

THE HOPE FOUNDATION LIMITED

England & Wales · Charity number 1078607

Details

Status Registered

Legal form Charitable company

Company number [03141290](#)

Registered 1999-12-15

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

Contact

Address The Hope Foundation
1 Grange Road
Middlesbrough
TS1 5BA

Phone 01642232220

Website www.hope-foundation.org.uk

Activities

Objects: THE ADVANCEMENT OF EDUCATION, THE PROVISION OF OPPORTUNITIES FOR TRAINING, THE ADVANCEMENT OF RELIGION AND THE RELIEF OF POVERTY OF PERSONS ON LOW INCOME.

Activities: The restoration of Hope to the disadvantaged through education, creating opportunities for training and building peoples' self esteem through listening social inclusion/interaction and supporting in a non judgemental environment.

Classification

- **How:** Provides Human Resources, Provides Buildings/facilities/open Space, Provides Services, Provides Advocacy/advice/information
- **What:** General Charitable Purposes, Education/training, The Prevention Or Relief Of Poverty, Arts/culture/heritage/science, Economic/community Development/employment
- **Who:** Children/young People, Elderly/old People, People With Disabilities, People Of A Particular Ethnic Or Racial Origin, The General Public/mankind

Geography

- Middlesbrough

Finances

Period end	Income	Expenditure	Assets	Employees
2025-07-31	£692,682	£675,461	£696,053	19
2024-07-31	£608,833	£633,197	£678,832	17
2023-07-31	£517,814	£517,141	£703,196	14
2022-07-31	£514,088	£530,893	£702,523	16
2021-07-31	£636,862	£587,238	£719,328	18
2020-07-31	£667,819	£696,914	£669,704	21

Trustees

Name	Role	Appointed
Dr ANGELA JOY KNIGHT		2011-04-11
Gavin Rodgers		2022-03-22
JOHN KEARNEY		
Lynnette Pallent Sowerby		2014-06-16
PAUL John WINSTONE		2011-09-16

THE HOPE FOUNDATION LIMITED

England & Wales - Charity number 1078607

Accounts

Company registration number 03141290 (England and Wales)

Charity registration number 1078607 (England and Wales)

THE HOPE FOUNDATION LIMITED
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025

THE HOPE FOUNDATION LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

Mr P J Winstone
Mr J Kearney
Mrs L P Sowerby
Dr A Knight
Mr G Rodgers

Secretary

Mr J Kearney

Charity number

1078607

Company number

03141290

Registered office

Hope House
1 Grange Road
Middlesbrough
TS1 5BA

Independent examiner

AbacusBean Limited
Level Q
Surtees Business Park
Stockton on Tees
TS18 3HR

Bankers

Barclays Bank Plc
Unit 1 Centre Mall
The Mall
Middlesbrough
TS1 2NR

THE HOPE FOUNDATION LIMITED

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THE HOPE FOUNDATION LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 JULY 2025

The Trustees who are also directors of the charity for the purposes of the Companies Act 2006 present their annual report and financial statements for the year ended 31 July 2025.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's Memorandum and Articles of Association, 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)" (effective 1 January 2019).

Objectives and activities

Purposes and Aims of The Hope Foundation

From the Charities Commission Governing Document:

The advancement of education, the provision of opportunities for training, the advancement of religion and the relief of poverty of persons on low income.

Charity Aims

The aim of the charity is relieving poverty and helping provide hope and a purpose for local people. We do this by improving their identification of available opportunities, ability to access them and support for them to achieve their goals and targets in a supportive environment.

Specific aims include

- a) Raising aspirations, motivation and participation in social, educational and economic life
- b) Enabling people to address barriers including social, psychological, personal and health issues
- c) Increasing skills and employability
- d) Encouraging the integration of all sectors of the community
- e) Reducing loneliness and isolation
- f) Supporting people to progress into work, education or volunteering
- g) Helping people develop their confidence in themselves and their abilities
- h) Providing volunteering and work experience opportunities
- i) Working with a wide range of partners to meet individual and community need

This helps create a safer and stronger local community, helping address poverty, exclusion and disadvantage for local residents.

Public benefit

In shaping our objectives for the year and planning our activities, the trustees have considered the Charity Commission's guidance on public benefit. All work and services we carry out are for public benefit and the good of our local community. They are all to meet our aims and objectives.

Local Situation

Employment and Skills

Between the census of 2011 and 2021 the population of Middlesbrough has increased by 4% the 3rd largest percentage increase in the North East. 5.3% of the population are unemployed (economically active) across Middlesbrough compared to 3.7% nationally and 3.9% across the North East. The proportion claiming unemployment related benefits was 6.2% in March 2024. 29.2% of the population were economically inactive (retired, looking after the home or family being temporarily long term sick and disabled. This is higher than across the North East 24.2% and nationally 21.2%.

Health and Wellbeing

Employment, skills and poverty are important risk factors linked to health and wellbeing of local residents (Director of Health Report - mental health and emotional wellbeing in Middlesbrough 2014/15). Loneliness and isolation are societal issues. WHO defines mental health as the state of wellbeing in which every individual realises his or her own potential, can cope with the normal stresses of life, can work productively and fruitfully and is able to make a contribution to their community. There is a massive rise in mental health needs and drug and alcohol issues locally.

THE HOPE FOUNDATION LIMITED

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

FOR THE YEAR ENDED 31 JULY 2025

Achievements and performance

Significant activities and achievements against objectives

Activities, Projects and Services

The charity has continued to successfully develop its work, delivering services that make a difference in, and as part of, the Middlesbrough and Tees Valley community. By delivering our services we directly impact identified local issues in the 6th most deprived area in the country (index of Multiple Deprivation). We impact the index categories of Education, skills and training (IMD scores 13.5%), income deprivation (IMD 22.5%), employment deprivation (22.5%), health deprivation and disability (13.5%), barriers to housing and services domain (9.3%).

Our objectives are:

- To continually identify local need and facilitate the delivery of appropriate services to meet that need. We do that through our own delivery, collaboration or signposting to a wide range of partners ensuring we support people appropriately and in a holistic way.
- To meet the needs identified by enabling local residents to recognise and have the support they require and know how to achieve their aspirations, goals and targets in a safe and supportive environment.

Over the year we had an average of 16 employees all on charitable activities. We are able to provide services and activities with financial support through fundraising, grants, contracts and service level agreements, as well as working with partners and volunteers. The organisation continues to work hard to be sustainable and continue to respond to the increasing and changing community needs and funding landscape which continues to be particularly challenging as well as the increased costs of staff and premises. This year there has been real development in work with businesses and 'in kind support'.

Our current services/activities include but are not limited to:

1) a. Quality formal and informal teaching and learning opportunities

Middlesbrough College

The Hope Foundation delivers functional skills qualifications from entry 1 to level 2 including Maths, English and IT, alongside life skills around social skills, confidence and employability. Our teaching approach is accessible and provides learning in a supportive way. The community are able to take up opportunities to learn in a way that suits them and in a space that suits them. The majority of this work is funded through TVCA from the Adult Skills Budget as a subcontractor of Middlesbrough College.

Achievements in the year

We successfully adapted our delivery model to an online one to meet the changing needs caused by Covid and the government restrictions. Although this was difficult for learners and staff at the time this has resulted in a blended face to face and online blended model which has enabled us to provide a much more responsive teaching model and service. The contract was delivered successfully in the year with good outcomes.

The key strengths of the delivery are:

A very responsive management and staff team with a culture of flexibility, with an ability to make positive and timely changes, to ensure timely responses to contract and learner needs.

The quality of the teaching, learning and assessment is very good and learners do benefit from high expectations, engagement, care, support and motivation from the full staff team. Device and connectivity support is provided through our device library and furbdit project. Management, systems and processes and quality standards are excellent with very good reports from exam boards and other external audits.

b. Supporting the development of digital skills and use of technology to support inclusion and opportunity

We were able to distribute devices and engage learners that were most digitally excluded with data support provided through the databank and the Good Things Foundation.

Furbdit (renamed and rebranded in March 2025 to furbd)

The project is tackling digital exclusion and digital inequality by collecting, refurbishing and then re distributing computers, laptops, phones, tablets, printers and parts.

Partnership with The University of Teesside includes the project being based in the University Launchpad space since October 2022. This is on a 6 months renewable lease basis, in an entrepreneurial community helping start-ups and founders of new businesses.

THE HOPE FOUNDATION LIMITED

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

FOR THE YEAR ENDED 31 JULY 2025

Tees Valley Combined Authority UKSPF from April 2025 to March 2026

Furbd has been supported through UKSPF funds for 1 year to March 2026.

This has enabled the continued employment of the Business Development Manager, the technical support officer and a part time marketing officer and volunteer support. The support has also funded the rebrand and re view of the website to include the ability to sell devices to make the project more sustainable. furbd has built up links with businesses and statutory services as donors of redundant equipment. Many local agencies, working with the most vulnerable in society, have been recruited as distributors of the devices to the people they are working with. Local agencies have been recruited as drop off points including Middlesbrough libraries. Connectivity needs have been supported through the Good Things Foundation and the national data bank.

National Lottery Community Fund - Reaching Communities monies support furbd recycling and re distribution of IT to ensure digital inclusion through working with 120+ organisations working with the most vulnerable. The fund employs a Business Development Manager and support worker. The funds came to an end in March 2025.

The project is tackling digital exclusion and digital inequality by collecting, refurbishing and then re distributing computers, laptops, phones, tablets, printers and parts

Device Library

We have formed a device library which enables people to borrow tablets, lap tops and phones for specific purposes such as to do a course or other time limited activities. This is well used.

2) Information, advice and careers support

Our contract with Educational Development Trust (EDT) enables us to deliver through the government's National Careers Service. The service includes quality workshops, 1 to 1 appointments and drop in support. This contract is important in being able to help link local people with preparing for working life and to address their barriers, as well as further support into employment, training and volunteering opportunities. The service delivers in Middlesbrough. The current contract has continued to be delivered successfully.

3) Moving residents closer to and into employment, training and volunteering

A lot of our work is to help progress individuals to where they need to be, to achieve their goal. The employability support includes a CV workshop, work club and cybercafé. Through support with basic IT skills we help with using the internet and applying for jobs and recording job search activity. We have access to quality LMI (Labour Market Intelligence) and good local employer and training delivery knowledge. This work is supported through parts of the National Careers Service and Middlesbrough College contracts as well as the cybercafé and volunteer support.

4) Facilitating volunteer placement and work experience opportunities

The support of volunteers is key to the Charity's day to day operations. Volunteers and work experience opportunities are available in all areas of the delivery. This includes administration, reception, tutor support, café support, work club delivery, digital skills and activities. Volunteers provide added value to all areas of our work and helps us to be able to deliver quality services. For some this has proved to provide a pathway into employment. We have formal volunteers with a number of regular days supporting the work that goes on. We also have informal volunteering opportunities where people help on an ad hoc basis for example with handyman and garden roles

Digital Volunteers

All our volunteering uses aspects of IT. From logging hours to supporting people to access IT.

Partnership with the College and University has resulted in work experience and internships being offered. Current placements are for T level students, masters and degree students and level 3 technical students. The T level students are key to supporting the furbd contract.

In the year we calculated volunteers worked 4,192 hours for the Charity. At a notional cost of £11.70 per hour over the year this equates to a contribution of £48,331.

THE HOPE FOUNDATION LIMITED

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

FOR THE YEAR ENDED 31 JULY 2025

5) Providing activities and services that encourage participation and reduce loneliness and isolation

Café

The café is a safe space for the community of Hope and Middlesbrough town centre. This is where learners, staff and friends meet. Activities take place in this social space with internet access and accessible space for meals and drop in. The staff are supportive and they always find time to chat and make people welcome. As it seats about 35 people there is always a presence and people who come along soon make friends and are able to access support as required. We operate a subsidised kitchen with cheap home-made nutritious healthy meals. Many of our client group are on low incomes and the Kitchen/Café offers affordable meals and drinks and a welcoming meeting place.

Middlesbrough Mental Health Collective

The formal partnership has continued to grow with 10 partner voluntary organisations involved as part of the mental health transformation programme. The café and staff support many people with complex mental health and other issues who need a space to go and 'belong' and be 'seen'. The work is progressing with further funding this year. By linking up services, signposting and informal and formal support people are better served to have their needs met in terms of mental health support. We have community navigators through the NHS based in the centre once a week.

Cyber Café

The cyber café enables people to get access and support for digital skills. Hope 2 Work and CV workshops with the focus on finding work take place weekly. Other work includes tea and tech sessions, support to apply for jobs, how to use your device and support accessing online courses and learning.

Business in the Community

There has been ongoing support in the year through BITC. This has included work on the EPC with Hydrock and pro bono work with Ryders architects on the premises.

Centre for Warmth

April 2024 to March 2026 a project working with the Northern Gas Network is helping people with their utility bills tackling the cost of living and fuel crisis. By helping vulnerable people register on the priority service register and learn about the effects of carbon monoxide and also having access to carbon monoxide alarms residents are supported. Other benefits of the project include healthy eating and the distribution of slow cookers.

Community Healthy Hearts

This project is being headed up by The Hope Foundation with a range of partners on behalf of Middlesbrough Council and Public Health. The project has been extended to 2 years to March 2026.

6) Premises and Buildings

This year there have been major improvements to the premises. This included support through business in the community help with a new front door.

They also supported the new windows which were replaced and supported through support from Esh.

IT Infrastructure

There have been no significant changes in the year with the Cyber Security plus standard maintained. We are equipped to be able to upgrade to Windows 11.

THE HOPE FOUNDATION LIMITED

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

FOR THE YEAR ENDED 31 JULY 2025

Financial review

Overall it was a successful year with a number of concurrent projects being well delivered and financially resulted in an overall surplus for the year of £17,221 v a deficit of £24,364 prior year.

Total income increased £83,849 (13.8%) to £692,682 and total expenditure increased £42,264 (6.7%) to £675,461.

The Balance Sheet remains strong with a working capital ratio of 4:1. There are no long-term liabilities and a Total Funds Value of £696,053.

Post balance sheet there has been a major reorganisation due to the challenging funding environment. The Hope incurred a deficit of £123,609 for the 5 months to 31st December 2025 including £49,111 redundancy costs. The services have been reduced to match current expenditure and Hope remains in a strong financial position and has reserves in excess of 6 months current expenditure.

Reserves policy

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 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.

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The trustees are aware of the potential risks to the charity both financial and otherwise and implements strategies to control or minimise these risks. Regular reviews of risks and controls are undertaken.

Plans for future periods

There are continuing funding challenges in the current financial climate.

Post balance sheet date there has been a major restructure due to funding challenges. Hope House which was the base for a number of services was closed in November 2025 and a number of the staff made redundant. Hope House is to be put up for sale and new premises sourced for the ongoing furbd part of the Charity.

Some of the challenges in the year will be

- 1) To continue to address digital poverty and the needs of the local community in terms of digital skills through furbd.
- 2) To maintain the furbd staff team with the end of the UKSPF programme in March 2026.
- 3) To find fit for purpose premises for furbd and help to develop its sustainability through the e-commerce platform. Including dedicated premises.
- 4) New sources of funding are being continually sought to ensure adequate funding to maximise the delivery of our Purposes and Aims to the community. Adequate financial resources are held to meet current and future liabilities of the Charity and to fulfil our Reserves policy.

Structure, governance and management

Governing document

The organisation is a Christian based charitable company limited by guarantee, incorporated on the 27 December 1995 and registered as a charity on 15 December 1999. The company was established under a Memorandum of Association which establishes the objects and powers of the charitable company and is governed under its Articles of Association.

THE HOPE FOUNDATION LIMITED

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

FOR THE YEAR ENDED 31 JULY 2025

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:

Mr P J Winstone
Mr J Kearney
Mrs L P Sowerby
Dr A Knight
Mr G Rodgers

Recruitment and appointment of trustees

The directors of the charitable company are its trustees for the purposes of charity law and throughout the report are collectively referred to as the trustees.


The trustees are appointed according to the constitution of the organisation. One third of the trustees are required to retire from office at each AGM. A retiring trustee is eligible for re-election.

Organisational structure

The executive committee met 4 times between August 2024 and July 2025 to review activities, consider the financial position and to decide strategy and procedures.

The chief executive, who is responsible to and reports to the Executive Committee, oversees the day to day work of the charity.

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



Mr J Kearney
Trustee

Date: 24.4.2026

THE HOPE FOUNDATION LIMITED

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF THE HOPE FOUNDATION LIMITED

I report to the Trustees on my examination of the financial statements of The Hope Foundation Limited (the charity) for the year ended 31 July 2025.

Responsibilities and basis of report

As the Trustees of the charity (and also its directors for the purposes of company law), you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006.

Having satisfied myself that the financial statements of the charity are not required to be audited under Part 16 of the Companies Act 2006 and are eligible for independent examination, I report in respect of my examination of the charity's financial statements carried out under section 145 of the Charities Act 2011. In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the Charities Act 2011.

Independent examiner's statement

Since the charity's gross income exceeded £250,000, the independent examiner must be a member of a body listed in section 145 of the Charities Act 2011. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 386 of the Companies Act 2006.
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the accounting requirements of section 396 of the Companies Act 2006 other than any requirement that the financial statements give a true and fair view, which is not a matter considered as part of an independent examination; or
- 4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.



Beverley Goodall BA BFP FCA

AbacusBean Limited
Level Q
Surtees Business Park
Stockton on Tees
TS18 3HR

Dated: 29 April 2026

THE HOPE FOUNDATION LIMITED

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 31 JULY 2025

	Notes	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
Income and endowments from:							
<u>Charitable activities</u>							
Grants and contracts	3	262,091	305,022	567,113	271,645	249,572	521,217
Café income	3	46,395	-	46,395	45,092	-	45,092
Investments	4	15,003	-	15,003	8,490	-	8,490
Other income	5	64,151	20	64,171	34,034	-	34,034
Total income		387,640	305,042	692,682	359,261	249,572	608,833
Expenditure on:							
Charitable activities	6	398,325	277,136	675,461	392,195	241,002	633,197
Total expenditure		398,325	277,136	675,461	392,195	241,002	633,197
Net income/(expenditure)		(10,685)	27,906	17,221	(32,934)	8,570	(24,364)
Transfers between funds		-	-	-	43,517	(43,517)	-
Net movement in funds	8	(10,685)	27,906	17,221	10,583	(34,947)	(24,364)
Reconciliation of funds:							
Fund balances at 1 August 2024		651,919	26,913	678,832	641,336	61,860	703,196
Fund balances at 31 July 2025		641,234	54,819	696,053	651,919	26,913	678,832

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.

THE HOPE FOUNDATION LIMITED

BALANCE SHEET

AS AT 31 JULY 2025

	Notes	2025		2024	
		£	£	£	£
Fixed assets					
Tangible assets	12		347,432		359,727
Current assets					
Stocks	13	-		12,491	
Debtors	14	81,388		79,916	
Cash at bank and in hand		384,409		487,229	
		<u>465,797</u>		<u>579,636</u>	
Creditors: amounts falling due within one year	15	<u>(117,176)</u>		<u>(260,531)</u>	
Net current assets			348,621		319,105
Total assets less current liabilities			<u>696,053</u>		<u>678,832</u>
Net assets			<u>696,053</u>		<u>678,832</u>
The funds of the charity					
Restricted income funds	17		54,819		26,913
Unrestricted funds			641,234		651,919
			<u>696,053</u>		<u>678,832</u>

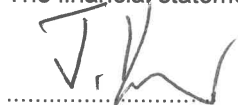
The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 July 2025.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements 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 24.4.2026



Mr J Kearney
Trustee

Company registration number 03141290 (England and Wales)

THE HOPE FOUNDATION LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 JULY 2025

	Notes	2025 £	£	2024 £	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	24		(107,086)		250,484
Investing activities					
Purchase of tangible fixed assets		(10,737)		(662)	
Investment income received		15,003		8,490	
Net cash generated from investing activities			4,266		7,828
Net cash generated from financing activities			-		-
Net (decrease)/increase in cash and cash equivalents			(102,820)		258,312
Cash and cash equivalents at beginning of year			487,229		228,917
Cash and cash equivalents at end of year			<u>384,409</u>		<u>487,229</u>

THE HOPE FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2025

1 Accounting policies

Charity information

The Hope Foundation Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is Hope House, 1 Grange Road, Middlesbrough, TS1 5BA

1.1 Basis of preparation

The financial statements have been prepared in accordance with the charity's Memorandum and Articles of Association, 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 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 or grantors 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.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

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.

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.

Gifts of fixed assets are included within donations in the Statement of Financial Activities at their estimated market value and capitalised in the balance sheet. Intangible income, which comprises donated services, is included in income at a valuation which is an estimate of the financial cost borne where such cost is quantifiable and measurable. No income is recognised when there is no financial cost borne by a third party.

Coronavirus Job Retention Scheme and other Covid support grants are accounted for on an accruals basis and are included in other income.

THE HOPE FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2025

1 Accounting policies

(Continued)

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.

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:

Freehold land and buildings	2% on cost on buildings
Fixtures and fittings	20% on reducing balance
Computers	50% on reducing balance and 20% on cost

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 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.

THE HOPE FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2025

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 Retirement benefits

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

1.13 Voluntary services

In addition to recorded incoming resources, the charity received the benefit of many voluntary hours and unclaimed out of pocket expenses contributed to by its supporters. It would be impossible to place a value on all these services and expenses, without which much of the work undertaken could not be achieved and for which the charity is extremely grateful.

THE HOPE FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2025

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 Income from charitable activities

	Grants and Café income contracts		Total	Grants and Café income contracts		Total
	2025	2025		2024	2024	
	£	£	£	£	£	£
Grants and contracts	567,113	-	567,113	521,217	-	521,217
Ancillary trading income	-	46,395	46,395	-	45,092	45,092
	<u>567,113</u>	<u>46,395</u>	<u>613,508</u>	<u>521,217</u>	<u>45,092</u>	<u>566,309</u>
Analysis by fund						
Unrestricted funds	262,091	46,395	308,486	271,645	45,092	316,737
Restricted funds	305,022	-	305,022	249,572	-	249,572
	<u>567,113</u>	<u>46,395</u>	<u>613,508</u>	<u>521,217</u>	<u>45,092</u>	<u>566,309</u>

4 Income from investments

	Unrestricted funds	Unrestricted funds
	2025	2024
	£	£
Interest receivable	15,003	8,490
	<u>15,003</u>	<u>8,490</u>

THE HOPE FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2025

5 Other income

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
Sundry income	44,945	20	44,965	25,589	-	25,589
Room hire	7,453	-	7,453	2,005	-	2,005
Car park	1,253	-	1,253	1,440	-	1,440
Employment allowance	10,500	-	10,500	5,000	-	5,000
	<u>64,151</u>	<u>20</u>	<u>64,171</u>	<u>34,034</u>	<u>-</u>	<u>34,034</u>

6 Expenditure on charitable activities

	Charitable expenditure 2025 £	Charitable expenditure 2024 £
Staff costs	453,425	395,858
Depreciation and impairment	23,032	29,768
Other charitable expenditure	168,246	171,046
	<u>644,703</u>	<u>596,672</u>
Share of support and governance costs (see note 7)		
Governance	30,758	36,525
	<u>675,461</u>	<u>633,197</u>
Analysis by fund		
Unrestricted funds	398,325	392,195
Restricted funds	277,136	241,002
	<u>675,461</u>	<u>633,197</u>

7 Support costs allocated to activities

	2025 £	2024 £
Governance costs	30,758	36,525
	<u>30,758</u>	<u>36,525</u>
Analysed between:		
Charitable expenditure	30,758	36,525
	<u>30,758</u>	<u>36,525</u>

THE HOPE FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2025

8	Net movement in funds	2025	2024
		£	£
	The net movement in funds is stated after charging/(crediting):		
	Fees payable to the charity's independent examiner:		
	- for the independent examination of the charity's financial statements	2,640	2,640
	- for other financial services	1,152	1,458
	Depreciation of owned tangible fixed assets	23,032	29,768
		<u> </u>	<u> </u>

9 Trustees

In the previous financial year, one or more of the trustees has been paid remuneration or has received other benefits from an employment with the charity. This remuneration was only received in respect of services they provide as employees under their contracts of employment and not in respect of their services as trustees. The value of trustees' remuneration and other benefits was as follows:

Mrs L P Sowerby

- Remuneration £Nil (2024: £807)
- Employer's pension contributions £Nil (2024: £22)

There were no expenses paid to trustees for the year ended 31 July 2025 nor for the year ended 31 July 2024.

10 Employees

The average monthly number of employees during the year was:

	2025	2024
	Number	Number
Charitable Activities	16	14
Management and administration	3	3
Total	<u>19</u>	<u>17</u>

Employment costs

	2025	2024
	£	£
Wages and salaries	409,788	364,824
Social security costs	45,176	33,886
Other pension costs	18,803	16,642
	<u>473,767</u>	<u>415,352</u>

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

THE HOPE FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2025

10 Employees

(Continued)

Remuneration of key management personnel

The remuneration of key management personnel was as follows:

	2025 £	2024 £
Aggregate compensation	55,122	53,975

11 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

12 Tangible fixed assets

	Freehold land and buildings £	Fixtures and fittings £	Computers £	Total £
Cost				
At 1 August 2024	557,262	201,496	68,243	827,001
Additions	10,737	-	-	10,737
At 31 July 2025	567,999	201,496	68,243	837,738
Depreciation and impairment				
At 1 August 2024	229,076	181,767	56,431	467,274
Depreciation charged in the year	10,779	3,928	8,325	23,032
At 31 July 2025	239,855	185,695	64,756	490,306
Carrying amount				
At 31 July 2025	328,144	15,801	3,487	347,432
At 31 July 2024	328,186	19,729	11,812	359,727

13 Stocks

	2025 £	2024 £
Raw materials and consumables	-	12,491

THE HOPE FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2025

14 Debtors		
	2025	2024
	£	£
Amounts falling due within one year:		
Trade debtors	9,767	46,728
Other debtors	13,160	359
Prepayments and accrued income	58,461	32,829
	<u>81,388</u>	<u>79,916</u>
	<u><u>81,388</u></u>	<u><u>79,916</u></u>
15 Creditors: amounts falling due within one year		
	2025	2024
	£	£
Other taxation and social security	8,477	5,430
Trade creditors	3,817	12,883
Accruals and deferred income	104,882	242,218
	<u>117,176</u>	<u>260,531</u>
	<u><u>117,176</u></u>	<u><u>260,531</u></u>
16 Retirement benefit schemes		
	2025	2024
	£	£
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	18,803	16,642
	<u>18,803</u>	<u>16,642</u>
	<u><u>18,803</u></u>	<u><u>16,642</u></u>

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.

