

# HOPE COMMUNITY FOUNDATION

England & Wales · Charity number 1102542

## Details

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**Other names** HOPE CITY FOUNDATION, MEGANURSERY

**Status** Registered

**Legal form** Charitable company

**Company number** [04489582](#)

**Registered** 2004-03-09

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

## Contact

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**Address** The Hope Centre  
Bernard Road  
Sheffield  
S2 5BQ

**Phone** 01142132065

**Email** [info@hopecity.foundation](mailto:info@hopecity.foundation)

**Website** [www.hopecity.foundation](http://www.hopecity.foundation)

## Activities

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**Objects:** THE OBJECTS OF THE CHARITY ARE:(I) THE RELIEF OF POVERTY AND SICKNESS(II) THE ADVANCEMENT OF EDUCATION OF CHILDREN UNDER STATUTORY SCHOOL AGE BY THE PROVISION OF A NURSERY SCHOOL(III) TO PROVIDE FACILITIES FOR RECREATION OR OTHER LEISURE TIME OCCUPATION WITH THE OBJECT OF IMPROVING THE CONDITIONS OF LIFE OF THOSE PERSONS HAVING NEED OF SUCH FACILITIES BY REASON OF THEIR YOUTH, AGE, INFIRMITY OR DISABLEMENT, POVERTY OR SOCIAL AND ECONOMIC CIRCUMSTANCES(IV) SUCH OTHER CHARITABLE PURPOSES AS THE TRUSTEES SHALL THINK FIT

**Activities:** THE ADVANCEMENT OF EDUCATION OF CHILDREN UNDER STATUTORY SCHOOL AGE BY PROVISION OF A NURSERY SCHOOL. RELIEF OF POVERTY AND SICKNESS. OTHER SUCH CHARITABLE PURPOSES AS THE TRUSTEES THINK FIT.

## Classification

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- **How:** Provides Services
- **What:** Education/training, Disability, The Prevention Or Relief Of Poverty, Economic/community Development/employment
- **Who:** Children/young People, People With Disabilities, The General Public/mankind

## Geography

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- Sheffield City

## Finances

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Period end	Income	Expenditure	Assets	Employees
2025-03-31	£398,190	£402,822	-	-
2024-03-31	£350,534	£338,953	-	-
2023-03-31	£389,996	£404,323	-	-
2022-03-31	£457,361	£465,478	-	-
2021-03-31	£309,923	£310,836	-	-

## Trustees

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Name	Role	Appointed
Lois Elizabeth Willis	Chair	2019-12-06
Brightmore Panashe Kunaka		2022-06-30
COLIN DAVIES		2015-12-16
Elizabeth Muthiah		2019-04-19
Jessica Bramhall		2022-03-23

**HOPE COMMUNITY FOUNDATION**

England & Wales - Charity number 1102542

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# Accounts

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CHARITY REGISTRATION NUMBER 1102542

COMPANY REGISTRATION NUMBER 4489582

**HOPE COMMUNITY FOUNDATION**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2025**



# HOPE COMMUNITY FOUNDATION

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees</b>	C Davies E Muthiah L E Willis J Bramhall B P Kunaka
<b>Secretary</b>	J Bramhall
<b>Charity number</b>	1102542
<b>Company number</b>	4489582
<b>Registered office</b>	The Hope Centre Bernard Road Sheffield South Yorkshire S2 5BQ
<b>Auditor</b>	UHY Hacker Young 6 Broadfield Court Broadfield Way Sheffield S8 0XF
<b>Bankers</b>	Barclays Bank plc P.O. Box 1385 2 Arena Court Sheffield S9 2WV
<b>Solicitors</b>	Geldards Number One Pride Place Pride Park Derby DE24 8QR

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# HOPE COMMUNITY FOUNDATION

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# HOPE COMMUNITY FOUNDATION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

### FOR THE YEAR ENDED 31 MARCH 2025

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The trustees present their report and accounts for the year ended 31 March 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**

The charity's objects are:

- The advancement of education of children under statutory school age by provision of a nursery school
- Relief of poverty and sickness
- To provide facilities for recreation or other leisure time occupation with the object of improving the conditions of life
- Other such charitable purposes as the trustees think fit

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

In recent years, the work of the charity has continued to diversify considerably, with its Ofsted registered Childcare remaining the largest single service being offered in financial terms.

#### **Achievements and performance**

The Hope Centre has been an asset of community value for many years and houses the work of Hope Community Foundation. The Hope Centre is well located to serve the needs of local communities, specifically but not exclusively those located in the S2 and S9 postcodes of the city, both of which have a higher-than-average rate of disadvantage compared with many other communities in Sheffield and are amongst the 10% most disadvantaged in England and Wales. They represent many of the hardest hit, both in terms of multiple aspects of deprivation and the recent cost-of-living crisis.

Through recent months the charity has continued to invest in building positive working relationships with partners in the area whose goals and ethos are aligned to those of the charity. These include faith and non-faith partners committed to working together for social change. The charity works with both statutory and non-statutory partners and has continued to bring social value to the local community by leveraging the presence of the Hope Centre to create a hub for the community.

Hope Community Foundation could not operate without the generosity and support of its volunteers. The charity has benefited from the work of around 80 volunteers over the course of the year who support our work week in week out and Trustees are immensely grateful for their hard work and dedication.

#### **Our General Community Projects**

Maintaining the previous years strategy, the scope of our community projects has remained relatively static over the past year with our aim being to continue to grow current strength rather than overcommit to newer projects. The focus on bringing both strength and substance to projects supported by some external and internal fundraising has enabled the charity to continue to operate whilst strengthening its community of service users and the projects themselves.

## HOPE COMMUNITY FOUNDATION

### TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2025

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There has been a need to build internal management capacity in order for us to take the next step in growing our overall impact. The charity was able to gain temporary support from C3 Trust UK in order to extend the role of the Volunteer Coordinator, which had been funded for three years through the Henry Smith Charity. As continuation funding was not forthcoming or available this role became redundant in November 2024. Given the strategic priority to move towards a longer term and financially sustainable model, the charity was able to gain temporary funding for a full time Development Manager. The Development Manager will focus on strategic review, financial sustainability, operational viability and from there growing the strength of the charity and its subsidiary Hope Centre Limited.

Nevertheless, with the valued support and engagement of staff and volunteers we have been able to build the strength of much of our existing provision as well as seek to work with partners to add further support options to our portfolio of services to enable us to not only meet presenting needs, but to ensure we seek to address the multiple needs of our beneficiaries and create the optimum social value across all of our services.

#### Key Projects and Outputs

**Foundation Community Grocery** - In April 2021 the Foundation Community Grocery launched, working with The Message Trust, a partner charity. At the three-year anniversary in April 2024, we reported that the grocery had 2095 members, of which 1400 were active. 65% of beneficiaries were in our immediate disadvantaged communities of S2 and S9 postcodes. Almost 7800 individual shopping visits have been completed in the previous year alone, with almost 20,000 shops completed since the project started, providing an estimated 400,000 meals over this time to local families, as well as 172 tonnes of food being rescued from landfill since 2021.

From January 2025 as planned, it was agreed with The Message Trust that Hope Community Foundation would take on the running of the grocery in a social franchise model, whilst still receiving key support from the team at The Message Trust. This has been fully embraced by the team and trustees and after the appointment of a new manager for the grocery we have seen it consistently outperform previous years in terms of numbers of members regularly shopping and the financial sustainability of the model. Trustees have concluded that this model of working has been successfully to date due to having more local autonomy whilst still benefiting from the Message trust support and training.

**Jigsaw Project** - Our Jigsaw café (for over 55s) is thriving with two sessions being very popular and well attended with over 800 attendances over the past year. Through successfully obtaining external funding for the project, we have been able to fund various activities including a Christmas meal and day trips. The group has grown into a strong community where members feel a strong sense of belonging and support. The impact on those attending is evident in the powerful sense of family amongst group members, particularly in the light of personal loss and illness.

**Oak & Olive Coffee** – at the heart of our communal space is the café which no longer operates on a donation basis and employs two café supervisors and has the support of volunteers throughout the week. The model is supported by donations from Oak & Olive which runs on Sundays as part of C3 Hope so benefits from the weekly donations of church members as well as regular donations from members of the local community.

**Polka Dots Play Group** – our playgroup has continued to operate with the support of a part time paid member of staff and achieved over 400 attendances in the past year, with positive feedback from those attending the sessions which are led by a qualified teacher and early years professional.

## HOPE COMMUNITY FOUNDATION

### TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2025

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**Café Connect** – despite funding from The Home Office ceasing in April 2024 this project has remained largely due to the value it brings to largely Hong Kong immigrants. The project is led by two volunteers who invest their time and their enthusiasm in providing support for service users not only in their conversational skills but in a more holistic capacity. The project sees between 6 and 12 people attending weekly but was discontinued towards the end of 2025.

**University Placements** - We have continued to successfully grow our work together with Sheffield higher education providers to offer placements to undergraduate students to help them further their studies. This is something we aim to continue to develop in the future as it exposes undergraduates to the needs of people in communities and generates unrestricted revenue for the charity.

**Pathways** - Our Pathways listening and signposting project has continued despite a slow start, but has currently been paused due to maternity leave.

**School Uniform project** - working in partnership with C3 Hope Church and several local schools to provide school uniforms to local families in need.

**Cook & Taste Sessions** – we have launched a project which aims to demonstrate how healthy and nutritious food can be created from ingredients sourced from our Community Grocery. This is led by two of our volunteers and has attracted a small following since its launch. After a trial period it was decided that the project should be discontinued for the time being.

**Community Pantomime** – we collaborated with local partners led by MASKK and funded through Sheffield City Council to host their annual pantomime at Christmas 2024 which brought 800 people into the Hope Centre who would otherwise be unlikely to access this form of seasonal entertainment. This partnership has been discontinued in part due to the change in the funding support required to hold the event.

**Chaplaincy** – Hope Community Foundation actively partner with C3 Trust UK who provide a Chaplaincy service in the Hope Centre which is available to staff, volunteers and members of the public, providing pastoral care for people.

The role of Volunteer Coordinator became redundant in this period due to lack of funding. This had been a 3 year funded post which was extended for a further year, and one which had been enormously beneficial in helping to grow the impact and operation of the work of the charity.

The trustee's report does not give full account of the impact that the work of the charity has had on individuals and families although this is significantly felt amongst our service users and volunteers, many of whom are either current service users or have been in the past.

Our commitment to working in partnership is demonstrated by but not limited to our ongoing work with The Message Trust, Together for Sheffield, MASKK Sheffield, Voluntary Action Sheffield (VAS) and our local Universities and Schools. This partnership work has been vital in helping us to scale up the impact of our work while we are working from a smaller than preferred resource base.

We continue to maintain a strong focus on Safeguarding vulnerable adults and young people, through the work of our Joint Safeguarding Board whose aim is to ensure that safeguarding is effective across all aspects of the work of the Hope Centre.

## **HOPE COMMUNITY FOUNDATION**

### **TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2025**

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#### **Community Nursery (Little Ark Nursery & Pre-School)**

The Charity continues to operate a community nursery providing both paid for and funded childcare places. Over the past 18 months the nursery has continued to deliver provision and maintain partnership working with statutory agencies during a period of sustained uncertainty across the early years sector.

The nursery was originally registered with Ofsted under Hope City Church (now C3 Trust UK) under URN: EY216880, and was rated good in March 2019. In February 2023 the nursery was successfully re-registered under Hope Community Foundation URN: 2716252.

In April 2025, following the appointment of the Development Manager, the nursery achieved a further good rating at Ofsted inspection, recognising the work of the staff team and the support of external partners.

Colin Davies (Trustee and Foundation Director) continues to serve as the Ofsted Nominated Individual.

Despite this progress, nursery sustainability and occupancy have remained a concern. The Charity has continued to receive valued support from Sheffield City Council in exploring options to strengthen performance.

In late 2024, trustees commissioned research to assess long term viability and the implications of closure. The costs associated with closure were found to be unaffordable without external support. Following extensive discussion, including with trustees of C3 Trust UK who have provided financial support in recent years due to shared charitable objects, trustees agreed to plan for closure in summer 2025.

Subsequently, interest was received from a third party seeking to take over the nursery as part of an expansion strategy. This offered the opportunity to safeguard employment and maintain early years provision within the Hope Centre. From August 2025 and extensive due diligence process commenced. Although more complex and time consuming than anticipated, the new provider successfully secured Ofsted registration in January 2026, enabling the transfer and lease arrangements to proceed. While final completion was pending at the date of this report, trustees are confident this will be concluded shortly.

Trustees are pleased that more than twenty years of childcare provision will continue within the Hope Centre for the foreseeable future.

## HOPE COMMUNITY FOUNDATION

### TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2025

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#### Funding and Fundraising

The charity has a fundraising strategy which brings together different revenue streams including the following:

1. Primary Purpose Trading (e.g Early year provision)
2. External grant making trusts and statutory funders
3. Individual & Corporate Donations (cash and in-kind)
4. Trading revenue (generated through Hope Centre Limited under licence from C3 Trust UK)

Applications for grant funding have reduced in the current year largely due to internal capacity limitations but Trustees intend to accelerate this process on completion of the transition of the nursery.

The charity has been successful in gaining external project funding or contracts from a number of funders and commissioners since the last Trustees Annual Report which include:

- National Lottery Community Fund (Grocery Manager salary) - £19,800
- Benefact Trust (Pathways Coordinator Salary) £8,200

These grants and support are clear evidence of the charity's concerted efforts to attract support for its work in the community. The charity is currently reviewing its funding strategy in preparation for 2026 onwards.

The charity continues to receive funding from individual donors and plans to be more intentional in the coming year to raise awareness of opportunities for personal support. This has recently started with individuals undertaking fundraising activities on behalf of the charity and raising unrestricted donations over the recent summer period towards general running costs.

The community café operates no longer operates on a donation basis in order to work towards a more financially sustainable model but retains its accessible pricing policy.

The charity is registered with the Fundraising Regulator, the national body tasked with ensuring that fundraising is conducted ethically and in line with good practice.

#### Financial review

The Trustees make strategic and operational decisions based on the financial position of the charity by reference to the financial data (budgets, management accounts) provided to them quarterly at their formal meetings and as part of internal meetings of the senior and executive management teams.

The Trustees however do not get involved in the day-to-day detailed running of the charity except where required in order to support the appointed officers of the charity.

Within the financial year ended 31 March 2025 the charity received £398,190 (2024: £350,534) of income and expended £402,822 (2024: £338,953) showing a deficit of £4,632 (2024: surplus of £11,581). The principal sources of income are disclosed in notes 3 and 4 to the accounts.

The charity has unrestricted reserves of £(26,355) (2024: £(21,813)). The trustees have identified that the available reserves are at a low level and are addressing this in order to build reserves in line with the charity's reserves policy of three month's operating costs.

## HOPE COMMUNITY FOUNDATION

### TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2025

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The trustees have assessed the major risks to which the charity is exposed, which include the risk of over-gearing due to the cross guarantee of borrowings taken out in C3 Trust UK. The trustees are satisfied that systems are in place to mitigate exposure to the major risks.

#### **Future Progress and Development**

Trustees are encouraged by the progress being made both in terms of effective delivery of existing community projects and the planned improvements being introduced in the nursery. The charity's strategy moving forward is as follows:

1. To conclude the successful transition of the nursery operation by end of March 2026 and strengthen the partnership links with the new operator.
2. To continue to grow the membership and impact of the community grocery and explore ways in which this model could be replicated into new locations.
3. To continue to run our existing projects whilst extending our work around skills and employability through our work with Sheffield University and together for Sheffield's Ascend program.
4. To complete capital improvements to the community areas including upgrades to the café and toilets to improve our user-experience and quality of provision.
5. To revise the charity's fundraising strategy and explore a longer-term plan for the organisation.
6. To further strengthen the composition and knowledge of the board of Trustees

Some examples of the way this strategy will be outworked will be the following:

1. Seeking funding for an additional role to focus on employability and skills development
7. Strengthen the vital work of the community grocery to ensure this is sustainable and effective over the medium to long term.
8. Strengthen our existing programmes by extending their reach and engagement.
9. Continue to establish vital and effective links and strategic partnerships to extend our scope of work and subsequently the impact we make.
10. Continue to strengthen policies and procedures in general and increase our investment in training and development, and Human Resources through our HR Adviser, Croner HR.

#### **Structure, governance and management**

The charity is a company limited by guarantee under the provisions of the Companies Act 2006. (Number 04489582). The company does not have share capital. The charity was set up as a new company on 18 July 2002 and received registered charity status in March 2004 (Number 1102542). The company officially changed its name to Hope Community Foundation from 13 August 2021.

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:

C Davies

A E Ibbotson

(Resigned 31 August 2025)

E Muthiah

L Davies

(Resigned 9 May 2024)

L E Willis

J Bramhall

B P Kunaka

## **HOPE COMMUNITY FOUNDATION**

### **TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2025**

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The current Company Secretary is J Bramhall who was appointed on 1 August 2024 taking over from A E Ibbotson. Trustees wish to express their sincere thanks to L Davies who served as trustee and more recently Chair of trustees.

There are at least three managing trustees at any one time in line with the charity's governing documents. When a vacancy occurs, the trustees discuss potential candidates and instruct a trustee representative to approach potential candidates. The trustees make a final decision to appoint trustees based on cultural fit, experience, knowledge and commitment.

