those relating to the specific operational areas of the charity and its finances.

A Risk Assessment and Management Register has been established and is updated throughout the year and, where appropriate, plans are developed to mitigate any potential internal and external risks found.

Financial Review

This year, **React's** total income increased from 593,030 to £680,959.

The increase in total income is attributed to the receipt of a legacy amounting to £89,319 but we are particularly pleased that income from Charitable Trusts (our largest source of income) has remained constant as compared with last year.

As in previous years, a significant amount of **React's** total income comes with specific categories and geographical restrictions. This income is treated as restricted funds as shown in the financial statements; and in compliance with the directives of the SORP, management and administration costs have been allocated to either charitable activities or fundraising costs.

The Board of Trustees has continued to persevere with its ongoing policy of generating a deficit on the Income and Expenditure Account as cash reserves have remained strong. As a result the charity has reported a deficit of £14,305 for the year

Supporters of **React** should continue to take considerable comfort in recognising the charity has so far been able to weather the negative impact of Covid-19 and market volatility and will continue to be a safe beneficiary for ongoing financial support. **React's** existing financial strength is a reflection of past years' prudence in the management of its finances and this policy will continue to be adhered to.

The office has continued to function safely and well with the introduction of highly digitalised systems which have enabled staff to work largely from home. New procedures were introduced last year to ensure that telephone calls could be answered at home and all relevant documents were scanned and uploaded into a secure cloud storage system. These new systems have worked well and have enabled the charity to function efficiently from anywhere in the UK.

Resources Expended

React provides basic essential items to children living with life-limiting conditions in accordance with the purpose and aims of the charity. Demand continues to be consistent and **React** is able to meet this demand to the extent that incoming funds permit. The process for making awards is as follows:

- The **React** application form is filled in by a member of the family, with the requirement that all requests are fully endorsed by a medical professional involved in the care of the child, explaining the extent of benefit and including quotes and assessments as required
- A **React** Family Liaison Officer then assesses the application to ensure that it falls within **React's** remit and meets all the necessary criteria.
- All suitable applications are written up by the Family Liaison Officer as a detailed summary and passed to the Director for further assessment.
- Requests of under £2,000 are awarded by the Director following recommendation by the Family Liaison Officer.
- Requests between £2,000 - £3,000 are approved by the Director and at least one Trustee.
- Requests over £3,000 may only be awarded once approved by a majority of the Trustee Board.

Investment Policy

The basic principle governing Trustees' decisions when investing, is that they must take a prudent approach. When investing charitable funds, Trustees seek to strike the right balance between two objectives:

- Providing an income to help **React** carry out its purpose effectively in the short term
- Maintaining and, if possible, enhancing the value of the invested funds, so as to enable **React** to effectively carry out its purposes in the longer term.

The Trustee Board consider the suitability of any investment, both for **React** as a charity and as a means of investment. The Trustees must be satisfied that the type of any proposed investment is appropriate for **React** as a charitable organisation and will consider the need for diversification to ensure the reduction of risk. The Board is satisfied with their decision to invest with Evelyn & Partners and will review the charity's investments on a quarterly basis.

Investments in our Endowment Fund continue to be entrusted to Evelyn & Partners (Formerly Smith & Williamson) who manage the funds on a discretionary basis. Movements in the value of these funds is a net figure after taking into account additions and sales to/from the funds together with the relevant profits and losses attaching to these transactions.

Reserves Policy

Reserves are needed by the charity to:

- Maintain as far as possible a prudent level of charitable support to families during periods when income levels are low.
- Meet contractual liabilities should the organisation need to close

This includes redundancy pay, amounts due to creditors and commitments under leases.

- Ensure the charity can honour existing commitments to families caring for a terminally ill child during any period of re-organisation or closure

The Trustees have established a policy to retain a level of reserves of up to 6 months working capital, which is considered an acceptable level to safeguard the operation of the charity. A six months' reserves policy accounts for salaries, overheads, statutory redundancy pay and charitable expenditure to allow the charity to maintain the level of support pledged to individual families and medical professionals engaged in their care. The Trustees will apply the amount of the Expendable Endowment Fund and that part of the Unrestricted Funds as represented by the charity's investments in ensuring the minimum level of reserves is maintained.