THE HOPE FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2025

17 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	At 1 August 2024 £	Incoming resources £	Resources expended £	Transfers £	At 31 July 2025 £
Tees Valley Business Fund	812	-	(812)	-	-
CDCF National Emergencies Trust Covid 19 Fund	660	-	(660)	-	-
Awards for All (Fun, food and friendship)	3,263	-	(730)	-	2,533
Good Things Foundation - Everyone Thrives/Make it Click	300	-	(300)	-	-
Awards for All (2011 & 2013)	1,364	-	(171)	-	1,193
Big Lottery Fund	18,014	-	(172)	-	17,842
Good Things Foundation - Digital Inclusion Grant	2,500	-	(2,500)	-	-
Big Lottery - Furbd	-	46,410	(46,410)	-	-
BITC - Porch	-	20,000	(10,000)	-	10,000
DWP - Access4Work (Café)	-	8,050	(8,050)	-	-
Catherine Cookson Charitable Trust (Café)	-	750	-	-	750
Community Health Hearts	-	41,805	(41,805)	-	-
Middlesbrough Mela - Mapping Exercise	-	1,250	(985)	-	265
BITC - Furbd	-	4,000	(4,000)	-	-
TVCA - Furbd	-	44,500	(44,500)	-	-
Newcastle Building Society - Hope2Work	-	5,000	(2,899)	-	2,101
Northern Gas - Centre for Warmth	-	100,332	(100,332)	-	-
Red Balloons	-	2,500	(2,500)	-	-
Church Urban Fund - Tastes Like Home	-	4,345	(4,210)	-	135
Warm Space support	-	6,100	(6,100)	-	-
Esh Construction - Windows	-	20,000	-	-	20,000
	<u>26,913</u>	<u>305,042</u>	<u>(277,136)</u>	<u>-</u>	<u>54,819</u>

THE HOPE FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2025

17 Restricted funds

(Continued)

Previous year:	At 1 August 2023 £	Incoming resources £	Resources expended £	Transfers £	At 31 July 2024 £
Tees Valley Business Fund	2,432	-	(1,620)	-	812
CDCF National Emergencies Trust Covid 19 Fund	1,650	-	(990)	-	660
Awards for All (Fun, food and friendship)	4,113	-	(850)	-	3,263
Good Things Foundation- Everyone Thrives/Make It Click	600	-	(300)	-	300
Access Foundation	33,281	-	(33,281)	-	-
Awards for All (2013)	1,404	-	(138)	-	1,266
Awards for All (2011)	177	-	(79)	-	98
Big Lottery Fund	18,203	-	(189)	-	18,014
DWP - Access4Work (Cafe)	-	18,932	(18,932)	-	-
Good Things Foundation - Digital Inclusion Grant	-	6,000	(160)	(3,340)	2,500
Teesside University - Participatory Research Fund	-	2,500	(2,500)	-	-
Northern Gas - Centre for Warmth	-	14,287	(14,287)	-	-
Teesside University - Digital Inclusion Project	-	152,158	(120,047)	(32,111)	-
Big Lottery - Furbdit	-	55,695	(47,629)	(8,066)	-
	<u>61,860</u>	<u>249,572</u>	<u>(241,002)</u>	<u>(43,517)</u>	<u>26,913</u>

THE HOPE FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2025

17 Restricted funds

(Continued)

Restricted Funds

Tees Valley Business Fund (2020) - funding towards a new computer network. This fund is depreciated in line with the depreciation policy for the asset classes.

CDCF National Emergencies Trust Covid 19 Fund (2020) - purchase staff laptops to enable staff to work from home during the Covid lockdowns. This fund is depreciated in line with the depreciation policy for the asset classes.

Awards for All (Fun, food and friendship) (2020) - utilised in October 2021 to upgrade and get the café ready to reopen after Covid. This fund is depreciated in line with the depreciation policy for the asset classes.

Good Things Foundation- Everyone Thrives/Make it click (2020) - funding to help improve people's life and work outcomes through the use of digital technology. supply 4 computers and staff time.

CDCF National Emergencies Trust Covid 19 Fund (2020) - funded the development of www.furbdit.org.uk website to 1) records the collection of unwanted devices 2) manage the process of receiving and recycling devices 3) the distribution of the devices in the community.

Middlesbrough Council Covid Recovery Grant (2020) - supporting Middlesbrough residents coming out of Covid.

Awards for All (2013) - a capital grant for café and outdoor furniture and byke bins. This fund is depreciated in line with the depreciation policy for the asset classes.

Awards for All (2011) - a grant towards development of the cybercafé, reception and café area.

Big Lottery Fund (2007) - a grant to provide and refurbish a new classroom, purchase new equipment and contribution to overheads to support the integration and education project. This fund is depreciated with the depreciation policy for the asset classes.

Northern Gas - Centre for Warmth - helping people with their utility bills tackling the cost of living and fuel crisis. Helping vulnerable people register on the priority service register and learn about the effects of carbon monoxide and also having access to carbon monoxide alarms residents are supported. Other benefits of the project include healthy eating and the distribution of slow cookers.

Big Lottery - Furbd - monies support Furbd recycling and re distribution of IT to ensure digital inclusion through working with 120+ organisations working with the most vulnerable.

BITC - Porch - Grant funding for porch alterations.

Catherine Cookson Charitable Trust - Grant towards café alterations.

Newcastle Building Society Community Foundation - Grant to fund Hope2Work scheme.

Red Balloons - Grant to fund craft activities.

Church Urban Fund - Funding for 'Tastes Like Home' evenings featuring food from around the world.

Warm Space Support - funding for Warm Spaces, offering safe, heated environment when it is cold outside.

Esh Construction - Windows - Grant for new windows at Hope House.

THE HOPE FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2025

18 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 August 2024 £	Incoming resources £	Resources expended £	Transfers £	At 31 July 2025 £
General funds	651,919	387,640	(398,325)	-	641,234
	<u>651,919</u>	<u>387,640</u>	<u>(398,325)</u>	<u>-</u>	<u>641,234</u>
Previous year:	At 1 August 2023 £	Incoming resources £	Resources expended £	Transfers £	At 31 July 2024 £
General funds	641,336	359,261	(392,195)	43,517	651,919
	<u>641,336</u>	<u>359,261</u>	<u>(392,195)</u>	<u>43,517</u>	<u>651,919</u>

19 Analysis of net assets between funds

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £
At 31 July 2025:			
Tangible assets	315,864	31,568	347,432
Current assets/(liabilities)	325,370	23,251	348,621
	<u>641,234</u>	<u>54,819</u>	<u>696,053</u>
	<u>641,234</u>	<u>54,819</u>	<u>696,053</u>
	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
At 31 July 2024:			
Tangible assets	337,735	21,992	359,727
Current assets/(liabilities)	314,184	4,921	319,105
	<u>651,919</u>	<u>26,913</u>	<u>678,832</u>
	<u>651,919</u>	<u>26,913</u>	<u>678,832</u>

20 Contingent liabilities

Grants receivable may be repayable in part or in full if certain conditions associated with the grants are not met.

THE HOPE FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2025

21 Limited by guarantee

The company does not have share capital, but every member of the company undertakes to contribute such an amount, not exceeding £1, as may be required, to the assets of the company if it should be wound up while they are a member, or within one year after they cease as a member, for payment of the debts and liabilities of the company contracted before they cease as a member and the costs, charges and expenses of winding up, and for the adjustment of the rights for the contributories among themselves.

22 Events after the reporting date

Due to a challenging funding environment, there has been a major reorganisation of the charity after the balance sheet date. The charity recorded a deficit of £123,609 for the 5 months to 31st December 2025, which included £49,111 in redundancy costs. The charity's services have been reduced to match current expenditure and the property at Hope House has been placed on the market. The charity expects to continue to operate through its Furbd projects and 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.

23 Related party transactions

During the year, Sue Kearney, wife of John Kearney, a trustee, was paid remuneration in respect of services she provided as CEO under a contract of employment with the charity. Details are covered in note 10 under remuneration of key management personnel.

24 Cash (absorbed by)/generated from operations	2025 £	2024 £
Surplus/(deficit) for the year	17,221	(24,364)
Adjustments for:		
Investment income recognised in statement of financial activities	(15,003)	(8,490)
Depreciation and impairment of tangible fixed assets	23,032	29,768
Movements in working capital:		
Decrease/(increase) in stocks	12,491	(12,491)
(Increase)/decrease in debtors	(1,472)	29,236
(Decrease)/increase in creditors	(143,355)	236,825
Cash (absorbed by)/generated from operations	(107,086)	250,484

25 Analysis of changes in net funds

The charity had no material debt during the year.

THE HOPE FOUNDATION LIMITED

England & Wales - Charity number 1078607

Accounts

Charity registration number 1078607 (England and Wales)

Company registration number 03141290

THE HOPE FOUNDATION LIMITED
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024

THE HOPE FOUNDATION LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr P J Winstone Mr J Kearney Mrs L P Sowerby Dr A Knight Mr G Rodgers
Secretary	Mr J Kearney
Charity number	1078607
Company number	03141290
Registered office	Hope House 1 Grange Road Middlesbrough TS1 5BA
Independent examiner	AbacusBean Limited Level Q Surtees Business Park Stockton on Tees TS18 3HR
Bankers	Barclays Bank Plc Unit 1 Centre Mall The Mall Middlesbrough TS1 2NR

THE HOPE FOUNDATION LIMITED

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THE HOPE FOUNDATION LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 JULY 2024

The Trustees who are also directors of the charity for the purposes of the Companies Act 2006 present their annual report and financial statements for the year ended 31 July 2024.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's Memorandum and Articles of Association, 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)" (effective 1 January 2019).

Objectives and activities

Purposes and Aims of The Hope Foundation

From the Charities Commission Governing Document:

The advancement of education, the provision of opportunities for training, the advancement of religion and the relief of poverty of persons on low income.

Charity Aims

The aim of the charity is relieving poverty and helping provide hope and a purpose for local people. We do this by improving their identification of available opportunities, ability to access them and support for them to achieve their goals and targets in a supportive environment.

Specific aims include

- a) Raising aspirations, motivation and participation in social, educational and economic life
- b) Enabling people to address barriers including social, psychological, personal and health issues
- c) Increasing skills and employability
- d) Encouraging the integration of all sectors of the community
- e) Reducing loneliness and isolation
- f) Supporting people to progress into work, education or volunteering
- g) Helping people develop their confidence in themselves and their abilities
- h) Providing volunteering and work experience opportunities
- i) Working with a wide range of partners to meet individual and community need

This helps create a safer and stronger local community, helping address poverty, exclusion and disadvantage for local residents.

This year has been challenging due to the cost of living crisis and local issues around fuel food and digital poverty and giving to charity. The organisation has continued to be agile in responding to local need and the current financial situation. We have continued to achieve our aims adapting our work and methods of delivery to continue to meet the challenging and changing local need in a very difficult economic climate.

Public benefit

In shaping our objectives for the year and planning our activities, the trustees have considered the Charity Commission's guidance on public benefit. All work and services we carry out are for public benefit and the good of our local community. They are all to meet our aims and objectives.

THE HOPE FOUNDATION LIMITED

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

FOR THE YEAR ENDED 31 JULY 2024

Local Situation

Employment and Skills

Between the census of 2011 and 2021 the population of Middlesbrough has increased by 4% the 3rd largest percentage increase in the North East. 5.3% of the population are unemployed (economically active) across Middlesbrough compared to 3.7% nationally and 3.9% across the North East. The proportion claiming unemployment related benefits was 6.2% in March 2024. 29.2% of the population were economically inactive (retired, looking after the home or family being temporarily long term sick and disabled. This is higher than across the North East 24.2% and nationally 21.2%.

Health and Wellbeing

Employment, skills and poverty are important risk factors linked to health and wellbeing of local residents (Director of Health Report - mental health and emotional wellbeing in Middlesbrough 2014/15). Loneliness and isolation are societal issues. WHO defines mental health as the state of wellbeing in which every individual realises his or her own potential, can cope with the normal stresses of life, can work productively and fruitfully and is able to make a contribution to their community. There is a massive rise in mental health needs and drug and alcohol issues locally.

THE HOPE FOUNDATION LIMITED

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

FOR THE YEAR ENDED 31 JULY 2024

Achievements and performance

Significant activities and achievements against objectives

Activities, Projects and Services

The charity has continued to successfully develop its work, delivering services that make a difference in, and as part of, the Middlesbrough and Tees Valley community. By delivering our services we directly impact identified local issues in the 6th most deprived area in the country (index of Multiple Deprivation). We impact the index categories of Education, skills and training (IMD scores 13.5%), income deprivation (IMD 22.5%), employment deprivation (22.5%), health deprivation and disability (13.5%), barriers to housing and services domain (9.3%).

Our objectives are

- To continually identify local need and facilitate the delivery of appropriate services to meet that need. We do that through our own delivery, collaboration or signposting to a wide range of partners ensuring we support people appropriately and in a holistic way.
- To meet the needs identified by enabling local residents to recognise and have the support they require and know how to achieve their aspirations, goals and targets in a safe and supportive environment.

Over the year we had an average 14 employees on the charitable activities with 17 staff in total. We are able to provide services and activities with financial support through fundraising, grants, contracts and service level agreements, as well as working with partners and volunteers. The organisation continues to work hard to be sustainable and continue to respond to the increasing and changing community needs and funding landscape which continues to be particularly challenging as well as the increased costs of staff and premises. This year there has been real development in work with businesses and 'in kind support'.

Our current services/activities include but are not limited to:

1) a. Quality formal and informal teaching and learning opportunities

Middlesbrough College

The Hope Foundation delivers functional skills qualifications from entry 1 to level 2 including Maths, English and IT, alongside life skills around social skills, confidence and employability. Our teaching approach is accessible and provides learning in a supportive way. The community are able to take up opportunities to learn in a way that suits them and in a space that suits them. The majority of this work is funded through TVCA from the Adult Skills Budget as a subcontractor of Middlesbrough College.

Achievements in the year

We successfully adapted our delivery model to an online one to meet the changing needs caused by Covid and the government restrictions. Although this was difficult for learners and staff at the time this has resulted in a blended face to face and online blended model which has enabled us to provide a much more responsive teaching model and service.

We delivered 432 courses in the academic year to 141 learners and average of 3 qualifications per learner.

The Key strengths of the delivery are

A very responsive management and staff team with a culture of flexibility, with an ability to make positive and timely changes, to ensure timely responses to contract and learner needs.

The quality of the teaching, learning and assessment is very good and learners do benefit from high expectations, engagement, care, support and motivation from the full staff team. Device and connectivity support is provided through our device library and furbdit project. Management, systems and processes and quality standards are excellent with very good reports from exam boards and other external audits.

We conducted a pilot programme delivering ESOL for work with a cohort of learners funded through the RISE programme. The work was to bring together refugee needs around language and what they need to function well in employment. The course was very successful.

THE HOPE FOUNDATION LIMITED

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

FOR THE YEAR ENDED 31 JULY 2024

1) b. supporting the development of digital skills and use of technology to support inclusion and opportunity

We were able to distribute devices and engage learners that were most digitally excluded with data support provided through the databank and the Good Things Foundation.

Furbdit

This project www.furbdit.org.uk has continued to develop as it now has funded support with dedicated staff to work on the project.

National Lottery Community Fund - Reaching Communities monies support this computer recycling and re distribution project to ensure digital inclusion through working with 120+ organisations working with the most vulnerable. The fund employs a Business Development Manager and support worker but the funds come to an end in March 2025.

The project is tackling digital exclusion and digital inequality by collecting, refurbishing and then re distributing computers, laptops, phones, tablets, printers and parts.

Partnership with The University of Teesside has resulted in furbdit moving into the Launchpad space in October 2022. This is currently still on a 6 month renewable lease, in an entrepreneurial community helping start-ups and founders of new businesses.

Furbdit has built up links with businesses and statutory services as donors of redundant equipment. Many local agencies, working with the most vulnerable in society, have been recruited as distributors of the devices to the people they are working with. Local agencies have been recruited as drop off points including Middlesbrough libraries. Connectivity needs have been supported through the National data bank.

UK Social Prosperity Fund

The Hope Foundation was part of a partnership which in June 2023 was successful in accessing support through the UKSPF from Tees Valley Combined Authority. The main partners are The University of Teesside, The Hope Foundation and Good Things Foundation.

This feasibility project which ran until March 2024 helped to support furbd. Through the fund we were able to start the development of an ecommerce platform, rebrand furbdit to furbd, employ a technical manager, a part time volunteer manager and a digital officer. The work was very successful in raising the understanding of the impact of the furbd project in the local area. It also helped the development of work to make the project sustainable in the longer term. The University conducted the research as to local needs with the project looking at the issues through a feasibility study around digital exclusion and the 3 main pillars; the need for devices, connectivity and skills. The local authorities as part of the project explored different skills delivery models to meet local needs. At the end of the funds we have been able to sustain the digital inclusion officer as an IT tutor and the volunteer coordinator through our centre for warmth. Unfortunately we were unable to sustain the technical manager's role.

Device Library

We have formed a device library which enables people to borrow tablets, laptops and phones for specific purposes such as to do a course or other time limited activities. This is well used.

2) Information, advice and careers support

Our contract with Educational Development Trust (EDT) enables us to deliver through the government's National Careers Service. The service includes quality workshops, 1 to 1 appointments and drop in support. This contract is important in being able to help link local people with preparing for working life and to address their barriers, as well as further support into employment, training and volunteering opportunities. The service delivers in Middlesbrough. The current contract was renewed in March 2024 for a further year.

3) Moving residents closer to and into employment, training and volunteering

A lot of our work is to help progress individuals to where they need to be, to achieve their goal. The employability support includes a CV workshop, work club and cybercafé. Through support with basic IT skills we help with using the internet and applying for jobs and recording job search activity. We have access to quality LMI (Labour Market Intelligence) and good local employer and training delivery knowledge. This work is supported through parts of the National Careers Service and Middlesbrough College contracts as well as the cybercafé and volunteer support.

In the year, from the people we have supported these are the positive progression outcomes.

THE HOPE FOUNDATION LIMITED

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

FOR THE YEAR ENDED 31 JULY 2024

On average learners completed 3 qualifications with us.

We work with a wide range of organisations and the majority of our learners continue to work with other agencies for more complex life issues while still working with us. We are often part of a long journey.

4) Facilitating volunteer placement and work experience opportunities

The support of volunteers is key to the Charity's day to day operations. Volunteers and work experience opportunities are available in all areas of the delivery. This includes administration, reception, tutor support, café support, work club delivery, digital skills and activities. Volunteers provide added value to all areas of our work and helps us to be able to deliver quality services. For some this has proved to provide a pathway into employment. We have formal volunteers with a number of regular days supporting the work that goes on. We also have informal volunteering opportunities where people help on an ad hoc basis for example with handyman and garden roles.

Access Foundation

The support from the Access Foundation helped us to formalise our volunteering programme working with the new Volunteer Academy which has been set up locally. Through the support we are able to meet volunteer costs, provide training and support and develop routes into work and learning especially around digital skills.

Digital Volunteers

All our volunteering uses aspects of IT. From logging hours to supporting people to access IT.

Partnership with the College and University has resulted in work experience and internships being offered. Current placements are for T level students, masters and degree students and level 3 technical students. The T level students are key to supporting the furbd contract.

In the year we calculated volunteers worked 3,592 hours for the Charity. At a notional cost of £10.76 per hour over the period this equates to a contribution of approximately £38,650.

5) Providing activities and services that encourage participation and reduce loneliness and isolation

Our current social activities programme has continued to grow and develop with programmes across every day of the week. We are a member of fareshare and recycle unwanted food, which enables us to keep our café costs down, while providing an excellent healthy menu. We have a 'Snug' and warm space where people can attend who are having difficulties paying their bills. Activities occur weekly and include crafts, Bingo, a coffee morning, tea and technology drop in, board games, quiz and record club. These are delivered by volunteers with staff support. Various funds are accessed to help support the activities.

Café

The café is a safe space for the community of Hope and Middlesbrough town centre. This is where learners, staff and friends meet. Activities take place in this social space with internet access and accessible space for meals and drop in. The staff are supportive and they always find time to chat and make people welcome. As it seats about 35 people there is always a presence and people who come along soon make friends and are able to access support as required. We operate a subsidised kitchen with cheap home-made nutritious healthy meals. Many of our client group are on low incomes and the Kitchen/Café offers affordable meals and drinks and a welcoming meeting place.

Middlesbrough Mental Health Collective

The formal partnership has continued to grow with 10 partner voluntary organisations involved as part of the mental health transformation programme. The café and staff support many people with complex mental health and other issues who need a space to go and 'belong' and be 'seen'. The work is progressing with further funding this year. By linking up services, signposting and informal and formal support people are better served to have their needs met in terms of mental health support. We have community navigators through the NHS based in the centre once a week.

Cyber café

The cyber café enables people to get access and support for digital skills. Hope 2 Work and CV workshops with the focus on finding work take place weekly. Other work includes tea and tech sessions, support to apply for jobs, how to use your device and support accessing online courses and learning.

Centre for Warmth

April 2024 a new project working with the Northern Gas Network is helping people with their utility bills tackling the cost of living and fuel crisis. By helping vulnerable people register on the priority service register and learn about the effects of carbon monoxide and also having access to carbon monoxide alarms residents are supported. Other benefits of the project include healthy eating and the distribution of slow cookers.

THE HOPE FOUNDATION LIMITED

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

FOR THE YEAR ENDED 31 JULY 2024

6) Premises and Buildings

There have been ongoing general improvements to the building and internally to the premises in the year to better facilitate how the building is used to meet local need. This has included building works and redecoration of classrooms.

IT Infrastructure

There have been no significant changes in the year with the Cyber Security plus standard maintained. We are equipped to be able to upgrade to Windows 11.

Financial review

Unrestricted funds income decreased by £25,244 (7%). Restricted funds income increased by £116,263 (87%). Six new Restricted Funds were secured in the year (note 14).

Café income increased £14,664 (48%) as the café enjoyed increased patronage. Other income decreased by £15,762 (32%).

Overall total income increased by £91,019 (18%) with Unrestricted income making up 59% of total income vs 74% in the previous year, so there was a significant change in the make up of the funding streams accessed, to provide the services to meet the current needs of the local community.

Total resources expended were in line with the changing income streams and totalled £392,195 for Unrestricted funds expenditure and £241,002 for Restricted funds expenditure.

The net movement in funds for the year was an increase in Unrestricted funds of £10,583 and a decrease in Restricted funds of £34,947 which was a satisfactory outcome in a challenging year.

The balance sheet remains well geared with fixed assets at £359,727 with no debt and the working capital ratio is 2:1 with net current assets of £319,105 which meets the Charity's policy on reserves of 6 months expenditure.

Total funds at the balance sheet date were £678,832 (2023 £703,196).

Reserves policy

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 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.

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The trustees are aware of the potential risks to the charity both financial and otherwise and implements strategies to control or minimise these risks. Regular reviews of risks and controls are undertaken.

THE HOPE FOUNDATION LIMITED

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

FOR THE YEAR ENDED 31 JULY 2024

Plans for future periods

There are continuing funding challenges in the current financial climate. We are hopeful that we will be able to sustain our activities and the support of local people. Our confidence is based on a resilient staff team with a proven track record of delivery who have continually, over many years, responded in a timely and effective way to meet local need. Financially the Charity is strong which allows us to underpin our activity effectively

Some of the challenges in the year will be

- 1) To continue to address digital poverty and the needs of the local community in terms of digital skills with the end of the Big Lottery Funding support in March 2025.
- 2) Increase the management team of the charity to better meet the staff, charity and community needs.
- 3) To continue to provide and develop the social activities to help people regarding mental health and loneliness and isolation. This work linking in with partners and referral agencies while building on the work of the Mental Health Collective.
- 4) To continue to address food and fuel poverty to meet community need.
- 5) To maintain the staff team with the end of the UKSPF programme in March 2024 and the National Lottery Community Fund in March 2025.
- 6) To find fit for purpose premises for furbd and help to develop its sustainability through the e-commerce platform.
- 7) To develop the partnership with business in the community to review the current premises and potential cost savings through building improvements.
- 8) New sources of funding are being continually sought to ensure adequate funding to maximise the delivery of our Purposes and Aims to the community. Adequate financial resources are held to meet current and future liabilities of the Charity and to fulfil our Reserves policy.

Structure, governance and management

Governing document

The organisation is a Christian based charitable company limited by guarantee, incorporated on the 27 December 1995 and registered as a charity on 15 December 1999. The company was established under a Memorandum of Association which establishes the objects and powers of the charitable company and is governed under its Articles of Association.

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:

Mr P J Winstone
Mr J Kearney
Mrs L P Sowerby
Dr A Knight
Mr G Rodgers

Recruitment and appointment of trustees

The directors of the charitable company are its trustees for the purposes of charity law and throughout the report are collectively referred to as the trustees.

The trustees are appointed according to the constitution of the organisation. One third of the trustees are required to retire from office at each AGM. A retiring trustee is eligible for re-election.

THE HOPE FOUNDATION LIMITED

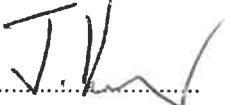
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 JULY 2024

Organisational structure

The executive committee met 4 times between August 2023 and July 2024 to review activities, consider the financial position and to decide strategy and procedures.

The chief executive, who is responsible to and reports to the Executive Committee, oversees the day to day work of the charity.

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



Mr J Kearney
Trustee

Date: 24/4/25

THE HOPE FOUNDATION LIMITED

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF THE HOPE FOUNDATION LIMITED

I report to the Trustees on my examination of the financial statements of The Hope Foundation Limited (the charity) for the year ended 31 July 2024.

