

Charity Registration No. 1075237

Company Registration No. 03484285 (England and Wales)

NORTHERN HULL COMMUNITY DEVELOPMENT LTD

**ANNUAL REPORT
AND UNAUDITED FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 MARCH 2022

**Fawley Judge & Easton
Chartered Certified Accountants
1 Parliament Street
Hull
East Yorkshire
HU1 2AS**

NORTHERN HULL COMMUNITY DEVELOPMENT LTD

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

Mrs Justina Oraka
Rev David Walker
Cllr S Wilson
Mrs J Brindley
Ms K Y Pickering
Mrs A K Cracknell
Mr T Bowler
Mr A Ware
Mr S Prince

Secretary

Mr D Woods

Charity number

1075237

Company number

03484285

Registered office

Comunity Resource Centre
501 Endike Lane
Hull
East Yorkshire
England
HU6 8AQ

Auditor

Fawley Judge & Easton
Chartered Certified Accountants
1 Parliament Street
Hull
East Yorkshire
HU1 2AS

NORTHERN HULL COMMUNITY DEVELOPMENT LTD

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NORTHERN HULL COMMUNITY DEVELOPMENT LTD

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2022

The trustees, present their report and the financial statements of the charity for the year ended 31 March 2017

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's the Charity's Constitution, the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with , the Financial Reporting Standard for Smaller Entities

Objectives and activities

The charity's objectives and principal activities are to:

- To support the growth capacity in the area, which will involve local residents and interested parties in the running of the organisations and projects in the HU6 area.
- To develop long term assets in the area, for the use of members of the community, for the delivery of the projects and for the generation of income to support the activity of the community and UIC and so reduce the dependency on short-term grant income.
- To develop projects that will increase the opportunities for HU6 residents through the development of employment based initiatives and through the delivery of training (both certificated and non-certificated)

The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

When planning our activities for the year the trustees have considered the charity commissions guidance on the public benefit and how those activities will contribute to the charities aims and objectives as detailed below.

The trustees have complied with the duty in section 17(5) of the charities Act 2011 to have due regard to public benefit guidance, as published by the charities commission.

The charity is established for the purpose of associating with local and national authorities, private sector, voluntary, community and other organisations in a common effort to aid social , sporting, environmental, culture, spiritual and economic development within Northern Hull.

Unity contracts - is the social enterprise of trading arm of UIC, and developed as part of the exit strategy of foundation for work the enterprise creates local jobs to support the development of a local quality building maintenance service offering support in moving people on in the employment market through work- based activity and on-site work experience, and underpinning the local economy in job creation and local service delivery.

The company has also been active in supporting projects and individuals in the area through its project and bursary funds, and by providing advice and assistance to local organisations in applying for funding.

The company has also been active by providing advice and support to local organisations in applying for funding.

The company has continued to build a portfolio of residential properties for let and intend to continue the activity through the next financial year as part of its asset building strategy.

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment within the charity continues and that the appropriate training is arranged. It is the policy of the charity that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

NORTHERN HULL COMMUNITY DEVELOPMENT LTD

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2022

Achievements and performance

During the year under review the company has: -

1. Become a Quasafe accredited centre in delivering a variety of training courses
2. Participated fully with all the Good Things Foundation promotional activities to increase computer and internet usage
3. Provided office accommodation as landlords for Tillymints
4. Awarded a number of residents and groups financial support through the Project and Bursary fund
5. Further developed the Asset Base of the company by investing in the purchase of residential properties to support families and social housing within the city
6. Awarded CLLD funding for 3 projects locally
7. Launched Flying Start with funding from the Community Led Local Development
8. Opened Unity Café within the Orchard Centre funded through Community Led Local Development
9. Launched Business Support through funding from the Community Led Local Development
10. Supported and housed 9 business tenants in 372 Greenwood Avenue
11. Delivered food parcels for the local community and residents
12. Awarded funding through Three Ridings to support local activities
13. Managed the Hull City Council Empty Homes project
14. Started negotiations with HCC to redevelop the George Ashton Site.

We have hosted a total of 1296 volunteer hours during the year.

Awarded the Duke of York Community Initiative Award in recognition of community work.

Supported the refugee service of Hull City Council in settling a number of families in the city.

