

**Charity Registration No. 1175837**

**Company Registration No. 10324546 (England and Wales)**

**GRIEF ENCOUNTER**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2020**

# GRIEF ENCOUNTER

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees</b>	H Gittelmon (Chair)	
	Dr B S Gilbert (Life President)	
	Mr B Myers	
	Mr A Beare	
	Mr B Lane	
	Mr G Sacks	
	Mr A Hart	(Appointed 19 April 2020)
	Mrs D R Goldring	(Appointed 15 April 2020)
	Mr M Peen	(Appointed 1 September 2020)
<b>Charity number</b>	1175837	
<b>Company number</b>	10324546	
<b>Registered office</b>	33-35 Daws Lane Mill Hill London NW7 4SD	
<b>Auditor</b>	Glazers 843 Finchley Road London NW11 8NA	

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# **GRIEF ENCOUNTER**

## **CONTENTS**

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	<b>Page</b>
Trustees' report	1 - 3
Statement of trustees' responsibilities	4
Independent auditor's report	5 - 7
Statement of financial activities	8
Balance sheet	9
Statement of cash flows	10
Notes to the financial statements	11 - 23

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# **GRIEF ENCOUNTER**

## **TRUSTEES' REPORT (DIRECTORS' REPORT)**

### **FOR THE YEAR ENDED 31 JULY 2020**

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The trustees present their report and financial statements for the financial year ended 31 July 2020.

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 charity's governing document, the Companies Act 2006 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 (FRS 102)" (as amended for accounting periods commencing from 1 January 2016).

#### **Objectives**

In the course of the financial year, the charity's objects were:

- 1 - the promotion of good health by the provision of education and training into issues of bereavement and bereavement support for children, young people and their families;
- 2 - relief of children, young people and their families suffering bereavement; and
- 3 - relief of people of whatever age who are suffering bereavement by the provision of support by way of a helpline.

Following the end of the financial year, the charity widened its objects so that they now extend to:

A - the promotion of good health by the provision of education and training into issues of grief and bereavement and support in relation to grief and bereavement more generally; and

B - relief of people suffering from grief or bereavement more generally.

#### **Achievements and performance**

##### **Review of activities**

We are an accessible and free support service, available to bereaved children and young people, alongside their families, in the UK. Our value statement remains a priority and we stress the importance of personal relationships and an ongoing plan for our families, often staying in touch for many years, following their progress, and providing long term support, until such a time as they feel they no longer need support.

We run an organisation which is innovative, essential, cost-effective and impactful. This financial year, we continued to provide bereavement support and advice from fully trained and qualified counsellors. We had launched a new national helpline (Grieffalk) in 2019 and that, together with an online service offering, continued to grow. Grief Encounter also continued to be active in the Bristol area and The Rainbow Centre for Children (GESW) is now fully incorporated into Grief Encounter.

Since our workshops began in January 2006, Grief Encounter (formally Grief Encounter Project an unincorporate charity) has seen around 7000 children, young people and their carers, representing over 2000 families. This does not include over 100,000 users we receive online via our website, those that have benefited from our training, outreach work, 15,000 telephone callers, those that receive email support; or the numerous workbook and Grief Relief Kit users on our database. Our specialist resources continue to develop.

Grief Encounter's media presence continues to grow, with our organisation and expert care team often being the first port of call for media stories related to child bereavement in the form of interview or profile requests for TV, radio, newspapers and magazines. Case studies are also regularly featured in consumer press, alongside profile pieces on our celebrity ambassadors.

# GRIEF ENCOUNTER

## TRUSTEES' REPORT (DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2020

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### Financial review

The charity has a planned cycle of fundraising events, and expects funds raised from the previous Gala Dinner to cover a potential shortfall during the following years. The Gala Dinner in 2019 provided much needed funding to continue providing services and expansion throughout the last financial year.