Responsibilities and basis of report

As the Trustees of the charity (and also its directors for the purposes of company law), you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006.

Having satisfied myself that the financial statements of the charity are not required to be audited under Part 16 of the Companies Act 2006 and are eligible for independent examination, I report in respect of my examination of the charity's financial statements carried out under section 145 of the Charities Act 2011. In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the Charities Act 2011.

Independent examiner's statement

Since the charity's gross income exceeded £250,000, the independent examiner must be a member of a body listed in section 145 of the Charities Act 2011. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 386 of the Companies Act 2006.
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the accounting requirements of section 396 of the Companies Act 2006 other than any requirement that the financial statements give a true and fair view, which is not a matter considered as part of an independent examination; or
- 4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.

B Goodall

Beverley Goodall BA BFP FCA

AbacusBean Limited

Level Q

Surtees Business Park

Stockton on Tees

TS18 3HR

Dated: *24/4/25*

THE HOPE FOUNDATION LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 JULY 2024

	Notes	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
Income and endowments from:							
<u>Charitable activities</u>							
Grants and contracts	3	271,645	249,572	521,217	300,879	133,309	434,188
Café income	3	45,092	-	45,092	30,428	-	30,428
Investments	4	8,490	-	8,490	3,402	-	3,402
Other income	5	34,034	-	34,034	49,796	-	49,796
Total income		359,261	249,572	608,833	384,505	133,309	517,814
Expenditure on:							
Charitable activities	6	392,195	241,002	633,197	397,686	119,331	517,017
Other expenditure	12	-	-	-	124	-	124
Total expenditure		392,195	241,002	633,197	397,810	119,331	517,141
Net income/(expenditure)		(32,934)	8,570	(24,364)	(13,305)	13,978	673
Transfers between funds		43,517	(43,517)	-	-	-	-
Net movement in funds	8	10,583	(34,947)	(24,364)	(13,305)	13,978	673
Reconciliation of funds:							
Fund balances at 1 August 2023		641,336	61,860	703,196	654,641	47,882	702,523
Fund balances at 31 July 2024		651,919	26,913	678,832	641,336	61,860	703,196

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.

THE HOPE FOUNDATION LIMITED

BALANCE SHEET

AS AT 31 JULY 2024

	Notes	2024		2023	
		£	£	£	£
Fixed assets					
Tangible assets	13		359,727		388,833
Current assets					
Stocks	14	12,491		-	
Debtors	15	79,916		109,152	
Cash at bank and in hand		487,229		228,917	
		<u>579,636</u>		<u>338,069</u>	
Creditors: amounts falling due within one year	16	<u>(260,531)</u>		<u>(23,706)</u>	
Net current assets			<u>319,105</u>		<u>314,363</u>
Total assets less current liabilities			<u>678,832</u>		<u>703,196</u>
Net assets			<u>678,832</u>		<u>703,196</u>
The funds of the charity					
Restricted income funds	18		26,913		61,860
Unrestricted funds			651,919		641,336
			<u>678,832</u>		<u>703,196</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 2024.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements 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 24/4/25



Mr J Kearney
Trustee

Company registration number 03141290 (England and Wales)

THE HOPE FOUNDATION LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 JULY 2024

	Notes	2024 £	£	2023 £	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	24		250,484		(15,086)
Investing activities					
Purchase of tangible fixed assets		(662)		(1,944)	
Proceeds from disposal of tangible fixed assets		-		120	
Investment income received		8,490		3,402	
Net cash generated from investing activities			7,828		1,578
Net cash generated from financing activities			-		-
Net increase/(decrease) in cash and cash equivalents			258,312		(13,508)
Cash and cash equivalents at beginning of year			228,917		242,425
Cash and cash equivalents at end of year			487,229		228,917

THE HOPE FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2024

1 Accounting policies

Charity information

The Hope Foundation Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is Hope House, 1 Grange Road, Middlesbrough, TS1 5BA

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's Memorandum and Articles of Association, 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 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 or grantors 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.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

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.

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.

Gifts of fixed assets are included within donations in the Statement of Financial Activities at their estimated market value and capitalised in the balance sheet. Intangible income, which comprises donated services, is included in income at a valuation which is an estimate of the financial cost borne where such cost is quantifiable and measurable. No income is recognised when there is no financial cost borne by a third party.

Coronavirus Job Retention Scheme and other Covid support grants are accounted for on an accruals basis and are included in other income.

THE HOPE FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2024

1 Accounting policies

(Continued)

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.

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:

Freehold land and buildings	2% on cost on buildings
Fixtures and fittings	20% on reducing balance
Computers	50% on reducing balance and 20% on cost

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 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.

THE HOPE FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2024

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 Retirement benefits

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

1.13 Voluntary services

In addition to recorded incoming resources, the charity received the benefit of many voluntary hours and unclaimed out of pocket expenses contributed to by its supporters. It would be impossible to place a value on all these services and expenses, without which much of the work undertaken could not be achieved and for which the charity is extremely grateful.

THE HOPE FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2024

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 Income from charitable activities

	Grants and Café income contracts		Total	Grants and Café income contracts		Total
	2024	2024	2024	2023	2023	2023
	£	£	£	£	£	£
Services provided under contract	521,217	-	521,217	434,188	-	434,188
Ancillary trading income	-	45,092	45,092	-	30,428	30,428
	<u>521,217</u>	<u>45,092</u>	<u>566,309</u>	<u>434,188</u>	<u>30,428</u>	<u>464,616</u>
Analysis by fund						
Unrestricted funds	271,645	45,092	1,132,618	300,879	30,428	331,307
Restricted funds	249,572	-	249,572	133,309	-	133,309
	<u>521,217</u>	<u>45,092</u>	<u>1,382,190</u>	<u>434,188</u>	<u>30,428</u>	<u>464,616</u>

4 Income from investments

	Unrestricted funds	Unrestricted funds
	2024	2023
	£	£
Interest receivable	<u>8,490</u>	<u>3,402</u>

THE HOPE FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2024

5 Other income

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Sundry income	25,589	38,996
Room hire	2,005	4,260
Car park	1,440	1,540
Employment allowance	5,000	5,000
	<u>34,034</u>	<u>49,796</u>

6 Expenditure on charitable activities

	Charitable Expenditure 2024 £	Charitable Expenditure 2023 £
Staff costs	395,858	327,544
Depreciation and impairment	29,768	30,748
Other charitable expenditure	171,046	121,454
	<u>596,672</u>	<u>479,746</u>
Share of support and governance costs (see note 7)		
Governance	36,525	37,271
	<u>633,197</u>	<u>517,017</u>
Analysis by fund		
Unrestricted funds	392,195	397,686
Restricted funds	241,002	119,331
	<u>633,197</u>	<u>517,017</u>

7 Support costs allocated to activities

	2024 £	2023 £
Governance costs	36,525	37,271
Analysed between:		
Charitable Expenditure	<u>36,525</u>	<u>37,271</u>

THE HOPE FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2024

8	Net movement in funds	2024	2023
		£	£
	The net movement in funds is stated after charging/(crediting):		
	Fees payable for the independent examination of the charity's financial statements	2,640	2,640
	Depreciation of owned tangible fixed assets	29,768	30,748
	Loss on disposal of tangible fixed assets	-	124
		<u> </u>	<u> </u>

9 Trustees

One or more of the trustees has been paid remuneration or has received other benefits from an employment with the charity. This remuneration is only received in respect of services they provide as employees under their contracts of employment and not in respect of their services as trustees. The value of trustees' remuneration and other benefits was as follows:

Mrs L P Sowerby

- Remuneration £807 (2023: £6,353)
- Employer's pension contributions £22 (2023: £191)

There were no expenses paid to trustees for the year ended 31 July 2024 nor for the year ended 31 July 2023.

10 Employees

The average monthly number of employees during the year was:

	2024	2023
	Number	Number
Charitable Activities	14	11
Management and administration	3	3
Total	<u> </u>	<u> </u>
	17	14
	<u> </u>	<u> </u>

Employment costs

	2024	2023
	£	£
Wages and salaries	364,824	310,868
Social security costs	33,886	21,789
Other pension costs	16,642	13,018
	<u> </u>	<u> </u>
	415,352	345,675
	<u> </u>	<u> </u>

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

THE HOPE FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2024

10 Employees

(Continued)

Remuneration of key management personnel

The remuneration of key management personnel was as follows:

	2024 £	2023 £
Aggregate compensation	53,975	49,029

11 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

12 Other expenditure

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Net loss on disposal of tangible fixed assets	-	124
	-	124

13 Tangible fixed assets

	Freehold land and buildings £	Fixtures and fittings £	Computers £	Total £
Cost				
At 1 August 2023	557,262	200,834	68,243	826,339
Additions	-	662	-	662
At 31 July 2024	557,262	201,496	68,243	827,001
Depreciation and impairment				
At 1 August 2023	217,677	176,968	42,861	437,506
Depreciation charged in the year	11,399	4,799	13,570	29,768
At 31 July 2024	229,076	181,767	56,431	467,274
Carrying amount				
At 31 July 2024	328,186	19,729	11,812	359,727
At 31 July 2023	339,585	23,866	25,382	388,833

THE HOPE FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2024

14 Stocks	2024	2023
	£	£
Raw materials and consumables	12,491	-
	<u> </u>	<u> </u>
15 Debtors	2024	2023
Amounts falling due within one year:	£	£
Trade debtors	46,728	36,440
Other debtors	359	5,829
Prepayments and accrued income	32,829	66,883
	<u> </u>	<u> </u>
	79,916	109,152
	<u> </u>	<u> </u>
16 Creditors: amounts falling due within one year	2024	2023
	£	£
Other taxation and social security	5,430	5,268
Trade creditors	12,883	5,661
Accruals and deferred income	242,218	12,777
	<u> </u>	<u> </u>
	260,531	23,706
	<u> </u>	<u> </u>
17 Retirement benefit schemes	2024	2023
Defined contribution schemes	£	£
Charge to profit or loss in respect of defined contribution schemes	16,642	13,018
	<u> </u>	<u> </u>

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.

THE HOPE FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2024

18 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	At 1 August 2023 £	Incoming resources £	Resources expended £	Transfers £	At 31 July 2024 £
Tees Valley Business Fund	2,432	-	(1,620)	-	812
CDCF National Emergencies Trust Covid 19 Fund	1,650	-	(990)	-	660
Awards for All (Fun, food and friendship)	4,113	-	(850)	-	3,263
Good Things Foundation- Everyone Thrives/Make It Click	600	-	(300)	-	300
Access Foundation	33,281	-	(33,281)	-	-
Awards for All (2013)	1,404	-	(138)	-	1,266
Awards for All (2011)	177	-	(79)	-	98
Big Lottery Fund	18,203	-	(189)	-	18,014
DWP - Access4Work (Cafe)	-	18,932	(18,932)	-	-
Good Things Foundation - Digital Inclusion Grant	-	6,000	(160)	(3,340)	2,500
Teesside University - Participatory Research Fund	-	2,500	(2,500)	-	-
Northern Gas - Centre for Warmth	-	14,287	(14,287)	-	-
Teesside University - Digital Inclusion Project	-	152,158	(120,047)	(32,111)	-
Big Lottery - Furbdit	-	55,695	(47,629)	(8,066)	-
	<u>61,860</u>	<u>249,572</u>	<u>(241,002)</u>	<u>(43,517)</u>	<u>26,913</u>

THE HOPE FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2024

18 Restricted funds

(Continued)

Previous year:	At 1 August 2022 £	Incoming resources £	Resources expended £	Transfers £	At 31 July 2023 £
National Lottery Community Fund - Reaching Communities	-	61,252	(61,252)	-	-
CDCF/ Darlington Building Society	6,734	-	(6,734)	-	-
Thirteen	7,668	-	(7,668)	-	-
ESF Community Grant	-	4,721	(4,721)	-	-
Tees Valley Business Fund	4,052	-	(1,620)	-	2,432
CDCF National Emergencies Trust Covid 19 Fund	2,640	-	(990)	-	1,650
Awards for All (Fun, food and friendship)	5,141	-	(1,028)	-	4,113
Good Things Foundation- Everyone Thrives/Make it click	900	-	(300)	-	600
Access Foundation	-	40,736	(7,455)	-	33,281
Covid Recovery Grant (Middlesbrough Council)	565	-	(565)	-	-
Awards for All (2013)	1,491	-	(87)	-	1,404
Awards for All (2011)	278	-	(101)	-	177
Big Lottery Fund	18,413	-	(210)	-	18,203
UKSPF	-	26,600	(26,600)	-	-
	<u>47,882</u>	<u>133,309</u>	<u>(119,331)</u>	<u>-</u>	<u>61,860</u>

THE HOPE FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2024

18 Restricted funds

(Continued)

Restricted Funds

Community Fund (2022) - funding to employ two staff with a contribution to overheads to develop the work of Furbdit.

CDCF/Darlington Building Society (2022) - provision of a safe social space and activities for people to get involved and participate after Covid.

Community Fund (Big lottery Fund) Ageing Better Middlesbrough (2015-2022) - working with local residents who are aged 50+ to reduce loneliness and isolation and increase digital inclusion and community development.

Thirteen (2021) - funding to develop the work of furbdit

ESF Community Grant (2021) - to deliver information, advice and guidance to adults, in Tees Valley, enabling them to make better career choices.

CDCF Coronavirus Community Support Fund: Connectivity Rules (2022) - set up of a device library and connectivity support for people 1) shielding 2) self-isolating 3) no connectivity 4) lonely or isolated.

Tees Valley Business Fund (2020) - funding towards a new computer network. This fund is depreciated in line with the depreciation policy for the asset classes.

CDCF National Emergencies Trust Covid 19 Fund (2020) - purchase staff laptops to enable staff to work from home during the Covid lockdowns. This fund is depreciated in line with the depreciation policy for the asset classes.

Awards for All (Fun, food and friendship) (2020) - utilised in October 2021 to upgrade and get the café ready to reopen after Covid. This fund is depreciated in line with the depreciation policy for the asset classes.

Good Things Foundation- Everyone Thrives/Make it click (2020) - funding to help improve people's life and work outcomes through the use of digital technology. supply 4 computers and staff time.

CDCF National Emergencies Trust Covid 19 Fund (2020) - funded the development of www.furbdit.org.uk website to 1) records the collection of unwanted devices 2) manage the process of receiving and recycling devices 3) the distribution of the devices in the community.

Middlesbrough Council Covid Recovery Grant (2020) - supporting Middlesbrough residents coming out of Covid.

Awards for All (2013) - a capital grant for café and outdoor furniture and byke bins. This fund is depreciated in line with the depreciation policy for the asset classes.

Awards for All (2011) - a grant towards development of the cybercafé, reception and café area.

Big Lottery Fund (2007) - a grant to provide and refurbish a new classroom, purchase new equipment and contribution to overheads to support the integration and education project. This fund is depreciated with the depreciation policy for the asset classes.

Northern Gas - Centre for Warmth - helping people with their utility bills tackling the cost of living and fuel crisis. Helping vulnerable people register on the priority service register and learn about the effects of carbon monoxide and also having access to carbon monoxide alarms residents are supported. Other benefits of the project include healthy eating and the distribution of slow cookers.

THE HOPE FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2024

19 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 August 2023 £	Incoming resources £	Resources expended £	Transfers £	At 31 July 2024 £
General funds	641,336	359,261	(392,195)	43,517	651,919
Previous year:	At 1 August 2022 £	Incoming resources £	Resources expended £	Transfers £	At 31 July 2023 £
General funds	654,641	384,505	(397,810)	-	641,336

20 Analysis of net assets between funds

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
At 31 July 2024:			
Tangible assets	337,735	21,992	359,727
Current assets/(liabilities)	314,184	4,921	319,105
	651,919	26,913	678,832
	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
At 31 July 2023:			
Tangible assets	362,675	26,158	388,833
Current assets/(liabilities)	278,661	35,702	314,363
	641,336	61,860	703,196

21 Financial commitments, guarantees and contingent liabilities

Grants receivable may be repayable in part or in full if certain conditions associated with the grants are not met.

THE HOPE FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2024

22 Limited by guarantee

The company does not have share capital, but every member of the company undertakes to contribute such an amount, not exceeding £1, as may be required, to the assets of the company if it should be wound up while they are a member, or within one year after they cease as a member, for payment of the debts and liabilities of the company contracted before they cease as a member and the costs, charges and expenses of winding up, and for the adjustment of the rights for the contributories among themselves.

23 Related party transactions

During the year, Sue Kearney, wife of John Kearney, a trustee, was paid remuneration in respect of services she provided as CEO under a contract of employment with the charity. Details are covered in note 10 under remuneration of key management personnel.

24 Cash generated from/(absorbed by) operations	2024	2023
	£	£
(Deficit)/surplus for the year	(24,364)	673
Adjustments for:		
Investment income recognised in statement of financial activities	(8,490)	(3,402)
(Gain)/loss on disposal of tangible fixed assets	-	124
Depreciation and impairment of tangible fixed assets	29,768	30,748
Movements in working capital:		
(Increase) in stocks	(12,491)	-
Decrease/(increase) in debtors	29,236	(42,280)
Increase/(decrease) in creditors	236,825	(949)
Cash generated from/(absorbed by) operations	<u>250,484</u>	<u>(15,086)</u>

25 Analysis of changes in net funds

The charity had no material debt during the year.

THE HOPE FOUNDATION LIMITED

England & Wales - Charity number 1078607

Accounts

Charity registration number 1078607

Company registration number 03141290 (England and Wales)

THE HOPE FOUNDATION LIMITED
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023

THE HOPE FOUNDATION LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr P J Winstone Mr J Kearney Mrs L P Sowerby Dr A Knight Mr G Rodgers
Secretary	Mr J Kearney
Charity number	1078607
Company number	03141290
Registered office	Hope House 1 Grange Road Middlesbrough TS1 5BA
Independent examiner	AbacusBean Limited Level Q Surtees Business Park Stockton on Tees TS18 3HR
Bankers	Barclays Bank Plc Unit 1 Centre Mall The Mall Middlesbrough TS1 2NR

THE HOPE FOUNDATION LIMITED

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THE HOPE FOUNDATION LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 JULY 2023

The Trustees who are also directors of the charity for the purposes of the Companies Act 2006 present their annual report and financial statements for the year ended 31 July 2023.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's Memorandum and Articles of Association, 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)" (effective 1 January 2019).

Objectives and activities

Purposes and Aims of The Hope Foundation

From the Charities Commission Governing Document:

The advancement of education, the provision of opportunities for training, the advancement of religion and the relief of poverty of persons on low income.

Charity Aims

The aim of the charity is relieving poverty and helping provide hope and a purpose for local people. We do this by improving their identification of available opportunities, ability to access them and support for them to achieve their goals and targets in a supportive environment.

Specific aims include

- a) Raising aspirations, motivation and participation in social, educational and economic life
- b) Enabling people to address barriers including social, psychological, personal and health issues
- c) Increasing skills and employability
- d) Encouraging the integration of all sectors of the community
- e) Reducing loneliness and isolation
- f) Supporting people to progress into work, education or volunteering
- g) Helping people develop their confidence in themselves and their abilities
- h) Providing volunteering and work experience opportunities
- i) Working with a wide range of partners to meet individual and community need

This helps create a safer and stronger local community, helping address poverty, exclusion and disadvantage for local residents.

This year has been challenging due to the cost of living crisis and local issues around fuel food and digital poverty and giving to charity. The organisation has continued to be agile in responding to local need and the current financial situation. We have continued to achieve our aims adapting our work and methods of delivery to continue to meet the challenging and changing local need in a very difficult economic climate.

Public benefit

In shaping our objectives for the year and planning our activities, the trustees have considered the Charity Commission's guidance on public benefit. All work and services we carry out are for public benefit and the good of our local community. They are all to meet our aims and objectives.

THE HOPE FOUNDATION LIMITED

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

FOR THE YEAR ENDED 31 JULY 2023

Local Situation

Employment and Skills

The census data shows that 29.9% of Middlesbrough residents have no qualifications against the rest of England (22.7%) with 18.5% having an NVQ 4 or higher against the national average 27.2%. 7.8% of local people have never worked against the national average of 4.4% with 31.1% of local residents in full time work, compared to 38.5% nationally. None pensioner households with no workers are 28.3% against the national average of 16.1%. 16.8% of working age people in Middlesbrough are living with a limiting long-term illness against the national average of 13%.

Health and Wellbeing

Employment, skills and poverty are important risk factors linked to health and wellbeing of local residents (Director of Health Report - mental health and emotional wellbeing in Middlesbrough 2014/15). Loneliness and isolation are societal issues. WHO defines mental health as the state of wellbeing in which every individual realises his or her own potential, can cope with the normal stresses of life, can work productively and fruitfully and is able to make a contribution to their community. There is a massive rise in mental health and drug and alcohol issues.

THE HOPE FOUNDATION LIMITED

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

FOR THE YEAR ENDED 31 JULY 2023

Achievements and performance

Significant activities and achievements against objectives

Activities, Projects and Services

The charity has continued to successfully develop its work, delivering services that make a difference in, and as part of, the Middlesbrough and Tees Valley community. By delivering our services we directly impact identified local issues in the 6th most deprived area in the country (Index of Multiple Deprivation). We impact the index categories of Education, skills and training (IMD scores 13.5%), income deprivation (IMD 22.5%), employment deprivation (22.5%), health deprivation and disability (13.5%), barriers to housing and services domain (9.3%).

Our objectives are

- To continually identify local need and facilitate the delivery of appropriate services to meet that need. We do that through our own delivery, collaboration or signposting to a wide range of partners ensuring we support people appropriately and in a holistic way.
- To meet the needs identified by enabling local residents to recognise and have the support they require and know how to achieve their aspirations, goals and targets in a safe and supportive environment.

Over the year we had an average of 11 employees working on the charitable activities. We are able to provide services and activities with financial support through fundraising, grants, contracts and service level agreements, as well as working with partners and volunteers. The organisation continues to work hard to be sustainable and continue to respond to the increasing and changing community needs and funding landscape which continues to be particularly challenging as well as the increased costs of staff and premises. This year there has been real development in work with businesses and 'in kind support'.

Our current services/activities include but are not limited to:

1) a. Quality formal and informal teaching and learning opportunities

Middlesbrough College

The Hope Foundation delivers functional skills qualifications from entry 1 to level 2 including Maths, English and IT, alongside life skills around social skills, confidence and employability. Our teaching approach is accessible and provides learning in a supportive way. The community are able to take up opportunities to learn in a way that suits them and in a space that suits them. The majority of this work is funded through TVCA from the Adult Skills Budget as a subcontractor of Middlesbrough College.

Achievements in the year

We successfully adapted our delivery model to an online one to meet the changing needs caused by Covid and the government restrictions. Although this was difficult for learners and staff at the time this has resulted in a blended face to face and online blended model which has enabled us to provide a much more responsive teaching model and service.

We delivered 492 courses in the academic year.

The Key strengths of the delivery are

A very responsive management and staff team with a culture of flexibility, ability to make positive and timely changes, ensures timely responses to contract and learner needs is evident.

The quality of the teaching, learning and assessment is very good and learners do benefit from high expectations, engagement, care, support and motivation from the full staff team. Device and connectivity support is provided through our device library and furdit project. Management, systems and processes and quality standards are excellent with very good reports from exam boards and other external audits.

We conducted a pilot programme delivering ESOL for work with a cohort of learners funded through the RISE programme. The work was to bring together refugee needs around language and what they need to function well in employment.

The course was very successful.

THE HOPE FOUNDATION LIMITED

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

FOR THE YEAR ENDED 31 JULY 2023

1) b. supporting the development of digital skills and use of technology to support inclusion and opportunity

NHS Project

March 22 to 23 a partnership with local GP's, at the Holgate practice, led to a quality report being produced for the NHS, which identified the barriers for people using the online services offered through the GP. A staff member worked 2.5 days a week collecting and analysing data as well as supporting patients to learn to use the NHS for example to order prescriptions and have online consultations. This project is now finished.

Furbdit

This project www.furbdit.org.uk has continued to develop as it now has funded support with dedicated staff to work on the project.

National Lottery Community Fund - Reaching Communities is supporting this computer recycling and distribution project by employing a Business Development Manager and support worker until March 2025.

The project is tackling digital exclusion and digital inequality by collecting, refurbishing and then re distributing computers, laptops, phones, tablets, printers and parts

Partnership with The University of Teesside has resulted in furbdit moving into the Launchpad space in October 2022. This is on a 6 month renewable lease, in an entrepreneurial community helping start-ups and founders of new businesses.

Furbdit has built up links with businesses and statutory services as donors of redundant equipment. Many local agencies, working with the most vulnerable in society, have been recruited as distributors of the devices to the people they are working with. Local agencies have been recruited as drop off points including Middlesbrough libraries. Connectivity has been supported through the National data bank.

UK Social Prosperity Fund

In June 2023 a local partnership, led by the University of Teesside, was successful in accessing support through the UKSPF from Tees Valley Combined Authority. The main partners are The University of Teesside, The Hope Foundation and Good Things Foundation.

This is a feasibility project which will run until March 2024. Through the fund we are developing an e-commerce platform, rebranding furbdit, including a new name furbd, employing a technical manager, a part time volunteer manager and a digital officer. The work is to increase the impact of the project and to make it sustainable in the longer term. The University is conducting research around digital inclusion and Good Things Foundation are helping with skills and connectivity with the local authorities exploring skills delivery models and local needs.

Device Library

We have formed a device library which enables people to borrow tablets, laptops and phones for specific purposes such as to do a course or other time limited activities. This is well used.

2) Information, advice and careers support

Our contract with Educational Development Trust (EDT) enables us to deliver through the government's National Careers Service. The service includes quality workshops, 1 to 1 appointments and drop in support. This contract is important in being able to help link local people with preparing for working life and to address their barriers, as well as further support into employment, training and volunteering opportunities. The service delivers in Middlesbrough and in Grangetown to local residents. The current contract is renewable in March 2024.

ESF Community Grant

This work was to concentrate the support for job seekers and was awarded and completed in 2021. The programme was successful with the targets met. The final payment was made in this financial year.