NORTHERN HULL COMMUNITY DEVELOPMENT LTD

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2022

During the year under review we have worked in partnership with:

1. Locality
2. Hull City Council's Northern Area Team
3. The PCSO's
4. The Groves Neighbourhood Network
5. The Refugee Support Team, preparing properties for new arrivals
6. Community Triumph
7. Real Aid/FareShare, delivering food bags in the community.
8. Looking Good, Feeling Good
9. Hull Northern Social Club
10. No Dig Community Allotments
11. Humber Learning Consortium
12. The Business Culture Hull
13. Divine Clark PR
14. Hull City Council Regeneration
15. Kingswood High School
16. Kingswood Parks Primary School
17. Rainbow Garden

As part of fulfilling the companies objectives it has operated the Unity Contracts Division which generates income through the provision of building maintenance services to residents, community groups, Hull City Council and other registered social landlords. This provides a basis for offering training, skills and upgrading and work experience to HU6 residents and the unemployed. Unity Contracts have approached other organisations such as housing landlords, development trusts, charitable organisations and community groups and carried out works for them. Unity Contracts also works with the Asylum Support Team in support people into homes, training, skills upgrading and work experience to HU6 residents and the unemployed.

NORTHERN HULL COMMUNITY DEVELOPMENT LTD

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2022

Financial review

The financial statements are set out elsewhere in this report.

During the year under review the Company has a deficit of expenditure over income of £41,737 leaving the company with net assets of £1,143,832.

Reserves Policy

The Trustees seek to maintain a level of free reserves (that is funds not tied up in fixed assets and restricted funds) that will enable the Charity to sustain its operation over a period when the income generation maybe curtailed temporarily or permanently. The Trustees consider the most appropriate level to be 6 months expenditure on charitable objectives and management of the organisations and are striving to increase free reserves to this level given the growth of the organisation.

Deficit on the General Fund

The Trustees are endeavouring to put in place revenue streams which will enable this deficit to be reduced in the future. To the extent that this does not happen a transfer from the Endowment will be made for the previous years deficit in accordance with the business plan for the release of the funds to the Charity.

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The Trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

The Trustees are reviewing the major risks to which the Charity is exposed. Internal risks are minimised by the implementation of procedures for authorising transactions and projects, to ensure consistent quality of delivery for all operational aspects of the Charity. These procedures are periodically reviewed to ensure they meet the needs of the Charity

PLANS FOR FUTURE PERIODS

In accordance with the business plan UIC are looking to explore further income generating work and projects:

Unity Contracts - expanding in areas of handyman service to the elderly and disabled, facilities management, training in additional construction skills, support services, links to social firms and community groups, younger people and skills for life.

Allotments - It is intended to continue the work on the allotments via the dedicated and numerous volunteer hours provided and use the site to promote horticultural work experience through employment initiatives. The produce grown will contribute to health initiatives delivered in the area including Cook and Taste.

Property - The search to find suitable properties for purchases will continue to increase the assets/property portfolio and provide more social housing.

Computer Suite - It is hoped that we can build upon the success of the computer suite over the next 12 months and increase the number of UK on line registrations. We will continue delivering the ECDL accredited courses and have a more structured approach to training through the development of a timetable for the variety of courses delivered.

Greenwood Site – During the coming year it is expected that we will finalise the lease and secure funding which will allow the Charity to commence refurbishment of the property and grounds, which will move the project forward.

Work in partnership with Hull City Council to renovate empty properties within the City to bring them back into occupation.

NORTHERN HULL COMMUNITY DEVELOPMENT LTD

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2022

Structure, governance and management

The company Northern Hull Community Development Limited, which trades as Unity in Community (UIC) is a company limited by guarantee and a registered charity governed by its Memorandum and Articles of Association. It acts entirely as a non-profit making organisation

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:

Mrs Justina Oraka

Rev David Walker

Cllr S Wilson

Mrs J Brindley

Ms K Y Pickering

Mrs A K Cracknell

Mr T Bowler

Mr A Ware

Mr S Prince

Trustees are recruited from the local community and organisations and are elected to the Board at the Annual General Meeting. In accordance with the Memorandum and Articles of Association at the Annual General Meeting one-third of the directors will retire by rotation Mr D Walker and Mrs J Oraka being eligible offer themselves for re-election. A maximum of three new trustees may be co-opted onto the Board until the next Annual General meeting when they will retire and being eligible be nominated for reappointment by the members. The Trustees to retire by rotation shall be those who have served longest since their last appointment or re-appointment, but between persons who became or were last re-appointed Trustees on the same day those to retire shall be (unless they otherwise agree amongst themselves) be determined by all.

