

Company registration number 04762902 (England and Wales)

CHARIS GRANTS LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

CHARIS GRANTS LIMITED

COMPANY INFORMATION

Directors Ms J A Broadhurst
Mr A E M Broadhurst
Miss A L C Broadhurst
Mr G W Ayres

Company number 04762902

Registered office 3rd Floor Trinity Court
Trinity Street
Peterborough
Cambridgeshire
United Kingdom
PE1 1DA

Auditor Azets Audit Services
Ruthlyn House
90 Lincoln Road
Peterborough
Cambridgeshire
United Kingdom
PE1 2SP

Business address 3rd Floor Trinity Court
Trinity Street
Peterborough
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PE1 1DA

Bankers NatWest PLC
Cathedral Square
Peterborough
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PE1 1XH

CHARIS GRANTS LIMITED

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CHARIS GRANTS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2023

The directors present their annual report and financial statements for the year ended 31 March 2023.

Principal activities

The principal activity of the company continued to be that of management and administration services to grant making organisations. The fulfilment of these services has been extended by the investment in and introduction of bespoke software developed by the company to provide an online Shop platform, capable of rapidly delivering a wider range of products and support services.

This extension of operational capability has yielded significant growth in the number of clients being serviced and this has given rise to similar growth in turnover and profitability. The directors are continuing to invest in this new capability whilst making additional investments in new staff, staff development and improvements in the company's traditional administrative services. These investments to provide resilience and greater efficiency, allow for further growth in turnover, and to support beneficial additions to the portfolio of products and services.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Ms J A Broadhurst
Mr A E M Broadhurst
Miss A L C Broadhurst
Mr G W Ayres

Auditor

In accordance with the company's articles, a resolution proposing that Azets Audit Services be reappointed as auditor of the company will be put at a General Meeting.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board

Ms J A Broadhurst
Director

19 October 2023

CHARIS GRANTS LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 MARCH 2023

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

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

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

CHARIS GRANTS LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF CHARIS GRANTS LIMITED

Opinion

We have audited the financial statements of Charis Grants Limited (the 'company') for the year ended 31 March 2023 which comprise the profit and loss account, the statement of comprehensive income, the balance sheet, the statement of changes in equity and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2023 and of its profit 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 company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' 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 company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

CHARIS GRANTS LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF CHARIS GRANTS LIMITED

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of directors

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

Auditor's responsibilities for the audit of the financial statements

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

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

CHARIS GRANTS LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF CHARIS GRANTS LIMITED

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we 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. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the company through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk 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.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Mr Mark Jackson FCA DChA
Senior Statutory Auditor
For and on behalf of Azets Audit Services

31 October 2023

Chartered Accountants
Statutory Auditor

Ruthlyn House
90 Lincoln Road
Peterborough
Cambridgeshire
United Kingdom
PE1 2SP

CHARIS GRANTS LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2023

	Notes	2023 £	2022 £
Turnover	3	22,455,443	6,196,980
Cost of sales		(19,144,243)	(3,681,193)
Gross profit		3,311,200	2,515,787
Administrative expenses		(2,489,825)	(2,464,532)
Operating profit	4	821,375	51,255
Interest receivable and similar income	7	4,360	436
Profit before taxation		825,735	51,691
Tax on profit	8	(150,023)	45,723
Profit for the financial year		675,712	97,414

The profit and loss account has been prepared on the basis that all operations are continuing operations.

CHARIS GRANTS LIMITED

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2023

	2023 £	2022 £
Profit for the year	675,712	97,414
Other comprehensive income	-	-
Total comprehensive income for the year	<u>675,712</u>	<u>97,414</u>

CHARIS GRANTS LIMITED

BALANCE SHEET

AS AT 31 MARCH 2023

		2023		2022	
	Notes	£	£	£	£
Fixed assets					
Intangible assets	9		274,857		-
Tangible assets	10		25,999		103,728
			<u>300,856</u>		<u>103,728</u>
Current assets					
Stocks	11	1,500		62,955	
Debtors	12	2,008,971		1,122,136	
Cash at bank and in hand		1,825,754		1,275,051	
		<u>3,836,225</u>		<u>2,460,142</u>	
Creditors: amounts falling due within one year	14	(2,835,914)		(1,928,380)	
Net current assets			<u>1,000,311</u>		<u>531,762</u>
Total assets less current liabilities			<u>1,301,167</u>		<u>635,490</u>
Provisions for liabilities					
Deferred tax liability	16	-		10,035	
		<u>-</u>	<u>-</u>	<u>(10,035)</u>	
Net assets			<u><u>1,301,167</u></u>		<u><u>625,455</u></u>
Capital and reserves					
Called up share capital	18		1,000		1,000
Profit and loss reserves			<u>1,300,167</u>		<u>624,455</u>
Total equity			<u><u>1,301,167</u></u>		<u><u>625,455</u></u>