Monitoring and reviewing of Reserves Policy:

- The Trustees will consider the level of reserves required each year when setting the following year's budget.
- The Reserves Policy is reviewed by the Trustees every year.
- The level of reserves will be monitored and recorded in monthly Management Accounts.

Fundraising Regulations

React adheres to the code of fundraising practice as set out by the Fundraising Regulator and does not subscribe to fundraising agencies. The charity also complies with the new General Data Protection Regulation (GDPR) and is mindful in its approach and does not send out "blanket" emails or correspondence.

We are proud to say, there were no complaints raised in relation to fundraising activities during 2022/23. **React** does not approach its beneficiaries for funding, recognising a duty to protect vulnerable people. The charity acts immediately to donors who wish to be removed from any mailing list and, those donors receiving the **React** bi-annual newsletter, who have not contacted or donated to the charity during the past 5 years, will be automatically deleted. Our policy to comply with all requests, asking to delete personal information, is strictly adhered to.

Legacies

We would like to encourage and thank supporters who have made provision for **React** in their Will. Their commitment to **React** will help us to build a secure financial foundation on which we can expand and enhance our work with terminally ill children throughout the UK.

However, it is important to recognise that the receipt of legacies, whilst most welcome, are unpredictable by their very nature and the size of last year's receipts are unlikely to be repeated.

Responsibilities of the Trustees in Relation to Financial Statements

Charity law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs and of the incoming and outgoing resources of the charity for that year. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and apply them consistently.
- observe the methods and principles in the Charities SORP
- make judgements and estimates that are reasonable and prudent.
- state whether applicable accounting standards and statements of recommended practice have been followed subject to any departures disclosed and explained in the financial statements.
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Acts. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Officers & Advisors

Members of the Board, who are Trustees for the purpose of charity law, who served during the year and up to the date of this report are set out on page 1.

Disclosure to Auditors

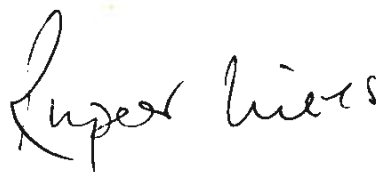
In accordance with charity law, we certify that:

- so far as we are aware, there is no relevant audit information unknown to the charity's Auditors.

As the Trustees of the charity, we have taken the necessary steps in order to make ourselves aware of any relevant audit information, and to establish that the charity's auditors are aware of that information.

We have appointed Just Audit & Assurance Ltd. to act as our auditors of the 2022/2023 Financial Statements.

Approved by the Board of Trustees and signed on its behalf by:

A handwritten signature in black ink, appearing to read 'Rupert Wiles', is written over a faint yellow rectangular stamp.

Rupert A Wiles FCA
Chairman

Date: 12th December 2023

Opinion

We have audited the financial statements of React Charity (the 'Charity') for the year ended 31 March 2023, which comprise the Statement of Financial Activities, Balance Sheet, Cash flow statement and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)).

This report is made solely to the charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our work has been undertaken so that we might state to the trustees those matters we are required to state to trustees in an auditors' 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 charity and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

- give a true and fair view of the state of the Charity'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 Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Charity's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were 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 trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in which the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- the charity has not kept sufficient accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities [set out on page 12.] the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the Charity 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 extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

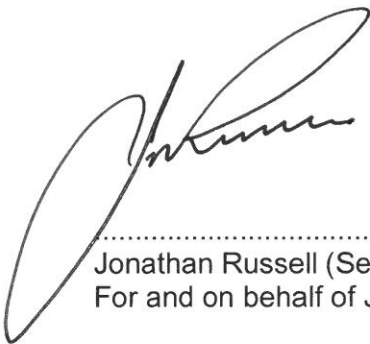
As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

REACT**Independent Auditor's Report to the Trustees
Year ended 31st March 2023**

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.