The company's current policy concerning the payment of trade creditors is to follow the CBI's Prompt Payers Code (copies are available from the CBI, Centre Point, 103 New Oxford Street, London WC1A 1DU).

The company's current policy concerning the payment of trade creditors is to:

- settle the terms of payment with suppliers when agreeing the terms of each transaction;
- ensure that suppliers are made aware of the terms of payment by inclusion of the relevant terms in contracts; and
- pay in accordance with the company's contractual and other legal obligations.

Trade creditors of the company at the year end were equivalent to 30 day's purchases, based on the average daily amount invoiced by suppliers during the year.

The Board of Trustees who are also the directors meet monthly to administer the Charity. They are supported by various sub-committees. The Finance Manager and Contracts Manager oversee the day to day operation of the Charity supported by paid staff and volunteers.

Employee involvement

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment within the charity continues and that the appropriate training is arranged. It is the policy of the charity that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

Auditor

A resolution proposing that Fawley Judge & Easton be reappointed as auditors of the company will be put to the members.

The Trustees' report was approved by the Board of Trustees.

NORTHERN HULL COMMUNITY DEVELOPMENT LTD

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2022

Mr S Prince

Trustee

Dated: 21 December 2022

S. Prince

NORTHERN HULL COMMUNITY DEVELOPMENT LTD

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2022

The Trustees, who are also the directors of Northern Hull Community Development Ltd for the purpose of company law, are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare accounts 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 accounts, 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts 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 accounts 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.

NORTHERN HULL COMMUNITY DEVELOPMENT LTD

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF NORTHERN HULL COMMUNITY DEVELOPMENT LTD

Opinion

We have audited the financial statements of Northern Hull Community Development Ltd (the 'charity') for the year ended 31 March 2022 which comprise the statement of financial activities, the summary income and expenditure account, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2022 and of its incoming resources and application of resources, 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

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 financial statements are authorised for issue.

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and 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.

NORTHERN HULL COMMUNITY DEVELOPMENT LTD

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF NORTHERN HULL COMMUNITY DEVELOPMENT LTD

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 145 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.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

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.

This report is made solely to the company's members, as a body, in accordance with section 391 of the Companies Act 2014. 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.



Jonathan Leathley (Senior Statutory Auditor)
for and on behalf of Fawley Judge & Easton

21 December 2022

Chartered Certified Accountants
Statutory Auditor
1 Parliament Street
Hull
East Yorkshire
HU1 2AS

NORTHERN HULL COMMUNITY DEVELOPMENT LTD

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF NORTHERN HULL COMMUNITY DEVELOPMENT LTD

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

NORTHERN HULL COMMUNITY DEVELOPMENT LTD

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2022

	Notes	Unrestricted funds 2022 £	Restricted funds 2022 £	Endowment funds 2022 £	Total Unrestricted funds 2022 £	Restricted funds 2021 £	Endowment funds 2021 £	Total 2021 £
<u>Income and endowments from:</u>								
Donations and legacies	3	100	-	-	100	-	-	-
Charitable activities	4	485,095	870,547	-	1,355,642	354,335	-	1,054,007
Investments	5	8,847	-	-	8,847	-	-	3,441
Other income	6	51,425	-	-	51,425	-	48,206	48,506
Total income and endowments		545,467	870,547	-	1,416,014	354,335	48,206	1,105,954
<u>Expenditure on:</u>								
Charitable activities	7	553,497	895,884	-	1,449,381	417,480	-	1,136,715
Other	12	7,695	-	-	7,695	-	-	10,976
Total expenditure		561,192	895,884	-	1,457,076	417,480	-	1,147,691
Net movement in funds		(15,725)	(25,337)	-	(41,062)	(63,145)	48,206	(41,737)
Net movement in funds		(15,725)	(25,337)	-	(41,062)	(63,145)	48,206	(41,737)
Fund balances at 1 April 2021		(5,337)	25,337	1,123,832	1,143,832	21,461	1,075,626	1,185,569
Fund balances at 31 March 2022		(21,062)	-	1,123,832	1,102,770	(5,337)	1,123,832	1,143,832

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

All income and expenditure derive from continuing activities.