For the period ended 31 July 2020, the charity received total income of £1,935,796 including £444,953 received from the Rainbow Centre for Children (a 100% owned subsidiary which was rolled into Grief Encounter as GESW, see Note 3 for details). All income and expenditure for GESW are shown separately in the notes to the financial statements. There was no Gala Dinner held this financial year. The total expenditure incurred amounted to £1,373,513 resulting in a total net income for the period of £562,283. The net income of the charity, excluding the amount received from GESW, amounted to £117,771.

### Reserves policy

The charity has a commitment to provide services for bereaved families for an average of two years but experience shows that support averages one year. In order to ensure that sufficient funds are available to carry out this objective and other charitable activities, the necessary level of reserves for the 2020/21 financial year and beyond is set at £700,000.

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

The trustees have considered Covid-19's effect on the charity. Whilst the donation income is expected to be lower next year mainly due to the rescheduling of the Gala Dinner which was planned to take place next year, the charity is implementing policies and procedures to try to keep the impact of Covid-19 as low as possible. The trustees believe the charity has sufficient reserves to be able to apply them to mitigate the impact of Covid-19, if required.

### Structure, governance and management

The charity is controlled by its governing document, the Memorandum and Articles of Association, and constitutes a company limited by guarantee, as defined by the Companies Act 2006.

The trustees will continue to maintain governance standards in order to improve transparency and accountability. The main focus during the past financial year has been on finances, compliance with applicable laws, safeguarding and governance.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

H Gittelmon (Chair)

Dr B S Gilbert (Life President)

P Walters

(Resigned 16 November 2019)

Mr B Myers

Mr A Beare

Mr B Lane

Mr G Sacks

Mr A Hart

(Appointed 19 April 2020)

Mrs D R Goldring

(Appointed 15 April 2020)

Mr M Peen

(Appointed 1 September 2020)

### Method of recruitment and appointment of trustees

The management of the charity is the responsibility of the trustees, who are appointed by resolution of the existing trustee body. Expanding trustee experience was high on the agenda, with a review of trustee roles and responsibilities and a recruitment plan.

## GRIEF ENCOUNTER

### TRUSTEES' REPORT (DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 JULY 2020

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#### Plan for the future

We continue to develop innovative resources, techniques and a fresh child-focused approach to supporting young people and their families through the trauma of bereavement. The charity aims to expand services, thereby helping as many bereaved children and families as possible. We know the demand for our services is nationwide. There are plans significantly to grow the national helpline, thereby increasing our online reach to areas of the country we are unable to visit in person.

We still maintain our strong position in the bereavement field alongside much larger, more established charities.

#### Auditors

Glaziers Chartered Accountants were appointed as auditors to the charity for the financial year and a resolution proposing that they be re-appointed was passed by the members on 10 December 2020.

The trustees' report was approved by the board of trustees.



**H Gittelmon (Chair)**

Trustee

Dated: 22/01/21

# **GRIEF ENCOUNTER**

## **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

***FOR THE YEAR ENDED 31 JULY 2020***

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

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# GRIEF ENCOUNTER

## INDEPENDENT AUDITOR'S REPORT

### TO THE TRUSTEES OF GRIEF ENCOUNTER

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#### Opinion

We have audited the financial statements of Grief Encounter (the 'charity') for the year ended 31 July 2020 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of 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 July 2020 and of its incoming resources and application of resources, 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 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

As described in the trustee's report and in accounting policy note, in common with other charities, Grief Encounter is reliant on donations and whilst these inherently uncertain, as a result of the ongoing covid19 pandemic there is more uncertainty over future donations. However, the charity is well managed and financially resilient, and the trustees expect to use cash reserves if donations collection significantly reduced below forecast to continue to provide their much needed public service.

#### 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 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.



# GRIEF ENCOUNTER

## INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF GRIEF ENCOUNTER

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

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require 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
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; 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, the trustees, who are also the directors of the charity for the purpose 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 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 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 as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

# GRIEF ENCOUNTER

## INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF GRIEF ENCOUNTER

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### Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them 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 the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

  
**Philippe Herszaft ACA (Senior Statutory Auditor)**  
for and on behalf of Glazers

**Chartered Accountants**  
**Statutory Auditor**

*22 January 2010*  
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843 Finchley Road  
London  
NW11 8NA

Glazers is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under of section 1212 of the Companies Act 2006.