3) Moving residents closer to and into employment, training and volunteering

A lot of our work is to help progress individuals to where they need to be, to achieve their goal. The employability support includes a CV workshop, work club and cybercafé. Through support with basic IT skills we help with using the internet and applying for jobs and recording job search activity. We have access to quality LMI (Labour Market Intelligence) and good local employer and training delivery knowledge. This work is supported through parts of the National Careers Service and Middlesbrough College contracts as well as the cybercafé and volunteer support.

In the year, from the people we have supported these are the positive progression outcomes.

THE HOPE FOUNDATION LIMITED

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

FOR THE YEAR ENDED 31 JULY 2023

On average learners completed 3 qualifications with us.

We work with a wide range of organisations and the majority of our learners continue to work with other agencies for more complex life issues while still working with us. We are often part of a long journey.

4) Facilitating volunteer placement and work experience opportunities

The support of volunteers is key to the Charity's day to day operations. Volunteers and work experience opportunities are available in all areas of the delivery. This includes administration, reception, tutor support, café support, work club delivery, digital skills and activities. Volunteers provide added value to all areas of our work and helps us to be able to deliver quality services. For some this has proved to provide a pathway into employment. We have formal volunteers with a number of regular days supporting the work that goes on. We also have informal volunteering opportunities where people help on an ad hoc basis for example with handyman and garden roles.

Access Foundation

The support from the Access Foundation is helping us to formalise our volunteering programme working with the new Volunteer Academy which has been set up locally. Through the support we are able to meet volunteer costs, provide training and support and develop routes into work and learning especially around digital skills.

Digital Volunteers

All our volunteering uses aspects of IT. From logging hours to supporting people to access IT.

Partnership with the College and University has resulted in work experience and internships being offered. Current placements are for T level students, masters and degree students and level 3 technical students.

In the year we calculated volunteers worked 1,477 hours for the Charity. At a notional cost of £9.50 per hour this equates to a contribution of approximately £14,031.50.

5) Providing activities and services that encourage participation and reduce loneliness and isolation

Our current social activities programme has continued to grow and develop with programmes across every day of the week. We are a member of fareshare and recycle unwanted food, which enables us to keep our costs down, while providing an excellent healthy menu. We have also set up a 'Snug' through private fundraising to provide a warm space to help people who are having difficulties paying their bills. Activities occur weekly and include crafts, Bingo, a coffee morning, tea and technology drop in, board games, quiz and record club. These are delivered by volunteers with staff support.

Café

The café is key for the community of Hope and Middlesbrough town centre. This is where learners, staff and friends meet. Activities take place in this social space with internet access and accessible space for meals and drop in. The staff are supportive and they always find time to chat and make people welcome. As it seats about 35 people there is always a presence and people who come along soon make friends and are able to access support as required. We operate a subsidised kitchen with cheap home-made nutritious healthy meals. Many of our client group are on low incomes and the Kitchen/Café offers affordable meals and drinks and a welcoming meeting place.

Middlesbrough Mental Health Collective

A new formal partnership of VCS organisations has been set up to support the national Health transformation programme. The café and staff support many people with complex issues who need a space to go and 'belong' and be 'seen'. The work has started and will continue with a years funding currently. By linking up services, signposting and informal and formal support people are better served to have their needs met in terms of mental health support.

Cyber café

The cyber café enables people to get access and support for digital skills. Hope 2 Work and CV workshops with the focus on finding work take place weekly. Other work includes tea and tech sessions, support to apply for jobs, how to use your device and support accessing online courses and learning.

6) Premises and Buildings

There have been ongoing general improvements to the building and internally to the premises in the year to better facilitate how the building is used to meet local need. This has included building works and redecoration of many areas.

THE HOPE FOUNDATION LIMITED

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

FOR THE YEAR ENDED 31 JULY 2023

Financial review

Unrestricted funds income increased by £83,080 (28%) as a result of new sources of income successfully accessed by our CEO. Restricted funds income reduced by £79,354 (37%) due to the completion of the ABM contract in March 2022. Two new Restricted Funds were secured in the year (note 14) including UKSPF, which came on stream shortly before 31st July 2023, and will contribute significantly to 2023-2024.

Café income increased £10,261 (51%) as the café was open the full year compared to 10 months in the previous year and the café enjoyed increased patronage. Other income increased £17,929 (56%) principally due to Access to Work funding received.

Overall total income increased by £3,726 (1%) but Unrestricted income was 74% of total income v 59% in the previous year, so there was a significant change in the make up of the funding streams accessed, to provide the services to meet the current needs of the local community.

Total resources expended were in line with the changing income streams and totalled £397,810 for Unrestricted funds expenditure and £119,331 for Restricted funds expenditure.

The net movement in funds for the year was a decrease in Unrestricted funds of £13,305 and an increase in Restricted funds of £13,978 which was a satisfactory outcome in a challenging year.

The balance sheet remains well geared with fixed assets at £388,833 with no liabilities and the working capital ratio is 14:1 with net current assets of £314,363 which meets the Charity's policy on reserves of 6 months expenditure.

Total funds at the balance sheet date were £703,196 (2021 £702,523).

Reserves policy

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 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.

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The trustees are aware of the potential risks to the charity both financial and otherwise and implements strategies to control or minimise these risks. Regular reviews of risks and controls are undertaken.

THE HOPE FOUNDATION LIMITED

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

FOR THE YEAR ENDED 31 JULY 2023

Plans for future periods

There are always funding challenges in a changing world, but we are hopeful that we will be able to sustain our activities and the support of local people. Our confidence is based on a resilient staff team with a proven track record of delivery who have continually, over many years, responded in a timely and effective way to meet local need. Financially the Charity is strong which allows us to underpin our activity effectively

Some of the challenges in the year will be

- 1) To continue to address digital poverty and the needs of the local community in terms of digital skills.
- 2) Increase the management team of the charity to better meet the staff, charity and community needs
- 3) To continue to provide social activities to help people with regard to mental health and loneliness and isolation. This work linking in with the social prescribers and other such referral agencies while building on the work of the Mental Health Collective.
- 4) To continue to address food and fuel poverty to meet community need.
- 5) To maintain the staff team to meet community need in the light of the end of the UKSPF programme finishing in March 2024 and the National Lottery Community Fund in March 2025.
- 6) To continue to fund a volunteer coordinator after the current funds finish.
- 7) To find fit for purpose premises for furbdit and help to develop its sustainability through the e-commerce platform.
- 8) To develop the partnership with business in the community to review the current premises and potential cost savings through building improvements.
- 9) New sources of funding are being continually sought to ensure adequate funding to maximise the delivery of our Purposes and Aims to the community. Adequate financial resources are held to meet current and future liabilities of the Charity and to fulfil our Reserves policy.

Structure, governance and management

Governing document

The organisation is a Christian based charitable company limited by guarantee, incorporated on the 27 December 1995 and registered as a charity on 15 December 1999. The company was established under a Memorandum of Association which establishes the objects and powers of the charitable company and is governed under its Articles of Association.

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:

Mr P J Winstone
Mr J Kearney
Mrs L P Sowerby
Dr A Knight
Mr G Rodgers

Recruitment and appointment of trustees

The directors of the charitable company are its trustees for the purposes of charity law and throughout the report are collectively referred to as the trustees.

The trustees are appointed according to the constitution of the organisation. One third of the trustees are required to retire from office at each AGM. A retiring trustee is eligible for re-election.

THE HOPE FOUNDATION LIMITED

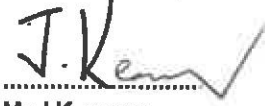
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 JULY 2023

Organisational structure

The executive committee met 5 times between August 2022 and July 2023 to review activities, consider the financial position and to decide strategy and procedures.

The chief executive, who is responsible to and reports to the Executive Committee, oversees the day to day work of the charity. In the year there were a further 11 full time staff positions and 15 volunteers who assist with the provision of services and administration.

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



Mr J Kearney
Trustee

Date: 16/2/24

THE HOPE FOUNDATION LIMITED

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF THE HOPE FOUNDATION LIMITED

I report to the Trustees on my examination of the financial statements of The Hope Foundation Limited (the charity) for the year ended 31 July 2023.

Responsibilities and basis of report

As the Trustees of the charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
- 4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.



Beverley Goodall BA BFP FCA
AbacusBean Limited
Level Q
Surtees Business Park
Stockton on Tees
TS18 3HR

Dated: 16/2/24

THE HOPE FOUNDATION LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 JULY 2023

	Notes	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
Income and endowments from:							
Charitable activities							
Grants and contracts	2	300,879	133,309	434,188	248,036	212,663	460,699
Café income	2	30,428	-	30,428	20,167	-	20,167
Investments	3	3,402	-	3,402	1,535	-	1,535
Other income	4	49,796	-	49,796	31,687	-	31,687
Total Income		384,505	133,309	517,814	301,425	212,663	514,088
Charitable activities	5	397,686	119,331	517,017	295,740	234,941	530,681
Other expenditure	10	124	-	124	212	-	212
Total expenditure		397,810	119,331	517,141	295,952	234,941	530,893
Net income/(expenditure) and movement in funds		(13,305)	13,978	673	5,473	(22,278)	(16,805)
Reconciliation of funds:							
Fund balances at 1 August 2022		654,641	47,882	702,523	649,168	70,160	719,328
Fund balances at 31 July 2023		641,336	61,860	703,196	654,641	47,882	702,523

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.

THE HOPE FOUNDATION LIMITED

BALANCE SHEET

AS AT 31 JULY 2023

		2023		2022	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	11		388,833		417,882
Current assets					
Debtors	12	109,152		66,871	
Cash at bank and in hand		228,917		242,425	
		<u>338,069</u>		<u>309,296</u>	
Creditors: amounts falling due within one year	13	<u>23,706</u>		<u>24,655</u>	
Net current assets			<u>314,363</u>		<u>284,641</u>
Total assets less current liabilities			<u>703,196</u>		<u>702,523</u>
The funds of the charity					
Restricted income funds	14		61,860		47,882
Unrestricted funds			641,336		654,641
			<u>703,196</u>		<u>702,523</u>

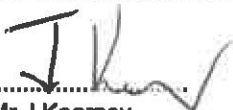
The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 July 2023.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements 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 16/2/24.....


.....
Mr J Kearney
Trustee

Company registration number 03141290 (England and Wales)

THE HOPE FOUNDATION LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 JULY 2023

	Notes	2023 £	£	2022 £	£
Cash flows from operating activities					
Cash absorbed by operations	19		(15,086)		(41,695)
Investing activities					
Purchase of tangible fixed assets		(1,944)		(33,344)	
Proceeds from disposal of tangible fixed assets		120		196	
Investment income received		3,402		1,535	
Net cash generated from/(used in) investing activities			1,578		(31,613)
Net cash used in financing activities			-		-
Net decrease in cash and cash equivalents			(13,508)		(73,308)
Cash and cash equivalents at beginning of year			242,425		315,733
Cash and cash equivalents at end of year			<u>228,917</u>		<u>242,425</u>

THE HOPE FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2023

1 Accounting policies

Charity Information

The Hope Foundation Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is Hope House, 1 Grange Road, Middlesbrough, TS1 5BA

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's Memorandum and Articles of Association, 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 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 or grantors 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.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

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.

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.

Gifts of fixed assets are included within donations in the Statement of Financial Activities at their estimated market value and capitalised in the balance sheet. Intangible income, which comprises donated services, is included in income at a valuation which is an estimate of the financial cost borne where such cost is quantifiable and measurable. No income is recognised when there is no financial cost borne by a third party.

Coronavirus Job Retention Scheme and other Covid support grants are accounted for on an accruals basis and are included in other income.

THE HOPE FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2023

1 Accounting policies

(Continued)

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.

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:

Freehold land and buildings	2% on cost on buildings
Fixtures and fittings	20% on reducing balance
Computers	50% on reducing balance and 20% on cost

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 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 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.

1.9 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.

THE HOPE FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2023

1 Accounting policies

(Continued)

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.

1.10 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.

1.11 Retirement benefits

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

1.12 Voluntary services

In addition to recorded incoming resources, the charity received the benefit of many voluntary hours and unclaimed out of pocket expenses contributed to by its supporters. It would be impossible to place a value on all these services and expenses, without which much of the work undertaken could not be achieved and for which the charity is extremely grateful.

THE HOPE FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2023

2 Income from charitable activities

	Grants and Café Income contracts		Total 2023 £	Grants and Café Income contracts		Total 2022 £
	2023	2023		2022	2022	
	£	£		£	£	
Grants and contracts	434,188	-	434,188	460,699	-	460,699
Café income	-	30,428	30,428	-	20,167	20,167
	<u>434,188</u>	<u>30,428</u>	<u>464,616</u>	<u>460,699</u>	<u>20,167</u>	<u>480,866</u>
Analysis by fund						
Unrestricted funds	300,879	30,428	331,307	248,036	20,167	268,203
Restricted funds	133,309	-	133,309	212,663	-	212,663
	<u>434,188</u>	<u>30,428</u>	<u>464,616</u>	<u>460,699</u>	<u>20,167</u>	<u>480,866</u>

3 Income from Investments

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Interest receivable	3,402	1,535
	<u>3,402</u>	<u>1,535</u>

4 Other Income

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Insurance claims	-	4,155
Sundry income	38,996	18,016
Covid support	-	1,013
Room hire	4,260	2,223
Car park	1,540	1,280
Employment allowance	5,000	5,000
	<u>49,796</u>	<u>31,687</u>

THE HOPE FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2023

5 Expenditure on charitable activities

	Charitable Expenditure 2023 £	Charitable Expenditure 2022 £
Direct costs		
Staff costs	327,544	338,444
Depreciation and impairment	30,748	33,397
Other charitable expenditure	121,454	130,857
	<u>479,746</u>	<u>502,698</u>
Share of support and governance costs (see note 6)		
Governance	37,271	27,983
	<u>517,017</u>	<u>530,681</u>
Analysis by fund		
Unrestricted funds	397,686	295,740
Restricted funds	119,331	234,941
	<u>517,017</u>	<u>530,681</u>

6 Support costs allocated to activities

	2023 £	2022 £
Governance costs	37,271	27,983
Analysed between:		
Charitable Expenditure	<u>37,271</u>	<u>27,983</u>
Governance costs comprise:	2023 £	2022 £
Staff costs	18,131	18,755
Legal and professional	14,274	3,761
Accountancy	4,866	5,467
	<u>37,271</u>	<u>27,983</u>

7 Net movement in funds

	2023 £	2022 £
Net movement in funds is stated after charging/(crediting)		
Depreciation of owned tangible fixed assets	30,748	33,397
Loss on disposal of tangible fixed assets	124	212
	<u>30,872</u>	<u>33,609</u>

THE HOPE FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2023

8 Trustees

One or more of the trustees has been paid remuneration or has received other benefits from an employment with the charity. This remuneration is only received in respect of services they provide as employees under their contracts of employment and not in respect of their services as trustees. The value of trustees' remuneration and other benefits was as follows:

Mrs L P Sowerby

- Remuneration £6,353 (2022: £10,395)
- Employer's pension contributions £191 (2022: £312)

There were no expenses paid to trustees for the year ended 31 July 2023 nor for the year ended 31 July 2022.

9 Employees

The average monthly number of employees during the year was:

	2023	2022
	Number	Number
Charitable Activities	11	13
Management and administration	3	3
Total	14	16

Employment costs	2023	2022
	£	£
Wages and salaries	310,868	319,216
Social security costs	21,789	23,927
Other pension costs	13,018	14,056
	345,675	357,199

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

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2023	2022
	£	£
Aggregate compensation	49,029	49,029

THE HOPE FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2023

10 Other expenditure

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Net loss on disposal of tangible fixed assets	124	212
	<u>124</u>	<u>212</u>

11 Tangible fixed assets

	Freehold land and buildings £	Fixtures and fittings £	Computers £	Total £
Cost				
At 1 August 2022	557,262	202,954	66,299	826,515
Additions	-	-	1,944	1,944
Disposals	-	(2,120)	-	(2,120)
At 31 July 2023	<u>557,262</u>	<u>200,834</u>	<u>68,243</u>	<u>826,339</u>
Depreciation and Impairment				
At 1 August 2022	206,497	172,588	29,549	408,634
Depreciation charged in the year	11,180	6,256	13,312	30,748
Eliminated in respect of disposals	-	(1,876)	-	(1,876)
At 31 July 2023	<u>217,677</u>	<u>176,968</u>	<u>42,861</u>	<u>437,506</u>
Carrying amount				
At 31 July 2023	<u>339,585</u>	<u>23,866</u>	<u>25,382</u>	<u>388,833</u>
At 31 July 2022	<u>350,766</u>	<u>30,365</u>	<u>36,751</u>	<u>417,882</u>

12 Debtors

	2023 £	2022 £
Amounts falling due within one year:		
Trade debtors	36,440	49,375
Other debtors	5,829	9,434
Prepayments and accrued income	66,883	8,062
	<u>109,152</u>	<u>66,871</u>

THE HOPE FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2023

13 Creditors: amounts falling due within one year

	2023 £	2022 £
Other taxation and social security	5,268	4,744
Trade creditors	5,661	5,866
Other creditors	-	2,179
Accruals and deferred income	12,777	11,866
	<u>23,706</u>	<u>24,655</u>

14 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	At 1 August 2022 £	Incoming resources £	Resources expended £	At 31 July 2023 £
National Lottery Community Fund - Reaching Communities	-	61,252	(61,252)	-
CDCF/ Darlington Building Society	6,734	-	(6,734)	-
Thirteen	7,668	-	(7,668)	-
ESF Community Grant	-	4,721	(4,721)	-
Tees Valley Business Fund	4,052	-	(1,620)	2,432
CDCF National Emergencies Trust Covid 19 Fund	2,640	-	(990)	1,650
Awards for All (Fun, food and friendship)	5,141	-	(1,028)	4,113
Good Things Foundation- Everyone Thrives/ Make it click	900	-	(300)	600
Access Foundation	-	40,736	(7,455)	33,281
Covid Recovery Grant (Middlesbrough Council)	565	-	(565)	-
Awards for All (2013)	1,491	-	(87)	1,404
Awards for All (2011)	278	-	(101)	177
Big Lottery Fund	18,413	-	(210)	18,203
UKSPF	-	26,600	(26,600)	-
	<u>47,882</u>	<u>133,309</u>	<u>(119,331)</u>	<u>61,860</u>

THE HOPE FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2023

14 Restricted funds

(Continued)

Previous year:	At 1 August 2021 £	Incoming resources £	Resources expended £	At 31 July 2022 £
National Lottery Community Fund - Reaching Communities	-	20,570	(20,570)	-
CDCF/ Darlington Building Society	-	11,000	(4,266)	6,734
Middlesbrough Council	280	-	(280)	-
Community Fund (Big Lottery Fund) Ageing Better Middlesbrough	-	174,495	(174,495)	-
Thirteen	9,310	-	(1,642)	7,668
ESF Community Grant	6,599	6,598	(13,197)	-
CDCF Coronavirus Community Support Fund	986	-	(986)	-
Tees Valley Business Fund	5,872	-	(1,620)	4,052
CDCF National Emergencies Trust Covid 19 Fund	3,630	-	(990)	2,640
Awards for All (Fun, food and friendship)	9,020	-	(3,879)	5,141
Good Things Foundation- Everyone Thrives/ Make It click	1,815	-	(715)	900
Covid Recovery Grant (Middlesbrough Council)	10,000	-	(9,435)	565
Veolia	1,603	-	(1,603)	-
Middlesbrough Council Welfare Reform	9	-	(9)	-
Awards for All (2013)	2,382	-	(891)	1,491
Awards for All (2011)	404	-	(126)	278
Big Lottery Fund	18,650	-	(237)	18,413
	<u>70,160</u>	<u>212,663</u>	<u>(234,941)</u>	<u>47,882</u>

THE HOPE FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2023

14 Restricted funds

(Continued)

Restricted Funds

Community Fund (2022) - funding to employ two staff with a contribution to overheads to develop the work of Furbdit.

CDCF/Darlington Building Society (2022) - provision of a safe social space and activities for people to get involved and participate after Covid.

Middlesbrough Council (2021) - funding to help develop the furbdit website.

Community Fund (Big lottery Fund) Ageing Better Middlesbrough (2015-2022) - working with local residents who are aged 50+ to reduce loneliness and isolation and increase digital inclusion and community development.

Thirteen (2021) - funding to develop the work of furbdit

ESF Community Grant (2021) - to deliver information, advice and guidance to adults, in Tees Valley, enabling them to make better career choices.

CDCF Coronavirus Community Support Fund: Connectivity Rules (2022) - set up of a device library and connectivity support for people 1) shielding 2) self-isolating 3) no connectivity 4) lonely or isolated.

Tees Valley Business Fund (2020) - funding towards a new computer network. This fund is depreciated in line with the depreciation policy for the asset classes.

CDCF National Emergencies Trust Covid 19 Fund (2020) - purchase staff laptops to enable staff to work from home during the Covid lockdowns. This fund is depreciated in line with the depreciation policy for the asset classes.

Awards for All (Fun, food and friendship) (2020) - utilised in October 2021 to upgrade and get the café ready to reopen after Covid. This fund is depreciated in line with the depreciation policy for the asset classes.

Good Things Foundation- Everyone Thrives/Make it click (2020) - funding to help improve people's life and work outcomes through the use of digital technology. supply 4 computers and staff time.

CDCF National Emergencies Trust Covid 19 Fund (2020) - funded the development of www.furbdit.org.uk website to 1) records the collection of unwanted devices 2) manage the process of receiving and recycling devices 3) the distribution of the devices in the community.

Middlesbrough Council Covid Recovery Grant (2020) - supporting Middlesbrough residents coming out of Covid.

Veolia (2017) - a capital grant towards installation of energy efficient heating systems and toilets. This fund is depreciated in line with the depreciation policy for the asset classes.

Middlesbrough Council Welfare Reform (2014) - purchase tablets and develop outreach services. This fund is depreciated in line with the depreciation policy for the asset classes.

Awards for All (2013) - a capital grant for café and outdoor furniture and bike bins. This fund is depreciated in line with the depreciation policy for the asset classes.

Awards for All (2011) - a grant towards development of the cybercafé, reception and café area.

Big Lottery Fund (2007) - a grant to provide and refurbish a new classroom, purchase new equipment and contribution to overheads to support the integration and education project. This fund is depreciated with the depreciation policy for the asset classes.

THE HOPE FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2023

15 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 August 2022 £	Incoming resources £	Resources expended £	At 31 July 2023 £
General funds	654,641	384,505	(397,810)	641,336
Previous year:	At 1 August 2021 £	Incoming resources £	Resources expended £	At 31 July 2022 £
General funds	649,188	301,425	(295,952)	654,641

16 Analysis of net assets between funds

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
Fund balances at 31 July 2023 are represented by:			
Tangible assets	362,675	26,158	388,833
Current assets/(liabilities)	278,661	35,702	314,363
	641,336	61,860	703,196
	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
Fund balances at 31 July 2022 are represented by:			
Tangible assets	344,408	73,474	417,882
Current assets/(liabilities)	310,233	(25,592)	284,641
	654,641	47,882	702,523

17 Financial commitments, guarantees and contingent liabilities

Grants receivable may be repayable in part or in full if certain conditions associated with the grants are not met.

18 Related party transactions

During the year, Sue Kearney, wife of John Kearney, a trustee, was paid remuneration in respect of services she provided as CEO under a contract of employment with the charity. Details are covered in note 9 under remuneration of key management personnel.

THE HOPE FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2023

19 Cash generated from operations	2023	2022
	£	£
Surplus/(deficit) for the year	673	(16,805)
Adjustments for:		
Investment income recognised in statement of financial activities	(3,402)	(1,535)
Loss on disposal of tangible fixed assets	124	212
Depreciation and impairment of tangible fixed assets	30,748	33,397
Movements in working capital:		
(Increase)/decrease in debtors	(42,280)	6,885
(Decrease) in creditors	(949)	(63,849)
Cash absorbed by operations	(15,086)	(41,695)

20 Analysis of changes in net funds

The charity had no material debt during the year.

21 Limited by guarantee

The company does not have share capital, but every member of the company undertakes to contribute such an amount, not exceeding £1, as may be required, to the assets of the company if it should be wound up while they are a member, or within one year after they cease as a member, for payment of the debts and liabilities of the company contracted before they cease as a member and the costs, charges and expenses of winding up, and for the adjustment of the rights for the contributors among themselves.

THE HOPE FOUNDATION LIMITED

England & Wales - Charity number 1078607

Accounts

Charity registration number 1078607

Company registration number 03141290 (England and Wales)

THE HOPE FOUNDATION LIMITED
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022

THE HOPE FOUNDATION LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr P J Winstone Mr J Kearney Mrs L P Sowerby Dr A Knight Mr G Rodgers	(Appointed 22 March 2022)
Chief Executive	Mrs S Kearney	
Secretary	Mr J Kearney	
Charity number	1078607	
Company number	03141290	
Registered office	Hope House 1 Grange Road Middlesbrough TS1 5BA	
Independent examiner	Davies Tracey Swan House Westpoint Road Teesdale Business Park Stockton on Tees TS17 6BP	
Bankers	Barclays Bank plc Unit 1 Centre Mall The Mall Middlesbrough TS1 2NR	

THE HOPE FOUNDATION LIMITED

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THE HOPE FOUNDATION LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 JULY 2022

The trustees present their annual report and financial statements for the year ended 31 July 2022.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's Memorandum and Articles of Association, 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)" (effective 1 January 2019).

Objectives and activities

Purposes and Aims of The Hope Foundation

From the Charities Commission Governing Document:

The advancement of education, the provision of opportunities for training, the advancement of religion and the relief of poverty of persons on low income.

Charity Aims

The aim of the charity is relieving poverty and helping provide hope and a purpose for local people. We do this by improving their identification of available opportunities, ability to access them and support for them to achieve their goals and targets in a supportive environment.

Specific aims include

- a) raising aspirations, motivation and participation in social, educational and economic life
- b) enabling people to address barriers including social, psychological, personal and health issues
- c) increasing skills and employability
- d) encouraging the integration of all sectors of the community
- e) reducing loneliness and isolation
- f) Supporting people to progress into work, education or volunteering
- g) Helping people develop their confidence in themselves and their abilities
- h) Providing volunteering and work experience opportunities
- i) Working with a wide range of partners to meet individual and community need

This helps create a safer and stronger local community, helping address poverty, exclusion and disadvantage for local residents.