None of the trustees have any beneficial interest in the company. At the time of preparing these financial statements, all of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

#### **Disclosure of information to auditor**

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor are aware of such information.

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

**C Davies**

Trustee

Dated: 29 January 2026

## **HOPE COMMUNITY FOUNDATION**

### **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

#### **FOR THE YEAR ENDED 31 MARCH 2025**

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

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

In preparing these accounts, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts;
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HOPE COMMUNITY FOUNDATION**

### **Opinion**

We have audited the financial statements of Hope Community Foundation (the 'charity') for the year ended 31 March 2025 which comprise the statement of financial activities, the balance sheet and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2025 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Material uncertainty relating to going concern**

We have identified a matter of concern in our report because we have concerns that the charity may not be able to continue as a going concern. Disclosure has been made in note 1.2 to the accounts concerning the charity's ability to continue as a going concern. The trustees are aware of certain material uncertainties which remain largely outside of the immediate control of the charity. The charity is actively seeking to divest itself of the nursery, which if successful, will strengthen going concern and leave the charity able to focus on running the cafe and community grocery. This will reduce the level of support required from the parent charity, which is something that is being reviewed by the trustees on an ongoing basis.

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HOPE COMMUNITY FOUNDATION CONTINUED**

### **Other information**

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

We have nothing to report in this regard.

### **Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the trustees' report for the financial year for which the financial statements are prepared, which includes the directors' report prepared for the purposes of company law, is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

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

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

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

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HOPE COMMUNITY FOUNDATION CONTINUED**

### **Responsibilities of trustees**

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

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

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



## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HOPE COMMUNITY FOUNDATION CONTINUED**

Based on our understanding of the charity and the sector in which it operates, we identified the principal risks of non-compliance with laws and regulations related to the acts by the charity, which were contrary to applicable laws and regulations including fraud, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to inflated revenue and the charity's net income for the year.

Audit procedures performed included: review of the financial statement disclosures to underlying supporting documentation, review of correspondence with and reports to the regulators, including correspondence with the Charity Commission, review of correspondence with legal advisors and enquiries of management in so far as they related to the financial statements, and in testing of journals and evaluating whether there was evidence of bias by the trustees that represented a risk of material misstatement due to fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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

### **Use of our report**

This report is made solely to the company's members, as a body, in accordance with section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Michael Mealing (Senior Statutory Auditor)  
for and on behalf of UHY Hacker Young**

29 January 2026

**Chartered Accountants  
Statutory Auditor**

# HOPE COMMUNITY FOUNDATION

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2025

		Unrestricted funds	Restricted funds	Total 2025	Unrestricted funds	Restricted funds	Total 2024
	Notes	£	£	£	£	£	£
<b><u>Income from:</u></b>							
Donations and gifts	3	60,701	28,280	88,981	15,792	58,099	73,891
Charitable activities	4	308,966	-	308,966	276,643	-	276,643
Investments	5	12	231	243	-	-	-
<b>Total income</b>		<u>369,679</u>	<u>28,511</u>	<u>398,190</u>	<u>292,435</u>	<u>58,099</u>	<u>350,534</u>
<b><u>Expenditure on:</u></b>							
Charitable activities	6	382,999	19,823	402,822	300,102	38,851	338,953
<b>Net (outgoing)/incoming resources before transfers</b>		(13,320)	8,688	(4,632)	(7,667)	19,248	11,581
Gross transfers between funds		8,778	(8,778)	-	4,475	(4,475)	-
<b>Net (expenditure)/income for the year/ Net movement in funds</b>		<u>(4,542)</u>	<u>(90)</u>	<u>(4,632)</u>	<u>(3,192)</u>	<u>14,773</u>	<u>11,581</u>
Fund balances at 1 April 2024		<u>(21,813)</u>	<u>27,112</u>	<u>5,299</u>	<u>(18,621)</u>	<u>12,339</u>	<u>(6,282)</u>
<b>Fund balances at 31 March 2025</b>		<u><u>(26,355)</u></u>	<u><u>27,022</u></u>	<u><u>667</u></u>	<u><u>(21,813)</u></u>	<u><u>27,112</u></u>	<u><u>5,299</u></u>

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

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.

# HOPE COMMUNITY FOUNDATION

## BALANCE SHEET

AS AT 31 MARCH 2025

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		2025		2024	
	Notes	£	£	£	£
<b>Fixed assets</b>					
Tangible assets	13		12,928		17,909
<b>Current assets</b>					
Debtors	14	18,864		18,363	
Cash at bank and in hand		32,072		33,703	
		<u>50,936</u>		<u>52,066</u>	
<b>Creditors: amounts falling due within one year</b>	16	<u>(52,455)</u>		<u>(42,995)</u>	
<b>Net current (liabilities)/assets</b>			<u>(1,519)</u>		<u>9,071</u>
<b>Total assets less current liabilities</b>			11,409		26,980
<b>Creditors: amounts falling due after more than one year</b>	17		<u>(10,742)</u>		<u>(21,681)</u>
<b>Net assets</b>			<u>667</u>		<u>5,299</u>
<b>The funds of the charity</b>					
Restricted income funds	19		27,022		27,112
Unrestricted funds	20		<u>(26,355)</u>		<u>(21,813)</u>
			<u>667</u>		<u>5,299</u>

The financial statements were approved by the trustees on 29 January 2026

C Davies  
Trustee

Company registration number 4489582 (England and Wales)

# HOPE COMMUNITY FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

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### 1 Accounting policies

#### Company information

Hope Community Foundation is a private company limited by guarantee incorporated in England and Wales. The registered office is The Hope Centre, Bernard Road, Sheffield, South Yorkshire, S2 5BQ.

#### 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 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)". The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

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

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

#### 1.2 Going concern

These financial statements are prepared on the going concern basis. The trustees have a reasonable expectation that the charity will continue in operational existence for the foreseeable future and has agreed significant ongoing support from its parent over the next year. However, the trustees are aware of certain material uncertainties which may cause doubt on the charity's ability to continue as a going concern. These uncertainties remain largely outside of the immediate control of the charity. At the time of this report the charity is actively seeking to divest itself of the nursery, which if successful, will strengthen going concern, again dependent on a reduced level of support from the parent charity, something which is being reviewed by trustees on an ongoing basis.

#### 1.3 Charitable funds

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

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

#### 1.4 Incoming resources

Grants and voluntary income comprising gifts, donations and other forms of income, including grants for the purchase of fixed assets, are recognised in full in the Statement of Financial Activities in the year in which they are receivable, except insofar as they are incapable of financial measurement.

The value of services provided by volunteers has not been included.

Grants are recognised in full in the Statement of Financial Activities in the year in which they are receivable.

# HOPE COMMUNITY FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2025

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#### 1 Accounting policies

(Continued)

Income is measured at the fair value of the consideration received or receivable and represents amounts receivable for services provided in the normal course of business.

#### 1.5 Resources expended

Resources expended are recognised in the year in which they are incurred inclusive of irrecoverable VAT.

Charitable expenditure comprises costs incurred by the charity in the delivery of its activities and includes costs that can be allocated directly to such activities and costs of an indirect nature to support them.

Grants for other charitable activities are made at the discretion of the trustees and are recognised in the year in which they are made.

Governance costs are those incurred in connection with the administration of the charity and compliance with constitutional and statutory requirements.

#### 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:

Leasehold buildings	Straight line over the period of the lease
Fixtures, fittings and equipment	20% Straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

Fixed assets costing less than £500 are not capitalised.

#### 1.7 Impairment of fixed assets

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

# HOPE COMMUNITY FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2025

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#### 1 Accounting policies

(Continued)

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

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in income/(expenditure) for the year, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

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

#### 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.

##### **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.

##### **Other financial assets**

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in net income/(expenditure), except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

# HOPE COMMUNITY FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

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### 1 Accounting policies

(Continued)

#### ***Impairment of financial assets***

Financial assets, other than those held at fair value through income and expenditure, are assessed for indicators of impairment at each reporting date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected.

If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in net income/(expenditure) for the year.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in net income/(expenditure) for the year.

#### ***Derecognition of financial assets***

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the charity transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

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

Basic financial liabilities, including trade and other payables, 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 receipts discounted at a market rate of interest. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Accounts 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 payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### ***Other financial liabilities***

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in or in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

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

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

# HOPE COMMUNITY FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2025

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#### 1 Accounting policies

(Continued)

##### 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.

#### 2 Critical accounting estimates and judgements

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods. There are no judgements or estimates which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities.

#### 3 Donations and gifts

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2025	2025	2025	2024	2024	2024
	£	£	£	£	£	£
Donations and gifts	60,701	28,280	88,981	15,792	58,099	73,891

# HOPE COMMUNITY FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2025

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#### 4 Charitable activities

	Nursery fees and catering income £	Cafe sales £	Grocery store £	Total 2025 £	Total 2024 £
Sales within charitable activities	248,177	36,768	15,208	300,153	276,643
Other income	8,813	-	-	8,813	-
	<u>256,990</u>	<u>36,768</u>	<u>15,208</u>	<u>308,966</u>	<u>276,643</u>

#### 5 Investments

	2025 £	2025 £	2025 £	2024 £
Interest receivable	<u>12</u>	<u>231</u>	<u>243</u>	<u>-</u>

# HOPE COMMUNITY FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2025

#### 6 Charitable activities

	Pre-school nursery education £	Community based activities £	Total 2025 £	Pre-school nursery education £	Community based activities £	Total 2024 £
Staff costs	303,991	4,993	308,984	246,451	27,546	273,997
Depreciation and impairment	5,167	609	5,776	5,102	495	5,597
Rent	1,597	-	1,597	2,132	-	2,132
Insurance	2,110	-	2,110	1,672	-	1,672
Cleaning	3,084	-	3,084	658	1,210	1,868
Printing, postage and stationery	417	-	417	254	2	256
Staff training	1,035	-	1,035	1,841	330	2,171
Catering costs	27,512	40	27,552	16,953	733	17,686
Legal and professional fees	4,105	14	4,119	4,622	49	4,671
Bad and doubtful debts	7,661	-	7,661	(2,550)	-	(2,550)
Sundry expenses	15,043	4	15,047	13,467	2,348	15,815
Advertising	1,236	34	1,270	663	212	875
Repairs and maintenance	2,980	14,102	17,082	763	5,393	6,156
Educational activities	1,987	-	1,987	3,908	546	4,454
Bank charges	2,614	27	2,641	3,366	(13)	3,353
	<u>380,539</u>	<u>19,823</u>	<u>400,362</u>	<u>299,302</u>	<u>38,851</u>	<u>338,153</u>
Share of governance costs (see note 8)	2,460	-	2,460	800	-	800
	<u>382,999</u>	<u>19,823</u>	<u>402,822</u>	<u>300,102</u>	<u>38,851</u>	<u>338,953</u>
<b>Analysis by fund</b>						
Unrestricted funds	382,999	-	382,999	300,102	-	300,102
Restricted funds	-	19,823	19,823	-	38,851	38,851
	<u>382,999</u>	<u>19,823</u>	<u>402,822</u>	<u>300,102</u>	<u>38,851</u>	<u>338,953</u>

#### 7 Description of charitable activities

The charity runs a children's nursery providing pre-school childcare and education.

# HOPE COMMUNITY FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2025

#### 7 Description of charitable activities (Continued)

The charity runs community based activities to relieve poverty, including food poverty, and loneliness within the local community.

#### 8 Support costs

	Support costs £	Governance costs £	2025 £	Support costs £	Governance costs £	2024 £
Independent examination fees	-	2,460	2,460	-	800	800
	<u>-</u>	<u>2,460</u>	<u>2,460</u>	<u>-</u>	<u>800</u>	<u>800</u>
	<u>-</u>	<u>2,460</u>	<u>2,460</u>	<u>-</u>	<u>800</u>	<u>800</u>
Analysed between Charitable activities	-	2,460	2,460	-	800	800
	<u>-</u>	<u>2,460</u>	<u>2,460</u>	<u>-</u>	<u>800</u>	<u>800</u>

Governance costs includes payment to the auditor of £2,460 for audit fees (2024: £800 for audit fees). Other costs includes payments to the auditor of £2,400 (2024: £3,340) for other services.

#### 9 Net movement in funds 2025 £ 2024 £

The net movement in funds is stated after charging/(crediting):

Fees payable for the audit of the charity's financial statements	2,460	800
Depreciation of owned tangible fixed assets	5,776	5,597
	<u>2,460</u>	<u>800</u>

#### 10 Trustees

C Davies together with his wife controls another company that during the year received payments totalling £nil (2024: £700) for payroll services.

None of the other trustees (or any persons connected with them) received any remuneration or any other benefits from employment with the charitable company and no trustee expenses have been incurred in the year (2024: none).

# HOPE COMMUNITY FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

### 11 Employees

The average monthly number of employees during the year was:

	<b>2025</b>	<b>2024</b>
	<b>Number</b>	<b>Number</b>
Staff	18	18
Trustees	5	7
	<u>          </u>	<u>          </u>
Total	23	25
	<u>          </u>	<u>          </u>

#### **Employment costs**

	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
Wages and salaries	290,032	253,809
Social security costs	12,323	13,944
Other pension costs	6,629	6,244
	<u>          </u>	<u>          </u>
	308,984	273,997
	<u>          </u>	<u>          </u>

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

#### **Remuneration of key management personnel**

The remuneration of key management personnel was as follows:

	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
Aggregate compensation	13,133	-
	<u>          </u>	<u>          </u>

### 12 Taxation

In view of the charitable objects of the company and of its registered charity status, no taxation should be payable.

# HOPE COMMUNITY FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2025

#### 13 Tangible fixed assets

	Leasehold buildings	Fixtures, fittings and equipment	Total
	£	£	£
<b>Cost</b>			
At 1 April 2024	122,768	25,390	148,158
Additions	-	795	795
Disposals	-	(27)	(27)
	<u>122,768</u>	<u>26,158</u>	<u>148,926</u>
At 31 March 2025	122,768	26,158	148,926
<b>Depreciation and impairment</b>			
At 1 April 2024	108,097	22,152	130,249
Depreciation charged in the year	4,788	988	5,776
Eliminated in respect of disposals	-	(27)	(27)
	<u>112,885</u>	<u>23,113</u>	<u>135,998</u>
At 31 March 2025	112,885	23,113	135,998
<b>Carrying amount</b>			
At 31 March 2025	<u>9,883</u>	<u>3,045</u>	<u>12,928</u>
At 31 March 2024	<u>14,671</u>	<u>3,238</u>	<u>17,909</u>

#### 14 Debtors

	2025	2024
	£	£
<b>Amounts falling due within one year:</b>		
Trade debtors	18,864	18,363
	<u>18,864</u>	<u>18,363</u>

#### 15 Loans and overdrafts

	2025	2024
	£	£
Bank loans	22,502	33,753
	<u>22,502</u>	<u>33,753</u>
Payable within one year	11,760	12,072
Payable after one year	10,742	21,681
	<u>10,742</u>	<u>21,681</u>

The long-term loan is secured as part of the cross guarantee arrangement for the bank loan held by C3 Trust UK as described in note 18.

# HOPE COMMUNITY FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

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

	Notes	2025 £	2024 £
Bank loans	15	11,760	12,072
Other taxation and social security		3,240	1,978
Trade creditors		7,100	764
Amount owed to parent undertaking		21,500	21,500
Amounts owed to fellow group undertakings		2,998	78
Other creditors		-	1,886
Accruals and deferred income		5,857	4,717
		<u>52,455</u>	<u>42,995</u>

### 17 Creditors: amounts falling due after more than one year

	Notes	2025 £	2024 £
Bank loans	15	<u>10,742</u>	<u>21,681</u>

### 18 Retirement benefit schemes

	2025 £	2024 £
<b>Defined contribution schemes</b>		
Charge to profit or loss in respect of defined contribution schemes	<u>6,629</u>	<u>6,244</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.

# HOPE COMMUNITY FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2025

#### 19 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 April 2024	Incoming resources	Resources expended	Transfers	At 31 March 2025
	£	£	£	£	£
Neon Schools Programme	6	-	-	(6)	-
Befriending/ Jigsaw Services	8,772	-	-	(8,772)	-
Pathways	192	8,480	(2,836)	-	5,836
Postcode Funds	18,142	231	(14,512)	-	3,861
National Lottery	-	19,800	(2,475)	-	17,325
	<u>27,112</u>	<u>28,511</u>	<u>(19,823)</u>	<u>(8,778)</u>	<u>27,022</u>

Previous year:	At 1 April 2023	Incoming resources	Resources expended	Transfers	At 31 March 2024
	£	£	£	£	£
Henry Smith Charity	6,110	17,000	(28,249)	5,139	-
Hope Hampers	2,808	-	-	(2,808)	-
Neon Schools Programme	13	-	(7)	-	6
Befriending/ Jigsaw Services	296	10,044	(1,568)	-	8,772
Polka Dot Playgroup	-	600	(1,713)	1,113	-
Share the Light	2,839	5,265	(185)	(7,919)	-
Pathways	273	190	(271)	-	192
Postcode Funds	-	25,000	(6,858)	-	18,142
	<u>12,339</u>	<u>58,099</u>	<u>38,851</u>	<u>(4,475)</u>	<u>27,112</u>

Pathways is a listening and signposting processes designed to enable us to meet the multiple needs of our service users. It recognises that people connect with us often and mostly at a single point of need but meeting that need doesn't necessarily provide that person with the full support they need to help them to move forward in life. The signposting process helps to identify other needs and connect people with other services which they may find useful as well as providing them with an opportunity to connect with one of our chaplaincy team from the church if they so wish who can provide them with pastoral support.