Jonathan Russell (Senior Statutory Auditor)
For and on behalf of Just Audit & Assurance Ltd, Statutory Auditor

37 Market Square

Witney

Oxon

OX28 6RE

Date:

13 December 2023

REACT
Statement of Financial Activities
Year Ended 31st March 2023

	Unrestricted Funds	Restricted Funds	Endowment	Designated		
	Unrestricted Funds	Restricted Funds	Expendable Endowment	Designated Funds	Total	Total
					2023	2022
	£	£	£	£	£	£
Income from:						
Donations and gifts	254,416	337,224	-	-	591,640	587,930
Legacies	89,319	-	-	-	89,319	5,100
	343,735	337,224	-	-	680,959	593,030
Investment income	790	-	4,864	-	5,654	247
Funding events	933	-	-	-	933	
Total income	345,458	337,224	4,864	-	687,546	593,277
Expenditure on:						
Cost of raising funds	(17,894)	(17,478)	(2,821)	(7,340)	(45,533)	(46,893)
Charitable activities	(303,517)	(352,801)	-	-	(656,318)	(599,473)
Total expenditure	(321,411)	(370,279)	(2,821)	(7,340)	(701,851)	(646,366)
Surplus/(deficit)	24,047	(33,055)	2,043	(7,340)	(14,305)	(53,088)
Net gains/ (losses) on investment assets	2,858		(14,621)		(11,763)	24,494
Net movement in funds	26,905	(33,055)	(12,578)	(7,340)	(26,068)	(28,594)
Transfer between reserves	(9,292)	18,142	-	(8,850)	-	-
Total funds brought forward	432,604	14,913	350,910	16,190	814,617	843,212
Total funds carried forward	450,217	-	338,332	-	788,549	814,618

All activities relate to continuing operations.

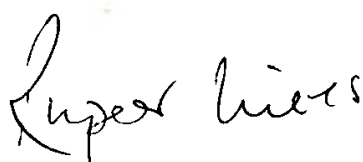
The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 21 to 26 form part of these financial statements.

REACT
Balance Sheet
As at 31st March 2023

	Notes	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Designated Funds	Total Funds £	2022 £
Fixed Assets							
Tangible Assets	8	6,168				6,168	8,650
Investments	7	85,175	-	338,332	-	423,507	433,259
Total Fixed Assets		<u>91,343</u>	<u>-</u>	<u>338,332</u>	<u>-</u>	<u>429,675</u>	<u>441,909</u>
Current Assets							
Debtors & prepayments	9	472				472	427
Cash at Bank		366,949	-	-	-	366,949	379,722
Total Current Assets		<u>367,421</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>367,421</u>	<u>380,149</u>
Liabilities							
Creditors due within one year	10	8,547	-	-	-	8,547	7,440
Net current assets		358,874	-	-	-	358,874	372,309
Net Assets		<u>450,217</u>	<u>-</u>	<u>338,332</u>	<u>-</u>	<u>788,549</u>	<u>814,618</u>
The funds of the charity							
Unrestricted income funds	12	450,217	-	-	-	450,217	432,605
Designated funds		-	-	-	-	-	16,190
Restricted income funds		-	-	-	-	-	14,913
Endowment funds		-	-	338,332	-	338,332	350,910
Total charity funds		<u>450,217</u>	<u>-</u>	<u>338,332</u>	<u>-</u>	<u>788,549</u>	<u>814,618</u>

The financial statements were approved by the Trustees on [12th December 2023] and signed on its behalf by:



R A Wiles FCA Chairman

The notes on pages 21 to 26 form part of these financial statements.