This year has been particularly challenging due not only for coming out of Covid but also the situation with fuel and food poverty. The organisation has shown its flexibility and resilience in adapting and responding to local need and the financial situation. We have continued to achieve our aims adapting our work and methods of delivery to continue to meet the challenging and changing local need in a very difficult economic climate.

Public benefit

In shaping our objectives for the year and planning our activities, the trustees have considered the Charity Commission's guidance on public benefit. All work and services we carry out are for public benefit and the good of our local community. They are all to meet our aims and objectives.

THE HOPE FOUNDATION LIMITED

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

FOR THE YEAR ENDED 31 JULY 2022

Local Situation

Employment and Skills

The census data shows that 29.9% of Middlesbrough residents have no qualifications against the rest of England (22.7%) with 18.5% having an NVQ 4 or higher against the national average 27.2%. 7.8% of local people have never worked against the national average of 4.4% with 31.1% of local residents in full time work, compared to 38.5% nationally. None pensioner households with no workers are 28.3% against the national average of 16.1%. 16.8% of working age people in Middlesbrough are living with a limiting long-term illness against the national average of 13%.

Health and Wellbeing

Employment, skills and poverty are important risk factors linked to health and wellbeing of local residents (Director of Health Report - mental health and emotional wellbeing in Middlesbrough 2014/15). Loneliness and isolation are issues. WHO defines mental health as the state of wellbeing in which every individual realises his or her own potential, can cope with the normal stresses of life, can work productively and fruitfully and is able to make a contribution to their community.

THE HOPE FOUNDATION LIMITED

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

FOR THE YEAR ENDED 31 JULY 2022

Achievements and performance

Activities, Projects and Services

The charity has continued to successfully develop its work, delivering services that make a difference in, and as part of, the Middlesbrough community. By delivering our services we directly impact identified local issues in the 6th most deprived area in the country (index of Multiple Deprivation). We impact the index categories of Education, skills and training (IMD scores 13.5%), income deprivation (IMD 22.5%), employment deprivation (22.5%), health deprivation and disability (13.5%), barriers to housing and services domain (9.3%).

Our objectives are

- to continually identify local need and facilitate the delivery of appropriate services to meet that need. We do that through our own delivery, collaboration or signposting to a wide range of partners ensuring we support people appropriately and in a holistic way.
- to meet the needs identified by enabling local residents to recognise and have the support they require and know how to achieve their aspirations, goals and targets in a safe and supportive environment.

Over the year we had an average of 12 employees working on the charitable activities. We are able to provide these activities with financial support through traditional fundraising, grants, contracts and service level agreements, as well as working with partners and volunteers. The organisation continues to work hard to be sustainable and continue to respond to the increasing and changing community needs and funding landscape which continues to be particularly challenging as well as the increased costs of staff and premises.

Our current services/activities include but are not limited to:

1) a. Quality formal and informal teaching and learning opportunities

Middlesbrough College

The Hope Foundation delivers functional skills qualifications from entry 1 to level 2 including Maths, English and IT, alongside life skills around social skills, confidence and employability. Our teaching approach is accessible and provides learning in a supportive way. The community are able to take up opportunities to learn in a way that suits them and in a space that suits them. The majority of this work is funded through TVCA from the Adult Skills Budget as a subcontractor of Middlesbrough College.

Achievements in the year

We successfully adapted our delivery model to be a hybrid of face to face and online to meet the changing needs caused by Covid and the government restrictions. Although this was difficult for learners and staff at the time this model has continued and has enabled us to provide a much more responsive teaching model and service.

We delivered 301 courses in the academic year.

The key strengths of the delivery are

Very responsive staff team with a culture of flexibility to make positive and timely changes to ensure good responses to contract and learner needs. This was shown on the move to online and blended delivery.

The quality of the teaching, learning and assessment is very good and learners do benefit from high expectations, engagement, care, support and motivation from the full staff team. This included finding devices and data so that learners were able to continue their learning during lockdown.

Management, systems and processes and quality standards are excellent with very good reports from exam boards and external audits.

We have changed our exam board for the next academic year.

THE HOPE FOUNDATION LIMITED

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

FOR THE YEAR ENDED 31 JULY 2022

1) b. Supporting the development of digital skills and use of technology to support inclusion and opportunity

Good Things Foundation

We were able to distribute devices and engage learners that were most digitally excluded with data support provided through the databank.

NHS Project

In March 22 we started a project working with the NHS (Holgate practice) to deliver a survey to identify the barriers for people using the online services offered through the GP. A staff member working 2.5 days a week to collect and analyse the data as well as support patients to learn to use the NHS for example to order prescriptions and have online consultations.

Furbdit

This project has gone from strength to strength in this year as specific staff have been employed to work on the project www.furbdit.org.uk

After successfully accessing support from the **Community Fund** we have 1.5 staff now to develop this computer recycling and distribution project and employ a Business Development Manager.

The project is tackling digital exclusion and digital inequality by collecting, refurbishing and then distributing computers, phones tablets, printers.

A new partnership with The University of Teesside has resulted in furbdit moving into the Launchpad which is an entrepreneurial community helping start ups and founders of new businesses.

Device Library

We have formed a device library which enables people to borrow tablets, lap tops and phones for specific purposes such as to do a course or other time limited activities. This is well used.

2) Information, advice and careers support

Our contract with Educational Development Trust (EDT) enables us to deliver through the government's National Careers Service. The service includes quality workshops, 1 to 1 appointments and drop in support. This contract is important in being able to help link local people with preparing for working life and to address their barriers, as well as further support into employment, training and volunteering opportunities. The service delivers in Middlesbrough and in Grangetown to local residents. The contract has been renewed in the year. In this contract staff provided services in different ways due to covid and this has continued with delivery although mostly back face to face some is also delivered over the phone.

3) Moving residents closer to and into employment, training and volunteering

A lot of our work is to help progress individuals to where they need to be, to achieve their goal. The employability support includes a CV workshop, work club and cybercafé. Through support with basic IT skills we help with using the internet and applying for jobs and recording job search activity. We have access to quality LMI (Labour Market Intelligence) and good local employer and training delivery knowledge. This work is supported through parts of the National Careers Service and Middlesbrough College contracts as well as the cybercafé and volunteer support.

In the year, from the people we have supported these are the positive progression outcomes.

On average learners completed more than 2 courses with us

18% moved into employment

2% moved into volunteering

1% into HE and 19% into FE

We work with a wide range of organisations and the majority of our learners continue to work with other agencies for more complex life issues while still working with us. We are often part of a long journey.

THE HOPE FOUNDATION LIMITED

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

FOR THE YEAR ENDED 31 JULY 2022

4) Facilitating volunteer placement and work experience opportunities.

The support of volunteers is key to the Charity's day to day operations. Volunteers and work experience opportunities are available in all areas of the delivery. This includes administration, reception, tutor support, café support, work club delivery, digital skills and activities. Volunteers provide added value to all areas of our work and helps us to be able to deliver quality services. For some this has proved to provide a pathway into employment. We have formal volunteers with a number of regular days supporting the work that goes on. We also have informal volunteering opportunities where people help on an ad hoc basis for example with handyman and garden roles. In the year we calculated volunteers worked 1,180 hours for the Charity. At a notional cost of £7.83 and £8.21 per hour this equates to a contribution of approximately £9,500.

5) Providing activities and services that encourage participation and reduce loneliness and isolation

The Lottery supported **Ageing Better Middlesbrough (ABM)** project completed after 7 years in March 2022. The project has been working to reduce loneliness and isolation for people over 50 +. Of the seven staff employed we were able to incorporate 3 into our current work.

Over the year we have developed more social activities through the volunteer support. With Support through **Middlesbrough Council** and **Darlington Building Society** we have been able to set up groups and provide tea and coffee as well as meals to help make a difference for people struggling. We have also set up a 'Snug' through private fundraising to provide a warm space to help people who are having difficulties paying their bills. Activities occur weekly and include crafts, Bingo, a coffee morning, tea and technology drop in, board games, quiz and record club. These are mostly delivered by volunteers with staff support.

Cyber Café

The café is key for the community of Hope and Middlesbrough town centre. This is where learners, staff and friends meet. Activities take place in this social space with internet access and accessible space for meals and drop in. The staff are supportive and they always find time to chat and make people welcome. As it seats about 35 people there is always a presence and people who come along soon make friends and are able to access support as required. We operate a subsidised kitchen with cheap home-made nutritious healthy meals. Many of our client group are on low incomes and the Kitchen/Café offers affordable meals and drinks and a welcoming meeting place.

6) Premises and Buildings

There have been further general improvements to the building and internally to the premises in the year to better facilitate how the building is used to meet local need. This includes the new 'snug' with soft furnishings and a library.

IT Infrastructure

We replaced the server in this current year.

THE HOPE FOUNDATION LIMITED

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

FOR THE YEAR ENDED 31 JULY 2022

Financial review

The income streams changed materially in this year. The significant ABM program finally completed in March 2022 after 7 years with the result that Restricted Incoming resources decreased by £131,471 (38.2%) on the previous year.

Unrestricted funds increased by £8,697 (3%) but the makeup was much changed. With the easing of Covid restrictions in the year, Grants and contracts increased by £51,750 (26.4%), the café re-opened in November 2021 contributing £20,167 funds but Other income was markedly down by £63,017 (66.5%). The main reasons for the significant reduction in Other Income were the Covid support grants and insurance claim monies received in the previous year which totalled £80,848 compared with £5,168 in the current year.

Overall Total income decreased by £122,774 (19.3%)

Total resources expended also changed materially in this year in response to the changing income streams. Restricted funds expenditure decreased by £110,815 (32.1%) as the ABM program costs ceased in March 2022.

Unrestricted funds expenditure increased by £54,258 (22.5%) due to the café running costs being incurred from November 2021 and an increase in wages costs as 3 staff transferred from the ABM program to Unrestricted fund activities from the 1st April 2022.

The net movement in funds for the year was a small increase in Unrestricted funds of £5,473 and a decrease in Restricted funds of £22,278 which was a satisfactory outcome in a challenging year.

The balance sheet remains well geared with fixed assets at £417,882 with no liabilities and the working capital ratio is 13:1 with net current assets of £284,641 which meets the Charity's policy on reserves of 6 months expenditure.

Total funds at the balance sheet date were £702,523 (2021 : £719,328).

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The trustees are aware of the potential risks to the charity both financial and otherwise and implements strategies to control or minimise these risks. Regular reviews of risks and controls are undertaken.

THE HOPE FOUNDATION LIMITED

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

FOR THE YEAR ENDED 31 JULY 2022

Plans for future periods

The end of the ABM seven year project in March 2022 is a large decrease in funding for the organisation and the very successful work that has been carried out.

There are always funding challenges in a changing world, but we are confident that we will be able to sustain our activities and the support of local people. Our confidence is based on a resilient staff team with a proven track record of delivery who have continually, over many years, responded in a timely and effective way to meet local need. Financially the Charity is strong which allows us to underpin our activity effectively

Some of the challenges in the year will be

- 1) To continue to develop our hybrid model of teaching and learning delivery supported by the Adult Education Budget as a subcontractor of Middlesbrough College. We will consolidate our delivery in this year and ensure we have excellent achievement and retention rates to put us in a strong position for further funding.
- 2) To continue to address digital poverty and the needs of the local community in terms of digital skills.
- 3) To provide social activities to help people with regard to mental health and loneliness and isolation. This work linking in with the social prescribers and other such referral agencies.
- 4) To continue to address food and fuel poverty to meet community need.

New sources of funding are being continually sought to ensure adequate funding to maximise the delivery of our Purposes and Aims to the community. Adequate financial resources are held to meet current and future liabilities of the Charity and to fulfil our Reserves policy.

Structure, governance and management

Governing document

The organisation is a Christian based charitable company limited by guarantee, incorporated on the 27 December 1995 and registered as a charity on 15 December 1999. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association.

Recruitment and appointment of new trustees

The directors of the charitable company are its trustees for the purposes of charity law and throughout the report are collectively referred to as the trustees.

Mr P J Winstone

Mr J Kearney

Mrs L P Sowerby

Dr A Knight

Mr G Rodgers

(Appointed 22 March 2022)

The trustees are appointed according to the constitution of the organisation. One third of the trustees are required to retire from office at each AGM. A retiring trustee is eligible for re-election.

A new trustee Gavin Rodgers was appointed in the year.

Organisational structure

The executive committee met 4 times between August 2021 and July 2022 to review activities, consider the financial position and to decide strategy and procedures.

The chief executive, who is responsible to and reports to the Executive Committee, oversees the day to day work of the charity. In the year there were a further 11 staff positions and 30 volunteers who assist with the provision of services and administration.

THE HOPE FOUNDATION LIMITED

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

FOR THE YEAR ENDED 31 JULY 2022

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

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


Mr J Kearney
Trustee

22 February 2023

THE HOPE FOUNDATION LIMITED

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF THE HOPE FOUNDATION LIMITED

I report to the trustees on my examination of the financial statements of The Hope Foundation Limited (the charity) for the year ended 31 July 2022.

Responsibilities and basis of report

As the trustees of the charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of , which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
- 4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.



Christopher Neasham
ICAEW

Davies Tracey
Chartered Accountants and Business Advisers
Swan House
Westpoint Road
Teesdale Business Park
Stockton on Tees
TS17 6BP

Dated: 22 February 2023

THE HOPE FOUNDATION LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 JULY 2022

		Unrestricted funds 2022 £	Restricted funds 2022 £	Total Unrestricted funds 2022 £	Restricted funds 2021 £	Total 2021 £
Income and endowments from:						
<u>Charitable activities</u>						
Grants and contracts	2	248,036	212,663	460,699	196,286	540,420
Café income	2	20,167	-	20,167	124	124
Investments	3	1,535	-	1,535	1,614	1,614
Other income	4	31,687	-	31,687	94,704	94,704
Total income		301,425	212,663	514,088	344,134	636,862
<u>Expenditure on:</u>						
Charitable activities	5	295,740	234,941	530,681	345,756	587,238
Other	10	212	-	212	-	-
Total resources expended		295,952	234,941	530,893	345,756	587,238
Net movement in funds		5,473	(22,278)	(16,805)	(1,622)	49,624
Fund balances at 1 August 2021		649,168	70,160	719,328	71,782	669,704
Fund balances at 31 July 2022		654,641	47,882	702,523	70,160	719,328

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.

THE HOPE FOUNDATION LIMITED

BALANCE SHEET

AS AT 31 JULY 2022

	Notes	2022		2021	
		£	£	£	£
Fixed assets					
Tangible assets	11		417,882		418,343
Current assets					
Debtors	12	66,871		73,756	
Cash at bank and in hand		242,425		315,733	
		<u>309,296</u>		<u>389,489</u>	
Creditors: amounts falling due within one year	13	<u>(24,655)</u>		<u>(88,504)</u>	
Net current assets			284,641		300,985
Total assets less current liabilities			<u>702,523</u>		<u>719,328</u>
Income funds					
Restricted funds	14		47,882		70,160
Unrestricted funds			654,641		649,168
			<u>702,523</u>		<u>719,328</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 2022.

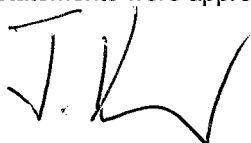
The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements 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 22 February 2023

Mr J Kearney
Trustee



Company registration number 03141290

THE HOPE FOUNDATION LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 JULY 2022

	Notes	2022 £	£	2021 £	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	18		(41,695)		2,966
Investing activities					
Purchase of tangible fixed assets		(33,344)		(6,498)	
Proceeds from disposal of tangible fixed assets		196		-	
Investment income received		1,535		1,614	
Net cash used in investing activities			(31,613)		(4,884)
Net cash used in financing activities			-		-
Net decrease in cash and cash equivalents			(73,308)		(1,918)
Cash and cash equivalents at beginning of year			315,733		317,651
Cash and cash equivalents at end of year			<u>242,425</u>		<u>315,733</u>

THE HOPE FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2022

1 Accounting policies

Charity information

The Hope Foundation Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is Hope House, 1 Grange Road, Middlesbrough, TS1 5BA.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's Memorandum and Articles of Association, 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 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.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

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.

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.

Gifts of fixed assets are included within donations in the Statement of Financial Activities at their estimated market value and capitalised in the balance sheet. Intangible income, which comprises donated services, is included in income at a valuation which is an estimate of the financial cost borne where such cost is quantifiable and measurable. No income is recognised when there is no financial cost borne by a third party.

Coronavirus Job Retention Scheme and other Covid support grants are accounted for on an accruals basis and are included in other income.

THE HOPE FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2022

1 Accounting policies

(Continued)

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.

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:

Freehold land and buildings	2% on cost on buildings
Fixtures and fittings	20% on reducing balance
Computers	50% on reducing balance and 20% on cost

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 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.

1.8 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.

THE HOPE FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2022

1 Accounting policies

(Continued)

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.

1.9 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.

1.10 Retirement benefits

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

1.11 Voluntary services

In addition to recorded incoming resources the charity received the benefit of many voluntary hours and unclaimed out of pocket expenses contributed by its supporters. It would be impossible to place a value on all these services and expenses, without which much of the work undertaken could not be achieved and for which the charity is extremely grateful.

THE HOPE FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2022

2 Charitable activities

	Grants and contracts	Café income	Total	Grants and contracts	Café income	Total
	2022	2022	2022	2021	2021	2021
	£	£	£	£	£	£
Grants and contracts	460,699	-	460,699	540,420	-	540,420
Café income	-	20,167	20,167	-	124	124
	<u>460,699</u>	<u>20,167</u>	<u>480,866</u>	<u>540,420</u>	<u>124</u>	<u>540,544</u>
Analysis by fund						
Unrestricted funds	248,036	20,167	268,203	196,286	124	196,410
Restricted funds	212,663	-	212,663	344,134	-	344,134
	<u>460,699</u>	<u>20,167</u>	<u>480,866</u>	<u>540,420</u>	<u>124</u>	<u>540,544</u>

3 Investments

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Interest receivable	1,535	1,614
	<u>1,535</u>	<u>1,614</u>

4 Other income

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Insurance claims	4,155	34,456
Sundry income	18,016	9,160
Covid support	1,013	46,392
Room hire	2,223	-
Car park	1,280	696
Other income	5,000	4,000
	<u>31,687</u>	<u>94,704</u>

THE HOPE FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2022

5 Charitable activities

	Charitable Expenditure 2022 £	Charitable Expenditure 2021 £
Staff costs	338,444	372,309
Depreciation and impairment	33,397	31,986
Other charitable expenditure	130,857	153,087
	<u>502,698</u>	<u>557,382</u>
Share of governance costs (see note 6)	27,983	29,856
	<u>530,681</u>	<u>587,238</u>
Analysis by fund		
Unrestricted funds	295,740	241,482
Restricted funds	234,941	345,756
	<u>530,681</u>	<u>587,238</u>

6 Support costs

	Support costs £	Governance costs £	2022 £	2021 £
Staff costs	-	18,755	18,755	18,828
Accountancy fees	-	3,761	3,761	3,561
Legal fees	-	5,467	5,467	7,467
	<u>-</u>	<u>27,983</u>	<u>27,983</u>	<u>29,856</u>
Analysed between Charitable activities	-	27,983	27,983	29,856
	<u>-</u>	<u>27,983</u>	<u>27,983</u>	<u>29,856</u>

Governance costs includes payments to the Independent Examiners of £2,750 (2021- £2,700).

7 Net movement in funds

	2022 £	2021 £
Net movement in funds is stated after charging/(crediting)		
Depreciation of owned tangible fixed assets	33,397	31,986
Loss on disposal of tangible fixed assets	212	-
	<u>33,609</u>	<u>31,986</u>

THE HOPE FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2022

8 Trustees

One or more of the trustees has been paid remuneration or has received other benefits from an employment with the charity. This remuneration is only received in respect of services they provide as employees under their contracts of employment and not in respect of their services as trustees. The value of trustees' remuneration and other benefits was as follows:

Mrs L P Sowerby

- Remuneration £10,395 (2021 : £9,404)
- Employer's pension contributions £312 (2021 : £282)

There were no expenses paid to trustees for the year ended 31 July 2022 nor for the year ended 31 July 2021.

9 Employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
Charitable activities	13	15
Management and administration	3	3
Total	<u>16</u>	<u>18</u>

Employment costs

	2022 £	2021 £
Wages and salaries	319,217	349,997
Social security costs	23,927	26,171
Other pension costs	14,055	14,969
	<u>357,199</u>	<u>391,137</u>

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

10 Other

	Unrestricted funds	Total
	2022	2021
Net loss on disposal of tangible fixed assets	212	-
	<u>212</u>	<u>-</u>

THE HOPE FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2022

11 Tangible fixed assets

	Freehold land and buildings £	Fixtures and fittings £	Computers £	Total £
Cost				
At 1 August 2021	542,649	199,993	54,064	796,706
Additions	14,614	6,494	12,236	33,344
Disposals	-	(3,534)	-	(3,534)
At 31 July 2022	557,263	202,953	66,300	826,516
Depreciation and impairment				
At 1 August 2021	193,752	168,242	16,369	378,363
Depreciation charged in the year	12,745	7,472	13,180	33,397
Eliminated in respect of disposals	-	(3,126)	-	(3,126)
At 31 July 2022	206,497	172,588	29,549	408,634
Carrying amount				
At 31 July 2022	350,766	30,365	36,751	417,882
At 31 July 2021	348,897	31,751	37,695	418,343

12 Debtors

	2022 £	2021 £
Amounts falling due within one year:		
Trade debtors	49,375	34,929
Other debtors	9,434	34,615
Prepayments and accrued income	8,062	4,212
	66,871	73,756

13 Creditors: amounts falling due within one year

	2022 £	2021 £
Other taxation and social security	4,744	6,837
Trade creditors	5,866	4,957
Other creditors	2,179	10
Accruals and deferred income	11,866	76,700
	24,655	88,504

THE HOPE FOUNDATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2022

14 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		Movement in funds		Movement in funds	
	Balance at 1 August 2020 £	Incoming resources £	Resources expended £	Balance at 1 August 2021 £	Incoming resources £	Resources expended £	Balance at 31 July 2022 £	
Big Lottery Fund - Furbdit Community Fund	-	-	-	-	20,570	(20,570)	-	
CDCF/Darlington Building Society	-	-	-	-	11,000	(4,266)	6,734	
Middlesbrough Council	-	10,000	(9,720)	280	-	(280)	-	
Community Fund (Big Lottery Fund) Ageing Better Middlesbrough Thirteen	-	279,120	(279,120)	-	174,495	(174,495)	-	
ESF Community Grant	-	10,000	(690)	9,310	-	(1,642)	7,668	
CDCF Coronavirus Community Support Fund	9,980	6,599	-	6,599	6,598	(13,197)	-	
Tees Valley Business Fund	7,292	-	(8,994)	986	-	(986)	-	
CDCF National Emergencies Trust Covid 19 Fund	4,620	-	(1,620)	5,672	-	(1,620)	4,052	
Awards for All (Fun, food and friendship)	9,020	-	(990)	3,630	-	(990)	2,640	
Good Things Foundation - Everyone Thrives/Make it click	3,750	415	(2,550)	9,020	-	(3,879)	5,141	
CDCF National Emergencies Trust Covid 19 Fund	-	20,000	(20,000)	1,615	-	(715)	900	
Covid Recovery Grant (Middlesbrough Council)	-	10,000	-	10,000	-	(9,435)	565	
Veolia	6,043	-	(4,440)	1,603	-	(1,603)	-	
Middlesbrough Council Welfare Reform	21	-	(12)	9	-	(9)	-	
Awards for All (2013)	2,755	-	(373)	2,382	-	(891)	1,491	
Awards for All (2011)	564	-	(160)	404	-	(126)	278	
Big Lottery Fund	18,920	-	(270)	18,650	-	(237)	18,413	
Other	8,817	8,000	(16,817)	-	-	-	-	
	<u>71,782</u>	<u>344,134</u>	<u>(345,756)</u>	<u>70,160</u>	<u>212,663</u>	<u>(234,941)</u>	<u>47,882</u>	

THE HOPE FOUNDATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2022

14 Restricted funds **(Continued)**

Community Fund (2022) - funding to employ two staff with a contribution to overheads to develop the work of Furbdit.

CDCF/Darlington Building Society (2022) - provision of a safe social space and activities for people to get involved and participate after Covid.

Middlesbrough Council (2021) - funding to help develop the furbdit website.

Community Fund (Big Lottery Fund) Ageing Better Middlesbrough (2015-2022) - working with local residents who are aged 50+ to reduce loneliness and isolation and increase digital inclusion and community development.

Thirteen (2021) - funding to develop the work of furbdit.

ESF Community Grant (2021) - to deliver information, advice and guidance to adults, in Tees Valley, enabling them to make better career choices.

CDCF Coronavirus Community Support Fund: Connectivity Rules (2020) - set up of a device library and connectivity support for people 1) shielding 2) self-isolating 3) no connectivity 4) lonely or isolated.

Tees Valley Business Fund (2020) - funding towards a new computer network. This fund is depreciated in line with the depreciation policy for the asset classes.

CDCF National Emergencies Trust Covid 19 Fund (2020) - purchase staff laptops to enable staff to work from home during the Covid lockdowns. This fund is depreciated in line with the depreciation policy for the asset classes.

Awards for All (Fun, food and friendship) (2020) - Utilised in October 2021 to upgrade and get the café ready to reopen after Covid. This fund is depreciated in line with the depreciation policy for the asset classes.

Good Things Foundation - Everyone Thrives/Make it click (2020) - funding to help improve people's life and work outcomes through the use of digital technology. Supply 4 computers and staff time.

CDCF National Emergencies Trust Covid 19 Fund (2020) - funded the development of www.furbdit.org.uk website to 1) records the collection of unwanted devices 2) manage the process of receiving and recycling devices 3) the distribution of the devices in the community.

Middlesbrough Council Covid Recovery Grant (2020) - supporting Middlesbrough residents coming out of Covid.

Veolia (2017) - a capital grant towards installation of energy efficient heating systems and toilets. This fund is depreciated in line with the depreciation policy for the asset classes.