Postcode Funds have been received in order to carry out necessary capital upgrades.

National Lottery funds have been received to fund staff working in the Community Grocery.

## HOPE COMMUNITY FOUNDATION

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

#### FOR THE YEAR ENDED 31 MARCH 2025

#### 20 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 April 2024	Incoming resources	Resources expended	Transfers	At 31 March 2025
	£	£	£	£	£
General funds	(21,813)	369,679	(382,999)	8,778	(26,355)
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Previous year:</b>	<b>At 1 April 2023</b>	<b>Incoming resources</b>	<b>Resources expended</b>	<b>Transfers</b>	<b>At 31 March 2024</b>
	£	£	£	£	£
General funds	(18,621)	292,435	(300,102)	4,475	(21,813)
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

#### 21 Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2025	2025	2025	2024	2024	2024
	£	£	£	£	£	£
Fund balances at 31 March 2025 are represented by:						
Tangible assets	12,928	-	12,928	17,909	-	17,909
Current assets/(liabilities)	(28,541)	27,022	(1,519)	(18,041)	27,112	9,071
Long term liabilities	(10,742)	-	(10,742)	(21,681)	-	(21,681)
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
	(26,355)	27,022	667	(21,813)	27,112	5,299
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

#### 22 Financial commitments, guarantees and contingent liabilities

Hope Community Foundation along with Hope Centre Limited cross guarantee a bank loan held by C3 Trust UK. At 31 March 2025, the bank loan amounted to £591,835 (2024: £642,200) and is due to mature on 27 November 2033.

## HOPE COMMUNITY FOUNDATION

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

#### FOR THE YEAR ENDED 31 MARCH 2025

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#### **23 Events after the reporting date**

The Nursery is due to be sold in February 2026 to another charity for a nominal £1. They will take over the running activities of the Nursery along with the staff and will rent the premises from C3 Trust UK.

Hope Community Foundation's main activities will then become running the cafe and community grocery.

#### **24 Control**

The ultimate controlling party is C3 Trust UK, a charitable company incorporated in the United Kingdom. C3 Trust UK control Hope Community Foundation as it is able to appoint and remove all the trustees of Hope Community Foundation. C3 Trust UK (being the smallest and largest group of which the charitable company is a member for which group financial statements are prepared) prepares group accounts and copies can be obtained from The Hope Centre, Bernard Road, Sheffield, South Yorkshire, S2 5BQ.

The parent's principal purposes are to advance the Christian faith, to relieve sickness and financial hardship and to advance education.

**HOPE COMMUNITY FOUNDATION**

England & Wales - Charity number 1102542

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# Accounts

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CHARITY REGISTRATION NUMBER 1102542

COMPANY REGISTRATION NUMBER 4489582

**HOPE COMMUNITY FOUNDATION**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2024**

# HOPE COMMUNITY FOUNDATION

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees</b>	C Davies A E Ibbotson E Muthiah L E Willis J Bramhall B P Kunaka
<b>Secretary</b>	J Bramhall
<b>Charity number</b>	1102542
<b>Company number</b>	4489582
<b>Registered office</b>	The Hope Centre Bernard Road Sheffield South Yorkshire S2 5BQ
<b>Auditor</b>	UHY Hacker Young 6 Broadfield Court Broadfield Way Sheffield S8 0XF
<b>Bankers</b>	Barclays Bank plc P.O. Box 1385 2 Arena Court Sheffield S9 2WV
<b>Solicitors</b>	Geldards Number One Pride Place Pride Park Derby DE24 8QR

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# HOPE COMMUNITY FOUNDATION

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# HOPE COMMUNITY FOUNDATION

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

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The trustees present their report and accounts for the year ended 31 March 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

The charity's objects are:

- The advancement of education of children under statutory school age by provision of a nursery school
- Relief of poverty and sickness
- To provide facilities for recreation or other leisure time occupation with the object of improving the conditions of life
- Other such charitable purposes as the trustees think fit

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

In recent years, the work of the charity has continued to diversify considerably, with its Ofsted registered Childcare remaining the largest single service being offered in financial terms.

### Achievements and performance

The Hope Centre has been an asset of community value for many years and houses the work of Hope Community Foundation. The Hope Centre is well located to serve the needs of local communities, specifically but not exclusively those located in the S2 and S9 postcodes of the city, both of which have a higher-than-average rate of disadvantage compared with many other communities in Sheffield and are amongst the 10% most disadvantaged in England and Wales. They represent many of the hardest hit, both in terms of multiple aspects of deprivation and the recent cost-of-living crisis.

Through recent months the charity has continued to invest in building positive working relationships with partners in the area whose goals and ethos are aligned to those of the charity. These include faith and non-faith partners committed to working together for social change. The charity works with both statutory and non-statutory partners and has continued to bring social value to the local community by leveraging the presence of the Hope Centre to create a hub for the community.

Hope Community Foundation could not operate without the generosity and support of its volunteers. The charity retains around 90 regular volunteers who support our work week in week out and Trustees are immensely grateful for their hard work and dedication.

### Our General Community Projects

The scope of our community projects has remained relatively static over the past year with our aim being to continue to grow current strength rather than overcommit to newer projects. The focus on bringing both strength and substance to projects supported by some external and internal fundraising has enabled the charity to continue to operate whilst strengthening its community of service users and the projects themselves.

# HOPE COMMUNITY FOUNDATION

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

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There has been a need to build internal management capacity in order for us to take the next step in growing our overall impact. The charity was able to gain temporary support from C3 Trust UK in order to extend the role of the Volunteer Coordinator, which had been funded for three years through the Henry Smith Charity. As continuation funding was not forthcoming or available this role became redundant in November 2024. Given the strategic priority to move towards a longer term and financially sustainable model, the charity was able to gain temporary funding for a full time Development Manager. The Development Manager will focus on strategic review, financial sustainability, operational viability and from there growing the strength of the charity and its subsidiary Hope Centre Limited.

Nevertheless, with the valued support and engagement of staff and volunteers we have been able to build the strength of much of our existing provision as well as seek to work with partners to add further support options to our portfolio of services to enable us to not only meet presenting needs, but to ensure we seek to address the multiple needs of our beneficiaries and create the optimum social value across all of our services.

### Key Projects and Outputs

**Foundation Community Grocery** - In April 2021 the Foundation Community Grocery launched, working with The Message Trust, a partner charity. At the three-year anniversary in April 2024, we reported that the grocery had 2095 members, of which 1400 were active. 65% of beneficiaries were in our immediate disadvantaged communities of S2 and S9 postcodes. Almost 7800 individual shopping visits have been completed in the previous year alone, with almost 20,000 shops completed since the project started, providing an estimated 400,000 meals over this time to local families, as well as 172 tonnes of food being rescued from landfill since 2021. In recent months it has been agreed with The Message Trust that Hope Community Foundation will take on the running of the grocery in a social franchise model from 1 January 2025, whilst still receiving key support from the team at The Message Trust. This has been fully embraced by the team and trustees are hopeful that this will enable the grocery to reach more and more people in the area in need of the support the grocery offers. In the next 2 years the charity aims to grow the grocery membership to 3,250 members, specifically targeting those disadvantaged communities close to the Hope Centre where deprivation is amongst the top 10% in the UK. Current membership stands in excess of 2300 people.

**Jigsaw Project** - Our Jigsaw café (for over 55s) is thriving with two sessions being very popular and well attended with over 800 attendances over the past year. Through successfully obtaining external funding for the project, we have been able to fund various activities including a Christmas meal and day trips. The group has grown into a strong community where members feel a strong sense of belonging and support. The impact on those attending is evident in the powerful sense of family amongst group members, particularly in the light of personal loss and illness.

**Oak & Olive Coffee** – at the heart of our communal space is the café which currently operates on a donation basis and employs two café supervisors and has the support of volunteers throughout the week. The model is supported by donations from Oak & Olive which runs on Sundays as part of C3 Hope so benefits from the weekly donations of church members as well as regular donations from members of the local community. The changes in the way that the charity is seeking to operate the Community Grocery will provide new opportunities to review the café model in order to manage costs and generate additional revenue.

**Polka Dots Play Group** – our playgroup has continued to operate with the support of a part time paid member of staff and achieved over 400 attendances in the past year, with positive feedback from those attending the sessions which are led by a qualified teacher and early years professional.

# HOPE COMMUNITY FOUNDATION

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

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**Café Connect** – despite funding from The Home Office ceasing in April 2024 this project has remained largely due to the value it brings to largely Hong Kong immigrants. The project is led by two volunteers who invest their time and their enthusiasm in providing support for service users not only in their conversational skills but in a more holistic capacity. The project sees between 6 and 12 people attending weekly.

**HAF** - We have continued to work together with our Local Authority under the Government's (HAF) Holiday Activities and Food programme to provide healthy holiday activities and services for the 300 children and families in our local community.

**University Placements** - We have continued to successfully grow our work together with Sheffield higher education providers to offer placements to undergraduate students to help them further their studies. This is something we aim to continue to develop in the future as it exposes undergraduates to the needs of people in communities and generates unrestricted revenue for the charity.

**Pathways** - Our Pathways listening and signposting project was successful in gaining funding to employ a part time coordinator from December 2024. This role together with a small team of volunteers will now enable the project to begin to establish itself as a key part of what we offer to the local community.

**Car Boot Sale** – a community event designed to raise awareness of the work of Hope Community Foundation held in the summer of 2023, presented an accessible and affordable local outdoor market for people in the area which attracted 100 people and 22 sellers. We opted not to run this activity in the summer of 2024.

**School Uniform project** - working in partnership with C3 Hope Church and several local schools to provide school uniforms to local families in need.

**Cook & Taste Sessions** – we have launched a project which aims to demonstrate how healthy and nutritious food can be created from ingredients sourced from our Community Grocery. This is led by two of our volunteers and has attracted a small following since its launch.

**Daytime Drop-ins** – collaborating with partners we have incorporated a number of drop-ins for local community members. These include a cost-of-living drop-in, Sparkle Drop-in, Employability drop-in, Enterprise Coaching drop-in and volunteer drop-in.

**Community Pantomime** – we collaborated with local partners led by MASKK and funded through Sheffield City Council to host their annual pantomime in January 2024 which brought 800 people into the Hope Centre who would otherwise be unlikely to access this form of seasonal entertainment. We are committed to continuing to work in partnership to enable a further pantomime to be held at the Hope Centre on 3 January 2025.

**Chaplaincy** – Hope Community Foundation actively partner with C3 Trust UK who provide a Chaplaincy service in the Hope Centre which is available to staff, volunteers and members of the public, providing pastoral care for people.

The trustee's report does not give full account of the impact that the work of the charity has had on individuals and families although this is significantly felt amongst our service users and volunteers, many of whom are either current service users or have been in the past.

Our commitment to working in partnership is demonstrated by but not limited to our ongoing work with The Message Trust, Together for Sheffield, MASKK Sheffield, Voluntary Action Sheffield (VAS) and our local Universities and Schools. This partnership work has been vital in helping us to scale up the impact of our work while we are working from a smaller than preferred resource base.

## **HOPE COMMUNITY FOUNDATION**

### **TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2024**

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Now we have been able to employ a development manager, we hope, in the coming year to further build capacity to enable us to embed and grow our current work and extend the scope and impact of these projects as well as to continue to engage volunteers and undertake the necessary organisational development to enable us to take on further contracted work, supporting our ongoing sustainability. We also intend to bring additional provision on stream in the coming year to support people in personal development, money management and life skills.

We continue to maintain a strong focus on Safeguarding vulnerable adults and young people, through the work of our Joint Safeguarding Board whose aim is to ensure that safeguarding is effective across all aspects of the work of the Hope Centre.

#### **Our Community Nursery (Little Ark Nursery & Pre-School)**

The Charity operates a community nursery which comprises both paid for and funded provision for local families. Throughout the past 18 months the nursery has succeeded in providing childcare and continued to work in partnership with statutory agencies despite a period of prolonged and considerable uncertainty which has been felt locally and nationally across the early years sector.

The original registration with Ofsted as an early years setting was made through Hope City Church (now C3 Trust UK) under URN: EY216880. Under this registration the nursery was rated as 'Good' on 5 March 2019. In February 2023 we successfully re-registered the nursery under Hope Community Foundation URN: 2716252 to bring the nursery officially under the Foundation from an Ofsted point of view.

Colin Davies (Trustee and Foundation Director) is now installed as the Nominated Individual for the Nursery, a requirement of Ofsted.

Nursery performance has remained a concern throughout the year, and we have been able to access valued support from Sheffield City Council to consider how we might work to develop standards and ultimately be ready for a positive Ofsted inspection which is likely in 2025.

The appointment of our development manager has provided us with the capacity to undertake a formal review of the nursery in terms of current performance and ongoing viability. This was discussed with Trustees in December 2024 and a decision was made to continue with an improvement plan which would:

1. Strengthen and improve quality of childcare where needed to meet the requirements of the EYFS framework for early years settings.
2. Provide appropriate training, support and accountability for the staff team.
3. Provide clear and present leadership for the management team.
4. Push forward to accelerate a plan for marketing and awareness raising in the local area.

The uncertainty and vulnerability of early years education and childcare across the country is well documented, and the ongoing viability of the sector, particularly in areas of high deprivation, remains under question. Over the past year, there has been a degree of response from local and national government, but we maintain our stance that this remains insufficient when facing the disproportionately escalating operating costs which continue to force up the cost of childcare, which continue to drive up the cost of childcare.

In the meantime, the progress on recovery has been slower than expected and more recently in slight decline, which highlights a deficit in business development, associated with a downturn in birth rates in the area, despite the commitment to deliver a quality service for parents and children.

# HOPE COMMUNITY FOUNDATION

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

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As a result, occupancy levels across the nursery remain considerably lower than required. Through the budget year the charity has continued to benefit from the rental, service charge and management charge concessions generously waived for the nursery by C3 Trust UK as part of the partner charity's commitment to the work and impact that the nursery delivers to the local community. In addition, Hope Centre Limited, Hope Community Foundation's trading subsidiary, is being positioned to generate income to help support the general work of Hope Community Foundation and by association, assist with funding any ongoing deficit in the nursery.

Despite the adverse trading environment and uncertainties that the sector is experiencing, with the support of its partners over the coming months, Trustees, at this stage, especially in the light of recent discussions, remain committed to the ongoing work and recovery of the nursery and resources are being marshalled to provide the necessary support to provide the nursery with the best chance of recovery, although we appreciate that this may well take longer than expected.

### **Funding and Fundraising**

The charity has a fundraising strategy which brings together different revenue streams including the following:

1. Primary Purpose Trading (e.g Early year provision)
2. External grant making trusts and statutory funders
3. Individual & Corporate Donations (cash and in-kind)
4. Delivery of contracted services
5. Trading revenue (generated through Hope Centre Limited)

The charity has been successful in gaining external project funding or contracts from a number of funders and commissioners since the last Trustees Annual Report for 2022-2023 which include:

### **From April 2023 to end of March 2024**

- The Home Office, for Café Connect – discontinued from April 2024 - £5,000
- Tramlines Foundation for Jigsaw Café - £500
- Sheffield Hallam University for work placements - £12,740
- Postcode Neighbourhood Trust towards capital improvements - £25,000
- HAF Project Delivery - Sheffield City Council - £26,416

### **Funding Received since April 2024**

- National Lottery Community Fund (Grocery Manager salary) - £19,800
- Benefact Trust (Pathways Coordinator Salary) £8,200
- Francis Winham for Jigsaw Café - £3,000
- HAF Project Delivery - Sheffield City Council - £7,600
- Sheffield Hallam University for work placements - £7,644

The charity also received financial support from C3 Trust UK to support salaries for the Volunteer Coordinator up to November 2024 and the Development Manager from September 2024.

These grants and support are clear evidence of the charity's concerted efforts to attract support for its work in the community. The charity is currently reviewing its funding strategy in preparation for 2025 onwards.

## **HOPE COMMUNITY FOUNDATION**

### **TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2024**

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Previously gained grant funding for our Jigsaw café for over 55's has now been fully deployed this year to fund this activity and we have been successful in gaining further funding to support this work.

The charity continues to receive funding from individual donors and plans to be more intentional in the coming year to raise awareness of opportunities for personal support. This has recently started with individuals undertaking fundraising activities on behalf of the charity and raising unrestricted donations over the recent summer period towards general running costs.

The community café operates on a donation basis ensuring that the café is accessible and financially viable and has been the beneficiary of funding for providing refreshments to projects and to enable vital equipment to be upgraded.

The charity is registered with the Fundraising Regulator, the national body tasked with ensuring that fundraising is conducted ethically and in line with good practice.

#### **Financial review**

The Trustees make strategic and operational decisions based on the financial position of the charity by reference to the financial data (budgets, management accounts) provided to them quarterly at their formal meetings and as part of internal meetings of the senior and executive management teams.

The Trustees however do not get involved in the day-to-day detailed running of the charity except where required in order to support the appointed officers of the charity.