REACT
Statement of Cash Flows
Year Ended 31st March 2023

	2023	2022
Cash flows from operating activities		
Cash(absorbed)/generatd by operations	(22,525)	(26,626)
Investing activities		
Purchase/ sale of fixed assets	-	(1,815)
Decrease/(Increase) in value of investments	9,752	25,504
Net increase in cash and cash equivalent	(12,773)	(2,937)
Cash and cash equivalents at the beginning of the year	379,722	382,659
Cash and cash equivalents at the end of the year	<u>366,949</u>	<u>379,722</u>
Cash generated from operations		
(Deficit)/Surplus for the year	(14,305)	(53,088)
Adjustments for:		
Investment result recognised in P&L	(11,763)	24,494
Depreciation	2,482	3,768
Movement in working capital:		
Decrease/(increase) in trade and other receivables	(46)	(31)
(Decrease)/increase in trade and other payables	1,107	(1,769)
Cash absorbed by operations	<u>(22,525)</u>	<u>(26,626)</u>

1. Accounting policies

a) Basis of accounting

React is an unincorporated association, registered as a charity in both England and Wales and Scotland. Its principal office is disclosed on page 1. The Financial Statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with The Accounting Reporting Standard applicable in the United Kingdom and the Republic of Ireland issued in October 2019, the Accounting Reporting Standard issued in the United Kingdom and the Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

At the time of approving the financial statements, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. In the light of the impact of the worldwide Covid-19 pandemic, appropriate steps have been taken by the Trustees to ensure the safety of its staff and visitors in compliance with the Government's recommendations, and the cash resources of the charity are sufficiently robust to ensure normal charitable activities are able to proceed over the next financial period. Therefore, the Trustees continue to adopt the going concern basis of preparing the financial statements.

b) Incoming resources

Recognition of incoming resources

These are included in the Statement of Financial Activities (SoFA) when:

- * The charity becomes entitled to the resources
- * The trustees are virtually certain they will receive the resources and
- * The monetary value can be measured with sufficient reliability

Grants and donations

Grants and donations are only included in the Statement of Financial Activities when the charity has unconditional entitlement to the resources.

Legacies

Legacies are included in the Statement of Financial Activities as an incoming resource in the year in which the charity is notified and when the value and entitlement of the legacy is known with reasonable certainty.

Tax reclaims on donations and gifts

Incoming resources from tax reclaims are included in the Statement of Financial Activities at the same time as the gift to which they relate.

Volunteer help

The value of any voluntary help received is not included in the accounts but is described in the trustees' annual report.

Investment income

This is included in the accounts when receivable.

Investment gains and losses

This includes any gains or loss on the sale of investments and any gain or loss resulting from revaluing investments to market value at the end of the year.

c) Restricted Funds

Restricted Funds are funds which are used in accordance with the specific restrictions imposed by the donors. The cost of raising such funds are charged against these funds.

d) Designated Funds

Designated Funds are funds set aside from the unrestricted funds for a specific purpose.

e) Expendable Endowment Fund

The Expendable Endowment Fund may be invested to produce income and to finance expenditure at the discretion of the trustees.

Accounting policies (continued)

f) Depreciation

Provision is made for depreciation on tangible assets at rates calculated to write off the cost, less estimated residual value, of each asset over its expected useful life as follows:

Mobile homes:	20% straight line
Office Equipment:	20% written down value

g) Support Costs

Support costs include central function costs such as staff and overhead costs in support of React's principle activity. Where relevant, they have been allocated to activity cost categories on a percentage basis as appropriate.

h) Basis of recognition and allocation of expenditure

Charitable expenditure includes any VAT payable and is reported as part of the expenditure to which it relates. It comprises costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Site fees payable in respect of mobile homes are recorded in the year that the fees are invoiced

Costs of raising funds comprises the costs associated with attracting voluntary income.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include costs linked to the strategic management of the charity.

All costs are allocated between the expenditure categories of SoFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly; others are apportioned on an appropriate basis.

i) Taxation

React is a registered charity which renders its income exempt from UK income tax.

Irrecoverable VAT is not separately analysed and is charged to the statement of financial activities when the expenditure to which it relates to is incurred and is allocated as part of the expenditure to which it relates.