THE HOPE FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2022

14 Restricted funds

(Continued)

Middlesbrough Council Welfare Reform (2014) - purchase tablets and develop outreach services. This fund is depreciated in line with the depreciation policy for the asset classes.

Awards for All (2013) - a capital grant for café and outdoor furniture and bike bins. This fund is depreciated in line with the depreciation policy for the asset classes.

Awards for All (2011) - a grant towards development of the cybercafé, reception and café area.

Big Lottery Fund (2007) - a grant to provide and refurbish a new classroom, purchase new equipment and contribution to overheads to support the integration and education project. this fund is depreciated in line with the depreciation policy for the asset classes.

THE HOPE FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2022

15 Analysis of net assets between funds

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
Fund balances at 31 July 2022 are represented by:						
Tangible assets	344,408	73,474	417,882	339,354	78,989	418,343
Current assets/(liabilities)	310,233	(25,592)	284,641	309,814	(8,829)	300,985
	<u>654,641</u>	<u>47,882</u>	<u>702,523</u>	<u>649,168</u>	<u>70,160</u>	<u>719,328</u>

16 Financial commitments, guarantees and contingent liabilities

Grants receivable may be repayable in part or in full if certain conditions associated with the grants are not met.

17 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2022 £	2021 £
Aggregate compensation	49,029	50,804
	<u>49,029</u>	<u>50,804</u>
18 Cash generated from operations	2022 £	2021 £
(Deficit)/surplus for the year	(16,805)	49,624
Adjustments for:		
Investment income recognised in statement of financial activities	(1,535)	(1,614)
Loss on disposal of tangible fixed assets	212	-
Depreciation and impairment of tangible fixed assets	33,397	31,986
Movements in working capital:		
Decrease/(increase) in debtors	6,885	(10,488)
(Decrease) in creditors	(63,849)	(66,542)
Cash (absorbed by)/generated from operations	<u>(41,695)</u>	<u>2,966</u>

19 Analysis of changes in net funds

The charity had no debt during the year.

THE HOPE FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2022

20 Share capital

The company does not have share capital, but every member of the company undertakes to contribute such an amount, not exceeding £1, as may be required to the assets of the company if it should be wound up while he is a member or within one year after he ceases as a member for payment of the debts and liabilities of the company contracted before he ceases as a member and the costs charges and expenses of winding up and for the adjustment of the rights for the contributories among themselves.

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THE HOPE FOUNDATION LIMITED

England & Wales - Charity number 1078607

Accounts

Charity Registration No. 1078607

Company Registration No. 03141290 (England and Wales)

THE HOPE FOUNDATION LIMITED
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021

THE HOPE FOUNDATION LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr P J Winstone Mr J Kearney Mrs L P Sowerby Dr A Knight Mr G Rodgers	(Appointed 22 March 2022)
Chief Executive	Mrs S Kearney	
Secretary	Mr J Kearney	
Charity number	1078607	
Company number	03141290	
Registered office	Hope House 1 Grange Road Middlesbrough TS1 5BA	
Independent examiner	Davies Tracey Swan House Westpoint Road Teesdale Business Park Stockton on Tees TS17 6BP	
Bankers	Barclays Bank plc Unit 1 Centre Mall The Mall Middlesbrough TS1 2NR	

THE HOPE FOUNDATION LIMITED

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THE HOPE FOUNDATION LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 JULY 2021

The trustees present their annual report and financial statements for the year ended 31 July 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's Memorandum and Articles of Association, 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)" (effective 1 January 2019).

Objectives and activities

Purposes and Aims of The Hope Foundation

From the Governing Document:

The advancement of education, the provision of opportunities for training, the advancement of religion and the relief of poverty of persons on low income.

Charity Aims

The aim of the charity is relieving poverty and helping provide hope and a purpose for local people. We do this by improving their identification of available opportunities, ability to access them and support for them to achieve their goals and targets in a supportive environment.

Specific aims include:

- a) raising aspirations, motivation and participation in social, educational and economic life;
- b) enabling people to address barriers including social, psychological, personal and health issues;
- c) increasing skills and employability;
- d) encouraging the integration of all sectors of the community;
- e) reducing loneliness and isolation;
- f) supporting people to progress into work, education or volunteering;
- g) helping people develop their confidence in themselves and their abilities;
- h) providing volunteering and work experience opportunities;
- i) working with a wide range of partners to meet individual and community need.

This helps create a safer and stronger local community, helping address poverty, exclusion and disadvantage for local residents.

This year and the previous year have been particularly challenging due to Covid 19. The organisation has shown its flexibility and resilience in adapting to a very difficult environment and situation. We have continued to achieve our aims adapting our work and methods of delivery to continue to meet the challenging and changing local need due to the restrictions and impacts of Covid.

Public benefit

In shaping our objectives for the year and planning our activities, the trustees have considered the Charity Commission's guidance on public benefit. All work and services we carry out are for public benefit and the good of our local community. They are all to meet our aims and objectives.

THE HOPE FOUNDATION LIMITED

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

FOR THE YEAR ENDED 31 JULY 2021

Local Situation

Employment and Skills

The census data shows that 29.9% of Middlesbrough residents have no qualifications against the rest of England (22.7%) with 18.5% having an NVQ 4 or higher against the national average 27.2%. 7.8% of local people have never worked against the national average of 4.4% with 31.1% of local residents in full time work, compared to 38.5% nationally. Non-pensioner households with no workers are 28.3% against the national average of 16.1%. 16.8% of working age people in Middlesbrough are living with a limiting long-term illness against the national average of 13%.

Health and Wellbeing

Employment, skills and poverty are important risk factors linked to health and wellbeing of local residents (Director of Health Report - mental health and emotional wellbeing in Middlesbrough 2014/15). Loneliness and isolation are issues. WHO defines mental health as the state of wellbeing in which every individual realises his or her own potential, can cope with the normal stresses of life, can work productively and fruitfully and is able to make a contribution to their community.

THE HOPE FOUNDATION LIMITED

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

FOR THE YEAR ENDED 31 JULY 2021

Achievements and performance

Charitable activities

The charity has continued to successfully develop its work, delivering services that make a difference in, and as part of, the Middlesbrough community. By delivering our services we directly impact identified local issues in the 6th most deprived area in the country (index of Multiple Deprivation). We impact the index categories of Education, skills and training (IMD scores 13.5%), income deprivation (IMD 22.5%), employment deprivation (22.5%), health deprivation and disability (13.5%), barriers to housing and services domain (9.3%).

Our objectives are:

- to continually identify local need and facilitate the delivery of appropriate services to meet that need. We do that through our own delivery, collaboration or signposting to a wide range of partners ensuring we support people appropriately and in a holistic way.
- to meet the needs identified by enabling local residents to recognise and have the support they require and know how to achieve their aspirations, goals and targets in a safe and supportive environment.

Over the year we had an average of 14 employees working on the charitable activities. We are able to provide these activities with financial support through traditional fundraising, grants, contracts and service level agreements, as well as working with partners and volunteers. The organisation continues to work hard to be sustainable and continue to respond to the increasing and changing community needs and funding landscape which has been very challenging over the past 2 years.

Our current services/activities were affected by Covid and the inability to deliver services face to face and the challenges people had in accessing services even when they were available due to anxiety about Covid.

These included but are not limited to :

1) (a) Quality formal and informal teaching and learning opportunities

Middlesbrough College

The Hope Foundation delivers formal qualifications from entry 1 to level 2 including Maths, English and IT, alongside personal development modules around communication, confidence and employability. Our approach is accessible and provides learning in a supportive way. The community are keen to take up the opportunity to learn in a way that suits them. The majority of this work is funded through the Adult Education Budget as a subcontractor of Middlesbrough College.

Achievements in the year

We adapted our education delivery model to be a hybrid of face to face and online to meet the changing demands of Covid and government restrictions. This was difficult for staff and learners and our most vulnerable learners found this difficult if not impossible.

Due to these factors we delivered fewer courses with 335 enrolments in the year delivered to 135 people. This led to a reduction in our funding from the Adult Education Budget through Middlesbrough College even with disadvantage uplift due to the nature of the learners we work with. We found that the motivation of the learners waned dramatically in the second lockdown leading to lower numbers engaging and completing their qualifications. Covid had a much more dramatic impact on our delivery.

The key strengths of the delivery are

Very responsive staff team with a culture of flexibility to make positive and timely changes to ensure good responses to contract and learner needs. This was shown on the move to online and blended delivery.

The quality of the teaching, learning and assessment is very good and learners do benefit from high expectations, engagement, care, support and motivation from the full staff team. This included finding devices and data so that learners were able to continue their learning during lockdown.

Management, systems and processes and quality standards are excellent with very good reports from exam boards and external audits.

THE HOPE FOUNDATION LIMITED

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

FOR THE YEAR ENDED 31 JULY 2021

1) (b) Supporting the development of digital skills and use of technology to support inclusion and opportunity

Good Things Foundation

We were able to distribute devices and engage learners that were most digitally excluded.

This helped especially during Covid to stop people becoming isolated, contact their GP and do online shopping offering a valuable life line as well as enabling them to keep in touch with family and friends. The Good Things Foundation online products (Learn my way) enabled us to:

- i) provide extra support through our funded delivery enabling computer skills development for life and work (Middlesbrough College)
- ii) enhance our ABM project and the work of the digital inclusion officer by enabling older people to have support to access the modules individually or in groups and workshops. This also includes the support given through the digital helpers online due to Covid.
- iii) support people visiting our work club and cybercafé enabling us to support them to develop their IT skills in areas such as zoom and applying for Universal credit.

We were engaged to help deliver the Census and staff were trained to support people who could not complete the census online. This was difficult due to Covid rules but we successfully completed the requirements.

2) Information, advice and careers support

Our contract with Educational Development Trust (EDT) enables us to deliver through the government's National Careers Service. The service includes good quality workshops, 1 to 1 appointments and drop in support. This contract is important in being able to help link local people with preparing for working life and to address their barriers, as well as further support into employment, training and volunteering opportunities. The service delivers in Middlesbrough and in Grangetown to local residents. The contract has been renewed to October 2022. Covid has made this a challenging year for delivery. Multiple lock downs resulted in staff delivering from home and completing the appointments remotely as well as face to face. Staff and the contract delivery continued, staff were able to support people on furlough as well as people who were self employed and those made unemployed for the first time. Staff were able to provide services in different ways to meet the changing needs. This included helping people to volunteer to support services in the pandemic.

3) Moving residents closer to and into employment, training and volunteering

All of our activities, are to help progress the individual to where they need to be, to achieve their goal. The employability support includes a CV workshop, work club and cybercafé. Through support with basic IT skills we help with using the internet and applying for jobs and recording job search activity. We have access to quality LMI (Labour Market Intelligence) and good local employer and training delivery knowledge. This work is supported through parts of the National Careers Service and Middlesbrough College contracts as well as the cybercafé and volunteer support.

In the year, from the people we have supported these are the positive progression outcomes.

78% of learners did more than 1 course with us
25% moved into employment
5% moved into volunteering
1% moved into HE and 24% into FE

These figures are very encouraging in what was a very difficult year for people in and out of work.

THE HOPE FOUNDATION LIMITED

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

FOR THE YEAR ENDED 31 JULY 2021

4) Facilitating volunteer placement and work experience opportunities.

The support of volunteers is key to the Charity's day to day operations. Volunteers and work experience is available in all areas of the delivery. This includes administration, reception, tutor support, café support, work club delivery, digital skills and activities. Volunteers provide added value to everything we do and helps us to be able to deliver quality services. For some this has proved to provide a pathway into employment. We have formal volunteers a number of regular days supporting the work that goes on. We also have informal volunteering opportunities where people help on an ad hoc basis for example with handyman and gardening roles. Our monthly helper's dinners had around 50 regular 'helpers' until the lockdown in March 2020. The café remained closed and services were reduced but there were still some regular volunteers.

In the year we calculated volunteers worked 1,202.25 hours for the Charity. At a notional cost of £7.83 and £8.21 per hour this equates to a contribution of approximately £9,600.

Again the number of volunteer hours was affected as we have not been able to support volunteers in the same way due to Covid. Also due to social distancing on the reopening of the office and the reduction in the numbers allowed in the rooms meant that volunteers have not returned fully.

5) Providing activities and services that encourage participation and reduce loneliness and isolation

Ageing Better Middlesbrough (ABM)

This six year Big Lottery Funded programme was to reduce loneliness and isolation for people in the community aged 50+ and concluded in March 2021.

The project has been delivered through a wide range of delivery partners and has been project managed by Middlesbrough and Stockton Mind. Our role, was to deliver digital inclusion and community development support and activities. The grant provided by the Big Lottery was for £306,038 from April 2018 to March 2019 and £301,901.76 from April 2019 to March 2020. There were 7 staff employed on this programme. a team leader, a digital inclusion officer, 4 community development workers and an administrator. The team were very pro-active in working to reduce loneliness and isolation, recruiting over 50's to take part and get involved in co-designed and co-produced activities.

There was an underspend on the activities budget which was a godsend in the pandemic. We were able to purchase devices and data to help those people that were not able to keep in touch with family, talk to their doctor or do their online shopping due to lack of digital access and them having to shield due to a variety of health issues. The project linked with # helpboro to help link devices, food, prescriptions and other support to best help the people of Middlesbrough.

We were able to meet local need by delivering activity packs to help people stay active and involved and delivering 1:1 IT support in people's gardens during the pandemic and lockdowns especially supporting those isolating. A telephone befriending service was developed to enable the team to support people who were at risk of being lonely and isolated and keep up their spirits. As the activities stopped in March online activities were started on zoom and a timetable of activities developed. From singing to crafts and quizzes and bingo. This has been very important during lockdown. It has been difficult to open this project up although we have completed distanced walks and meetings in the park. But these have again needed to stop. The project was extended for a further year with the Lottery funding an Older People's service from March 2021 to March 2022 as the value of this work was recognised. The project has a digital lead, digital officer, administrator and 3 wellbeing Support Officers. This has enabled the digital work, with support for people with sensory loss, to continue to develop. The wellbeing and support officers supporting people over the phone and when the opportunity presents helping them to get out and reduce their anxiety.

THE HOPE FOUNDATION LIMITED

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

FOR THE YEAR ENDED 31 JULY 2021

Cyber Café

The café is key for the community of Hope and Middlesbrough town centre. This is where learners, staff and friends meet. Activities take place in this social space with internet access and accessible space for meals and drop in. The staff are supportive and they always find time to chat and make people welcome. As it seats about 35 people there is always a presence and people who come along soon make friends and are able to access support as required. We operate a subsidised kitchen with cheap home-made nutritious healthy meals. Many of our client group are on low incomes and the Kitchen/Café offers affordable meals and drinks and a welcoming meeting place. However due to the coronavirus and the lock down in March 2020 the café had to close, and it has not re opened until October 2021. It was not possible to open the café safely, due to space and other issues.

6) Premises and Buildings

Due to Covid the space we normally provide to 2 other charities was not needed:

- Help Link to run a weekly soup kitchen on a Monday 4.30 to 5.30
- Teesside Socialist Clothing Bank to house a container and deliver clothing and toiletries to local people once a week.

Neither charity has returned to continue their services.

IT Infrastructure

The new network was installed in March 2020 but there was no real benefit to the organisation and the community in the year due to the different lock downs. We are now open for business and the network is fit for purpose. We will need to replace the server in the next 2 years.

The Hope Foundation was key in the formation of the Middlesbrough digital partnership in May 2020 and over the period we have seen major developments in the recognition of the need in terms of poverty and digital disadvantage in the areas of devices, data and skills. A wide range of partners and agencies have come together and The Hope Foundation led on the setting up of a devices website www.furbdit.org.uk. Businesses are able to donate devices and our current partner Comply IT are able to pick them up refurbish or scrap them and then make them available for distribution. The distribution network is made up of voluntary and community groups and others who work with the most vulnerable. As well as the devices work we continue to work with wider partnerships looking at the issues of data and connectivity. Our position and experience also helping us to draw attention to the need for person centred skills development driven by what the person needs.

There are very strong partnerships being formed with voluntary organisations and charities to health and the council as people recognise that 70% of the most vulnerable people needing food and medical Covid support in Middlesbrough did not have access to basic technology.

THE HOPE FOUNDATION LIMITED

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

FOR THE YEAR ENDED 31 JULY 2021

Financial review

Incoming resources decreased in the year by £32,521 (4.9%). The reasons for the decrease included the reduction in income from the community fund ABM contract and less delivery on the Middlesbrough College contract. This was largely offset by the insurance claim of £34,456 and Covid support of £46,392.

Middlesbrough College income stream reduced due to the difficulties of the lockdown and lack of access to IT and Covid. We have an excellent relationship with Middlesbrough College and expect to continue our delivery of our education services through the College. We believe education is an effective way to build peoples' skills, confidence and self-esteem.

Hope has a strong education staff team who have experience and professional expertise and they care about the people they are working with. We work with the most disadvantaged people in the Middlesbrough community. Everyone is welcomed and supported in the best way for the individual. The reward is to see lives changed and the difference that education can make to so many people, which is why we see education as one of the pillars of our Purposes and Aims.

Expenditure is down in the year as we have not had the high levels of repairs and renewals as in the previous year due to the roof repairs. The financial management of the Hope is strong with two trustees who are experienced qualified accountants, one of which is also a part-time employee maintaining the Charity's financial records. Monthly management accounts are prepared and considered at every Trustees meeting to ensure all financial activity is in line with our Purposes and Aims.

Unrestricted funds increased by £51,246 in the year and restricted funds decreased by £1,622.

The balance sheet remains strong with Total Funds of £719,328 (2020 £669,704) and remains well geared. The Charity's policy on reserves is to maintain unrestricted funds at a minimum level of 6 months unrestricted expenditure, which has been achieved.

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The trustees are aware of the potential risks to the charity both financial and otherwise and implements strategies to control or minimise these risks. Regular reviews of risks and controls are undertaken.

THE HOPE FOUNDATION LIMITED

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

FOR THE YEAR ENDED 31 JULY 2021

Plans for future periods

The end of the ABM seven year project will be reached in March 2022. This has been a major funding stream for a very successful project.

The telephone helpline is being incorporated into Middlesbrough and Stockton Mind and their social prescribing work. The three staff currently employed on this service will have the option to apply to work in this area of delivery. The Hope Foundation does not see this telephone support as a viable part of the organisation's future delivery. We aim to re-establish and then maintain social activities for people in the centre to improve health and wellbeing which is a lasting legacy from the project. The aim of these social activities is to reduce loneliness and isolation and volunteers and funding will be sought to help this delivery after 31/3/2022.

There are always funding challenges in a changing world, but we are confident that we will be able to sustain our activities and support of local people. Our confidence is based on an excellent staff team with a proven track record of delivery who have continually, over many years, responded in a timely and effective way to meet local need. Financially the Charity is strong which allows us to underpin our activity effectively

Some of the challenges in the year will be

- 1) To continue to develop our hybrid model of teaching and learning delivery supported by the Adult Education Budget as a subcontractor of Middlesbrough College. We will consolidate our delivery in this year and potentially expand our teaching and learning delivery in the 2022/2023 academic year.
- 2) To raise funds to keep the digital team employed to continue to address digital poverty and the needs of the local community.
- 3) Suitable funding for social activities to help people with regard to mental health and loneliness and isolation.
- 4) Develop the furbdit and digital library with its own dedicated staff team.

New sources of funding are being continually sought to ensure adequate funding to maximise the delivery of our Purposes and Aims to the community. Adequate financial resources are held to meet current and future liabilities of the Charity and to fulfil our Reserves policy.

Structure, governance and management

Governing document

The organisation is a Christian based charitable company limited by guarantee, incorporated on the 27 December 1995 and registered as a charity on 15 December 1999. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association.

Trustees

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:

Mr P J Winstone

Mr J Kearney

Mrs L P Sowerby

Dr A Knight

Mr G Rodgers

(Appointed 22 March 2022)

The trustees are appointed according to the constitution of the organisation. One third of the trustees are required to retire from office at each AGM. A retiring trustee is eligible for re-election.

THE HOPE FOUNDATION LIMITED

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

FOR THE YEAR ENDED 31 JULY 2021

Organisational structure

The executive committee met 4 times between August 2020 and July 2021 to review activities, consider the financial position and to decide strategy and procedures.

The charity normally holds a day each year when the trustees, chief executive and staff work together reviewing the past year and explore the future strategy this did not happen due to Covid.

The chief executive, who is responsible to and reports to the Executive Committee, oversees the day to day work of the charity. In the year there were a further 13 staff positions and a pool of volunteers who assist with the provision of services and administration.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

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



Mr J Kearney
Trustee

26 April 2022

THE HOPE FOUNDATION LIMITED

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF THE HOPE FOUNDATION LIMITED

I report to the trustees on my examination of the financial statements of The Hope Foundation Limited (the charity) for the year ended 31 July 2021.

Responsibilities and basis of report

As the trustees of the charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of , which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
- 4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.

Davis Tracey

Christopher Neasham

ICAEW

Davis Tracey

Chartered Accountants and Business Advisers

Swan House

Westpoint Road

Teesdale Business Park

Stockton on Tees

TS17 6BP

Dated: 26 April 2022

THE HOPE FOUNDATION LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 JULY 2021

		Unrestricted funds 2021 £	Restricted funds 2021 £	Total Unrestricted funds 2021 £	Restricted funds 2020 £	Total 2020 £
	Notes					
<u>Income and endowments from:</u>						
<u>Charitable activities</u>						
Grants and contracts	2	196,286	344,134	540,420	260,340	610,877
Café income	2	124	-	124	-	20,401
Investments	3	1,614	-	1,614	-	2,229
Other income	4	94,704	-	94,704	-	35,876
Total Income		292,728	344,134	636,862	318,846	669,383
<u>Expenditure on:</u>						
Charitable activities	5	241,482	345,756	587,238	315,886	698,478
Net movement in funds		51,246	(1,622)	49,624	(63,746)	(29,095)
Fund balances at 1 August 2020		597,922	71,782	669,704	37,131	698,799
Fund balances at 31 July 2021		649,168	70,160	719,328	71,782	669,704

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.

THE HOPE FOUNDATION LIMITED

BALANCE SHEET

AS AT 31 JULY 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	10		418,343		443,831
Current assets					
Debtors	11	73,756		63,268	
Cash at bank and in hand		315,733		317,651	
		<u>389,489</u>		<u>380,919</u>	
Creditors: amounts falling due within one year	12	<u>(88,504)</u>		<u>(155,046)</u>	
Net current assets			300,985		225,873
Total assets less current liabilities			<u>719,328</u>		<u>669,704</u>
Income funds					
Restricted funds	13	70,160		71,782	
Unrestricted funds		649,168		597,922	
		<u>719,328</u>		<u>669,704</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 2021.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements 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 26 April 2022


Mr J Kearney
Trustee

Company Registration No. 03141290

THE HOPE FOUNDATION LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 JULY 2021

	Notes	2021 £	£	2020 £	£
Cash flows from operating activities					
Cash generated from operations	17		2,966		31,633
Investing activities					
Purchase of tangible fixed assets		(6,498)		(53,670)	
Proceeds on disposal of tangible fixed assets		-		1,980	
Investment income received		1,614		2,229	
Net cash used in investing activities			(4,884)		(49,461)
Net cash used in financing activities			-		-
Net decrease in cash and cash equivalents			(1,918)		(17,828)
Cash and cash equivalents at beginning of year			317,651		335,479
Cash and cash equivalents at end of year			<u>315,733</u>		<u>317,651</u>

THE HOPE FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2021

1 Accounting policies

Charity Information

The Hope Foundation Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is Hope House, 1 Grange Road, Middlesbrough, TS1 5BA.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's Memorandum and Articles of Association, 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 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.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

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.

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.

Gifts of fixed assets are included within donations in the Statement of Financial Activities at their estimated market value and capitalised in the balance sheet. Intangible income, which comprises donated services, is included in income at a valuation which is an estimate of the financial cost borne where such cost is quantifiable and measurable. No income is recognised when there is no financial cost borne by a third party.

THE HOPE FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

1 Accounting policies

(Continued)

Coronavirus Job Retention Scheme and other Covid support grants are accounted for on an accruals basis and are included in other income.

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.

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:

Freehold land and buildings	2% on cost on buildings
Fixtures and fittings	20% on reducing balance
Computers	50% on reducing balance and 20% on cost

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 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.

1.8 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.

THE HOPE FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

1 Accounting policies

(Continued)

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.

1.9 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.

1.10 Retirement benefits

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

1.11 Voluntary services

In addition to recorded incoming resources the charity received the benefit of many voluntary hours and unclaimed out of pocket expenses contributed by its supporters. It would be impossible to place a value on all these services and expenses, without which much of the work undertaken could not be achieved and for which the charity is extremely grateful.

THE HOPE FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

2 Charitable activities

	Grants and contracts 2021 £	Café income 2021 £	Total 2021 £	Grants and contracts 2020 £	Café income 2020 £	Total 2020 £
Grants and contracts	540,420	-	540,420	610,877	-	610,877
Café income	-	124	124	-	20,401	20,401
	<u>540,420</u>	<u>124</u>	<u>540,544</u>	<u>610,877</u>	<u>20,401</u>	<u>631,278</u>
Analysis by fund						
Unrestricted funds	196,286	124	196,410	260,340	20,401	280,741
Restricted funds	344,134	-	344,134	350,537	-	350,537
	<u>540,420</u>	<u>124</u>	<u>540,544</u>	<u>610,877</u>	<u>20,401</u>	<u>631,278</u>

3 Investments

	Unrestricted funds 2021 £	Unrestricted funds 2020 £
Interest receivable	<u>1,614</u>	<u>2,229</u>

4 Other income

	Unrestricted funds 2021 £	Unrestricted funds 2020 £
Net gain on disposal of tangible fixed assets	-	1,564
Insurance claims	34,456	-
Sundry income	9,160	7,555
Covid support	46,392	20,327
Room hire	-	2,040
Car park	696	390
Other income	4,000	4,000
	<u>94,704</u>	<u>35,876</u>

THE HOPE FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

5 Charitable activities

	Charitable Expenditure 2021 £	Charitable Expenditure 2020 £
Staff costs	372,309	411,410
Depreciation and impairment	31,986	29,107
Other charitable expenditure	153,087	231,492
	<u>557,382</u>	<u>672,009</u>
Share of governance costs (see note 6)	29,856	26,469
	<u>587,238</u>	<u>698,478</u>
Analysis by fund		
Unrestricted funds	241,482	382,592
Restricted funds	345,756	315,886
	<u>587,238</u>	<u>698,478</u>

6 Support costs

	Support costs £	Governance costs £	2021 £	Support costs £	Governance costs £	2020 £
Staff costs	-	18,828	18,828	-	17,895	17,895
Accountancy fees	-	3,561	3,561	-	3,528	3,528
Legal fees	-	7,467	7,467	-	5,046	5,046
	<u>-</u>	<u>29,856</u>	<u>29,856</u>	<u>-</u>	<u>26,469</u>	<u>26,469</u>
Analysed between Charitable activities	<u>-</u>	<u>29,856</u>	<u>29,856</u>	<u>-</u>	<u>26,469</u>	<u>26,469</u>

Governance costs includes payments to the Independent Examiners of £2,750 (2020- £2,700).