NORTHERN HULL COMMUNITY DEVELOPMENT LTD

SUMMARY INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2022

	All income funds 2022 £	2021 £
Gross income	1,416,014	1,057,748
Total expenditure from income funds	1,457,076	1,147,691
Net expenditure for the year	(41,062)	(89,943)

NORTHERN HULL COMMUNITY DEVELOPMENT LTD

BALANCE SHEET

AS AT 31 MARCH 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	15	791,474		794,975	
Investments	16	237,022		237,022	
			1,028,496		1,031,997
Current assets					
Stocks	17	6,991		18,779	
Debtors	18	282,263		289,557	
Cash at bank and in hand		141,898		245,927	
			431,152		554,263
Creditors: amounts falling due within one year	20	191,460		266,775	
Net current assets			239,692		287,488
Total assets less current liabilities			1,268,188		1,319,485
Creditors: amounts falling due after more than one year	21		(165,418)		(175,653)
Net assets			1,102,770		1,143,833
Capital funds					
Endowment funds			1,123,832		1,123,832
Income funds					
Restricted funds			-		25,337
Unrestricted funds			(21,062)		(5,337)
			1,102,770		1,143,833

NORTHERN HULL COMMUNITY DEVELOPMENT LTD

BALANCE SHEET (CONTINUED)

AS AT 31 MARCH 2022

The financial statements were approved by the board of directors and authorised for issue on 21 December 2022 and are signed on its behalf by:

Mr S Prince
Trustee

A handwritten signature in black ink that reads "S. Prince". The signature is written in a cursive style with a large, looped 'P'.

Company Registration No. 03484285

NORTHERN HULL COMMUNITY DEVELOPMENT LTD

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2022

	Notes	2022 £	£	2021 £	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	26		(101,580)		19,663
Investing activities					
Purchase of tangible fixed assets		(1,061)		(5,099)	
Proceeds on disposal of tangible fixed assets		-		153,290	
Interest received		8,847		3,441	
Net cash generated from investing activities			7,786		151,632
Financing activities					
Repayment of bank loans		(10,235)		(173,427)	
Net cash used in financing activities			(10,235)		(173,427)
Net decrease in cash and cash equivalents			(104,029)		(2,132)
Cash and cash equivalents at beginning of year			245,927		248,058
Cash and cash equivalents at end of year			141,898		245,927

NORTHERN HULL COMMUNITY DEVELOPMENT LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

Charity information

Northern Hull Community Development Ltd is a private company limited by guarantee incorporated in England and Wales. The registered office is Community Resource Centre, 501 Endike Lane, Hull, East Yorkshire, HU6 8AQ, England.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's [governing document], the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities not to prepare a Statement of Cash Flows.

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, [modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value]. 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.

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

Designated funds are unrestricted funds earmarked by the management committee for particular purposes.

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

Endowed funds are assets donated to the charity to form a capital base to carry out its charitable objectives

1.4 Income

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.

NORTHERN HULL COMMUNITY DEVELOPMENT LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

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.

1.5 Expenditure

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.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

Resources expended are charged on an accruals basis, inclusive of irrecoverable Value Added Tax. Direct charitable expenditure comprises those costs directly incurred in pursuance of the Company's charitable activities, where the costs rightly belong to more than one activity an appropriate proportion is charged to each activity. Governance costs includes expenditure which is incurred meeting the constitutional and statutory requirements of the charity

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	Land is not depreciated Property 15 years
Fixtures, fittings & equipment	5 to 10 years
Motor Vehicles	4 years

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 the statement of financial activities.

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.8 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).

NORTHERN HULL COMMUNITY DEVELOPMENT LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

1.9 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.

1.10 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.

1.11 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.

NORTHERN HULL COMMUNITY DEVELOPMENT LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

1.12 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.