Tax recovered from voluntary income received under Gift Aid is recognised when the related income is receivable and is allocated to the income category to which the income relates.

j) Investments

Investments are included at market value at the balance sheet date.

k) Operating lease

Rental payments under the operating lease are charged as expenditure incurred over the term of lease.

l) Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with an original maturity date of three months or less.

m) Debtors

Debtors are measured at transaction price less any impairment unless the arrangements constitute a financial transaction, in which case the transaction is measured at the present value of the future receipts discounted at the prevailing market rate of interest.

n) Creditors and Provisions

Creditors and provisions are recognised when the Charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount to settle the past obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their transaction price after allowing for any trade discounts due unless the arrangement constituted a financing transaction in which case the transaction is measured at present value of future payments discounted at the prevailing market rate of interest.

2. Cost of Raising Funds

	(Note)	Unrestricted/ Designated Funds		Expendable / Restricted Funds		Total	
		2023	2022	2023	2022	2023	2022
		£	£	£	£	£	£
Public Relations & fundraising		7,340	17,657	2,821	-	10,161	17,657
Support costs		14,712	9,492	17,478	15,796	32,190	25,288
Governance Costs	4	3,182.0	3,947	-	-	3,182	3,947
		<u>25,234</u>	<u>31,096</u>	<u>20,299</u>	<u>15,796</u>	<u>45,533</u>	<u>46,892</u>

3. Charitable Activities

	2023	2022
	£	£
Educational & Specialist Equipment	241,147	187,711
Safety & Hygiene Equipment	95,872	89,171
Mobile Home Holidays	34,642	32,522
Funeral Expenses	8,487	14,222
Travel & Subsistence	6,648	8,613
Direct Charitable Expenditure	<u>386,796</u>	<u>332,239</u>
Support costs	269,522	267,226
Governance Costs		
Total Charitable Expenditure	<u>656,318</u>	<u>599,463</u>

4. Governance Costs

	Unrestricted Funds		Restricted Funds	
	2023	2022	2023	2022
	£	£	£	£
Audit fees	3,000	3,613	-	-
Trustees Expenses (6a)	182	334	-	-
	<u>3,182</u>	<u>3,947</u>	<u>-</u>	<u>-</u>

REACT
Notes to the Financial Statements
Year Ended 31st March 2023

5. Net Incoming Resources

Net Income Resources for the year is stated after charging:

	2023	2022
	£	£
Depreciation	2,482	3,768
Auditors remuneration	3,000	3,160

6. Trustees & employees information

The Trustees have taken out indemnity insurance

Neither the trustees nor any other persons connected with them received any remuneration or benefits in kind from the Charity during the year (2022: £Nil)

During the year under review expenses were paid to Trustees as follows:

	2023	2022
	£	£
Trustees Meeting Costs	-	-
Trustees expenses reimbursed	182	334
	<u>182</u>	<u>334</u>

	2023	2022
	£	£
b) Employee costs during the year were:		
Salaries	226,297	229,388
Social security costs	19,917	20,139
Pension costs	5,661	5,824
	<u>251,875</u>	<u>255,351</u>

1 employee earning between £60,000-£80,000 (2022/2023)

	2023	2022
	£	£
The average number of persons employed during the year	7	6
Full time equivalent	<u>7</u>	<u>6</u>

7. Investments

	2023	2022
	£	£
	<u>423,507</u>	<u>433,259</u>

Fixed assets investments consists of quoted shares, trade bonds and similar investments. These are measured initially at cost and subsequently at fair value based on published market prices.