Within the financial year ended 31 March 2024 the charity received £350,534 (2023: £389,996) of income and expended £338,953 (2023: £404,323) showing a surplus of £11,581 (2023: £14,327 deficit). The principal sources of income are disclosed in notes 3 and 4 to the accounts.

The charity has unrestricted reserves of £(21,813) (2023: £(18,621)). The trustees have identified that the available reserves are at a low level and are addressing this in order to build reserves in line with the charity's reserves policy of three month's operating costs.

The trustees have assessed the major risks to which the charity is exposed, which include the risk of over-gearing due to the cross guarantee of borrowings taken out in C3 Trust UK. The trustees are satisfied that systems are in place to mitigate exposure to the major risks.

# HOPE COMMUNITY FOUNDATION

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

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### Future Progress and Development

Trustees are encouraged by the progress being made both in terms of effective delivery of existing community projects and the planned improvements being introduced in the nursery. The charity's strategy moving forward is as follows:

1. To continue to commit to the growth and strength of Little Ark Nursery & Pre-School, this being a vital part of our work and key component to the social value we provide. This work will be monitored closely throughout the 2025-26 financial year.
2. To continue to strengthen and extend our community work in a managed and sustainable way whilst strengthening our links with other local provision to enable us to forge a person-centred approach to our work.
3. To embed changes in the Community Grocery model and deliver significant growth in membership in the coming two years.
4. To address short-term and medium-term staffing and capacity challenges in order to sustain and grow the output and impact of the work we undertake.
5. To continue to focus on strengthening our existing projects and develop additional funding streams to promote ongoing sustainability.
6. To complete capital improvements to the community areas including upgrades to the café and toilets to improve our user-experience and quality of provision.
7. To revise the charity's fundraising strategy and explore a longer-term plan for the organisation.
8. To further strengthen the composition and knowledge of the board of Trustees

Some examples of the way this strategy will be outworked will be the following:

1. Seeking funding for an additional role to focus on employability and skills development
2. Strengthen the vital work of the community grocery to ensure this is sustainable and effective over the medium to long term.
3. Strengthen our existing programmes by extending their reach and engagement.
4. Establishing our Pathways process as a central means by which we can ensure that we are delivering outcomes as well as outputs.
5. To undertake a social audit of our work to quantify the social value and impact we provide through our work as a charity.
6. Continue to establish vital and effective links and strategic partnerships to extend our scope of work and subsequently the impact we make.
7. Continue to strengthen policies and procedures in general and increase our investment in training and development, and Human Resources through our HR Adviser, Croner HR.

### Structure, governance and management

The charity is a company limited by guarantee under the provisions of the Companies Act 2006. (Number 04489582). The company does not have share capital. The charity was set up as a new company on 18 July 2002 and received registered charity status in March 2004 (Number 1102542). The company officially changed its name to Hope Community Foundation from 13 August 2021.

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:

C Davies

A E Ibbotson

E Muthiah

L Davies

(Resigned 9 May 2024)

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## **HOPE COMMUNITY FOUNDATION**

### **TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2024**

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L E Willis  
J Bramhall  
B P Kunaka

The current Company Secretary is J Bramhall who was appointed on 1 August 2024 taking over from A E Ibbotson. Trustees wish to express their sincere thanks to L Davies who served as trustee and more recently Chair of trustees.

There are at least three managing trustees at any one time in line with the charity's governing documents. When a vacancy occurs, the trustees discuss potential candidates and instruct a trustee representative to approach potential candidates. The trustees make a final decision to appoint trustees based on cultural fit, experience, knowledge and commitment.

None of the trustees have any beneficial interest in the company. At the time of preparing these financial statements, all of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

#### **Disclosure of information to auditor**

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor are aware of such information.

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

**C Davies**  
Trustee  
Dated: 19 December 2024

# **HOPE COMMUNITY FOUNDATION**

## **STATEMENT OF TRUSTEES' RESPONSIBILITIES FOR THE YEAR ENDED 31 MARCH 2024**

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

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

In preparing these accounts, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts;
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HOPE COMMUNITY FOUNDATION**

### **Opinion**

We have audited the financial statements of Hope Community Foundation (the 'charity') for the year ended 31 March 2024 which comprise the statement of financial activities, the balance sheet and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2024 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Material uncertainty relating to going concern**

We have identified a matter of concern in our report because we have concerns that the charity may not be able to continue as a going concern. Disclosure has been made in note 1.2 to the accounts concerning the charity's ability to continue as a going concern. The trustees are aware of certain material uncertainties which remain largely outside of the immediate control of the charity and centre around challenges facing early-years education on a national level which comprises the majority of the income of the charity. The charity is playing an active part in representing the sector where appropriate to effect positive change at local and national level.

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HOPE COMMUNITY FOUNDATION CONTINUED**

### **Other information**

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

We have nothing to report in this regard.

### **Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the trustees' report for the financial year for which the financial statements are prepared, which includes the directors' report prepared for the purposes of company law, is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

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

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

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

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HOPE COMMUNITY FOUNDATION CONTINUED**

### **Responsibilities of trustees**

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

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

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

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HOPE COMMUNITY FOUNDATION CONTINUED**

Based on our understanding of the charity and the sector in which it operates, we identified the principal risks of non-compliance with laws and regulations related to the acts by the charity, which were contrary to applicable laws and regulations including fraud, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to inflated revenue and the charity's net income for the year.

Audit procedures performed included: review of the financial statement disclosures to underlying supporting documentation, review of correspondence with and reports to the regulators, including correspondence with the Charity Commission, review of correspondence with legal advisors and enquiries of management in so far as they related to the financial statements, and in testing of journals and evaluating whether there was evidence of bias by the trustees that represented a risk of material misstatement due to fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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

### **Use of our report**

This report is made solely to the company's members, as a body, in accordance with section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Michael Mealing (Senior Statutory Auditor)**  
**for and on behalf of UHY Hacker Young**

19 December 2024

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

# HOPE COMMUNITY FOUNDATION

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2024

		Unrestricted funds	Restricted funds	Total 2024	Unrestricted funds	Restricted funds	Total 2023
	Notes	£	£	£	£	£	£
<b><u>Income from:</u></b>							
Donations and gifts	3	15,792	58,099	73,891	27,390	43,567	70,957
Charitable activities	4	276,643	-	276,643	319,039	-	319,039
<b>Total income</b>		<u>292,435</u>	<u>58,099</u>	<u>350,534</u>	<u>346,429</u>	<u>43,567</u>	<u>389,996</u>
<b><u>Expenditure on:</u></b>							
Charitable activities	5	300,102	38,851	338,953	358,416	45,907	404,323
<b>Net (outgoing)/ incoming resources before transfers</b>		(7,667)	19,248	11,581	(11,987)	(2,340)	(14,327)
Gross transfers between funds		4,475	(4,475)	-	2,488	(2,488)	-
<b>Net (expenditure)/income for the year/ Net movement in funds</b>		<u>(3,192)</u>	<u>14,773</u>	<u>11,581</u>	<u>(9,499)</u>	<u>(4,828)</u>	<u>(14,327)</u>
Fund balances at 1 April 2023		<u>(18,621)</u>	<u>12,339</u>	<u>(6,282)</u>	<u>(9,122)</u>	<u>17,167</u>	<u>8,045</u>
<b>Fund balances at 31 March 2024</b>		<u><u>(21,813)</u></u>	<u><u>27,112</u></u>	<u><u>5,299</u></u>	<u><u>(18,621)</u></u>	<u><u>12,339</u></u>	<u><u>(6,282)</u></u>

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.

# HOPE COMMUNITY FOUNDATION

## BALANCE SHEET

AS AT 31 MARCH 2024

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		2024		2023	
	Notes	£	£	£	£
<b>Fixed assets</b>					
Tangible assets	11		17,909		20,457
<b>Current assets</b>					
Debtors	12	18,363		5,190	
Cash at bank and in hand		33,703		35,620	
		<u>52,066</u>		<u>40,810</u>	
<b>Creditors: amounts falling due within one year</b>	14	<u>(42,995)</u>		<u>(30,878)</u>	
Net current assets			<u>9,071</u>		<u>9,932</u>
<b>Total assets less current liabilities</b>			26,980		30,389
<b>Creditors: amounts falling due after more than one year</b>	15		(21,681)		(36,671)
<b>Net assets/(liabilities)</b>			<u>5,299</u>		<u>(6,282)</u>
<b>Income funds</b>					
Restricted funds	16		27,112		12,339
Unrestricted funds			(21,813)		(18,621)
			<u>5,299</u>		<u>(6,282)</u>

The financial statements were approved by the Trustees on 19 December 2024

C Davies  
Trustee

Company registration number 4489582

# HOPE COMMUNITY FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

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### 1 Accounting policies

#### Company information

Hope Community Foundation is a private company limited by guarantee incorporated in England and Wales. The registered office is The Hope Centre, Bernard Road, Sheffield, South Yorkshire, S2 5BQ.

#### 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 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)". The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

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

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

#### 1.2 Going concern

These financial statements are prepared on the going concern basis. The trustees have a reasonable expectation that the charity will continue in operational existence for the foreseeable future and has agreed significant ongoing support from its parent over the next year. However, the trustees are aware of certain material uncertainties which may cause doubt on the charity's ability to continue as a going concern. These uncertainties remain largely outside of the immediate control of the charity and centre around challenges facing early-years education on a national level which comprises the majority of the income of the charity. The charity is playing an active part in representing the sector where appropriate to effect positive change at local and national level.

#### 1.3 Charitable funds

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

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

#### 1.4 Incoming resources

Grants and voluntary income comprising gifts, donations and other forms of income, including grants for the purchase of fixed assets, are recognised in full in the Statement of Financial Activities in the year in which they are receivable, except insofar as they are incapable of financial measurement.

The value of services provided by volunteers has not been included.

Grants are recognised in full in the Statement of Financial Activities in the year in which they are receivable.

# HOPE COMMUNITY FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2024

---

#### 1 Accounting policies

(Continued)

Income is measured at the fair value of the consideration received or receivable and represents amounts receivable for services provided in the normal course of business.

#### 1.5 Resources expended

Resources expended are recognised in the year in which they are incurred inclusive of irrecoverable VAT.

Charitable expenditure comprises costs incurred by the charity in the delivery of its activities and includes costs that can be allocated directly to such activities and costs of an indirect nature to support them.

Grants for other charitable activities are made at the discretion of the trustees and are recognised in the year in which they are made.

Governance costs are those incurred in connection with the administration of the charity and compliance with constitutional and statutory requirements.

#### 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:

Leasehold buildings	Straight line over the period of the lease
Fixtures, fittings and equipment	20% Straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

Fixed assets costing less than £500 are not capitalised.

#### 1.7 Impairment of fixed assets

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

# HOPE COMMUNITY FOUNDATION

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

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### 1 Accounting policies

(Continued)

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

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in income/(expenditure) for the year, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

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

#### 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.

##### **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.

##### **Other financial assets**

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in net income/(expenditure), except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

# HOPE COMMUNITY FOUNDATION

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

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### 1 Accounting policies

(Continued)

#### ***Impairment of financial assets***

Financial assets, other than those held at fair value through income and expenditure, are assessed for indicators of impairment at each reporting date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected.

If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in net income/(expenditure) for the year.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in net income/(expenditure) for the year.

#### ***Derecognition of financial assets***

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the charity transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

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

Basic financial liabilities, including trade and other payables, 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 receipts discounted at a market rate of interest. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Accounts 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 payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### ***Other financial liabilities***

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in or in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

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

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

# HOPE COMMUNITY FOUNDATION

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

### 1 Accounting policies

(Continued)

#### 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.

### 2 Critical accounting estimates and judgements

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods. There are no judgements or estimates which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities.

### 3 Donations and gifts

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2024	2024	2024	2023	2023	2023
	£	£	£	£	£	£
Donations and gifts	15,792	58,099	73,891	27,390	43,567	70,957

# HOPE COMMUNITY FOUNDATION

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

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### 4 Charitable activities

	Nursery fees and catering income £	Cafe sales £	Total 2023 £	Total 2023 £
Sales within charitable activities	234,886	41,757	276,643	319,039

# HOPE COMMUNITY FOUNDATION

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

### 5 Charitable activities

	Pre-school nursery education £	Community based activities £	Total 2023 £	Pre-school nursery education £	Community based activities £	Total 2023 £
Staff costs	246,451	27,546	273,997	279,289	33,793	313,082
Depreciation and impairment	5,102	495	5,597	5,597	-	5,597
Rent	2,132	-	2,132	7,491	6,000	13,491
Insurance	1,672	-	1,672	1,351	-	1,351
Cleaning	658	1,210	1,868	1,003	-	1,003
Printing, postage and stationery	254	2	256	1,667	77	1,744
Staff training	1,841	330	2,171	1,651	510	2,161
Catering costs	16,953	733	17,686	23,515	1,203	24,718
Legal and professional fees	4,622	49	4,671	9,432	1,218	10,650
Bad and doubtful debts	(2,550)	-	(2,550)	4,466	-	4,466
Sundry expenses	13,467	2,348	15,815	11,734	2,105	13,839
Advertising	663	212	875	812	-	812
Repairs and maintenance	763	5,393	6,156	1,588	227	1,815
Educational activities	3,908	546	4,454	4,407	726	5,133
Bank charges	3,366	(13)	3,353	3,863	48	3,911
	<u>299,302</u>	<u>38,851</u>	<u>338,153</u>	<u>357,866</u>	<u>45,907</u>	<u>403,773</u>
Share of governance costs (see note 7)	800	-	800	550	-	550
	<u>300,102</u>	<u>38,851</u>	<u>338,953</u>	<u>358,416</u>	<u>45,907</u>	<u>404,323</u>
<b>Analysis by fund</b>						
Unrestricted funds	300,102	-	300,102	358,416	-	358,416
Restricted funds	-	38,851	38,851	-	45,907	45,907
	<u>300,102</u>	<u>38,851</u>	<u>338,953</u>	<u>358,416</u>	<u>45,907</u>	<u>404,323</u>

# HOPE COMMUNITY FOUNDATION

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

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### 6 Description of charitable activities

#### Pre-school nursery education

The charity runs a children's nursery providing pre-school childcare and education.

#### Community based activities

The charity runs community based activities to relieve poverty, including food poverty, and loneliness within the local community.

### 7 Support costs

	Support costs £	Governance costs £	2024 £	2023 £
Audit fees	-	800	800	550
	=====	=====	=====	=====
	-	800	800	550
	=====	=====	=====	=====
Analysed between Charitable activities	-	800	800	550
	=====	=====	=====	=====

Governance costs includes payment to the auditor of £800 for audit fees (2023: £550 for audit fees). Other costs includes payments to the auditor of £3,340 (2023: £2,330) for other services.

### 8 Trustees

C Davies together with his wife controls another company that during the year received payments totalling £700 (2023: £1,364) for payroll services.

None of the other trustees (or any persons connected with them) received any remuneration or any other benefits from employment with the charitable company and no trustee expenses have been incurred in the year (2023: none).

# HOPE COMMUNITY FOUNDATION

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

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### 9 Employees

#### Number of employees

The average monthly number of employees during the year was:

	<b>2024</b>	<b>2023</b>
	<b>Number</b>	<b>Number</b>
Staff	18	20
Trustees	7	7
	<u>25</u>	<u>27</u>

#### Employment costs

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Wages and salaries	253,809	290,238
Social security costs	13,944	16,553
Other pension costs	6,244	6,291
	<u>273,997</u>	<u>313,082</u>

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

### 10 Taxation

In view of the charitable objects of the company and of its registered charity status, no taxation should be payable.

# HOPE COMMUNITY FOUNDATION

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

### 11 Tangible fixed assets

	Leasehold buildings	Fixtures, fittings and equipment	Total
	£	£	£
<b>Cost</b>			
At 1 April 2023	122,768	22,341	145,109
Additions	-	3,049	3,049
At 31 March 2024	122,768	25,390	148,158
<b>Depreciation and impairment</b>			
At 1 April 2023	103,309	21,343	124,652
Depreciation charged in the year	4,788	809	5,597
At 31 March 2024	108,097	22,152	130,249
<b>Carrying amount</b>			
At 31 March 2024	14,671	3,238	17,909
At 31 March 2023	19,459	998	20,457

### 12 Debtors

	2024	2023
	£	£
<b>Amounts falling due within one year:</b>		
Trade debtors	18,363	5,190

### 13 Loans and overdrafts

	2024	2023
	£	£
Bank loans	33,753	45,004
Payable within one year	12,072	8,333
Payable after one year	21,681	36,671

The long-term loan is secured as part of the cross guarantee arrangement for the bank loan held by C3 Trust UK as described in note 18.

