

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.

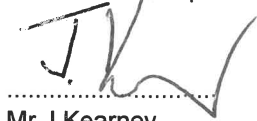
The trustees are appointed according to the constitution of the organisation. One third of the trustees are required to retire from office at each AGM. A retiring trustee is eligible for re-election.

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>	

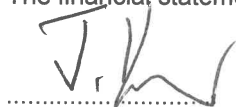
The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 July 2025.

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			384,409		487,229

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	2025	2024	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	<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
Analysed between:		
Charitable expenditure	<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>26,824</u>	<u>33,866</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 Number	2024 Number
Charitable Activities	16	14
Managment 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>

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>

16 Retirement benefit schemes

	2025 £	2024 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	<u>18,803</u>	<u>16,642</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> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </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> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </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> </u>	<u> </u>	<u> </u>
	641,234	54,819	696,053
	<u> </u>	<u> </u>	<u> </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> </u>	<u> </u>	<u> </u>
	651,919	26,913	678,832
	<u> </u>	<u> </u>	<u> </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.