1.13 Retirement benefits

The Company operate a defined contribution pension scheme. The assets are held separately from those of the Company in an independently administered stakeholder scheme.

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

	Unrestricted funds	Total
	2022	2021
	£	£
Donations and gifts	100	-

NORTHERN HULL COMMUNITY DEVELOPMENT LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

4 Charitable activities

	Core		Property		Contracting		Total 2022		Core		Property		Contracting		Total 2021	
	2022	£	2022	£	2022	£	£	£	2021	£	2021	£	2021	£	2021	£
Sales within charitable activities	134,791		52,736		263,646		451,173		111,660		52,397		472,505		636,562	
Grants received	904,469		-		-		904,469		417,445		-		-		417,445	
	1,039,260		52,736		263,646		1,355,642		529,105		52,397		472,505		1,054,007	
Analysis by fund																
Unrestricted funds	168,713		52,736		263,646		485,095		174,770		52,397		472,505		699,672	
Restricted funds	870,547		-		-		870,547		354,335		-		-		354,335	
	1,039,260		52,736		263,646		1,355,642		529,105		52,397		472,505		1,054,007	

NORTHERN HULL COMMUNITY DEVELOPMENT LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

5 Investments

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
CAF Bond income	8,847	3,441

6 Other income

	funds £	funds £	2022 £	2021 £
Released from endowment funds	51,425	-	51,425	300
Net gain on disposal of tangible fixed assets	-	-	-	48,206
	51,425	-	51,425	48,506
For the year ended 31 March 2021	300	48,206		48,506

NORTHERN HULL COMMUNITY DEVELOPMENT LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

7 Charitable activities

	Core	Property Contracting		Empty Homes Project	Grant related	Total	Total
	2022	2022	2022	2022	2022	2022	2021
	£	£	£	£	£	£	£
Staff costs	211,506	-	59,603	-	-	271,109	228,077
Materials & consumables	49,346	125	134,781	-	-	184,252	178,168
Motor expenses	-	126	2,355	-	-	2,481	2,249
Stationery	3,277	-	18	-	-	3,295	397
Repairs and renewals	185,497	22,580	12,395	-	-	220,472	56,965
Rent	-	-	-	-	-	-	390
Travelling expenses	396	-	427	-	-	823	4,921
Rates	10,511	5,279	-	-	-	15,790	5,499
Light & Heat	10,412	2,640	2,056	-	-	15,108	11,112
Professional fees	64,741	-	-	-	-	64,741	105,622
Training	5,923	-	-	-	-	5,923	2,659
Marketing	-	-	-	-	-	-	2,738
Insurance	19,870	-	-	-	-	19,870	14,092
	561,479	30,750	211,635	-	-	803,864	612,889
Grant funding of activities (see note 8)	-	-	-	-	508,850	508,850	256,670
Share of support costs (see note 9)	131,952	-	-	-	-	131,952	262,018
Share of governance costs (see note 9)	4,715	-	-	-	-	4,715	5,138
	698,146	30,750	211,635	-	508,850	1,449,381	1,136,715
Analysis by fund							
Unrestricted funds	311,112	30,750	211,635	-	-	553,497	719,235

NORTHERN HULL COMMUNITY DEVELOPMENT LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

7 Charitable activities	(Continued)					
Restricted funds	387,034	-	-	-	508,850	895,884 417,480
	698,146	30,750	211,635	-	508,850	1,449,381 1,136,715
For the year ended 31 March 2021						
Unrestricted funds	413,853	47,122	258,130	130	-	719,235
Restricted funds	160,810	-	-	-	256,670	417,480
	574,663	47,122	258,130	130	256,670	1,136,715

NORTHERN HULL COMMUNITY DEVELOPMENT LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

8 Grants payable

	Grant related 2022 £	Grant related 2021 £
Grants to institutions:		
Grants to individuals	508,850	256,670
	<u>508,850</u>	<u>256,670</u>