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 board of directors and authorised for issue on 19 October 2023 and are signed on its behalf by:

Ms J A Broadhurst
Director

Company Registration No. 04762902

CHARIS GRANTS LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2023

	Share capital	Profit and loss reserves	Total
	£	£	£
Balance at 1 April 2021	1,000	527,041	528,041
Year ended 31 March 2022:			
Profit and total comprehensive income for the year	-	97,414	97,414
Balance at 31 March 2022	1,000	624,455	625,455
Year ended 31 March 2023:			
Profit and total comprehensive income for the year	-	675,712	675,712
Balance at 31 March 2023	1,000	1,300,167	1,301,167

CHARIS GRANTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

Company information

Charis Grants Limited is a private company limited by shares incorporated in England and Wales. The registered office is 3rd Floor Trinity Court, Trinity Street, Peterborough, Cambridgeshire, United Kingdom, PE1 1DA.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. 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 directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Turnover

Turnover is stated net of VAT and trade discounts.

Revenue is recognised as work under client contracts is performed. Income that has been invoiced to clients is deferred where the work has not been performed.

Revenue is not recognised when funds are received from clients to cover future sales of goods and vouchers as the company is holding these funds on behalf of the client. Where the company spends client funds, by buying goods on behalf of the client, and the company is merely acting as agent, revenue is not recognised on the allocation of those goods against client funds. Income is recognised for the administration charge for work performed on those funds as that work is undertaken.

When funds are received from clients and the company spends those funds, acting as the principal in the arrangement, revenue is recognised as work under the contract is undertaken.

The company is acting as principal in respect of goods and certain types of vouchers and cards sold through the Charis Online Shop Platform and therefore revenue is recognised on the value of those items at the point of sale.

The company was acting as agent in the previous year in respect of fuel and cash vouchers sold through the Charis Online Shop Platform and therefore revenue was recognised only on the administration charge for managing those transactions. The nature of the arrangements changed in April 2022 and the company is now acting as principal for those transactions and therefore revenue is recognised in full at the point of sale.

1.4 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

CHARIS GRANTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

Amortisation 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:

Software	33% - 50% straight line basis
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1.5 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:

Fixtures, fittings & equipment	20% straight line basis
Computer equipment	33% straight line basis

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 credited or charged to profit or loss.

1.6 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible 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). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.7 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.

Stocks held for distribution at no or nominal consideration are measured at the lower of cost and replacement cost, adjusted where applicable for any loss of service potential.

CHARIS GRANTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.8 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and 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.

1.9 Financial instruments

The company 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 company's balance sheet when the company 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.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, 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 business 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.

1.10 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.11 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

CHARIS GRANTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.12 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

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 company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.14 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

CHARIS GRANTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

1.15 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors 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 Turnover and other revenue

An analysis of the company's turnover is as follows:

	2023 £	2022 £
Turnover analysed by class of business		
Vouchers	18,158,144	2,406,620
White goods	2,322,168	1,139,355
Management fees	1,975,131	2,651,005
	<u>22,455,443</u>	<u>6,196,980</u>

	2023 £	2022 £
Other revenue		
Interest income	<u>4,360</u>	<u>436</u>

4 Operating profit

	2023 £	2022 £
Operating profit for the year is stated after charging:		
Depreciation of owned tangible fixed assets	41,422	65,872
Loss on disposal of tangible fixed assets	284	-
Amortisation of intangible assets	55,832	-
Operating lease charges	<u>63,691</u>	<u>88,032</u>

CHARIS GRANTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

5 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

2023 Number	2022 Number
37	46

Their aggregate remuneration comprised:

	2023 £	2022 £
Wages and salaries	1,229,608	1,521,609
Social security costs	115,864	129,664
Pension costs	66,128	66,338
	1,411,600	1,717,611

6 Directors' remuneration

	2023 £	2022 £
Remuneration for qualifying services	-	148,926

7 Interest receivable and similar income

	2023 £	2022 £
Interest income		
Interest on bank deposits	4,752	44
Other interest income	(392)	392
Total income	4,360	436

	2023 £	2022 £
Investment income includes the following:		
Interest on financial assets not measured at fair value through profit or loss	4,752	44

8 Taxation

	2023 £	2022 £
Current tax		
UK corporation tax on profits for the current period	165,260	-
Adjustments in respect of prior periods	-	(52,413)
Total current tax	165,260	(52,413)

CHARIS GRANTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

8 Taxation	(Continued)	
	2023 £	2022 £
Deferred tax		
Origination and reversal of timing differences	(15,237)	6,690
	<u> </u>	<u> </u>
Total tax charge/(credit)	150,023	(45,723)
	<u> </u>	<u> </u>