Movements in non-current investments

Cost or valuation	Unrestricted Funds	Endowment Fund	Total
	£	£	£
At 1st April 2022	82,349	350,910	433,259
Return on investment	2,826	(12,578)	(9,752)
At 31st March 2023	<u>85,175</u>	<u>338,332</u>	<u>423,507</u>
Carrying Amount			
At 31st March 2022	-		<u>433,259</u>
At 31st March 2023			<u>423,507</u>

The investments held with the Charities Aid Foundation at the year end consists of -

	2023	2022
	No.of units	No.of units
CAF- Balanced Growth Fund	<u>51,976</u>	<u>51,197</u>

REACT
Notes to the Financial Statements
Year Ended 31st March 2023

8. Fixed Assets			
Cost	£	£	£
As at 1st April 2022	153,198	16,527	169,725
Additions	-	-	-
	<u>153,198</u>	<u>16,527</u>	<u>169,725</u>
Depreciation			
As at 1st April 2022	151,031	10,044	161,075
Charge for the year	1,285	1,197	2,482
	<u>152,316</u>	<u>11,241</u>	<u>163,557</u>
Net Book Value			
As at 31st March 2023	882	5,286	6,168
As at 31st March 2022	<u>2,167</u>	<u>6,483</u>	<u>8,650</u>

	2023	2022
	£	£
9. Debtors		
Prepayments	472	427
	<u>472</u>	<u>427</u>

	2023	2022
	£	£
10. Creditors: amounts falling due within the year		
Accruals & Sundry creditors	8,547	7,440
	<u>8,547</u>	<u>7,440</u>

12. Analysis of charitable funds						
Analysis of fund movements	Fund b/fwd	Income	Expenditure	Gains and Losses	Transfers	Fund c/fwd
	£	£	£	£		£
a) Unrestricted Funds	432,604	345,458	(321,411)	2,858	(9,292)	450,217
b) Restricted Funds	14,913	337,224	(370,279)	-	18,142	-
c) Expendable Endowment Funds	350,910	4,864	(2,821)	(14,621)	-	338,332
d) Designated Funds	16,190	-	(7,340)	-	(8,850)	-
Total	814,617	687,546	(701,851)	(11,763)	-	788,549

Notes:

- The Unrestricted Funds are available to be spent for any of the purposes of the charity.
- The Restricted Funds are funds which are used in accordance with the specific restrictions.
- The Expendable Endowment Fund is a legacy received in prior years from the charity's founder.
- The Designated Funds are funds set aside from a legacy to be used for PR expenditure

REACT
Statement of Financial Activities
Year Ended 31st March 2023

13. Comparative Consolidated Statement of Financial Activities

	Unrestricted Funds	Restricted Funds	Endowment	Designated		
	Unrestricted Funds	Restricted Funds	Expendable Endowment Funds	Designated Funds	Total	Total
					2023	2022
	£	£	£	£	£	£
Income from:						
Donations and gifts	254,416	337,224	-	-	591,640	587,930
Legacies	89,319		-	-	89,319	5,100
	343,735	337,224			680,959	593,030
Investment income	790	-	4,864	-	5,654	247
Funding events	933	-	-	-	933	
Total income	345,458	337,224	4,864		687,546	593,277
Expenditure on:						
Cost of raising funds	(17,894)	(17,478)	(2,821)	-	(38,193)	(46,893)
Charitable activities	(303,517)	(352,801)	-	(7,340)	(656,318)	(599,473)
Total expenditure	(321,411)	(370,279)	(2,821)	(7,340)	(701,851)	(646,366)
Surplus/(deficit)	24,047	(33,055)	2,043	(7,340)	(14,305)	(53,088)
Net gains/ (losses) on investment assets	2,858		(14,621)		(11,763)	24,494
Net movement in funds	26,905	(33,055)	(12,578)	(7,340)	(26,068)	(28,594)
Transfer between reserves	(9,292)	18,142	-	(8,850)	-	-
Total funds brought forward	432,604	14,913	350,910	16,190	814,617	843,212
Total funds carried forward	450,217	-	338,332	-	788,549	814,618

Ella's first shoes. Ella's last shoes.



We're here for the children who'll never grow up
Visit www.reactcharity.org to donate. Thank you



Registered Charity No. 802440 (England&Wales) SC038067 (Scotland).