7 Net movement in funds

	2021 £	2020 £
Net movement in funds is stated after charging/(crediting)		
Depreciation of owned tangible fixed assets	31,986	29,107
Loss/(profit) on disposal of tangible fixed assets	-	(1,564)
	<u>31,986</u>	<u>27,543</u>

THE HOPE FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

8 Trustees

One or more of the trustees has been paid remuneration or has received other benefits from an employment with the charity. This remuneration is only received in respect of services they provide as employees under their contracts of employment and not in respect of their services as trustees. The value of trustees' remuneration and other benefits was as follows:

Mrs L P Sowerby

- Remuneration £9,404 (2020 : £10,595)
- Employer's pension contributions £282 (2020 : £318)

There were no expenses paid to trustees for the year ended 31 July 2021 nor for the year ended 31 July 2020.

9 Employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
Charitable activities	15	18
Management and administration	3	3
Total	<u>18</u>	<u>21</u>

Employment costs	2021 £	2020 £
Wages and salaries	349,997	385,360
Social security costs	26,171	27,392
Other pension costs	14,969	16,553
	<u>391,137</u>	<u>429,305</u>

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

THE HOPE FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

10 Tangible fixed assets

	Freehold land and buildings	Fixtures and fittings	Computers	Total
	£	£	£	£
Cost				
At 1 August 2020	536,151	201,001	54,064	791,216
Additions	6,498	-	-	6,498
Disposals	-	(1,008)	-	(1,008)
At 31 July 2021	542,649	199,993	54,064	796,706
Depreciation and Impairment				
At 1 August 2020	180,677	161,073	5,635	347,385
Depreciation charged in the year	13,075	8,177	10,734	31,986
Eliminated in respect of disposals	-	(1,008)	-	(1,008)
At 31 July 2021	193,752	168,242	16,369	378,363
Carrying amount				
At 31 July 2021	348,897	31,751	37,695	418,343
At 31 July 2020	355,474	39,928	48,429	443,831

11 Debtors

	2021	2020
	£	£
Amounts falling due within one year:		
Trade debtors	34,929	34,134
Other debtors	34,615	20,636
Prepayments and accrued income	4,212	8,498
	73,756	63,268

12 Creditors: amounts falling due within one year

	2021	2020
	£	£
Other taxation and social security	6,837	6,239
Trade creditors	4,957	58,812
Other creditors	10	24
Accruals and deferred income	76,700	89,971
	88,504	155,046

THE HOPE FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

13 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:

	Balance at 1 August 2019		Movement in funds		Balance at 1 August 2020		Movement in funds		Balance at 31 July 2021	
	£	£	Incoming resources	Resources expended	£	£	Incoming resources	Resources expended	£	£
Big Lottery Fund	19,232	-	-	(312)	18,920	-	-	(270)	18,650	
Community Fund	-	9,980	9,980	-	9,980	-	-	(8,994)	986	
Awards for All (2011)	768	-	-	(204)	564	-	-	(160)	404	
Awards for All (2013)	3,220	-	-	(465)	2,755	-	-	(373)	2,382	
Middlesbrough Council Welfare Reform	45	-	-	(24)	21	-	-	(12)	9	
Veolia	11,435	-	-	(5,392)	6,043	-	-	(4,440)	1,603	
Awards for All (Kitchen)	2,431	-	-	(1,525)	906	-	-	(906)	-	
Ageing Better Middlesbrough	-	305,975	305,975	(305,975)	-	279,120	279,120	(279,120)	-	
Compass (new computer)	-	8,102	8,102	(810)	7,292	-	-	(1,620)	5,672	
Covid Funding	-	4,950	4,950	(330)	4,620	-	-	(990)	3,630	
Awards for All (games cafe)	-	9,020	9,020	-	9,020	-	-	-	9,020	
Middlesbrough Council Community Chest	-	1,500	1,500	-	1,500	-	-	(1,500)	-	
Sunderland Google Digital Garage	-	1,760	1,760	(849)	911	-	-	(911)	-	
BT Skills for Tomorrow	-	5,000	5,000	-	5,000	5,000	5,000	(10,000)	-	
Everyone Thrives (good things)	-	3,750	3,750	-	3,750	415	415	(2,550)	1,615	
Catherine Cookson Trust	-	500	500	-	500	-	-	(500)	-	
CDCF Devices website	-	-	-	-	-	40,000	40,000	(30,410)	9,590	
ESF Community Grant	-	-	-	-	-	6,599	6,599	-	6,599	
Covid Recovery Grant (Middlesbrough Council)	-	-	-	-	-	10,000	10,000	-	10,000	
Digibuddies	-	-	-	-	-	3,000	3,000	(3,000)	-	
	<u>37,131</u>	<u>350,537</u>	<u>350,537</u>	<u>(315,886)</u>	<u>71,782</u>	<u>344,134</u>	<u>344,134</u>	<u>(345,756)</u>	<u>70,160</u>	

THE HOPE FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

13 Restricted funds

(Continued)

Big lottery fund - a grant to provide and refurbish a new classroom, purchase new equipment and contribution to overheads to support the integration and education project.

Awards for All 2011 - a grant towards development of the cyber cafe, reception and cafe area.

Awards for All 2013 - a capital grant for café and outdoor furniture and bike bins. This fund is depreciated in line with the depreciation policy for the asset classes.

Middlesbrough Council Welfare Reform - funding to purchase ten tablets and further develop outreach services in other communities to meet the needs of the wider Middlesbrough community.

Veolia - a capital grant towards installing a new energy efficient heating system and a new gentlemen's toilet facility..

Awards for All (Kitchen) - a grant towards refurbishing and improving the kitchen facilities.

Ageing Better Middlesbrough - to fund work with local residents who are aged 50+ in the local community to deliver digital inclusion and community development.

THE HOPE FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

14 Analysis of net assets between funds	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
Fund balances at 31 July 2021 are represented by:						
Tangible assets	339,354	78,989	418,343	356,962	86,869	443,831
Current assets/ (liabilities)	309,814	(8,829)	300,985	240,960	(15,087)	225,873
	<u>649,168</u>	<u>70,160</u>	<u>719,328</u>	<u>597,922</u>	<u>71,782</u>	<u>669,704</u>
15 Financial commitments, guarantees and contingent liabilities						
Grants receivable may be repayable in part or in full if certain conditions associated with the grants are not met.						
16 Related party transactions						
Remuneration of key management personnel						
The remuneration of key management personnel is as follows.						
				2021 £		2020 £
Aggregate compensation				50,804		47,601
				<u>50,804</u>		<u>47,601</u>
17 Cash generated from operations				2021 £		2020 £
Surplus/(deficit) for the year				49,624		(29,095)
Adjustments for:						
Investment income recognised in statement of financial activities				(1,614)		(2,229)
Gain on disposal of tangible fixed assets				-		(1,564)
Depreciation and impairment of tangible fixed assets				31,986		29,107
Movements in working capital:						
(Increase) in debtors				(10,488)		(19,342)
(Decrease)/increase in creditors				(66,542)		54,756
Cash generated from operations				<u>2,966</u>		<u>31,633</u>
18 Analysis of changes in net funds						
The charity had no debt during the year.						

THE HOPE FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

19 Share capital

The company does not have share capital, but every member of the company undertakes to contribute such an amount, not exceeding £1, as may be required to the assets of the company if it should be wound up while he is a member or within one year after he ceases as a member for payment of the debts and liabilities of the company contracted before he ceases as a member and the costs charges and expenses of winding up and for the adjustment of the rights for the contributories among themselves.

THE HOPE FOUNDATION LIMITED

England & Wales - Charity number 1078607

Accounts

REGISTERED COMPANY NUMBER: 03141290 (England and Wales)
REGISTERED CHARITY NUMBER: 1078607

Report of the Trustees and
Unaudited Financial Statements for the Year Ended 31 July 2020
for
The Hope Foundation Limited
(A Company Limited by Guarantee)

Davies Tracey
Chartered Accountants and Business Advisers
Swan House
Westpoint Road
Teesdale Business Park
Stockton on Tees
TS17 6BP

The Hope Foundation Limited

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for the Year Ended 31 July 2020**

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**Report of the Trustees
for the Year Ended 31 July 2020**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 July 2020. The trustees have adopted the provisions of 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 financial statements comply with the Charities Act 2011, the Companies Act 2006 and the Memorandum and Articles of Association.

OBJECTIVES AND ACTIVITIES

Purposes and Aims of The Hope Foundation

From the Governing Document:

THE RESTORATION OF HOPE TO THE DISADVANTAGED, THROUGH EDUCATION, CREATING OPPORTUNITIES FOR TRAINING AND BUILDING PEOPLES' SELF ESTEEM THROUGH LISTENING SOCIAL INCLUSION/INTERACTION AND SUPPORTING IN A NON-JUDGEMENTAL ENVIRONMENT.

Charity Aims

The aim of the charity is relieving poverty and helping provide hope and a purpose for local people. We do this by improving their identification of available opportunities, ability to access them and support for them to achieve their goals and targets in a supportive environment.

Specific aims include:

- a) raising aspirations, motivation and participation in social, educational and economic life;
- b) enabling people to address barriers including social, psychological, personal and health issues;
- c) increasing skills and employability;
- d) encouraging the integration of all sectors of the community;
- e) reducing loneliness and isolation;
- f) supporting people to progress into work, education or volunteering;
- g) helping people develop their confidence in themselves and their abilities;
- h) providing volunteering and work experience opportunities;
- i) working with a wide range of partners to meet individual and community need.

This helps create a safer and stronger local community, helping address poverty, exclusion and disadvantage for local residents.

The current year has been particularly challenging due to the impact of Covid 19. The organisation has shown its flexibility and its resilience in adapting to a very difficult environment and situation. We have successfully changed aspects of our work and methods of delivery to continue to meet changing local need especially between the months of March and July 2020.

Local Situation

Employment and Skills

The census data shows that 29.9% of Middlesbrough residents have no qualifications against the rest of England (22.7%) with 18.5% having an NVQ 4 or higher against the national average 27.2%. 7.8% of local people have never worked against the national average of 4.4% with 31.1% of local residents in full time work, compared to 38.5% nationally. Non-pensioner households with no workers are 28.3% against the national average of 16.1%. 16.8% of working age people in Middlesbrough are living with a limiting long-term illness against the national average of 13%.

Health and Wellbeing

Employment, skills and poverty are important risk factors linked to health and wellbeing of local residents (Director of Health Report - mental health and emotional wellbeing in Middlesbrough 2014/15). Loneliness and isolation are issues. (WHO)⁴ defines mental health as the state of wellbeing in which every individual realises his or her own potential, can cope with the normal stresses of life, can work productively and fruitfully and is able to make a contribution to their community.

Public benefit

In shaping our objectives for the year and planning our activities, the trustees have considered the Charity Commission's guidance on public benefit. All work and services we carry out are for public benefit and the good of our local community. They are all to meet our aims and objectives.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

The charity has continued to successfully develop its work, delivering services that make a difference in, and as part of, the Middlesbrough community. By delivering our services we directly impact identified local issues in the 6th most deprived area in the country (index of Multiple Deprivation). We impact the index categories of Education, skills and training (IMD scores 13.5%), income deprivation (IMD 22.5%), employment deprivation (22.5%), health deprivation and disability (13.5%), barriers to housing and services domain (9.3%).

Our objectives are:

- to continually identify local need and facilitate the delivery of appropriate services to meet that need. We do that through our own delivery, collaboration or signposting to a wide range of partners ensuring we support people appropriately and in a holistic way.
- to meet the needs identified by enabling local residents to recognise and have the support they require and know how to achieve their aspirations, goals and targets in a safe and supportive environment.

Over the year we had an average of 14 employees working on the charitable activities. We are able to provide these activities with financial support through traditional fundraising, grants, contracts and service level agreements, as well as working with partners and volunteers. The organisation continues to work hard to be sustainable and continue to respond to the increasing and changing community needs and funding landscape.

Our current services/activities include but are not limited to:

1) (a) Quality formal and informal teaching and learning opportunities

Middlesbrough College

The Hope Foundation delivers formal qualifications from entry 1 to level 2 including Maths, English and IT, alongside personal development modules around functional skills and employability. Our approach is accessible and provides learning in a supportive way. The community are keen to take up the opportunity to learn in a way that suits them. The majority of this work is funded through the Adult Education Budget as a subcontractor of Middlesbrough College.

Achievements in the year

We delivered £285,869 worth of successful outcomes from Adult Education Budget Funding which was for the provision of 412 course places. This included disadvantage uplift due to the nature of the learners we work with. **This was despite between March and July having to move to online learning delivery due to the national lockdown due to the impact of COVID 19.**

Our self-assessment for the college shows our delivery is outstanding (Ofsted rating) and we were the highest performing outward collaborative provider for the college with excellent success rates and achievement rates.

The key strengths of the delivery are

Excellent teaching and learning resulting in very good achievement and retention rates across all delivery of 98%. Maths and English are at 98.6% compared to the national average of 86%

Very responsive staff team with a culture of flexibility to make positive and timely changes to ensure good responses to contract and learner needs. This was shown on the move overnight to online delivery.

The quality of the teaching, learning and assessment is very good and learners do benefit from high expectations, engagement, care, support and motivation from the full staff team. This include finding devices and data so that learners were able to continue their learning during lockdown.

There is no difference in achievement rates across the qualifications, gender, ethnic group and disability (learning or physical) demonstrating the equality and diversity ethos within the organisation and its inclusivity

Management, systems and processes and quality standards are excellent with very good reports from exam boards and external audits

1) (b) Supporting the development of digital skills and use of technology to support inclusion and opportunity

Good Things Foundation

We work with the Good Things Foundation (previously UK Online) to address the issue of digital exclusion. We achieve this through the provision of "learnmyway" online products and helping local people to complete the modules, such as how to do online shopping, find a job online or use the NHS website. There was activity throughout the year and during lockdown we continued to provide first time IT engagement to people. We would normally deliver modules through our cyber-café and work club, with the support of volunteers and on taught learning programmes and through our ABM contract. However, after March, we were no longer able to do that. We were able to raise funds to access extra support and distribute 10 devices through "devices.now". These tablets were distributed to those people that were shielding during lockdown. This helped them to not become isolated, contact their GP and do online shopping offering a valuable life-line as well as enabling them to keep in touch with family and friends.

The Good Things Foundation online products (Learn my way) enabled us to

- (i) provide extra support through our funded delivery enabling computer skills development for life and Middlesbrough College).
- (ii) enhance our ABM project and the work of the digital inclusion officer by enabling older people to have support to access the modules individually or in groups and workshops. This also includes the support given through the digital helpers currently online due to Covid. We have continued to have support from digital helpers including Barclays digital Eagles and Middlesbrough College IT students.
- (iii) support people visiting our work club and cyber-café enabling us to support them to develop their IT skills in areas such as zoom and applying for Universal credit.

Due to Covid and a partnership between Good Things and "Devicesdotnow" we were able to access 10 tablets that we were able to distribute to those who were shielding and had no access to the internet. This was an important step and led to further work in respect of devices. We had a good news story about one of our learners featured in Elle magazine.

2) Information, advice and careers support

Our contract with Educational Development Trust (EDT) enables us to deliver through the government's National Careers Service. The service includes good quality workshops, 1 to 1 appointments, and drop in support. This contract is important in being able to help link local people with preparing for working life and to address their barriers, as well as further support into employment, training and volunteering opportunities. The service delivers in Middlesbrough and in Grangetown to local residents. The contract has been renewed to 31st March 2021. Due to Covid this has been a very challenging year for delivery. The lockdown in March meant that right at the beginning of the new contract we could no longer deliver face to face sessions. Staff were flexible and we were able to let staff work from home and use the telephone to deliver this service. The contract delivery continued and new Covid rules were brought in so staff could support people on furlough as well as people who were self-employed and those made unemployed for the first time.

3) Moving residents closer to and into employment, training and volunteering

All of our activities, are to help progress the individual to where they need to be, to achieve their goal. The employability support includes a CV workshop, work club and cyber-café. Through support with basic IT skills we help with using the internet and applying for jobs and recording job search activity. We have access to quality LMI (Labour Market Intelligence) and good local employer and training delivery knowledge. This work is supported through parts of the National Careers Service and Middlesbrough College contracts as well as the cyber-café and volunteer support.

In the year, from the people we have supported these are the positive progression outcomes.

76% of learners did more than 1 course with us

7% moved into employment

5% moved into volunteering

3% into HE and 8% into FE

All of these figures are down on last year and this is due to the effects of Covid and follow up tracking being adversely affected by Covid. Also, people moving into work was affected due to the people no longer working.

4) Facilitating volunteer placement and work experience opportunities.

The support of volunteers is key to the Charity's day to day operations. Volunteers and work experience are available in all areas of the delivery. This includes administration, reception, tutor support, café support, work club delivery, digital skills and activities. Volunteers provide added value to everything we do and helps us to be able to deliver quality services. For many this has proved to provide a pathway into employment. We have formal volunteers who do many days and multiple support. We also have informal volunteering opportunities where people can just help on the day. We held monthly helpers' dinners through Ageing Better Middlesbrough who have around 50 regular 'helpers' until the lockdown in March 2020. These have not yet re-started. Hope had around 11 regular volunteers.

In the year we calculated volunteers worked 1,202.25 hours for the Charity. At a notional cost of £8.21 and £8.72 per hour this equates to a contribution of approximately £10,000.

Again, the number of volunteer hours was adversely affected as we have not been able to support volunteers in the same way due to Covid. With the social distancing rules in the office and the reduction in the numbers allowed in rooms, opportunities for volunteers have been limited throughout Covid.

5) Providing activities and services that encourage participation and reduce loneliness and isolation

Ageing Better Middlesbrough (ABM)

The Big Lottery Funded programme is to help reduce loneliness and isolation for people in the community aged 50+. The programme was for 6 years and moves towards the conclusion in March 2021.

The original project commenced in April 2015 and the lead partner is Middlesbrough and Stockton Mind. Our role, initially in partnership with MVDA, was to deliver digital inclusion and community development support and activities. There was a re-contracting in March 2018. The Hope Foundation successfully secured the second phase of the community development part of the project which runs from April 2018 to March 2021. The grant provided by the Big Lottery is for £306,038 from April 2018 to March 2019 and £301,901.76 from April 2019 to March 2020. There are currently 7 staff employed on this programme which finishes on the 31st March 2021. The Project employs a team leader, a digital inclusion officer, 4 community development workers and an administrator. The team are very pro-active in working to reduce loneliness and isolation, recruiting over 50's to take part and get involved in co-designed and co-produced activities.

Our underspend in the early years on the activities budget was a godsend in the pandemic. We were able to purchase devices and data to help those people not able to keep in touch with family, talk to their doctor or do their online shopping due to lack of digital access and having to shield due to a variety of health issues. This became very important through the pandemic and is still a very important issue. The project linked with "#helpboro" to help link devices, food, prescriptions and other support to best help the people of Middlesbrough.

We were able to meet local need by delivering activity packs to help people stay active and involved and delivering 1:1 IT support in people's gardens. A telephone befriending service was developed to enable the team to support people who were at risk of being lonely and isolated to keep up their spirits. As the activities were halted by Covid in March 2020, online activities were started on zoom and a timetable of activities developed which ranged from singing to crafts and quizzes and bingo. This has been very important during lockdown. It has been challenging to open this project up, although we have completed distanced walks and meetings in the park; but these have again have been halted due to Covid regulations.

Cyber Café

The café is key for the community of Hope and Middlesbrough town centre. This is where learners, staff and friends meet. Activities take place in this social space with internet access and accessible space for meals and drop in. The staff are supportive and they always find time to chat and make people welcome. As it seats about 35 people there is always a presence and people who may come along soon make friends and are able to access support as required. We normally operate a subsidised kitchen with a nutritious healthy meal costing £2.50 or a hot drink and cake or scone for £1. Many of our client group are on low incomes and the Kitchen/Café offers affordable meals and drinks and a welcoming meeting place. However due to the coronavirus and the lock down in March 2020 the café closed. It has not re opened in August 2020 with the rest of our services as it is not possible to open the café safely.

6) Premises and Buildings

We normally provide external free space to 2 other charities

- Help Link to run a weekly soup kitchen on a Monday 4.30 to 5.30
- Teesside Socialist Clothing Bank to house a container and deliver clothing and toiletries to local people once a week.

The Hope Foundation Limited

Report of the Trustees for the Year Ended 31 July 2020

Both charities have not met since March due to the pandemic.

There has been major investment in the year as subsequent to the loss of a number of roof tiles after stormy weather it was found the roof needed to be replaced. This was a major piece of work. The work on the roof resulted in an insurance claim due to the high winds and rain damage and the landing ceiling needed to be replaced. As this was not planned work the roof needed to be paid for from our reserves as there was no time to raise the funds.

IT Infrastructure

Due to the demise of windows 7 our entire IT provision needed to be replaced in the year. This was another major capital outlay that could not be delayed. Funds were raised to help support this upgrade.

The pandemic meant that staff overnight needed to work from home. The lap-tops and equipment we had were not suitable and money was raised to ensure that staff were adequately equipped to be able to work effectively from home. All staff who needed a new lap top were equipped through support from CDCF and other Coronavirus funds.

The big development in the year was our work on digital disadvantage in the areas of devices, data and skills. Through the bringing together of the Middlesbrough Collective a digital partnership has been formed across a wide range of partners and agencies. The Hope Foundation is leading on the setting up of a devices website through which businesses donate devices and our current partner Comply IT collect them, refurbish or scrap, and then make available for distribution. In parallel with the device's activity, we continue to work with wider partnerships looking at the issues of data and connectivity. From our position and experience, we have been able to draw attention to, the need for person centred skills development, driven by what the person needs.

There are very strong partnerships being formed from voluntary organisations and charities, to Public Health and Councils, as people recognise that 70% of the most vulnerable people highlighted, through Covid support in Middlesbrough, do not have access to basic technology.

FINANCIAL REVIEW

Financial Review

Incoming resources were increased to £668k which was a remarkable result, with Covid19 impacting over one third of the financial year.

In the year, our repairs and renewals costs increased from £7,059 to £80,635 as we had to re-roof the entire building and associated works. The roof work was a major part of the repairs and renewals costs. The result for the year was a Deficit of £29,095 but without the roof costs The Hope would have generated a surplus.

The Balance Sheet remains strong and well geared with Reserves at the year-end £669,704 (2019 £698,799). The Charity's policy on reserves is to maintain unrestricted funds at a minimum level of 6 months unrestricted expenditure, which continues to be achieved.

The financial management of the Hope is strong with two trustees who are experienced qualified accountants, one of which, is also a part-time employee maintaining the Charity's financial records. Monthly management accounts are prepared and considered at every Trustees meeting to ensure all financial activity is in line with our Purposes and Aims.

Throughout the pandemic Hope has strived to support the local community with all services being maintained except for the Cyber-café. The staff and management have delivered those services in an innovative and flexible way and our CEO Susan Kearney has been a tireless and inspirational lead. New sources of funding have been accessed at short notice to meet Community needs brought to light by the Pandemic especially data accessibility. The Hope is leading a local collaborative on digital inclusion and the future is challenging but exciting.

The Hope Foundation Limited

Report of the Trustees for the Year Ended 31 July 2020

FUTURE PLANS

We are expecting to continue to deliver all the services previously outlined that we have delivered so successfully in the current year. Looking forward we expect to maintain current income and activity levels until March 2021 when the ABM Project is completed. The current ABM team has 7 employees but from April 2021 new funding has been obtained to fund 4 employees for a further year to 31st March 2022.

There are always funding challenges in a changing world, but we are confident that we will be able to sustain our activities and support of local people. Our confidence is based on an excellent staff team with a proven track record of delivery who have continually, over many years, responded in a timely and effective way to meet local need. Financially the Charity is strong which allows us to underpin our activity effectively.

Some of the challenges in the year will be

- 1 Delivery of ongoing contracts due to the operating restrictions imposed by Covid 19. Class sizes are reduced and sometimes teaching and support is not as effective as face to face.
- 2 Continuing to adapt to meet our Community needs throughout and post Covid19. The collaboration on Digital Inclusion will be challenging to obtain adequate funding and establish acceptable working practices between the different parties

New sources of funding are being continually sought to ensure adequate funding to maximise the delivery of our Purposes and Aims to the community. Adequate financial resources are held to meet current and future liabilities of the Charity and to fulfil our Reserves policy.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The organisation is a Christian based charitable company limited by guarantee, incorporated on the 27 December 1995 and registered as a charity on 15 December 1999. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association.

Recruitment and appointment of new trustees

The directors of the charitable company are its trustees for the purposes of charity law and throughout the report are collectively referred to as the trustees.

The trustees are appointed according to the constitution of the organisation. One third of the trustees are required to retire from office at each AGM. A retiring trustee is eligible for re-election.

Organisational structure

The executive committee met 5 times between August 2018 and July 2019 to review activities, consider the financial position and to decide strategy and procedures.

The charity holds a day each year when the trustees, chief executive and staff work together reviewing the past year and explore the future strategy.