-

9 Support costs

	Support costs £	Governance costs £	2022 £	2021 £	Basis of allocation
Staff costs	97,728	-	97,728	89,542	
Depreciation	4,562	-	4,562	11,920	
Light & heat	-	-	-	2,562	
Repairs & renewals	6,343	-	6,343	114,901	
Postage & stationery	2,730	-	2,730	4,611	
Telephone	5,099	-	5,099	4,044	
Cleaning and staff welfare	-	-	-	(86)	
Consultancy	2,400	-	2,400	15,351	
Other centre costs	1,759	-	1,759	6,319	
Bank interest	831	-	831	1,068	
Rent, rates and insurance	10,500	-	10,500	11,786	
Accountancy	-	4,715	4,715	5,138	Governance
	<u>131,952</u>	<u>4,715</u>	<u>136,667</u>	<u>267,156</u>	
Analysed between Charitable activities	<u>131,952</u>	<u>4,715</u>	<u>136,667</u>	<u>267,158</u>	

10 Trustees

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

NORTHERN HULL COMMUNITY DEVELOPMENT LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

11 Employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
	17	8
Employment costs	2022	2021
	£	£
Wages and salaries	357,932	306,738
Social security costs	8,562	2,159
Other pension costs	2,343	8,722
	368,837	317,619

There were no employees whose annual remuneration was more than £60,000.

12 Other

	2022	2021
	£	£
Financing costs	7,695	10,976
	7,695	10,976

13 Taxation

As a charity the company is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 256 of the Taxation of chargeable Gains Act 1992 to the extent that these are applied to its charitable objects - No tax charges have arisen in the charity

14 Transfers

The Trustees are endeavouring to put in place revenue streams which will enable this deficit to be reduced in the future. To the extent that this does not happen a transfer from the Endowment will be made for the previous years deficit in accordance with the business plan for the release of the funds to the Charity

NORTHERN HULL COMMUNITY DEVELOPMENT LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

15 Tangible fixed assets

	Land and buildings	Investment Property	Fixtures, Motor Vehicles fittings & equipment		Total
	£	£	£	£	£
Cost					
At 1 April 2021	189,074	710,000	92,637	26,376	1,018,087
Additions	-	-	1,061	-	1,061
At 31 March 2022	189,074	710,000	93,698	26,376	1,019,148
Depreciation and impairment					
At 1 April 2021	15,316	99,750	90,399	17,647	223,112
Depreciation charged in the year	-	-	486	4,076	4,562
At 31 March 2022	15,316	99,750	90,885	21,723	227,674
Carrying amount					
At 31 March 2022	173,758	610,250	2,813	4,653	791,474
At 31 March 2021	173,758	610,250	2,238	8,729	794,975

The freehold properties valued at £110,000 were donated to the Company by the North Hull Housing Action Trust. The Company is not at liberty to freely dispose of the properties. The restrictions imposed are set out in the land certificates, registration numbers HS232045 and HS213105.

Freehold land and buildings includes £861,584 of properties rented out on short term leases

16 Fixed asset investments

	Unlisted investments £
Cost or valuation	
At 1 April 2021 & 31 March 2022	237,022
Carrying amount	
At 31 March 2022	237,022
At 31 March 2021	237,022

17 Stocks

	2022 £	2021 £
Finished goods and goods for resale	6,991	18,779

NORTHERN HULL COMMUNITY DEVELOPMENT LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

18 Debtors

	2022 £	2021 £
Amounts falling due within one year:		
Trade debtors	282,224	289,518
Prepayments and accrued income	39	39
	<u>282,263</u>	<u>289,557</u>

19 Loans and overdrafts

	2022 £	2021 £
Bank loans	188,230	198,465
Payable within one year	22,812	22,812
Payable after one year	165,418	175,653

The long-term loans are secured by fixed charges over the following properties: 22 Bardshaw, 51 Bachelor Street, 10 Limedane, 49 Falkland Road, 154 Hall Road, 2 Isledane, 10 Jipdane, 5 Westway Avenue, 14 19th Avenue, 3 Jipdane, 3 Nashcourt, 19 Earls court.