# HOPE COMMUNITY FOUNDATION

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

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

	Notes	2024 £	2023 £
Bank loans	13	12,072	8,333
Other taxation and social security		1,978	1,477
Trade creditors		764	3,695
Amount owed to parent undertaking		21,500	10,478
Amounts owed to fellow group undertakings		78	78
Other creditors		1,886	2,849
Accruals and deferred income		4,717	3,968
		<u>42,995</u>	<u>30,878</u>

### 15 Creditors: amounts falling due after more than one year

	Notes	2024 £	2023 £
Bank loans	13	<u>21,681</u>	<u>36,671</u>

**HOPE COMMUNITY FOUNDATION**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 MARCH 2024**

**16 Restricted funds**

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

	Movement in funds				Movement in funds				
	Balance at 1 April 2022 £	Incoming resources £	Resources expended £	Transfers £	Balance at 1 April 2023 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2024 £
Henry Smith Charity	3,930	33,550	(31,370)	-	6,110	17,000	(28,249)	5,139	-
Hope Hampers	3,338	-	(530)	-	2,808	-	-	(2,808)	-
Neon Schools Programme	4,666	-	(4,653)	-	13	-	(7)	-	6
Befriending/ Jigsaw Services	1,319	102	(1,125)	-	296	10,044	(1,568)	-	8,772
Kickstart	2,050	7,815	(6,987)	(2,878)	-	-	-	-	-
Polka Dot Playgroup	-	500	(890)	390	-	600	(1,713)	1,113	-
Share the Light	1,864	975	-	-	2,839	5,265	(185)	(7,919)	-
Pathways	-	625	(352)	-	273	190	(271)	-	192
Postcode Funds	-	-	-	-	-	25,000	(6,858)	-	18,142
	17,167	43,567	(45,907)	(2,488)	12,339	58,099	(38,851)	(4,475)	27,112

**HOPE COMMUNITY FOUNDATION**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2024**

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**16 Restricted funds**

**(Continued)**

The charity has received its final instalment of a three year grant from the Henry Smith Charity. The grant has been awarded to assist with capacity building or projects and to strengthen the role of volunteering in the charity and has funded a Volunteer Coordinator for the whole of the period of the funding.

Various funders contributed to our efforts to tackle the impact of COVID-19 and the cost of living crisis by providing emergency food provision through our Hope Hampers to those affected either directly or indirectly.

In order to contribute to a planned project working with young people in schools, funds were raised largely through Aviva Community Fund to the Neon Schools Programme. This project has continued during the year with one person employed for one day a week.

Jigsaw services are now providing two weekly sessions for over 55s. In the last year 1,170 attendees have participated in Jigsaw activities.

Polka Dots play group has delivered weekly sessions during term time. In the last year 234 attendees have participated in Polka Dots activities.

Pathways is a listening and signposting processes designed to enable us to meet the multiple needs of our service users. It recognises that people connect with us often and mostly at a single point of need but meeting that need doesn't necessarily provide that person with the full support they need to help them to move forward in life. The signposting process helps to identify other needs and connect people with other services which they may find useful as well as providing them with an opportunity to connect with one of our chaplaincy team from the church if they so wish who can provide them with pastoral support.

Postcode Funds has been received in order to carry out necessary capital upgrades.

# HOPE COMMUNITY FOUNDATION

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

### 17 Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2024	2024	2024	2023	2023	2023
	£	£	£	£	£	£
Fund balances at 31 March 2024 are represented by:						
Tangible assets	17,909	-	17,909	20,457	-	20,457
Current assets/ (liabilities)	(18,041)	27,112	9,071	(2,407)	12,339	9,932
Long term liabilities	(21,681)	-	(21,681)	(36,671)	-	(36,671)
	<u>(21,813)</u>	<u>27,112</u>	<u>5,299</u>	<u>(18,621)</u>	<u>12,339</u>	<u>(6,282)</u>

### 18 Financial commitments, guarantees and contingent liabilities

Hope Community Foundation along with Hope Centre Limited cross guarantee a bank loan held by C3 Trust UK. At 31 March 2024, the bank loan amounted to £642,200 (2023: £681,676) and is due to mature on 27 November 2033.

### 19 Events after the reporting date

As at 1 April 2024 the shares held in Hope Centre Limited were transferred from C3 Trust UK to Hope Community Foundation.

### 20 Control

The ultimate controlling party is C3 Trust UK, a charitable company incorporated in the United Kingdom. C3 Trust UK control Hope Community Foundation as it is able to appoint and remove all the trustees of Hope Community Foundation. C3 Trust UK (being the smallest and largest group of which the charitable company is a member for which group financial statements are prepared) prepares group accounts and copies can be obtained from The Hope Centre, Bernard Road, Sheffield, South Yorkshire, S2 5BQ.

The parent's principal purposes are to advance the Christian faith, to relieve sickness and financial hardship and to advance education.

**HOPE COMMUNITY FOUNDATION**

England & Wales - Charity number 1102542

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# Accounts

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CHARITY REGISTRATION NUMBER 1102542

COMPANY REGISTRATION NUMBER 4489582

**HOPE COMMUNITY FOUNDATION**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2023**

# HOPE COMMUNITY FOUNDATION

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees</b>	C Davies A E Ibbotson E Muthiah L Davies L E Willis J Bramhall B P Kunaka	(Appointed 21 April 2022) (Appointed 30 June 2022)
<b>Secretary</b>	A E Ibbotson	
<b>Charity number</b>	1102542	
<b>Company number</b>	4489582	
<b>Registered office</b>	The Hope Centre Bernard Road Sheffield South Yorkshire S2 5BQ	
<b>Auditor</b>	UHY Hacker Young 6 Broadfield Court Broadfield Way Sheffield S8 0XF	
<b>Bankers</b>	Barclays Bank plc P.O. Box 1385 2 Arena Court Sheffield S9 2WV	
<b>Solicitors</b>	Geldards Number One Pride Place Pride Park Derby DE24 8QR	

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# HOPE COMMUNITY FOUNDATION

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# HOPE COMMUNITY FOUNDATION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2023

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The trustees present their report and accounts for the year ended 31 March 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

The charity's objects are:

- The advancement of education of children under statutory school age by provision of a nursery school
- Relief of poverty and sickness
- To provide facilities for recreation or other leisure time occupation with the object of improving the conditions of life
- Other such charitable purposes as the trustees think fit

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

Until recently, the principal activity of the charity has been the provision of early years nursery education. In the past three years, the work of the charity has diversified considerably, although the provision of early years education remains the most substantive part of our work as a charity.

### Achievements and performance

The Hope Centre houses the work of Hope Community Foundation. The Hope Centre is well located to serve the needs of local communities, specifically but not exclusively those located in the S2 and S9 postcodes of the city, both of which have a higher-than-average rate of disadvantage compared with many other communities in Sheffield, and are amongst the most 10% disadvantaged in England and Wales. They represent many of the hardest hit, both in the aftermath of lockdown and the more recent cost of living crisis.

During this time, the charity, working alongside and in partnership with other statutory and non-statutory agents, has continued to provide inclusive services and support to an increasing number of local residents. This has been a considerable achievement, especially given the current review of early years provision at national level which has resulted in a high degree of uncertainty in the early years and childcare sectors.

# HOPE COMMUNITY FOUNDATION

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

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### Our General Community Projects

The charity has continued to seek ways in which it can extend the scope and impact of its work beyond that of childcare provision, fulfilling its strategy for diversification. With a valued support and engagement of staff and volunteers we have been able to build the strength of much of our existing provision as well as seek to work with partners to add further support options to our portfolio of services to enable us to not only meet presenting needs, but to ensure we seek to address the multiple needs of our beneficiaries and create the optimum social value across all of our services.

Key projects and Outputs:

1. Our Jigsaw café (for over 55s) is thriving with two sessions being very popular and well attended with 894 attendees over the past year. Through successfully obtaining funding for the project, we have been able to fund various activities including a recent day trip to the seaside for members of the group. The group has grown into a strong community where members feel a strong sense of belonging and support.
2. Despite some staff changes and some revisions of the delivery model, our community grocery, working in partnership with The Message Trust, has continued to deliver affordable food provision. This project now in its third year of existence remains a key part of our delivery of social impact, currently with 1,760 members and an average of 32 individual shops each day despite reduced opening times.
3. Our dedicated community hub within The Hope Centre continues to be a hive of community activity with our donation-based Foundation Café providing the environment for community connection and social cohesion.
4. Our Polka Dots toddler group has grown to be a popular event on a weekly basis during term time and we are seeking to further strengthen and grow this in the near future. In the last year 471 attendees have participated in Polka Dots activities.
5. We have commenced a project to support people coming to Sheffield from Hong Kong, called Café Connect with 35 total attendees since its inception in Summer 2023. The project provides people with various support including helping improve their grasp of conversational English.
6. We have worked together with our Local Authority under the Government's (HAF) Holiday Activities and Food programme to provide healthy holiday activities and services for the 300 children and families in our local community. This is something we hope to grow in the coming year.
7. We have continued to successfully grow our work together with Sheffield higher education providers to offer placements to undergraduate students to help them further their studies. This is something we aim to continue to develop in the future.
8. We have also piloted several new projects including:
  - Pathways- a listening and signposting project which aims to recognise and respond to the reality that our beneficiaries often have multiple needs and a low level of knowledge of or capacity to access support which is available across sectors in Sheffield.
  - Car Boot Sale- a community event designed to raise awareness of the work of Hope Community Foundation and present an accessible and affordable local market for people in the area which attracted 100 people and 22 sellers.
  - School Uniform project- working in partnership with C3 Hope Church and several local schools to provide school uniforms to local families in need.

This has been the final year of funding through the Henry Smith Charity which has enabled us to employ a volunteer coordinator; a role which has been vital in building capacity, our scope and project base and our partnerships with others in the city.

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## **HOPE COMMUNITY FOUNDATION**

### **TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2023**

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Our commitment to working in partnership is demonstrated by but not limited to our ongoing work with The Message Trust, Together for Sheffield, MASKK Sheffield, Voluntary Action Sheffield (VAS) and our local Universities and Schools. This partnership work has been vital in helping us to scale up the impact of our work while we are working from a smaller than preferred resource base.

In the next year we hope to further build capacity to enable us to embed and grow our current work and extend the scope and impact of these projects as well as to continue to engage volunteers and undertake the necessary organisational development to enable us to take on further contracted work, supporting our ongoing sustainability.

During this time, we will retain and continue to establish and strengthen current projects in preparation for us to consider additional provision from April 2024.

We continue to maintain a strong focus on Safeguarding vulnerable adults and young people, through the work of our Joint Safeguarding Board whose aim is to ensure that safeguarding is effective across all aspects of the work of the Hope Centre.

#### **Our Community Nursery (Little Ark Nursery & Pre-School)**

The Charity operates a community nursery which comprises both paid for and funded provision for local families. Throughout the past 18 months the nursery has succeeded in providing quality childcare and continued to work in partnership with statutory agencies despite a period of prolonged and considerable uncertainty which has been felt locally and nationally across the early years sector.

The original registration with Ofsted as an early years setting was made through Hope City Church (now C3 Trust UK) under URN: EY216880. Under this registration the nursery was rated as 'Good' on 5 March 2019. In February 2023 we successfully re-registered the nursery under Hope Community Foundation URN: 2716252 to bring the nursery officially under the Foundation from an Ofsted point of view.

Colin Davies (Trustee and Foundation Director) is now installed as the Nominated Individual for the Nursery, a requirement of Ofsted.

As part of the ongoing commitment to the nursery and recognition of its integral role in combining with other community projects, the charity recently benefited from funding which has enabled us to complete the refurbishment and upgrade of the nursery roof garden. This work has provided a refreshed external play area for nursery children and was completed successfully in early 2023.

The uncertainty and vulnerability of early years education and childcare across the country is well documented, and the ongoing viability of the sector, particularly in areas of high deprivation, remains under question. Over the past year, there has been a degree of response from local and national government, but we still consider this to be insufficient when facing the disproportionately escalating operating costs which continue to force up the cost of childcare.

Funded Early Learning (FEL) grants provided through local government through national government have increased for April 2023 and then in September 2023 which is a positive step towards bringing FEL rates back to a level which would constitute longer term viability.

## HOPE COMMUNITY FOUNDATION

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

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Given the climate within which the nursery has operated and still operates, staff have worked hard to regain ground lost during COVID-19 and retain the confidence of parents in a time of uncertainty. This has been steady, and progress has been slower than expected and more recently in slight decline, which highlights a deficit in business development, associated with a possible downturn in birth rates in the area, despite the commitment to deliver a quality service for parents and children.

As a result, occupancy levels across the nursery remain considerably lower than required. Through the financial year the charity has continued to benefit from the rental, service charge and management charge concessions generously waived for the nursery by C3 Trust UK as part of the partner charity's commitment to the work and impact that the nursery delivers to the local community. A stepped reintroduction of rent was planned to be from April 2023, but at present there remains a need to continue to receive the rental waiver support for the foreseeable future. This is being reviewed regularly by Hope Community Foundation Trustees and by Trustees of C3 Trust UK.

Despite the adverse trading environment and uncertainties that the sector is experiencing, with the support of its partners over the coming months, Trustees, at this stage, remain committed to the ongoing work and recovery of the nursery and resources are being marshalled to provide the necessary support to provide the nursery with the best chance of recovery, although we appreciate that this may well take longer than expected.

#### **Funding and Fundraising**

The charity has a fundraising strategy which brings together different revenue streams including the following:

1. Primary Purpose Trading (e.g Early year provision)
2. External grant making trusts and statutory funders
3. Individual & Corporate Donations (cash and in-kind)
4. Delivery of contracted services

The charity has been successful in gaining external project funding or contracts from a number of funders and commissioners since the last Trustees Annual Report for 2021-2022 which include:

- Community Fund (Awards for all) for Jigsaw Café
- Neighbourly Funding for Foundation Café
- Henry Smith Charity to support running costs and the Volunteer Coordinator
- The Home Office, contracted to Faith Action for Café Connect
- Sheffield Hallam University for work placements
- Postcode Neighbourhood Trust towards capital improvements
- Asda Foundation for Polka Dots
- Sheffield City Council Ward Pots for Polka Dots
- Sheffield City Council People Keeping Well for Warm Spaces

These grants and support are clear evidence of the charity's concerted efforts to attract support for its work in the community.

The charity received its year three drawdowns from the Henry Smith Charity (part of a three-year funding programme which has supported capacity building across our work). We aim to re-apply to the charity for further support.

## HOPE COMMUNITY FOUNDATION

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

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Previously gained grant funding for our Jigsaw café for over 55's has now been fully deployed this year to fund this activity and we have been successful in gaining further funding to support this work.

The charity continues to receive funding from individual donors and plans to be more intentional in the coming year to raise awareness of opportunities for personal support. This has recently started with individuals undertaking fundraising activities on behalf of the charity and raising almost £1,000 over the recent summer period towards general running costs.

The community café operates largely on a donation basis ensuring that the café is accessible and financially viable and has been the beneficiary of funding for providing refreshments to projects and to enable vital equipment to be upgraded.

#### **Financial review**

The trustees make strategic and operational decisions based on the financial position of the charity by reference to the financial information (i.e. budgets, cashflows) provided to them quarterly at their formal meetings. The trustees however do not get involved in the day to day detailed running of the charity except where required in order to support the appointed officers for the charity.

The charity received £389,996 (2022: £457,361) of income during the financial year to 31 March 2023 and expended £404,323 (2022: £465,478) showing a deficit of £14,327 (2022: £8,117). The principal sources of income are disclosed in notes 3 and 4 to the accounts.

The charity has unrestricted reserves of £(18,621) (2022: £(9,122)). The trustees have identified that the available reserves are at a low level and are addressing this in order to build reserves in line with the charity's reserves policy of three month's operating costs.

The trustees have assessed the major risks to which the charity is exposed, which include the risk of over-gearing due to the cross guarantee of borrowings taken out in C3 Trust UK. The trustees are satisfied that systems are in place to mitigate exposure to the major risks.

#### **Future Progress and Development**

Trustees are encouraged by the progress being made both in terms of effective delivery of existing and new community projects and the steady improvements being brought to bear in the nursery. The charity's strategy moving forward is:

- To continue to commit to the growth and strength of Little Ark Nursery & Pre-School, this being a vital part of our work and key component to the social value we provide.
- To continue to extend our community work in a managed and sustainable way whilst strengthening our links with other local provision to enable us to forge a person-centred approach to our work.
- To address short-term and medium-term staffing and capacity challenges in order to sustain and grow the output and impact of the work we undertake.
- To continue to focus on strengthening our existing projects and develop additional funding streams to promote ongoing sustainability.
- To undertake capital improvements to the community areas including upgrades to the café and toilets to improve our user-experience and quality of provision.

## HOPE COMMUNITY FOUNDATION

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

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Some examples of the way this strategy will be outworked will be the following:

- Seeking funding for 2-3 additional roles to further strengthen the organisational infrastructure, thereby enabling us to grow in a managed way.
- Strengthen the vital work of the community grocery to ensure this is sustainable and effective over the medium to long term.
- Strengthen our existing programmes by extending their reach and engagement.
- Establishing our Pathways process as a central means by which we can ensure that we are delivering outcomes as well as outputs.
- To undertake a social audit of our work to quantify the social value and impact we provide through our work as a charity.
- Continue to establish vital and effective links and strategic partnerships to extend our scope of work and subsequently the impact we make.
- Continue to strengthen policies and procedures in general and increase our investment in training and development, and Human Resources through our HR Adviser, Croner HR.

#### **Structure, governance and management**

The charity is a company limited by guarantee under the provisions of the Companies Act 2006. (Number 04489582). The company does not have share capital. The charity was set up as a new company on 18 July 2002 and received registered charity status in March 2004 (Number 1102542). The company officially changed its name to Hope Community Foundation from 13 August 2021.

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:

C Davies

A E Ibbotson

E Muthiah

L Davies

L E Willis

J Bramhall

(Appointed 21 April 2022)

B P Kunaka

(Appointed 30 June 2022)

There are at least three managing trustees at any one time in line with the charity's governing documents. When a vacancy occurs, the trustees discuss potential candidates and instruct a trustee representative to approach potential candidates. The trustees make a final decision to appoint trustees based on cultural fit, experience, knowledge and commitment.