## GRIEF ENCOUNTER

### STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 JULY 2020

	Notes	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £	Total 2019 £
<b>Income from:</b>					
Donations and legacies - Including GESW	3	1,100,859	384,444	1,485,303	1,145,828
Charitable activities	4	24,020	-	24,020	10,939
Other trading activities	5	415,424	-	415,424	1,849,733
Investments	6	11,049	-	11,049	4,338
<b>Total income</b>		<b>1,551,352</b>	<b>384,444</b>	<b>1,935,796</b>	<b>3,010,838</b>
<b>Expenditure on:</b>					
Raising funds	7	396,508	-	396,508	569,505
Charitable activities	8	705,658	271,347	977,005	963,180
<b>Total resources expended</b>		<b>1,102,166</b>	<b>271,347</b>	<b>1,373,513</b>	<b>1,532,685</b>
<b>Net income for the period/ Net movement in funds</b>		<b>449,186</b>	<b>113,097</b>	<b>562,283</b>	<b>1,478,153</b>
Fund balances at 1 August 2019		1,295,802	182,350	1,478,152	-
<b>Fund balances at 31 July 2020</b>		<b>1,744,988</b>	<b>295,447</b>	<b>2,040,435</b>	<b>1,478,153</b>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

# GRIEF ENCOUNTER

## BALANCE SHEET

AS AT 31 JULY 2020

	Notes	2020 £	£	2019 £	£
<b>Fixed assets</b>					
Tangible assets	13		409,348		1,864
<b>Current assets</b>					
Stocks	14	7,400		7,400	
Debtors	15	93,935		90,905	
Cash at bank and in hand		1,584,264		1,473,512	
		<u>1,685,599</u>		<u>1,571,817</u>	
<b>Creditors: amounts falling due within one year</b>	16	(54,512)		(95,528)	
Net current assets			1,631,087		1,476,289
<b>Total assets less current liabilities</b>			<u>2,040,435</u>		<u>1,478,153</u>
<b>Income funds</b>					
Restricted funds	19	295,447		182,350	
Unrestricted funds		1,744,988		1,295,803	
		<u>2,040,435</u>		<u>1,478,153</u>	

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 July 2020, although an audit has been carried out under section 144 of the Charities Act 2011.

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

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on 17/12/20



H Gittelmon (Chair)  
Trustee

Company Registration No. 10324546

## GRIEF ENCOUNTER

### STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 JULY 2020

	Notes	2020 £	£	2019 £	£
<b>Cash flows from operating activities</b>					
Cash generated from operations	22		535,389		1,471,653
<b>Investing activities</b>					
Purchase of tangible fixed assets		(435,686)		(2,479)	
Interest received		11,049		4,338	
<b>Net cash (used in)/generated from investing activities</b>			(424,637)		1,859
<b>Net cash used in financing activities</b>			-		-
<b>Net increase in cash and cash equivalents</b>			110,752		1,473,512
Cash and cash equivalents at beginning of year			1,473,512		-
<b>Cash and cash equivalents at end of year</b>			1,584,264		1,473,512

# GRIEF ENCOUNTER

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2020

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### 1 Accounting policies

#### Charity information

Grief Encounter is a private company limited by guarantee incorporated in England and Wales. The registered office is 33-35 Daws Lane, Mill Hill, London, NW7 4SD.

#### 1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006 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 (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

#### 1.2 Going concern

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. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

#### 1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

#### 1.4 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

# GRIEF ENCOUNTER

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2020

### 1 Accounting policies

(Continued)

#### 1.5 Resources expended

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management. Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

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

All expenditure is inclusive of irrecoverable VAT.