The actual charge/(credit) for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2023 £	2022 £
Profit before taxation	825,735	51,691
	<u> </u>	<u> </u>
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2022: 19.00%)	156,890	9,821
Tax effect of utilisation of tax losses not previously recognised	(2,295)	-
Unutilised tax losses carried forward	-	2,295
Effect of change in corporation tax rate	(1,249)	-
Group relief	(2,493)	-
Permanent capital allowances in excess of depreciation	(830)	(5,426)
Research and development tax credit	-	(52,413)
	<u> </u>	<u> </u>
Taxation charge/(credit) for the year	150,023	(45,723)
	<u> </u>	<u> </u>

CHARIS GRANTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

9 Intangible fixed assets

	Software £
Cost	
At 1 April 2022	-
Additions - internally developed	270,242
Transfers	90,636
	<hr/>
At 31 March 2023	360,878
	<hr/>
Amortisation and impairment	
At 1 April 2022	-
Amortisation charged for the year	55,832
Transfers	30,189
	<hr/>
At 31 March 2023	86,021
	<hr/>
Carrying amount	
At 31 March 2023	274,857
	<hr/> <hr/>
At 31 March 2022	-
	<hr/> <hr/>

10 Tangible fixed assets

	Fixtures, fittings & equipment £	Computer equipment £	Total £
Cost			
At 1 April 2022	703,107	500,780	1,203,887
Additions	10,813	13,610	24,423
Disposals	-	(472,040)	(472,040)
Transfers	-	(90,636)	(90,636)
	<hr/>	<hr/>	<hr/>
At 31 March 2023	713,920	(48,286)	665,634
	<hr/>	<hr/>	<hr/>
Depreciation and impairment			
At 1 April 2022	606,735	493,424	1,100,159
Depreciation charged in the year	2,226	39,196	41,422
Eliminated in respect of disposals	-	(471,757)	(471,757)
Transfers	-	(30,189)	(30,189)
	<hr/>	<hr/>	<hr/>
At 31 March 2023	608,961	30,674	639,635
	<hr/>	<hr/>	<hr/>
Carrying amount			
At 31 March 2023	104,959	(78,960)	25,999
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
At 31 March 2022	96,372	7,356	103,728
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

CHARIS GRANTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

11 Stocks

	2023 £	2022 £
Finished goods and goods for resale	1,500	62,955

12 Debtors

	2023 £	2022 £
Amounts falling due within one year:		
Trade debtors	674,521	682,037
Corporation tax recoverable	-	52,805
Other debtors	1,169,849	350,000
Prepayments and accrued income	159,399	37,294
	2,003,769	1,122,136
Deferred tax asset (note 16)	5,202	-
	2,008,971	1,122,136

13 Cash at bank and in hand

Charis Grants Limited manages, administers, and distributes funds and services on behalf of various organisations. Charis Grants Limited receives a fee for the management, administration, and distribution of these funds. At 31 March 2023 the company held funds of £3,433,299 (2022 - £1,666,522) in a separate bank account on behalf of these organisations. These funds are not included in these accounts.

14 Creditors: amounts falling due within one year

	Notes	2023 £	2022 £
Obligations under finance leases	15	-	4,107
Trade creditors		667,450	83,591
Amounts owed to group undertakings		844,015	1,110,038
Corporation tax		165,260	-
Other taxation and social security		291,922	248,191
Other creditors		10,392	(196,213)
Accruals and deferred income		856,875	678,666
		2,835,914	1,928,380

15 Finance lease obligations

	2023 £	2022 £
Future minimum lease payments due under finance leases:		
Within one year	-	4,107

CHARIS GRANTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

16 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon:

	Liabilities 2023 £	Liabilities 2022 £	Assets 2023 £	Assets 2022 £
Balances:				
Accelerated capital allowances	-	11,556	3,583	-
Retirement benefit obligations	-	(1,521)	1,619	-
	<u>-</u>	<u>10,035</u>	<u>5,202</u>	<u>-</u>
	<u>-</u>	<u>10,035</u>	<u>5,202</u>	<u>-</u>
Movements in the year:				2023 £
Liability at 1 April 2022				10,035
Credit to profit or loss				(15,237)
Asset at 31 March 2023				<u>(5,202)</u>

17 Retirement benefit schemes

	2023 £	2022 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	66,128	66,338
	<u>66,128</u>	<u>66,338</u>

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

18 Share capital

	2023 Number	2022 Number	2023 £	2022 £
Ordinary share capital Issued and fully paid				
"A" Ordinary shares of £1 each	1,000	1,000	1,000	1,000
	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>

CHARIS GRANTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

19 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2023	2022
	£	£
Within one year	64,500	85,130
Between two and five years	120,522	276,199
	<u>185,022</u>	<u>361,329</u>

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.