None of the trustees have any beneficial interest in the company. At the time of preparing these financial statements, all of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

The current company secretary is Anna Elizabeth Ibbotson.

#### **Disclosure of information to auditor**

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor are aware of such information.

**HOPE COMMUNITY FOUNDATION**

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

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

**C Davies**

Trustee

Dated: 2 October 2023

## **HOPE COMMUNITY FOUNDATION**

### **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

#### **FOR THE YEAR ENDED 31 MARCH 2023**

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

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

In preparing these accounts, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts;
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HOPE COMMUNITY FOUNDATION**

### **Opinion**

We have audited the financial statements of Hope Community Foundation (the 'charity') for the year ended 31 March 2023 which comprise the statement of financial activities, the balance sheet and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Material uncertainty relating to going concern**

We have identified a matter of concern in our report because we have concerns that the charity may not be able to continue as a going concern. Disclosure has been made in note 1.2 to the accounts concerning the charity's ability to continue as a going concern. The trustees are aware of certain material uncertainties which remain largely outside of the immediate control of the charity and centre around challenges facing early-years education on a national level which comprises the majority of the income of the charity. The charity is playing an active part in representing the sector where appropriate to effect positive change at local and national level.

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HOPE COMMUNITY FOUNDATION CONTINUED**

### **Other information**

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

We have nothing to report in this regard.

### **Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the trustees' report for the financial year for which the financial statements are prepared, which includes the directors' report prepared for the purposes of company law, is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

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

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

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

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HOPE COMMUNITY FOUNDATION CONTINUED**

### **Responsibilities of trustees**

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

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

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

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HOPE COMMUNITY FOUNDATION CONTINUED**

Based on our understanding of the charity and the sector in which it operates, we identified the principal risks of non-compliance with laws and regulations related to the acts by the charity, which were contrary to applicable laws and regulations including fraud, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to inflated revenue and the charity's net income for the year.

Audit procedures performed included: review of the financial statement disclosures to underlying supporting documentation, review of correspondence with and reports to the regulators, including correspondence with the Charity Commission, review of correspondence with legal advisors and enquiries of management in so far as they related to the financial statements, and in testing of journals and evaluating whether there was evidence of bias by the trustees that represented a risk of material misstatement due to fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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

### **Use of our report**

This report is made solely to the company's members, as a body, in accordance with section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Michael Mealing (Senior Statutory Auditor)**  
**for and on behalf of UHY Hacker Young**

2 October 2023

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

## HOPE COMMUNITY FOUNDATION

### STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2023

		Unrestricted funds	Restricted funds	Total 2023	Unrestricted funds	Restricted funds	Total 2022
	Notes	£	£	£	£	£	£
<b><u>Income from:</u></b>							
Donations and gifts	3	27,390	43,567	70,957	38,538	109,467	148,005
Charitable activities	4	319,039	-	319,039	309,356	-	309,356
<b>Total income</b>		<u>346,429</u>	<u>43,567</u>	<u>389,996</u>	<u>347,894</u>	<u>109,467</u>	<u>457,361</u>
<b><u>Expenditure on:</u></b>							
Charitable activities	5	358,416	45,907	404,323	353,910	111,568	465,478
<b>Net outgoing resources before transfers</b>		(11,987)	(2,340)	(14,327)	(6,016)	(2,101)	(8,117)
Gross transfers between funds		2,488	(2,488)	-	(60)	60	-
<b>Net expenditure for the year/ Net movement in funds</b>		<u>(9,499)</u>	<u>(4,828)</u>	<u>(14,327)</u>	<u>(6,076)</u>	<u>(2,041)</u>	<u>(8,117)</u>
Fund balances at 1 April 2022		<u>(9,122)</u>	<u>17,167</u>	<u>8,045</u>	<u>(3,046)</u>	<u>19,208</u>	<u>16,162</u>
<b>Fund balances at 31 March 2023</b>		<u><u>(18,621)</u></u>	<u><u>12,339</u></u>	<u><u>(6,282)</u></u>	<u><u>(9,122)</u></u>	<u><u>17,167</u></u>	<u><u>8,045</u></u>

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.

# HOPE COMMUNITY FOUNDATION

## BALANCE SHEET

AS AT 31 MARCH 2023

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		2023		2022	
	Notes	£	£	£	£
<b>Fixed assets</b>					
Tangible assets	11		20,457		26,054
<b>Current assets</b>					
Debtors	12	5,190		17,355	
Cash at bank and in hand		35,620		38,463	
		<u>40,810</u>		<u>55,818</u>	
<b>Creditors: amounts falling due within one year</b>	14	<u>(30,878)</u>		<u>(27,994)</u>	
Net current assets			9,932		27,824
<b>Total assets less current liabilities</b>			30,389		53,878
<b>Creditors: amounts falling due after more than one year</b>	15		(36,671)		(45,833)
<b>Net (liabilities)/assets</b>			<u>(6,282)</u>		<u>8,045</u>
<b>Income funds</b>					
Restricted funds	16		12,339		17,167
Unrestricted funds			(18,621)		(9,122)
			<u>(6,282)</u>		<u>8,045</u>

The financial statements were approved by the Trustees on 2 October 2023

C Davies  
Trustee

Company registration number 4489582

# HOPE COMMUNITY FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

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### 1 Accounting policies

#### Company information

Hope Community Foundation is a private company limited by guarantee incorporated in England and Wales. The registered office is The Hope Centre, Bernard Road, Sheffield, South Yorkshire, S2 5BQ.

#### 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 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)". The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

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

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

#### 1.2 Going concern

These financial statements are prepared on the going concern basis. The trustees have a reasonable expectation that the charity will continue in operational existence for the foreseeable future and has agreed significant ongoing support from its parent over the next year. However, the trustees are aware of certain material uncertainties which may cause doubt on the charity's ability to continue as a going concern. These uncertainties remain largely outside of the immediate control of the charity and centre around challenges facing early-years education on a national level which comprises the majority of the income of the charity. The charity is playing an active part in representing the sector where appropriate to effect positive change at local and national level.

#### 1.3 Charitable funds

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

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

#### 1.4 Incoming resources

Grants and voluntary income comprising gifts, donations and other forms of income, including grants for the purchase of fixed assets, are recognised in full in the Statement of Financial Activities in the year in which they are receivable, except insofar as they are incapable of financial measurement.

The value of services provided by volunteers has not been included.

Grants are recognised in full in the Statement of Financial Activities in the year in which they are receivable.

# HOPE COMMUNITY FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2023

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#### 1 Accounting policies

(Continued)

Income is measured at the fair value of the consideration received or receivable and represents amounts receivable for services provided in the normal course of business.

#### 1.5 Resources expended

Resources expended are recognised in the year in which they are incurred inclusive of irrecoverable VAT.

Charitable expenditure comprises costs incurred by the charity in the delivery of its activities and includes costs that can be allocated directly to such activities and costs of an indirect nature to support them.

Grants for other charitable activities are made at the discretion of the trustees and are recognised in the year in which they are made.

Governance costs are those incurred in connection with the administration of the charity and compliance with constitutional and statutory requirements.

#### 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:

Leasehold buildings	Straight line over the period of the lease
Fixtures, fittings & equipment	20% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

Fixed assets costing less than £500 are not capitalised.

#### 1.7 Impairment of fixed assets

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

# HOPE COMMUNITY FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2023

---

#### 1 Accounting policies

(Continued)

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

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in income/(expenditure) for the year, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

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

#### 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.

#### **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.

# HOPE COMMUNITY FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

---

### 1 Accounting policies

(Continued)

#### **Impairment of financial assets**

Financial assets, other than those held at fair value through income and expenditure, are assessed for indicators of impairment at each reporting date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected.

If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in net income/(expenditure) for the year.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in net income/(expenditure) for the year.

#### **Derecognition of financial assets**

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the charity transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

#### **Basic financial liabilities**

Basic financial liabilities, including trade and other payables, 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 receipts discounted at a market rate of interest. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Accounts 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 payables 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.

# HOPE COMMUNITY FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

### 1 Accounting policies (Continued)

#### 1.11 Retirement benefits

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

### 2 Critical accounting estimates and judgements

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods. There are no judgements or estimates which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities.

### 3 Donations and gifts

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2023 £	2023 £	2023 £	2022 £	2022 £	2022 £
Donations and gifts	27,390	43,567	70,957	32,993	109,467	142,460
Government grants	-	-	-	5,545	-	5,545
	<u>27,390</u>	<u>43,567</u>	<u>70,957</u>	<u>38,538</u>	<u>109,467</u>	<u>148,005</u>
<b>Grants receivable for core activities</b>						
Coronavirus Job Retention Scheme	-	-	-	3,140	-	3,140
HMRC SSP Grant	-	-	-	655	-	655
Bounce back loan interest grant	-	-	-	1,250	-	1,250
Charity Aid Foundation	-	-	-	500	-	500
	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,545</u>	<u>-</u>	<u>5,545</u>

# HOPE COMMUNITY FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2023

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#### 4 Charitable activities

	Nursery fees and catering income £	Cafe sales £	Total 2023 £	Total 2022 £
Sales within charitable activities	<u>283,220</u>	<u>35,819</u>	<u>319,039</u>	<u>309,356</u>

# HOPE COMMUNITY FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2023

#### 5 Charitable activities

	Pre-school nursery education £	Community based activities £	Total 2023 £	Pre-school nursery education £	Community based activities £	Total 2022 £
Staff costs	279,289	33,793	313,082	256,392	90,478	346,870
Depreciation and impairment	5,597	-	5,597	6,497	-	6,497
Rent	7,491	6,000	13,491	35,766	14,203	49,969
Insurance	1,351	-	1,351	1,581	-	1,581
Cleaning	1,003	-	1,003	1,485	36	1,521
Printing, postage and stationery	1,667	77	1,744	3,717	158	3,875
Staff training	1,651	510	2,161	948	268	1,216
Catering costs	23,515	1,203	24,718	12,636	1,270	13,906
Legal and professional fees	9,432	1,218	10,650	11,166	477	11,643
Bad and doubtful debts	4,466	-	4,466	(104)	-	(104)
Sundry expenses	11,734	2,105	13,839	10,574	1,846	12,420
Advertising	812	-	812	2,228	157	2,385
Repairs and maintenance	1,588	227	1,815	2,382	1,918	4,300
Educational activities	4,407	726	5,133	4,023	757	4,780
Bank charges	3,863	48	3,911	4,139	-	4,139
	<u>357,866</u>	<u>45,907</u>	<u>403,773</u>	<u>353,430</u>	<u>111,568</u>	<u>464,998</u>
Share of governance costs (see note 7)	550	-	550	480	-	480
	<u>358,416</u>	<u>45,907</u>	<u>404,323</u>	<u>353,910</u>	<u>111,568</u>	<u>465,478</u>
<b>Analysis by fund</b>						
Unrestricted funds	358,416	-	358,416	353,910	-	353,910
Restricted funds	-	45,907	45,907	-	111,568	111,568
	<u>358,416</u>	<u>45,907</u>	<u>404,323</u>	<u>353,910</u>	<u>111,568</u>	<u>465,478</u>

# HOPE COMMUNITY FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

### 6 Description of charitable activities

#### Pre-school nursery education

The charity runs a children's nursery providing pre-school childcare and education.

#### Community based activities

The charity runs community based activities to relieve poverty, including food poverty, and loneliness within the local community.

### 7 Support costs

	Support costs	Governance costs	2023	2022
	£	£	£	£
Audit fees	-	550	550	480
	<u>-</u>	<u>550</u>	<u>550</u>	<u>480</u>
	<u>-</u>	<u>550</u>	<u>550</u>	<u>480</u>
Analysed between				
Charitable activities	-	550	550	480
	<u>-</u>	<u>550</u>	<u>550</u>	<u>480</u>

Governance costs includes payment to the auditor of £550 for audit fees (2022: £480 for audit fees). Other costs includes payments to the auditor of £2,330 (2022: £2,100) for other services.

### 8 Trustees

C Davies together with his wife controls another company that during the year received payments totalling £1,364 (2022: £1,512) for payroll services.

None of the other trustees (or any persons connected with them) received any remuneration or any other benefits from employment with the charitable company and no trustee expenses have been incurred in the year (2022: none).

# HOPE COMMUNITY FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

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### 9 Employees

#### Number of employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
Staff	20	25
Trustees	7	7
	<u>27</u>	<u>32</u>

#### Employment costs

	2023 £	2022 £
Wages and salaries	290,238	329,174
Social security costs	16,553	11,296
Other pension costs	6,291	6,400
	<u>313,082</u>	<u>346,870</u>

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

### 10 Taxation

In view of the charitable objects of the company and of its registered charity status, no taxation should be payable.

# HOPE COMMUNITY FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

### 11 Tangible fixed assets

	Leasehold buildings £	Fixtures, fittings & equipment £	Total £
<b>Cost</b>			
At 1 April 2022	122,768	22,341	145,109
At 31 March 2023	122,768	22,341	145,109
<b>Depreciation and impairment</b>			
At 1 April 2022	98,521	20,534	119,055
Depreciation charged in the year	4,788	809	5,597
At 31 March 2023	103,309	21,343	124,652
<b>Carrying amount</b>			
At 31 March 2023	19,459	998	20,457
At 31 March 2022	24,247	1,807	26,054

### 12 Debtors

	2023 £	2022 £
<b>Amounts falling due within one year:</b>		
Trade debtors	5,190	5,963
Other debtors	-	11,392
	5,190	17,355

### 13 Loans and overdrafts

	2023 £	2022 £
Bank loans	45,004	50,000
Payable within one year	8,333	4,167
Payable after one year	36,671	45,833

The long-term loan is secured as part of the cross guarantee arrangement for the bank loan held by C3 Trust UK as described in note 18.

# HOPE COMMUNITY FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2023

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

	Notes	2023 £	2022 £
Bank loans	13	8,333	4,167
Other taxation and social security		1,477	-
Trade creditors		3,695	1,231
Amount owed to parent undertaking		10,478	16,461
Amounts owed to fellow group undertakings		78	78
Other creditors		2,849	2,465
Accruals and deferred income		3,968	3,592
		<u>30,878</u>	<u>27,994</u>

#### 15 Creditors: amounts falling due after more than one year

	Notes	2023 £	2022 £
Bank loans	13	<u>36,671</u>	<u>45,833</u>

# HOPE COMMUNITY FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2023

#### 16 Restricted funds

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

	Movement in funds				Movement in funds				
	Balance at 1 April 2021	Incoming resources	Resources expended	Transfers	Balance at 1 April 2022	Incoming resources	Resources expended	Transfers	Balance at 31 March 2023
	£	£	£	£	£	£	£	£	£
Henry Smith Charity	9,787	33,100	(38,957)	-	3,930	33,550	(31,370)	-	6,110
Hope Hampers	1,792	2,493	(947)	-	3,338	-	(530)	-	2,808
Neon Schools Programme	4,629	37	-	-	4,666	-	(4,653)	-	13
Befriending/ Jigsaw Services	3,000	-	(1,681)	-	1,319	102	(1,125)	-	296
Kickstart	-	70,465	(68,415)	-	2,050	7,815	(6,987)	(2,878)	-
Polka Dot Playgroup	-	500	(560)	60	-	500	(890)	390	-
Share the Light	-	2,872	(1,008)	-	1,864	975	-	-	2,839
Pathways	-	-	-	-	-	625	(352)	-	273
	<u>19,208</u>	<u>109,467</u>	<u>(111,568)</u>	<u>60</u>	<u>17,167</u>	<u>43,567</u>	<u>(45,907)</u>	<u>(2,488)</u>	<u>12,339</u>

## HOPE COMMUNITY FOUNDATION

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

#### FOR THE YEAR ENDED 31 MARCH 2023

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##### 16 Restricted funds

(Continued)

The charity has received its final instalment of a three year grant from the Henry Smith Charity. The grant has been awarded to assist with capacity building or projects and to strengthen the role of volunteering in the charity and has funded a Volunteer Coordinator for the whole of the period of the funding.

Various funders contributed to our efforts to tackle the impact of COVID-19 and the cost of living crisis by providing emergency food provision through our Hope Hampers to those affected either directly or indirectly.

In order to contribute to a planned project working with young people in schools, funds were raised largely through Aviva Community Fund to the Neon Schools Programme. This project has continued during the year with one person employed for one day a week.

Jigsaw services are now providing two weekly sessions for over 55s. In the last year 894 attendees have participated in Jigsaw activities.

Kickstart provides work placements for young people. This project was completed during the year.

Polka Dots play group has delivered weekly sessions during term time. In the last year 471 attendees have participated in Polka Dots activities.

Pathways is a listening and signposting processes designed to enable us to meet the multiple needs of our service users. It recognises that people connect with us often and mostly at a single point of need but meeting that need doesn't necessarily provide that person with the full support they need to help them to move forward in life. The signposting process helps to identify other needs and connect people with other services which they may find useful as well as providing them with an opportunity to connect with one of our chaplaincy team from the church if they so wish who can provide them with pastoral support.