#### 1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Land and buildings	2% Straight line
Leasehold improvements	Over the term of lease
Fixtures, fittings & equipment	33% Reducing balance
Computers	25% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

#### 1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

#### 1.8 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. Items held for distribution at no or nominal consideration are measured the lower of replacement cost and cost.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

#### 1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

# GRIEF ENCOUNTER

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2020

### 1 Accounting policies

(Continued)

#### 1.10 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### **Basic financial liabilities**

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

##### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

#### 1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### 1.12 Leases

Rentals payable under operating leases, including any lease incentives received, are charged as an expense on a straight line basis over the term of the relevant lease.



# GRIEF ENCOUNTER

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2020

### 2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

### 3 Donations and legacies - Including GESW

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2020 £	2020 £	2020 £	2019 £	2019 £	2019 £
Donations and gifts	1,100,859	64,316	1,165,175	805,157	266,043	1,071,200
Grants	-	320,128	320,128	-	74,628	74,628
	<u>1,100,859</u>	<u>384,444</u>	<u>1,485,303</u>	<u>805,157</u>	<u>340,671</u>	<u>1,145,828</u>
<b>Donations and gifts</b>						
Corporate giving	150,914	-	150,914	13,947	-	13,947
Other Donations and gift aid	436,095	58,566	494,661	240,667	4,633	245,300
Donations gifts and grants - GESW	62,526	5,750	68,276	-	-	-
Fund transferred from The Rainbow Centre for Children (GESW)	444,512	-	444,512	-	-	-
Fund transferred from Grief Encounter Project	-	-	-	550,543	261,410	811,953
Other	6,812	-	6,812	-	-	-
	<u>1,100,859</u>	<u>64,316</u>	<u>1,165,175</u>	<u>805,157</u>	<u>266,043</u>	<u>1,071,200</u>

The Rainbow Centre for Children Limited (now known as Grief Encounter Southwest GESW), a charitable company limited by guarantee and 100% owned subsidiary of Grief Encounter, transferred all its assets and liabilities to Grief Encounter, the fair value of the assets transferred exceeded the fair value of the liabilities the gain is recognised as donation income in Grief Encounter.

On 1st August 2018 the Grief Encounter Project, an un-incorporated charity transferred all its assets and liabilities to Grief Encounter, the fair value of the assets transferred exceeded the fair value of the liabilities the gain is recognised as donation income in Grief Encounter.

## GRIEF ENCOUNTER

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2020

#### 4 Charitable activities

	Other charitable activities 2020 £	Other charitable activities 2019 £
Books and relief kit sale	3,869	3,654
Training	20,151	7,285
	<u>24,020</u>	<u>10,939</u>

#### 5 Other trading activities

	Unrestricted funds 2020 £	Unrestricted funds 2019 £
Gala dinner	-	1,635,462
Ladies lunch	8,090	15,415
Charity runs and other sporting challenges	271,353	116,927
Golf day	35,605	36,565
Shopping day	-	20,095
Other fundraising activities - GESW	93,625	-
Other fundraising activities - GE	6,751	25,269
Other trading activities	<u>415,424</u>	<u>1,849,733</u>

#### 6 Investments

	Unrestricted funds 2020 £	Unrestricted funds 2019 £
Bank interest	<u>11,049</u>	<u>4,338</u>

## GRIEF ENCOUNTER

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2020

#### 7 Raising funds

	Unrestricted funds	Unrestricted funds
	2020 £	2019 £
<u>Fundraising and publicity</u>		
Gala dinner costs	-	257,774
Ladies lunch costs	130	3,219
Challenges and runs	38,782	20,040
Golf day costs	13,187	15,495
Other fundraising costs - GESW	47,253	-
Other fundraising costs - GE	32,437	23,659
Staff costs	264,719	249,318
	<u>396,508</u>	<u>569,505</u>
Fundraising and publicity	<u>396,508</u>	<u>569,505</u>