20 Creditors: amounts falling due within one year

	Notes	2022 £	2021 £
Bank loans	19	22,812	22,812
Other taxation and social security		3,206	5,198
Trade creditors		13,948	184
Other creditors		13,138	8,375
Accruals and deferred income		138,356	230,206
		<u>191,460</u>	<u>266,775</u>

21 Creditors: amounts falling due after more than one year

	Notes	2022 £	2021 £
Bank loans	19	165,418	175,653

NORTHERN HULL COMMUNITY DEVELOPMENT LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

22 Endowment funds

	Balance at 1 April 2020	£	Incoming resources	£	Movement in funds	Resources expended	£	Transfers	£	Revaluations gains and losses	£	Balance at 1 April 2021	£	Incoming resources	£	Resources expended	£	Transfers	£	Revaluations gains and losses	£	Balance at 31 March 2022	£
Permanent endowments																							
	1,075,626	-	-	-	-	-	-	-	-	48,206	-	1,123,832	-	-	-	-	-	-	-	-	-	-	1,123,832
	1,075,626	-	-	-	-	-	-	-	-	48,206	-	1,123,832	-	-	-	-	-	-	-	-	-	-	1,123,832

The North Hull HAT endowment is the funds released to the charity to be used in accordance with the business plan April 2006 to March 2009

NORTHERN HULL COMMUNITY DEVELOPMENT LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

23 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			Balance at 31 March 2022
	Balance at 1 April 2020	Income	Expenditure	Balance at 1 April 2021	Income	Expenditure	
	£	£	£	£	£	£	£
Project and Bursary	7,734	-	(1,237)	1,237	-	(1,237)	-
Greenwood	5,084	37,788	(37,788)	12,388	-	(12,388)	-
Awards 4 All	1,422	9,900	(1,422)	11,322	-	(11,322)	-
Tesco - Allotment	3,820	-	(390)	390	-	(390)	-
Co-Op	426	-	-	-	-	-	-
CCLD - Ashton Close	69,996	-	(69,996)	-	-	-	-
Flying Start	-	31,865	(31,865)	-	-	-	-
Community Cafe	-	18,112	(18,112)	-	-	-	-
Energy Grants	-	-	-	-	585,380	(585,380)	-
Humber Learning Corporation	-	-	-	-	257,636	(257,636)	-
NHS	-	-	-	-	27,531	(27,531)	-
	<u>88,482</u>	<u>97,665</u>	<u>(160,810)</u>	<u>25,337</u>	<u>870,547</u>	<u>(895,884)</u>	<u>-</u>

The Bursary Fund and Community Fund are held to make small grants to community groups and residents who wish to further their training and education.

Greenwood Feasibility Study Fund is for a study on the Feasibility of investing in the Greenwood Avenue vacant Rent offices

NORTHERN HULL COMMUNITY DEVELOPMENT LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

24 Analysis of net assets between funds

Fund balances at 31 March 2022 are represented by:

	Unrestricted fund 2022 £	Restricted Funds 2022 £	Endowed Funds 2022 £	Total 2022 £	Unrestricted fund 2021 £	Restricted Funds 2021 £	Endowed Funds 2021 £	Total 2021 £
Tangible assets	791,474	-	-	791,474	794,975	-	-	794,975
Investments	237,022	-	-	237,022	237,022	-	-	237,022
Current assets/(liabilities)	239,692	-	-	239,692	287,488	-	-	287,488
Long term liabilities	(165,418)	-	-	(165,418)	(175,653)	-	-	(175,653)
	1,102,770	-	-	1,102,770	1,143,832	-	-	1,143,832

NORTHERN HULL COMMUNITY DEVELOPMENT LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

25 Related party transactions

Transactions with related parties

During the year the charity entered into the following transactions with related parties:

	2022 £	2021 £
Mrs J Brindley	-	33,000

Mrs J Brindley who is also a Trustee provided consultancy services to Northern Hull Community Development Limited during the year of £33,000.

26 Cash generated from operations

	2022 £	2021 £
Deficit for the year	(41,062)	(41,737)
Adjustments for:		
Investment income recognised in statement of financial activities	(8,847)	(3,441)
Gain on disposal of tangible fixed assets	-	(48,206)
Depreciation and impairment of tangible fixed assets	4,562	11,920
Movements in working capital:		
Decrease in stocks	11,788	-
Decrease/(increase) in debtors	7,294	(88,935)
(Decrease)/increase in creditors	(75,315)	190,062
Cash (absorbed by)/generated from operations	(101,580)	19,663