# HOPE COMMUNITY FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

### 17 Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2023	2023	2023	2022	2022	2022
	£	£	£	£	£	£
Fund balances at 31 March 2023 are represented by:						
Tangible assets	20,457	-	20,457	26,054	-	26,054
Current assets/(liabilities)	(2,407)	12,339	9,932	10,657	17,167	27,824
Long term liabilities	(36,671)	-	(36,671)	(45,833)	-	(45,833)
	<u>(18,621)</u>	<u>12,339</u>	<u>(6,282)</u>	<u>(9,122)</u>	<u>17,167</u>	<u>8,045</u>

### 18 Financial commitments, guarantees and contingent liabilities

Hope Community Foundation along with Hope Centre Limited cross guarantee a bank loan held by C3 Trust UK. At 31 March 2023, the bank loan amounted to £681,676 (2022: £727,461) and is due to mature on 27 November 2033.

### 19 Related party transactions

#### Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2023	2022
	£	£
Aggregate compensation	-	11,893

The trustees review payments made to employees in equivalent managerial positions in similar organisations when considering the levels of pay for key managers. The trustees also take in to consideration the ability of the charitable company to be able to pay such salaries.

The company has taken advantage of the exemption from the requirement to disclose transactions with group companies on the grounds that any such transactions were entered into between the ultimate parent or wholly owned subsidiaries of the group and that group accounts are prepared.

# HOPE COMMUNITY FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2023

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#### 20 Control

The ultimate controlling party is C3 Trust UK, a charitable company incorporated in the United Kingdom. C3 Trust UK control Hope Community Foundation as it is able to appoint and remove all the trustees of Hope Community Foundation. C3 Trust UK (being the smallest and largest group of which the charitable company is a member for which group financial statements are prepared) prepares group accounts and copies can be obtained from The Hope Centre, Bernard Road, Sheffield, South Yorkshire, S2 5BQ.

The parent's principal purposes are to advance the Christian faith, to relieve sickness and financial hardship and to advance education.

**HOPE COMMUNITY FOUNDATION**

England & Wales - Charity number 1102542

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# Accounts

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CHARITY REGISTRATION NUMBER 1102542

COMPANY REGISTRATION NUMBER 4489582

**HOPE COMMUNITY FOUNDATION**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

# HOPE COMMUNITY FOUNDATION

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees</b>	C Davies A E Ibbotson E Muthiah L Davies L E Willis J Bramhall B P Kunaka	(Appointed 21 April 2022) (Appointed 30 June 2022)
<b>Secretary</b>	A E Ibbotson	
<b>Charity number</b>	1102542	
<b>Company number</b>	4489582	
<b>Registered office</b>	The Hope Centre Bernard Road Sheffield South Yorkshire S2 5BQ	
<b>Auditor</b>	UHY Hacker Young 6 Broadfield Court Broadfield Way Sheffield S8 0XF	
<b>Bankers</b>	Barclays Bank plc P.O. Box 1385 2 Arena Court Sheffield S9 2WV	
<b>Solicitors</b>	Geldards Number One Pride Place Pride Park Derby DE24 8QR	

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# HOPE COMMUNITY FOUNDATION

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# HOPE COMMUNITY FOUNDATION

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

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The trustees present their report and accounts for the year ended 31 March 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**

The charity's objects are:

- The advancement of education of children under statutory school age by provision of a nursery school;
- Relief of poverty and sickness;
- To provide facilities for recreation or other leisure time occupation with the object of improving the conditions of life; and
- Other such charitable purposes as the trustees think fit.

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

Until recently, the principal activity of the charity has been the provision of nursery education and care for children in the early years. In the past three years, the work of the charity has diversified considerably, although the provision of early years education remains the most substantive part of our work as a charity.

### **Achievements and performance**

The Hope Centre houses the work of Hope Community Foundation. The Hope Centre is well located to serve the needs of local communities, specifically but not exclusively those located in the S2 and S9 postcodes of the city, both of which have a higher-than-average rate of disadvantage compared with many other communities in Sheffield, and are amongst the most disadvantaged in England and Wales. They represent many of the hardest hit, both in the aftermath of COVID-19 and in the current economic downturn and associated cost of living crisis.

During this time, the charity, working alongside and in partnership with other statutory and non-statutory agents, has continued to provide inclusive services and support to an increasing number of local residents. This has been a considerable achievement, especially given the current review of early years provision at national level which has resulted in a considerable degree of uncertainty in the early years and childcare sectors.

## **HOPE COMMUNITY FOUNDATION**

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

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#### **Our Community Projects**

The charity has continued to seek ways in which it can extend the scope and impact of its work beyond that of childcare provision. With a valued support and engagement of staff and volunteers we have been able to build the strength of much of our existing provision as well as seek to work with partners to add further support options to our portfolio of services to enable us to not only meet presenting needs, but to ensure we seek to address the multiple needs of our beneficiaries and create the optimum social value across all of our services.

For example:

1. Our Hope Hampers Food Bank working in partnership with S6 Foodbanks has continued to deliver impact to those in need locally.
2. Our Community Grocery working in partnership with The Message Trust, is going strong with more households being served through the membership scheme.
3. We were successful in securing temporary funds for an additional staff member who added value in organisational structure through policies and procedures which helped to create a sustainable growth track for the charity.
4. Our dedicated area within The Hope Centre is now a thriving hub of community activity operating five days a week.
5. We have started new projects in the last 18 months to offer further support to the people in our local area.
6. We are working together with educational organisations offering placements for young people to help them further their studies.

This financial year represents year two of a three-year commitment made by the Henry Smith Charity. That has enabled the charity to create a post for a Volunteer Coordinator. This post has been instrumental in building volunteering capacity and establishing and maintaining links to new opportunities. As a result, we now have over 80 volunteers engaged across all our projects.

In order to scale up our work more effectively, to meet local needs, we have made considerable progress in engaging with local statutory and non-statutory bodies. Our current work alongside both The Message Trust, S6 Foodbanks and Together for Sheffield have enabled us to considerably increase our engagement and impact in our community. In addition we are developing strong links with both Sheffield Universities, SAVTE (Sheffield Association for the Voluntary Teaching of English), MASKK Sheffield, and corporate business and other partners such as Voluntary Action Sheffield (VAS).

We firmly believe that these links and others will enable us to sustain our work and maximise the impact we make as a charity in the local community. In addition, this intentional move to build strong partnerships is helping the charity to become recognised as a valuable and integral part of the local infrastructure charged with delivering social value in the area.

## **HOPE COMMUNITY FOUNDATION**

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

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#### **Key Outputs from our Community Projects (Year to November 2022)**

1. Hope Hampers Food Bank provided 772 beneficiaries with emergency food parcels.
7. Foundation Community Grocery now has over 1300 members (households) registered and has seen over 8300 individual shopping visits.
8. CAP Debt Advice - working in partnership with Network Church Sheffield we provide weekly sessions for those seeking assistance with their debt and looking to extent this in the future.
9. Polkadots Play Group has delivered weekly sessions during term time. Average attendance per session is over 22 unique individuals.
10. Jigsaw Cafe – we are now providing two weekly sessions for over 55s. On average, around 15 separate attendees per session with over 30 per week being a regular part of the project and a total membership to date of 43 people.
11. We now operate a viable, donation-based, community café which provides the space for many of our projects to operate.
12. Kickstart (Work Placements for Young people). This project has completed, and we have been able to retain one person to work as an Apprentice in the Facilities team at the Hope Centre.
13. Neon schools project has recommenced with one person employed for one day a week to do our Youth work, working to support school aged youth (11-16).
14. Conversation Café –We have recently launched our conversational English sessions after receiving training and resource support from an external partner (SAVTE).
15. We have launched our Pathways process, which is a volunteer-led project aiming to help us to provide a listening and signposting service to our beneficiaries. It provides us with a way of consulting with our service users.
16. We have added new Trustees, with lived experience of the needs we are aiming to address and of living in our primary area of benefit.
17. We continue to maintain a strong focus on Safeguarding vulnerable adults and young people, having now formed a partnership Safeguarding Board whose aim is to ensure that safeguarding is effective across all aspects of the work of the Hope Centre.

## **HOPE COMMUNITY FOUNDATION**

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

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#### **Our Community Nursery (Little Ark Nursery & Pre-School)**

The Charity operates a community nursery which comprises both paid for and funded provision for local families. Throughout the past 18 months the nursery has succeeded in providing quality childcare and continued to work in partnership with statutory agencies despite a period of prolonged and considerable uncertainty which has been felt locally and nationally across the early years sector. The charity trustees are aware of emerging policy from national government, intended to ensure that childcare is viable and affordable. However, at this time and in the aftermath of considerable political upheaval in recent months no firm policy has been agreed at this stage.

The nursery has continued to operate effectively and is a 'Good' Ofsted rating as a result of an inspection conducted in March 2019 and is currently undergoing a re-registration process with Ofsted in order to bring the registration under the Hope Community Foundation charity. Previously and historically, the registration had been under the name of the founding charity, which at the time was 'Hope City Church' now C3 Trust UK (the parent charity of Hope Community Foundation). Alongside these changes the charity has now installed Colin Davies (Trustee) as the Nominated Individual for the Nursery, a requirement of Ofsted.

Given the climate within which the nursery has operated and still operates, staff have worked hard to regain ground lost during COVID-19 and retain the confidence of parents in a time of uncertainty.

Occupancy levels across the nursery remain lower than preferred, although there is a steady rate of recovery and increasing momentum which is being monitored and reviewed regularly. Through the financial year the charity has continued to benefit from the rental concessions generously awarded to the nursery. A stepped reintroduction of rent is being introduced from April 2023.

As part of the ongoing commitment to the nursery and recognition of its integral role in combining with other community projects, the charity has recently benefited from funding which is undertaking the refurbishment and upgrade of the nursery roof garden. This work will provide a refreshed external play area for nursery children and is estimated to be completed by the end of January 2023.

Despite the adverse trading environment and uncertainties that the sector is experiencing, with the support of its partners over the coming months, Trustees, at this stage, remain confident that the nursery can and will continue to recover, although this is not expected to be fully realised within the next 12 months.

## HOPE COMMUNITY FOUNDATION

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

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#### Funding and Fundraising

The charity has a fundraising strategy which brings together different revenue streams including the following:

1. Primary Purpose Trading (e.g Early year provision)
18. External grant making trusts and statutory funders
19. Individual & Corporate Donations (cash and in-kind)
20. Delivery of contracted services

The charity has been successful in gaining external funding from Sheffield City Council and Asda Foundation which have been applied to the running of our community projects. Previously awarded funds from Aviva Community Fund have been committed in-year to their intended purpose, to facilitate the mentoring of young people.

The charity received its year two draw downs from the Henry Smith Charity (part of a three-year funding programme which has supported capacity building across our work).

The charity was also successful in generating contracted income through the government's Kickstart scheme to provide young people with work experience. These funds were designated to the project and surplus was confirmed as unrestricted with the contracting organisation.

Existing funds raised for our Jigsaw café for over 55's has been deployed this year to fund this activity and we are currently awaiting the outcome of other applications to support this project ongoing.

The charity continues to receive funding from individual donors and plans to be more intentional in the coming year to raise awareness of opportunities for personal support.

The community café operates largely on a donation basis ensuring that the café is accessible and financially viable.

#### Financial review

The trustees make strategic and operational decisions based on the financial position of the charity by reference to the financial information (i.e. budgets, cashflows) provided to them quarterly at their formal meetings. The trustees however do not get involved in the day to day detailed running of the charity except where required in order to support the appointed officers for the charity.

The charity received £457,361 (2021: £309,923) of income during the financial year to 31 March 2022 and expended £465,478 (2021: £310,836) showing a deficit of £8,117 (2021: £913). The principal sources of income are disclosed in notes 3 and 4 to the accounts.

The charity has unrestricted reserves of £(9,122) (2021: £(3,046)). The trustees have identified that the available reserves are at a low level and are addressing this in order to build reserves in line with the charity's reserves policy of three month's operating costs.

The trustees have assessed the major risks to which the charity is exposed, which include the risk of over-gearing due to the cross guarantee of borrowings taken out in C3 Trust UK, formerly Hope City Church. The trustees are satisfied that systems are in place to mitigate exposure to the major risks.

## HOPE COMMUNITY FOUNDATION

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

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#### Future Progress and Development

Trustees are encouraged by the progress being made both in terms of effective delivery of existing and new community projects and the steady improvements being brought to bear in the nursery. The charity's strategy moving forward is twofold:

1. To continue to commit to the growth and strength of Little Ark Nursery & Pre-School, this being a vital part of our work and key component to the social value we provide.
21. To continue to extend our community work in a managed and sustainable way whilst strengthening our links with other local provision to enable us to forge a person-centred approach to our work.

Some examples of the way this strategy will be outworked will be the following:

1. Seeking funding for additional roles to further strengthen the organisational infrastructure, thereby enabling us to grow in a managed way.
22. Seeking extension funding for the role of Volunteer Coordinator.
23. Look to expand the work we do to alleviate poverty by scaling up the presence of debt advice at the Hope Centre with a view to having a full-time debt advisor in place within 2 years.
24. Consolidate our emergency food relief efforts by concentrating this around the Community Grocery. We believe this model is not only more sustainable, but also provides progression routes to independence of our service users.
25. Strengthen our existing programmes by extending their reach and engagement.
26. Establishing our Pathways process as a central means by which we can ensure that we are delivering outcomes as well as outputs.
27. To undertake a social audit of our work to quantify the social value and impact we provide through our work as a charity.
28. Continue to establish vital and effective links and strategic partnerships to extend our scope of work and subsequently the impact we make.

#### Structure, governance and management

The charity is a company limited by guarantee under the provisions of the Companies Act 2006. (Number 04489582). The company does not have share capital. The charity was set up as a new company on 18 July 2002 and received registered charity status in March 2004 (Number 1102542). The company officially changed its name to Hope Community Foundation from 13 August 2021.

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:

C Davies

A E Ibbotson

E Muthiah

L Davies

L E Willis

J Bramhall

(Appointed 21 April 2022)

B P Kunaka

(Appointed 30 June 2022)

## HOPE COMMUNITY FOUNDATION

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

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There are at least 3 managing trustees at any one time in line with the charity's governing documents. When a vacancy occurs, the trustees discuss potential candidates and instruct a trustee representative to approach potential candidates. The trustees make a final decision to appoint trustees based on cultural fit, experience, knowledge and commitment.

None of the trustees have any beneficial interest in the company. At the time of preparing these financial statements, all of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

The trustees review payments made to employees in equivalent managerial positions in similar organisations when considering the levels of pay for key managers. The trustees also take in to consideration the ability of the charitable company to be able to pay such salaries.

The current company secretary is Anna Elizabeth Ibbotson (appointed 3 February 2022).

#### **Disclosure of information to auditor**

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor are aware of such information.

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

**C Davies**

Trustee

Dated: 22 March 2023

## **HOPE COMMUNITY FOUNDATION**

### **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

#### **FOR THE YEAR ENDED 31 MARCH 2022**

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

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

In preparing these accounts, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts;
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HOPE COMMUNITY FOUNDATION**

### **Opinion**

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

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Material uncertainty relating to going concern**

We have identified a matter of concern in our report because we have concerns that the charity may not be able to continue as a going concern. Disclosure has been made in note 1.2 to the accounts concerning the charity's ability to continue as a going concern. The trustees are aware of certain material uncertainties which remain largely outside of the immediate control of the charity and centre around challenges facing early-years education on a national level which comprises the majority of the income of the charity. The charity is playing an active part in representing the sector where appropriate to effect positive change at local and national level.

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HOPE COMMUNITY FOUNDATION CONTINUED**

### **Other information**

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

We have nothing to report in this regard.

### **Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the trustees' report for the financial year for which the financial statements are prepared, which includes the directors' report prepared for the purposes of company law, is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

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

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

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

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HOPE COMMUNITY FOUNDATION CONTINUED**

### **Responsibilities of trustees**

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

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

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

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HOPE COMMUNITY FOUNDATION CONTINUED**

Based on our understanding of the charity and the sector in which it operates, we identified the principal risks of non-compliance with laws and regulations related to the acts by the charity, which were contrary to applicable laws and regulations including fraud, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to inflated revenue and the charity's net income for the year.

Audit procedures performed included: review of the financial statement disclosures to underlying supporting documentation, review of correspondence with and reports to the regulators, including correspondence with the Charity Commission, review of correspondence with legal advisors and enquiries of management in so far as they related to the financial statements, and in testing of journals and evaluating whether there was evidence of bias by the trustees that represented a risk of material misstatement due to fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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

### **Use of our report**

This report is made solely to the company's members, as a body, in accordance with section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Roland Givans (Senior Statutory Auditor)  
for and on behalf of UHY Hacker Young**

22 March 2023

**Chartered Accountants  
Statutory Auditor**

# HOPE COMMUNITY FOUNDATION

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2022

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		Unrestricted funds	Restricted funds	Total 2022	Unrestricted funds	Restricted funds	Total 2021
	Notes	£	£	£	£	£	£
<b><u>Income from:</u></b>							
Donations and gifts	3	38,538	109,467	148,005	37,944	36,084	74,028
Charitable activities	4	309,356	-	309,356	235,895	-	235,895
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>Total income</b>		347,894	109,467	457,361	273,839	36,084	309,923
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b><u>Expenditure on:</u></b>							
Charitable activities	5	353,910	111,568	465,478	293,960	16,876	310,836
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>Net outgoing resources before transfers</b>		(6,016)	(2,101)	(8,117)	(20,121)	19,208	(913)
Gross transfers between funds		(60)	60	-	-	-	-
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>Net expenditure for the year/ Net movement in funds</b>		(6,076)	(2,041)	(8,117)	(20,121)	19,208	(913)
Fund balances at 1 April 2021		(3,046)	19,208	16,162	17,075	-	17,075
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>Fund balances at 31 March 2022</b>		(9,122)	17,167	8,045	(3,046)	19,208	16,162
		<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

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.