# GRIEF ENCOUNTER

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2020

8 Charitable activities	Counselling & support £	Grief talk & e- counselling £	Training £	Clinical services & support £	Total 2020 £	Total 2019 £
Charitable activities GESW	24,467	-	1,109	45,176	70,752	-
Supervision and counselling	229,592	-	-	-	229,592	293,341
Helpline & e-Counselling	-	94,983	-	-	94,983	42,698
Various training costs	-	-	14,196	-	14,196	19,624
Various clinical costs	-	-	-	33,089	33,089	78,009
Clinical services and support	-	-	-	287,567	287,567	330,544
Grief relief kit costs	-	-	-	23,947	23,947	24,613
	<u>254,059</u>	<u>94,983</u>	<u>15,305</u>	<u>389,779</u>	<u>754,126</u>	<u>788,829</u>
Share of support costs (see note 10)	77,008	49,978	9,995	69,967	206,948	144,656
Share of governance costs (see note 10)	5,576	3,983	796	5,576	15,931	29,695
	<u>336,643</u>	<u>148,944</u>	<u>26,096</u>	<u>465,322</u>	<u>977,005</u>	<u>963,180</u>
<b>Analysis by fund</b>						
Unrestricted funds	218,744	53,961	26,096	406,857	705,658	804,859
Restricted funds	117,899	94,983	-	58,465	271,347	158,321
	<u>336,643</u>	<u>148,944</u>	<u>26,096</u>	<u>465,322</u>	<u>977,005</u>	<u>963,180</u>
<b>For the year ended 31 July 2019</b>						
Unrestricted funds	317,144	9,404	23,946	454,365	804,859	
Restricted funds	41,420	42,698	-	74,203	158,321	
	<u>358,564</u>	<u>52,102</u>	<u>23,946</u>	<u>528,568</u>	<u>963,180</u>	

## GRIEF ENCOUNTER

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2020

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#### 9 Description of charitable activities

##### Counselling & support

Includes supervision, counselling and grenfell counselling costs

##### Grief talk & e-counselling

Includes helpline costs and e-counselling costs

##### Training

Includes good grief training, in-house training and bespoke training costs

##### Clinical services & support

Includes clinical staff costs, clinical support costs grief relief kit costs, DBS and recruiting checks and research and evaluation costs

Includes costs of workshops, residential weekend, fun day, good grief group, clinical materials, clinical counselling rooms and special clinical events

# GRIEF ENCOUNTER

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2020

10 Support costs	Support costs £	Support Governance costs £	2020 £	Support costs £	Governance costs £	2019 £	Basis of allocation
Depreciation	28,202	-	28,202	615	-	615	
Premises expenses	67,544	-	67,544	64,868	-	64,868	activity costs %
Advertising and resource information	37,892	-	37,892	3,296	-	3,296	
Telephone and internet	3,044	-	3,044	3,627	-	3,627	
Computer and website maintenance	26,821	-	26,821	29,105	-	29,105	
Sundry expenses	4,807	-	4,807	7,313	-	7,313	
Legal and professional fees	8,654	-	8,654	17,729	-	17,729	
Printing postage and stationery	7,743	-	7,743	13,150	-	13,150	
Bank charges	2,854	-	2,854	4,953	-	4,953	
Support costs GESW	19,387	-	19,387	-	-	-	
Accountancy and audit fees	-	14,805	14,805	-	29,695	29,695	Governance
Accountancy and audit fees GESW	-	1,126	1,126	-	-	-	Governance
	206,948	15,931	222,879	144,656	29,695	174,351	
Analysed between							
Charitable activities	206,948	15,931	222,879	144,656	29,695	174,351	

Governance costs includes payments to the auditors of £4,200 for audit fees.

## GRIEF ENCOUNTER

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2020

#### 11 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

#### 12 Employees

##### Number of employees

The average monthly number of employees during the year was:

	2020 Number	2019 Number
Fund raising	7	6
Clinical and support	12	11
Cleaning	1	1
Grief talk	1	-
	<u>21</u>	<u>18</u>

##### Employment costs

	2020 £	2019 £
Wages and salaries	665,577	450,265
Social security costs	47,635	41,493
Other pension costs	10,778	10,097
	<u>723,990</u>	<u>501,855</u>

The number of employees whose annual remuneration was £60,000 or more were:

	2020 Number	2019 Number
Admin	<u>2</u>	<u>2</u>

# GRIEF ENCOUNTER

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2020

### 13 Tangible fixed assets

	Land and buildings	Leasehold improvements	Fixtures, fittings & equipment	Computers	Total
	£	£	£	£	£
<b>Cost</b>					
At 1 August 2019	-	-	-	2,479	2,479
Additions	-	90,901	11,761	-	102,662
Business combinations	395,000	-	11,764	-	406,764
At 31 July 2020	395,000	90,901	23,525	2,479	511,905
<b>Depreciation and impairment</b>					
At 1 August 2019	62,761	-	10,979	615	74,355
Depreciation charged in the year	5,267	18,180	4,140	615	28,202
At 31 July 2020	68,028	18,180	15,119	1,230	102,557
<b>Carrying amount</b>					
At 31 July 2020	326,972	72,721	8,406	1,249	409,348
At 31 July 2019	-	-	-	1,864	1,864

Included in cost or valuation of freehold land and buildings is freehold land of £131,667 which is not depreciated.

### 14 Stocks

	2020 £	2019 £
Finished goods and goods for resale	7,400	7,400

### 15 Debtors

Amounts falling due within one year:	2020 £	2019 £
Trade debtors	12,769	67,050
Other debtors	79,425	1,976
Prepayments and accrued income	1,741	21,879
	93,935	90,905



## GRIEF ENCOUNTER

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2020

#### 16 Creditors: amounts falling due within one year

	Notes	2020 £	2019 £
Other taxation and social security		12,674	11,892
Deferred income	17	22,526	65,000
Trade creditors		19,312	18,636
		<u>54,512</u>	<u>95,528</u>

#### 17 Deferred income

	2020 £	2019 £
Other deferred income	<u>22,526</u>	<u>65,000</u>

Deferred income related to amounts received in advance for activities and events to be held next year.

#### 18 Retirement benefit schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

#### 19 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds			Movement in funds		
	Incoming resources £	Resources expended £	Balance at 1 August 2019 £	Incoming resources £	Resources expended £	Balance at 31 July 2020 £
Counselling and supervision	95,004	(41,420)	53,584	64,315	(117,899)	-
Grief talk, e-counselling and helpline	80,257	(42,698)	37,559	87,975	(94,982)	30,552
Grief group, fun day, workshop and residential camps	71,355	(49,590)	21,765	110,585	(34,518)	97,832
Grief relief kit, 1 to 1 counselling and clinical services	94,055	(24,613)	69,442	121,569	(23,948)	167,063
	<u>340,671</u>	<u>(158,321)</u>	<u>182,350</u>	<u>384,444</u>	<u>(271,347)</u>	<u>295,447</u>

## GRIEF ENCOUNTER

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2020

#### 20 Analysis of net assets between funds

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £	Unrestricted funds 2019 £	Restricted funds 2019 £	Total 2019 £
Fund balances at 31 July 2020 are represented by:						
Tangible assets	409,348	-	409,348	1,864	-	1,864
Current assets/(liabilities)	1,335,640	295,447	1,631,087	1,293,939	182,350	1,476,289
	<u>1,744,988</u>	<u>295,447</u>	<u>2,040,435</u>	<u>1,295,803</u>	<u>182,350</u>	<u>1,478,153</u>

#### 21 Related party transactions

There were no disclosable related party transactions during the year.

#### 22 Cash generated from operations

	2020 £	2019 £
Surplus for the year	562,283	1,478,153
Adjustments for:		
Investment income recognised in statement of financial activities	(11,049)	(4,338)
Depreciation and impairment of tangible fixed assets	28,202	615
Movements in working capital:		
(Increase) in stocks	-	(7,400)
(Increase) in debtors	(3,031)	(90,905)
Increase in creditors	1,458	30,528
(Decrease)/Increase in deferred income	(42,474)	65,000
<b>Cash generated from operations</b>	<u>535,389</u>	<u>1,471,653</u>

#### 23 Analysis of changes in net funds

The charity had no debt during the year.