The chief executive, who is responsible to and reports to the Executive Committee, oversees the day to day work of the charity. In the year there were a further 16 staff positions and a pool of volunteers (up to 20 at a time) who assist with the provision of services and administration.

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The trustees are aware of the potential risks to the charity both financial and otherwise and implements strategies to control or minimise these risks. Regular reviews of risks and controls are undertaken.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

03141290 (England and Wales)

Registered Charity number

1078607

The Hope Foundation Limited

**Report of the Trustees
for the Year Ended 31 July 2020**

Registered office

Hope House
1 Grange Road
Middlesbrough
TS1 5BA

Trustees

J Kearney
Mrs L P Sowerby
Dr A Knight
P J Winstone

Chief Executive

Mrs S Kearney

Company Secretary

J Kearney

Independent Examiner

Davies Tracey
Chartered Accountants and Business Advisers
Swan House
Westpoint Road
Teesdale Business Park
Stockton on Tees
TS17 6BP

Bankers

Barclays Bank Plc
Teesdale Business Park
Stockton-on-Tees
TS1 5BA

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board of trustees on*12.2.2021*..... and signed on its behalf by:



.....
J Kearney - Trustee

**Independent Examiner's Report to the Trustees of
The Hope Foundation Limited**

Independent examiner's report to the trustees of The Hope Foundation Limited ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 July 2020.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent examiner's statement

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a registered member of ICAEW which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Davis Tracey

Christopher Neasham
ICAEW
Davies Tracey
Chartered Accountants and Business Advisers
Swan House
Westpoint Road
Teesdale Business Park
Stockton on Tees
TS17 6BP

Date: *12 February 2021*

The Hope Foundation Limited

**Statement of Financial Activities
(Incorporating an Income and Expenditure Account)
for the Year Ended 31 July 2020**

	Notes	Unrestricted funds £	Restricted funds £	2020 Total funds £	2019 Total funds £
INCOME AND ENDOWMENTS FROM					
Charitable activities					
Grants and contracts	3	260,340	350,537	610,877	593,073
Charitable activities		20,401	-	20,401	29,321
Investment income	2	2,229	-	2,229	1,963
Other income		34,312	-	34,312	5,205
Total		317,282	350,537	667,819	629,562
EXPENDITURE ON					
Charitable activities					
Grants and contracts	4	-	849	849	23,297
Charitable activities		379,830	289,766	669,596	538,831
Support Costs		1,198	25,271	26,469	50,333
Total		381,028	315,886	696,914	612,461
NET INCOME/(EXPENDITURE)		(63,746)	34,651	(29,095)	17,101
RECONCILIATION OF FUNDS					
Total funds brought forward		661,668	37,131	698,799	681,698
TOTAL FUNDS CARRIED FORWARD		597,922	71,782	669,704	698,799

The notes form part of these financial statements

The Hope Foundation Limited (Registered number: 03141290)

**Balance Sheet
31 July 2020**

	Notes	2020 £	2019 £
FIXED ASSETS			
Tangible assets	10	443,831	419,684
CURRENT ASSETS			
Debtors: amounts falling due within one year	11	63,268	43,926
Cash at bank and in hand		317,651	335,479
		<u>380,919</u>	<u>379,405</u>
CREDITORS			
Amounts falling due within one year	12	(155,046)	(100,290)
		<u>225,873</u>	<u>279,115</u>
NET CURRENT ASSETS			
		<u>669,704</u>	<u>698,799</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			
		<u>669,704</u>	<u>698,799</u>
NET ASSETS			
		<u>669,704</u>	<u>698,799</u>
FUNDS			
	14		
Unrestricted funds		597,922	661,668
Restricted funds		71,782	37,131
		<u>669,704</u>	<u>698,799</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 July 2020.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 July 2020 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each 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 charitable company.

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

The financial statements were approved by the Board of Trustees and authorised for issue on 12.2.2021 and were signed on its behalf by:


.....
J Kearney - Trustee

The notes form part of these financial statements

The Hope Foundation Limited

**Cash Flow Statement
for the Year Ended 31 July 2020**

	Notes	2020 £	2019 £
Cash flows from operating activities			
Cash generated from operations	1	<u>31,633</u>	<u>63,166</u>
Net cash provided by operating activities		<u>31,633</u>	<u>63,166</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(53,670)	(13,361)
Sale of tangible fixed assets		1,980	7,680
Interest received		<u>2,229</u>	<u>1,963</u>
Net cash used in investing activities		<u>(49,461)</u>	<u>(3,718)</u>
Change in cash and cash equivalents in the reporting period		<u>(17,828)</u>	<u>59,448</u>
Cash and cash equivalents at the beginning of the reporting period		<u>335,479</u>	<u>276,031</u>
Cash and cash equivalents at the end of the reporting period		<u>317,651</u>	<u>335,479</u>

The notes form part of these financial statements

The Hope Foundation Limited

Notes to the Cash Flow Statement
for the Year Ended 31 July 2020

1. RECONCILIATION OF NET (EXPENDITURE)/INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES		
	2020	2019
	£	£
Net (expenditure)/income for the reporting period (as per the Statement of Financial Activities)	(29,095)	17,101
Adjustments for:		
Depreciation charges	29,107	47,061
Profit on disposal of fixed assets	(1,564)	-
Interest received	(2,229)	(1,963)
(Increase)/decrease in debtors	(19,342)	15,272
Increase/(decrease) in creditors	54,756	(14,305)
	<u>31,633</u>	<u>63,166</u>

2. ANALYSIS OF CHANGES IN NET FUNDS			
	At 1.8.19	Cash flow	At 31.7.20
	£	£	£
Net cash			
Cash at bank and in hand	335,479	(17,828)	317,651
	<u>335,479</u>	<u>(17,828)</u>	<u>317,651</u>
Total	<u>335,479</u>	<u>(17,828)</u>	<u>317,651</u>

The notes form part of these financial statements

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The Hope Foundation Limited is a private company, limited by guarantee, registered in England and Wales. The company's registered number and registered office address can be found in the "Reference and Administrative Details" section of the Report of the Trustees.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, 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 accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Gifts and intangible income

Gifts of fixed assets are included within donations in the Statement of Financial Activities at their estimated market value and capitalised in the balance sheet. Intangible income, which comprises donated services, is included in income at a valuation which is an estimate of the financial cost borne where such cost is quantifiable and measurable. No income is recognised when there is no financial cost borne by a third party.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- 2% on cost on buildings
Fixtures and fittings	- 20% on reducing balance
Computer equipment	- 50% on reducing balance and 20% on cost

Tangible fixed assets are stated at cost.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering the funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Voluntary services

In addition to recorded incoming resources the charity received the benefit of many voluntary hours and unclaimed out of pocket expenses contributed by its supporters. It would be impossible to place a value on all these services and expenses, without which much of the work undertaken could not be achieved and for which the charity is extremely grateful.

2. INVESTMENT INCOME

	2020	2019
	£	£
Deposit account interest	<u>2,229</u>	<u>1,963</u>

3. INCOME FROM CHARITABLE ACTIVITIES

	2020	2019
	£	£
Grants and contracts	610,877	593,073
Cafe income	20,401	29,321
	<u>631,278</u>	<u>622,394</u>

4. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 5) £	Totals £
Grants and contracts	849	-	849
Charitable activities	669,596	-	669,596
Support Costs	-	26,469	26,469
	<u>670,445</u>	<u>26,469</u>	<u>696,914</u>

5. SUPPORT COSTS

Support Costs	Governance costs £ <u>26,469</u>
---------------	---

Support costs, included in the above, are as follows:

	2020 Support Costs £	2019 Total activities £
Trustees' remuneration etc	2,818	8,624
Wages	12,184	26,860
Social security	1,104	2,706
Pensions	1,789	5,088
Accountancy fees	3,528	3,540
Legal fees	5,046	3,515
	<u>26,469</u>	<u>50,333</u>

6. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2020	2019
	£	£
Depreciation - owned assets	29,107	47,061
Hire of plant and machinery	4,906	5,025
Surplus on disposal of fixed assets	(1,564)	-
Independent examiner's fees	2,700	2,640
	<u><u> </u></u>	<u><u> </u></u>

7. TRUSTEES' REMUNERATION AND BENEFITS

Mrs L P Sowerby, a trustee received the following remuneration during the year as a finance officer employee of the Charity.

	2020	2019
	£	£
Salaries	10,595	10,801
Pension contributions	318	323
	<u><u> </u></u>	<u><u> </u></u>
	10,913	11,124
	<u><u> </u></u>	<u><u> </u></u>

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 July 2019 or for the year ended 31 July 2018.

8. STAFF COSTS

	2020	2019
	£	£
Wages and salaries	385,360	375,627
Social security costs	27,392	25,756
Pension costs	16,553	16,142
	<u><u> </u></u>	<u><u> </u></u>
	429,305	417,525
	<u><u> </u></u>	<u><u> </u></u>

The average monthly number of employees during the year was as follows:

	2020	2019
Charitable activities	18	18
Management and administration	3	3
	<u><u> </u></u>	<u><u> </u></u>
	21	21
	<u><u> </u></u>	<u><u> </u></u>

No employees received emoluments in excess of £60,000.

9. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Charitable activities			
Grants and contracts	310,789	282,284	593,073
Charitable activities	29,321	-	29,321
Investment income	1,963	-	1,963
Other income	5,205	-	5,205
Total	347,278	282,284	629,562
EXPENDITURE ON			
Charitable activities			
Grants and contracts	-	23,297	23,297
Charitable activities	275,774	263,057	538,831
Support Costs	25,064	25,269	50,333
Total	300,838	311,623	612,461
NET INCOME/(EXPENDITURE)	46,440	(29,339)	17,101
Transfers between funds	36,835	(36,835)	-
Net movement in funds	83,275	(66,174)	17,101
RECONCILIATION OF FUNDS			
Total funds brought forward	578,393	103,305	681,698
TOTAL FUNDS CARRIED FORWARD	661,668	37,131	698,799

10. TANGIBLE FIXED ASSETS

	Freehold property £	Fixtures and fittings £	Computer equipment £	Totals £
COST				
At 1 August 2019	536,151	201,001	349,178	1,086,330
Additions	-	-	53,670	53,670
Disposals	-	-	(348,784)	(348,784)
At 31 July 2020	<u>536,151</u>	<u>201,001</u>	<u>54,064</u>	<u>791,216</u>
DEPRECIATION				
At 1 August 2019	166,894	150,991	348,761	666,646
Charge for year	13,783	10,082	5,242	29,107
Eliminated on disposal	-	-	(348,368)	(348,368)
At 31 July 2020	<u>180,677</u>	<u>161,073</u>	<u>5,635</u>	<u>347,385</u>
NET BOOK VALUE				
At 31 July 2020	<u>355,474</u>	<u>39,928</u>	<u>48,429</u>	<u>443,831</u>
At 31 July 2019	<u>369,257</u>	<u>50,010</u>	<u>417</u>	<u>419,684</u>

11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020 £	2019 £
Trade debtors	34,134	34,818
Other debtors	20,636	-
Prepayments and accrued income	8,498	9,108
	<u>63,268</u>	<u>43,926</u>

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020 £	2019 £
Trade creditors	58,812	8,223
Social security and other taxes	6,239	6,544
Other creditors	24	2,046
Accruals and deferred income	89,971	83,477
	<u>155,046</u>	<u>100,290</u>

13. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Tangible fixed assets £	Other net assets £	Total £
Big Lottery Fund	17,339	1,581	18,920
Community Fund	-	9,980	9,980
Awards For All (2011)	780	(216)	564
Awards For All (2013)	1,864	891	2,755
Middlesbrough Council Welfare Reform	21	-	21
Veolia	48,853	(42,810)	6,043
Awards For All (Kitchen)	6,100	(5,194)	906
Compass (new computers)	7,292	-	7,292
Covid Funding	4,620	-	4,620
Awards for all (games cafe)	-	9,020	9,020
Middlesbrough Council Community Chest	-	1,500	1,500
Sunderland Google Digital Garage	-	911	911
BT Skills For Tomorrow	-	5,000	5,000
Everyone Thrives (good things)	-	3,750	3,750
Catherine Cookson Trust	-	500	500
	<u>86,869</u>	<u>(15,087)</u>	<u>71,782</u>
Unrestricted funds	<u>356,962</u>	<u>240,960</u>	<u>597,922</u>
	<u><u>443,831</u></u>	<u><u>225,873</u></u>	<u><u>669,704</u></u>

14. MOVEMENT IN FUNDS

	At 1.8.19 £	Net movement in funds £	At 31.7.20 £
Unrestricted funds			
General fund	445,024	(63,746)	381,278
Community Fund	142,983	-	142,983
Department of Further Education and Skills	52,568	-	52,568
European Regional Development Fund	21,093	-	21,093
	<u>661,668</u>	<u>(63,746)</u>	<u>597,922</u>
Restricted funds			
Big Lottery Fund	19,232	(312)	18,920
Community Fund	-	9,980	9,980
Awards For All (2011)	768	(204)	564
Awards for All (2013)	3,220	(465)	2,755
Middlesbrough Council Welfare Reform	45	(24)	21
Veolia	11,435	(5,392)	6,043
Awards For All (Kitchen)	2,431	(1,525)	906
Compass (new computers)	-	7,292	7,292
Covid Funding	-	4,620	4,620
Awards for all (games cafe)	-	9,020	9,020
Middlesbrough Council Community Chest	-	1,500	1,500
Sunderland Google Digital Garage	-	911	911
BT Skills For Tomorrow	-	5,000	5,000
Everyone Thrives (good things)	-	3,750	3,750
Catherine Cookson Trust	-	500	500
	<u>37,131</u>	<u>34,651</u>	<u>71,782</u>
TOTAL FUNDS	<u><u>698,799</u></u>	<u><u>(29,095)</u></u>	<u><u>669,704</u></u>

Notes to the Financial Statements - continued
for the Year Ended 31 July 2020

14. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	317,282	(381,028)	(63,746)
Restricted funds			
Big Lottery Fund	-	(312)	(312)
Community Fund	9,980	-	9,980
Awards For All (2011)	-	(204)	(204)
Awards for All (2013)	-	(465)	(465)
Middlesbrough Council Welfare Reform	-	(24)	(24)
Veolia	-	(5,392)	(5,392)
Awards For All (Kitchen)	-	(1,525)	(1,525)
Ageing Better Middlesbrough	305,975	(305,975)	-
Compass (new computers)	8,102	(810)	7,292
Covid Funding	4,950	(330)	4,620
Awards for all (games cafe)	9,020	-	9,020
Middlesbrough Council Community Chest	1,500	-	1,500
Sunderland Google Digital Garage	1,760	(849)	911
BT Skills For Tomorrow	5,000	-	5,000
Everyone Thrives (good things)	3,750	-	3,750
Catherine Cookson Trust	500	-	500
	<u>350,537</u>	<u>(315,886)</u>	<u>34,651</u>
TOTAL FUNDS	<u>667,819</u>	<u>(696,914)</u>	<u>(29,095)</u>

14. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.8.18 £	Net movement in funds £	Transfers between funds £	At 31.7.19 £
Unrestricted funds				
General fund	355,683	52,506	36,835	445,024
Community Fund	146,820	(3,837)	-	142,983
Department of Further Education and Skills	54,079	(1,511)	-	52,568
European Regional Development Fund	21,811	(718)	-	21,093
	<u>578,393</u>	<u>46,440</u>	<u>36,835</u>	<u>661,668</u>
Restricted funds				
UK On-Line	32,815	(97)	(32,718)	-
Big Lottery Fund	19,598	(366)	-	19,232
Awards For All (2011)	1,029	(261)	-	768
Niace Ca-M-el	3,038	(29)	(3,009)	-
Community Foundation	281	(133)	(148)	-
Awards for All (2013)	3,802	(582)	-	3,220
Santander	1,194	(234)	(960)	-
Middlesbrough Council Welfare Reform	92	(47)	-	45
Veolia	37,119	(25,684)	-	11,435
Awards For All (Kitchen)	4,337	(1,906)	-	2,431
	<u>103,305</u>	<u>(29,339)</u>	<u>(36,835)</u>	<u>37,131</u>
TOTAL FUNDS	<u>681,698</u>	<u>17,101</u>	<u>-</u>	<u>698,799</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	347,278	(294,772)	52,506
Community Fund	-	(3,837)	(3,837)
Department of Further Education and Skills	-	(1,511)	(1,511)
European Regional Development Fund	-	(718)	(718)
	<u>347,278</u>	<u>(300,838)</u>	<u>46,440</u>
Restricted funds			
UK On-Line	-	(97)	(97)
Big Lottery Fund	-	(366)	(366)
Awards For All (2011)	-	(261)	(261)
Niace Ca-M-el	-	(29)	(29)
Community Foundation	-	(133)	(133)
Awards for All (2013)	-	(582)	(582)
Santander	-	(234)	(234)
Middlesbrough Council Welfare Reform	-	(47)	(47)
Veolia	-	(25,684)	(25,684)
Awards For All (Kitchen)	-	(1,906)	(1,906)
Ageing Better Middlesbrough	282,284	(282,284)	-
	<u>282,284</u>	<u>(311,623)</u>	<u>(29,339)</u>
TOTAL FUNDS	<u>629,562</u>	<u>(612,461)</u>	<u>17,101</u>

Notes to the Financial Statements - continued
for the Year Ended 31 July 2020

14. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.8.18 £	Net movement in funds £	Transfers between funds £	At 31.7.20 £
Unrestricted funds				
General fund	355,683	(11,240)	36,835	381,278
Community Fund	146,820	(3,837)	-	142,983
Department of Further Education and Skills	54,079	(1,511)	-	52,568
European Regional Development Fund	21,811	(718)	-	21,093
	<u>578,393</u>	<u>(17,306)</u>	<u>36,835</u>	<u>597,922</u>
Restricted funds				
UK On-Line	32,815	(97)	(32,718)	-
Big Lottery Fund	19,598	(678)	-	18,920
Community Fund	-	9,980	-	9,980
Awards For All (2011)	1,029	(465)	-	564
Niace Ca-M-el	3,038	(29)	(3,009)	-
Community Foundation	281	(133)	(148)	-
Awards for All (2013)	3,802	(1,047)	-	2,755
Santander	1,194	(234)	(960)	-
Middlesbrough Council Welfare Reform	92	(71)	-	21
Veolia	37,119	(31,076)	-	6,043
Awards For All (Kitchen)	4,337	(3,431)	-	906
Compass (new computers)	-	7,292	-	7,292
Covid Funding	-	4,620	-	4,620
Awards for all (games cafe)	-	9,020	-	9,020
Middlesbrough Council Community Chest	-	1,500	-	1,500
Sunderland Google Digital Garage	-	911	-	911
BT Skills For Tomorrow	-	5,000	-	5,000
Everyone Thrives (good things)	-	3,750	-	3,750
Catherine Cookson Trust	-	500	-	500
	<u>103,305</u>	<u>5,312</u>	<u>(36,835)</u>	<u>71,782</u>
TOTAL FUNDS	<u>681,698</u>	<u>(11,994)</u>	<u>-</u>	<u>669,704</u>

14. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	664,560	(675,800)	(11,240)
Community Fund	-	(3,837)	(3,837)
Department of Further Education and Skills	-	(1,511)	(1,511)
European Regional Development Fund	-	(718)	(718)
	<u>664,560</u>	<u>(681,866)</u>	<u>(17,306)</u>
Restricted funds			
UK On-Line	-	(97)	(97)
Big Lottery Fund	-	(678)	(678)
Community Fund	9,980	-	9,980
Awards For All (2011)	-	(465)	(465)
Niace Ca-M-el	-	(29)	(29)
Community Foundation	-	(133)	(133)
Awards for All (2013)	-	(1,047)	(1,047)
Santander	-	(234)	(234)
Middlesbrough Council Welfare Reform	-	(71)	(71)
Veolia	-	(31,076)	(31,076)
Awards For All (Kitchen)	-	(3,431)	(3,431)
Ageing Better Middlesbrough	588,259	(588,259)	-
Compass (new computers)	8,102	(810)	7,292
Covid Funding	4,950	(330)	4,620
Awards for all (games cafe)	9,020	-	9,020
Middlesbrough Council Community Chest	1,500	-	1,500
Sunderland Google Digital Garage	1,760	(849)	911
BT Skills For Tomorrow	5,000	-	5,000
Everyone Thrives (good things)	3,750	-	3,750
Catherine Cookson Trust	500	-	500
	<u>632,821</u>	<u>(627,509)</u>	<u>5,312</u>
TOTAL FUNDS	<u>1,297,381</u>	<u>(1,309,375)</u>	<u>(11,994)</u>

Unrestricted funds

These represent the free funds of the charity which are not designated for particular purpose.

Community fund - provided funding for the purchase and refurbishment of the freehold property and the computer server in 2001/2002. The fund is depreciated in line with the depreciation policy for the asset classes. The Community Fund operates to fund the refurbishment of Hope House. Following the completion of the refurbishment the Trustee considers that the restriction has been discharged and the balance on the fund has therefore been released to unrestricted funds.

Department of further education and skills - a grant for the refurbishment of the freehold property 2001/2002. The fund is depreciated in line with depreciation policy for the asset classes. The Department of further education and skills operates to fund the refurbishment of Hope House. Following the completion of the refurbishment the Trustee considers that the restriction has been discharged and the balance on the fund has therefore been released to unrestricted funds.

European regional development program - a grant for the refurbishment of the freehold property and purchase of computer equipment between 2002 and 2004. The fund is depreciated in line with depreciation policy for the asset classes. The European regional development program operates to fund the refurbishment of Hope House. Following the completion of the refurbishment the Trustee considers that the restriction has been discharged and the balance on the fund has therefore been released to unrestricted funds.

14. MOVEMENT IN FUNDS - continued

In the year the following funds were agreed by the Trustees to be completed and the restrictions discharged and the balance on the funds have therefore been released to unrestricted funds:

Niace Ca-M-el support for the development of the IT infrastructure to enable the delivery of e-learning opportunities.
UK Online - a grant supporting staff costs to improve access for disadvantaged learners to access ICT in the community.
Santander - a capital grant to purchase 22 computers and software. This fund is depreciated in line with the depreciation policy for the asset classes.
Community foundation - a grant towards establishing a new social enterprise to develop the café to provide healthy eating international cuisine.

Restricted funds

Big lottery fund - a grant to provide and refurbish a new classroom, purchase new equipment and contribution to overheads to support the integration and education project.

Awards for All 2011 - a grant towards development of the cyber cafe, reception and cafe area.

Awards for All 2013 - a capital grant for café and outdoor furniture and byke bins. This fund is depreciated in line with the depreciation policy for the asset classes.

Middlesbrough Council Welfare Reform - funding to purchase ten tablets and further develop outreach services in other communities to meet the needs of the wider Middlesbrough community.

Veolia - a capital grant towards installing a new energy efficient heating system and a new gentlemen's toilet facility..

Awards for All (Kitchen) - a grant towards refurbishing and improving the kitchen facilities.

Ageing Better Middlesbrough - to fund work with local residents who are aged 50+ in the local community to deliver digital inclusion and community development.

15. RELATED PARTY DISCLOSURES

During the year, Mrs Sue Kearney, the wife of Mr John Kearney, a trustee, was employed by the charity. Details of her remuneration are as follows:-

	2020	2019
	£	£
Wages	40,685	39,500
Pension contributions	6,916	6,715
	<u>47,601</u>	<u>46,,215</u>

16. SHARE CAPITAL

The company does not have share capital, but every member of the company undertakes to contribute such an amount, not exceeding £1, as may be required to the assets of the company if it should be wound up while he is a member or within one year after he ceases as a member for payment of the debts and liabilities of the company contracted before he ceases as a member and the costs charges and expenses of winding up and for the adjustment of the rights for the contributories among themselves.

The Hope Foundation Limited

**Detailed Statement of Financial Activities
for the Year Ended 31 July 2020**

	2020 £	2019 £
INCOME AND ENDOWMENTS		
Investment income		
Deposit account interest	2,229	1,963
Charitable activities		
Grants and contracts	610,877	593,073
Cafe income	20,401	29,321
	<u>631,278</u>	<u>622,394</u>
Other income		
Sundry income	7,555	230
Room hire	2,040	1,455
Car park	390	520
Other income	4,000	3,000
Business support grant	10,000	-
Job retention scheme	10,327	-
	<u>34,312</u>	<u>5,205</u>
Total incoming resources	667,819	629,562
EXPENDITURE		
Charitable activities		
Trustees' salaries	7,946	2,700
Trustees' social security	269	94
Trustees' pension contributions	238	81
Wages	212,204	187,015
Social security	12,218	9,489
Pensions	10,326	6,771
Hire of plant and machinery	4,906	5,025
Rent, rates and water	3,186	3,323
Insurance	4,138	4,246
Light and heat	11,125	10,579
Telephone	3,175	3,448
Postage and stationery	2,636	3,934
Advertising	948	1,185
Sundries	3,529	5,611
Cafe costs	10,527	16,574
Exam costs & teaching fees	10,963	24,929
ABM wages	160,820	150,951
ABM social security	13,711	13,186
ABM pensions	4,119	3,960
ABM direct costs	54,560	34,808
Motor and travel expenses	-	52
Repairs and renewals	80,635	7,059
Computer costs	27,045	17,218
Staff training	1,272	(736)
Volunteer refreshments	2,030	3,124
Carried forward	642,526	514,626

This page does not form part of the statutory financial statements

The Hope Foundation Limited

**Detailed Statement of Financial Activities
for the Year Ended 31 July 2020**

	2020	2019
	£	£
Charitable activities		
Brought forward	642,526	514,626
Bank charges	376	426
Bad debts	-	15
Depreciation of tangible fixed assets	29,107	47,061
Loss on sale of tangible fixed assets	(1,564)	-
	670,445	562,128
Support costs		
Governance costs		
Trustees' salaries	2,649	8,101
Trustees' social security	90	281
Trustees' pension contributions	79	242
Wages	12,184	26,860
Social security	1,104	2,706
Pensions	1,789	5,088
Accountancy fees	3,528	3,540
Legal fees	5,046	3,515
	26,469	50,333
Total resources expended	696,914	612,461
Net (expenditure)/income	(29,095)	17,101

This page does not form part of the statutory financial statements