# HOPE COMMUNITY FOUNDATION

## BALANCE SHEET

AS AT 31 MARCH 2022

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	Notes	2022		2021	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	11		26,054		30,979
<b>Current assets</b>					
Debtors	12	17,355		4,905	
Cash at bank and in hand		38,463		40,937	
		<u>55,818</u>		<u>45,842</u>	
<b>Creditors: amounts falling due within one year</b>	14	<u>(27,994)</u>		<u>(10,659)</u>	
Net current assets			<u>27,824</u>		<u>35,183</u>
<b>Total assets less current liabilities</b>			<u>53,878</u>		<u>66,162</u>
<b>Creditors: amounts falling due after more than one year</b>	15		(45,833)		(50,000)
<b>Net assets</b>			<u>8,045</u>		<u>16,162</u>
<b>Income funds</b>					
Restricted funds	16		17,167		19,208
Unrestricted funds			(9,122)		(3,046)
			<u>8,045</u>		<u>16,162</u>

The financial statements were approved by the Trustees on 22 March 2023

C Davies  
Trustee

Company registration number 4489582

# HOPE COMMUNITY FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

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### 1 Accounting policies

#### Company information

Hope Community Foundation is a private company limited by guarantee incorporated in England and Wales. The registered office is The Hope Centre, Bernard Road, Sheffield, South Yorkshire, S2 5BQ.

#### 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 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)". The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

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

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

#### 1.2 Going concern

These financial statements are prepared on the going concern basis. The trustees have a reasonable expectation that the charity will continue in operational existence for the foreseeable future and has agreed significant ongoing support from its parent over the next year. However, the trustees are aware of certain material uncertainties which may cause doubt on the charity's ability to continue as a going concern. These uncertainties remain largely outside of the immediate control of the charity and centre around challenges facing early-years education on a national level which comprises the majority of the income of the charity. The charity is playing an active part in representing the sector where appropriate to effect positive change at local and national level.

#### 1.3 Charitable funds

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

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

#### 1.4 Incoming resources

Grants and voluntary income comprising gifts, donations and other forms of income, including grants for the purchase of fixed assets, are recognised in full in the Statement of Financial Activities in the year in which they are receivable, except insofar as they are incapable of financial measurement.

The value of services provided by volunteers has not been included.

Grants are recognised in full in the Statement of Financial Activities in the year in which they are receivable.

# HOPE COMMUNITY FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2022

---

#### 1 Accounting policies

(Continued)

Income is measured at the fair value of the consideration received or receivable and represents amounts receivable for services provided in the normal course of business.

#### 1.5 Resources expended

Resources expended are recognised in the year in which they are incurred inclusive of irrecoverable VAT.

Charitable expenditure comprises costs incurred by the charity in the delivery of its activities and includes costs that can be allocated directly to such activities and costs of an indirect nature to support them.

Grants for other charitable activities are made at the discretion of the trustees and are recognised in the year in which they are made.

Governance costs are those incurred in connection with the administration of the charity and compliance with constitutional and statutory requirements.

#### 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:

Leasehold buildings	Straight line over the period of the lease
Fixtures, fittings & equipment	20% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

Fixed assets costing less than £500 are not capitalised.

#### 1.7 Impairment of fixed assets

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

# HOPE COMMUNITY FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2022

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#### 1 Accounting policies

(Continued)

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

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in income/(expenditure) for the year, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

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

#### 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.

#### **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.

# HOPE COMMUNITY FOUNDATION

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

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### 1 Accounting policies

(Continued)

#### ***Impairment of financial assets***

Financial assets, other than those held at fair value through income and expenditure, are assessed for indicators of impairment at each reporting date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected.

If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in net income/(expenditure) for the year.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in net income/(expenditure) for the year.

#### ***Derecognition of financial assets***

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the charity transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

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

Basic financial liabilities, including trade and other payables, 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 receipts discounted at a market rate of interest. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Accounts 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 payables 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.

# HOPE COMMUNITY FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2022

#### 1 Accounting policies

(Continued)

##### 1.12 Leases

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

#### 2 Critical accounting estimates and judgements

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods. There are no judgements or estimates which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities.

#### 3 Donations and gifts

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2022	2022	2022	2021	2021	2021
	£	£	£	£	£	£
Donations and gifts	32,993	109,467	142,460	2,300	36,084	38,384
Government grants	5,545	-	5,545	35,644	-	35,644
	<u>38,538</u>	<u>109,467</u>	<u>148,005</u>	<u>37,944</u>	<u>36,084</u>	<u>74,028</u>
<b>Grants receivable for core activities</b>						
Coronavirus Job Retention Scheme	3,140	-	3,140	35,644	-	35,644
HMRC SSP Grant	655	-	655	-	-	-
Bounce back loan interest grant	1,250	-	1,250	-	-	-
Charity Aid Foundation	500	-	500	-	-	-
	<u>5,545</u>	<u>-</u>	<u>5,545</u>	<u>35,644</u>	<u>-</u>	<u>35,644</u>

# HOPE COMMUNITY FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2022

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#### 4 Charitable activities

	Nursery fees and catering income £	Cafe sales £	Total 2022 £	Total 2021 £
Sales within charitable activities	<u>296,232</u>	<u>13,124</u>	<u>309,356</u>	<u>235,895</u>

# HOPE COMMUNITY FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2022

#### 5 Charitable activities

	Pre-school nursery education £	Community based activities £	Total 2022 £	Pre-school nursery education £	Community based activities £	Total 2021 £
Staff costs	256,392	90,478	346,870	212,908	6,760	219,668
Depreciation and impairment	6,497	-	6,497	7,100	-	7,100
Rent	35,766	14,203	49,969	34,075	-	34,075
Insurance	1,581	-	1,581	1,558	-	1,558
Cleaning	1,485	36	1,521	1,845	-	1,845
Printing, postage and stationery	3,717	158	3,875	608	784	1,392
Staff training	948	268	1,216	1,524	137	1,661
Catering costs	12,636	1,270	13,906	4,401	8,106	12,507
Legal and professional fees	11,166	477	11,643	10,070	3	10,073
Bad and doubtful debts	(104)	-	(104)	3,964	-	3,964
Sundry expenses	10,574	1,846	12,420	6,861	400	7,261
Advertising	2,228	157	2,385	1,026	-	1,026
Repairs and maintenance	2,382	1,918	4,300	2,602	808	3,410
Educational activities	4,023	757	4,780	3,337	137	3,474
Bank charges	4,139	-	4,139	1,342	-	1,342
	<u>353,430</u>	<u>111,568</u>	<u>464,998</u>	<u>293,221</u>	<u>17,135</u>	<u>310,356</u>
Share of governance costs (see note 7)	480	-	480	480	-	480
	<u>353,910</u>	<u>111,568</u>	<u>465,478</u>	<u>293,701</u>	<u>17,135</u>	<u>310,836</u>
<b>Analysis by fund</b>						
Unrestricted funds	353,910	-	353,910	293,701	259	293,960
Restricted funds	-	111,568	111,568	-	16,876	16,876
	<u>353,910</u>	<u>111,568</u>	<u>465,478</u>	<u>293,701</u>	<u>17,135</u>	<u>310,836</u>

# HOPE COMMUNITY FOUNDATION

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

### 6 Description of charitable activities

#### Pre-school nursery education

The charity runs a children's nursery providing pre-school childcare and education.

#### Community based activities

The charity runs community based activities to relieve poverty, including food poverty, and loneliness within the local community.

### 7 Support costs

	Support costs	Governance costs	2022	2021
	£	£	£	£
Audit fees	-	480	480	480
	<u>-</u>	<u>480</u>	<u>480</u>	<u>480</u>
	<u>-</u>	<u>480</u>	<u>480</u>	<u>480</u>
Analysed between				
Charitable activities	-	480	480	480
	<u>-</u>	<u>480</u>	<u>480</u>	<u>480</u>

Governance costs includes payment to the auditor of £480 for audit fees (2021: £480 for audit fees). Other costs includes payments to the auditor of £2,100 (2021: £1,800) for other services.

### 8 Trustees

C Davies together with his wife controls another company that during the year received payments totalling £1,512 (2021: £1,389) for payroll services.

None of the other trustees (or any persons connected with them) received any remuneration or any other benefits from employment with the charitable company and no trustee expenses have been incurred in the year (2021: none).

# HOPE COMMUNITY FOUNDATION

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

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### 9 Employees

#### Number of employees

The average monthly number of employees during the year was:

	<b>2022</b>	<b>2021</b>
	<b>Number</b>	<b>Number</b>
Staff	25	17
Trustees	7	5
	<u>32</u>	<u>22</u>

#### Employment costs

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Wages and salaries	329,174	204,316
Social security costs	11,296	10,215
Other pension costs	6,400	5,137
	<u>346,870</u>	<u>219,668</u>

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

### 10 Taxation

In view of the charitable objects of the company and of its registered charity status, no taxation should be payable.

# HOPE COMMUNITY FOUNDATION

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

### 11 Tangible fixed assets

	Leasehold buildings £	Fixtures, fittings & equipment £	Total £
<b>Cost</b>			
At 1 April 2021	122,768	20,769	143,537
Additions	-	1,572	1,572
	<u>122,768</u>	<u>22,341</u>	<u>145,109</u>
At 31 March 2022	122,768	22,341	145,109
	<u>122,768</u>	<u>22,341</u>	<u>145,109</u>
<b>Depreciation and impairment</b>			
At 1 April 2021	93,112	19,446	112,558
Depreciation charged in the year	5,409	1,088	6,497
	<u>98,521</u>	<u>20,534</u>	<u>119,055</u>
At 31 March 2022	98,521	20,534	119,055
	<u>98,521</u>	<u>20,534</u>	<u>119,055</u>
<b>Carrying amount</b>			
At 31 March 2022	24,247	1,807	26,054
	<u>24,247</u>	<u>1,807</u>	<u>26,054</u>
At 31 March 2021	29,656	1,323	30,979
	<u>29,656</u>	<u>1,323</u>	<u>30,979</u>

### 12 Debtors

	2022 £	2021 £
<b>Amounts falling due within one year:</b>		
Trade debtors	5,963	4,098
Other debtors	11,392	807
	<u>17,355</u>	<u>4,905</u>

### 13 Loans and overdrafts

	2022 £	2021 £
Bank loans	50,000	50,000
	<u>50,000</u>	<u>50,000</u>
Payable within one year	4,167	-
Payable after one year	45,833	50,000
	<u>50,000</u>	<u>50,000</u>

The long-term loan is secured as part of the cross guarantee arrangement for the bank loan held by C3 Trust UK as described in note 18.

# HOPE COMMUNITY FOUNDATION

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

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

	Notes	2022 £	2021 £
Bank loans	13	4,167	-
Trade creditors		1,231	4,036
Amount owed to parent undertaking		16,461	1,688
Amounts owed to fellow group undertakings		78	78
Other creditors		2,465	1,453
Accruals and deferred income		3,592	3,404
		<u>27,994</u>	<u>10,659</u>

### 15 Creditors: amounts falling due after more than one year

	Notes	2022 £	2021 £
Bank loans	13	45,833	50,000
		<u>45,833</u>	<u>50,000</u>

# HOPE COMMUNITY FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2022

#### 16 Restricted funds

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

	Movement in funds			Movement in funds			Balance at 31 March 2022 £
	Incoming resources £	Resources expended £	Balance at 1 April 2021 £	Incoming resources £	Resources expended £	Transfers £	
Henry Smith Charity	16,550	(6,763)	9,787	33,100	(38,957)	-	3,930
Hope Hampers	11,905	(10,113)	1,792	2,493	(947)	-	3,338
Neon Schools Programme	4,629	-	4,629	37	-	-	4,666
Befriending/ Jigsaw Services	3,000	-	3,000	-	(1,681)	-	1,319
Kickstart	-	-	-	70,465	(68,415)	-	2,050
Polka Dot Playgroup	-	-	-	500	(560)	60	-
Share the Light	-	-	-	2,872	(1,008)	-	1,864
	<u>36,084</u>	<u>(16,876)</u>	<u>19,208</u>	<u>109,467</u>	<u>(111,568)</u>	<u>60</u>	<u>17,167</u>

The charity has received its second of a three year grant from the Henry Smith Charity. The grant has been awarded to assist with capacity building or projects and to strengthen the role of volunteering in the charity and has funded a Volunteer Coordinator for the whole of the period of the funding.

Various funders contributed to our efforts to tackle the impact of COVID-19 by providing emergency food provision through our Hope Hampers project up to April 2022 to those affected either directly or indirectly.

In order to contribute to a planned project working with young people in schools, funds were raised largely through Aviva Community Fund to the Neon Schools Programme. This project has not yet commenced during the year due to COVID-19 restrictions and the impact in schools but has commenced post year end with one person employed for one day a week.

Jigsaw services are now providing two weekly sessions for over 55s. Funds raised for the project in financial year 2020/21 are now being spent.

# HOPE COMMUNITY FOUNDATION

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

### 16 Restricted funds

(Continued)

Kickstart provides work placements for young people. This project has completed post year end.

Polkadots play group has delivered weekly sessions during term time for over twenty two individuals.

To further meet the needs of the local communities and to strengthen the wider work of our food relief over the winter period we launched a small one-off campaign entitled 'Share the Light' in December 2021.

### 17 Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2022	2022	2022	2021	2021	2021
	£	£	£	£	£	£
Fund balances at 31 March 2022 are represented by:						
Tangible assets	26,054	-	26,054	30,979	-	30,979
Current assets/(liabilities)	10,657	17,167	27,824	15,975	19,208	35,183
Long term liabilities	(45,833)	-	(45,833)	(50,000)	-	(50,000)
	<u>(9,122)</u>	<u>17,167</u>	<u>8,045</u>	<u>(3,046)</u>	<u>19,208</u>	<u>16,162</u>

### 18 Financial commitments, guarantees and contingent liabilities

Hope City Foundation along with Hope Centre Limited cross guarantee a bank loan held by C3 Trust UK. At 31 March 2022, the bank loan amounted to £727,461 (2021: £784,294) and is due to mature on 27 November 2033.

### 19 Related party transactions

#### Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2022	2021
	£	£
Aggregate compensation	11,893	15,336

The trustees review payments made to employees in equivalent managerial positions in similar organisations when considering the levels of pay for key managers. The trustees also take in to consideration the ability of the charitable company to be able to pay such salaries.

## HOPE COMMUNITY FOUNDATION

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

#### FOR THE YEAR ENDED 31 MARCH 2022

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#### 19 Related party transactions

(Continued)

The company has taken advantage of the exemption from the requirement to disclose transactions with group companies on the grounds that any such transactions were entered into between the ultimate parent or wholly owned subsidiaries of the group and that group accounts are prepared.

#### 20 Control

The ultimate controlling party is C3 Trust UK, formerly Hope City Church, a charitable company incorporated in the United Kingdom. C3 Trust UK control Hope Community Foundation as it is able to appoint and remove all the trustees of Hope Community Foundation. C3 Trust UK (being the smallest and largest group of which the charitable company is a member for which group financial statements are prepared) prepares group accounts and copies can be obtained from The Hope Centre, Bernard Road, Sheffield, South Yorkshire, S2 5BQ.

The parent's principal purposes are to advance the Christian faith, to relieve sickness and financial hardship and to advance education.

**HOPE COMMUNITY FOUNDATION**

England & Wales - Charity number 1102542

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# Accounts

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CHARITY REGISTRATION NUMBER 1102542

COMPANY REGISTRATION NUMBER 4489582

**HOPE COMMUNITY FOUNDATION**  
**FORMERLY HOPE CITY FOUNDATION**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**HOPE COMMUNITY FOUNDATION  
FORMERLY HOPE CITY FOUNDATION  
LEGAL AND ADMINISTRATIVE INFORMATION**

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<b>Trustees</b>	C Davies A E Ibbotson E Muthiah L Davies L E Willis
<b>Secretary</b>	S L Dunys
<b>Charity number</b>	1102542
<b>Company number</b>	4489582
<b>Registered office</b>	The Megacentre Bernard Road Sheffield South Yorkshire S2 5BQ
<b>Auditor</b>	UHY Hacker Young 6 Broadfield Court Broadfield Way Sheffield S8 0XF
<b>Bankers</b>	Barclays Bank plc P.O. Box 1385 2 Arena Court Sheffield S9 2WV
<b>Solicitors</b>	Geldards Number One Pride Place Pride Park Derby DE24 8QR

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**HOPE COMMUNITY FOUNDATION  
FORMERLY HOPE CITY FOUNDATION  
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**HOPE COMMUNITY FOUNDATION  
FORMERLY HOPE CITY FOUNDATION  
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)  
FOR THE YEAR ENDED 31 MARCH 2021**

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The trustees present their report and accounts for the year ended 31 March 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**

The charity's objects are:

- The advancement of education of children under statutory school age by provision of a nursery school;
- Relief of poverty and sickness;
- To provide facilities for recreation or other leisure time occupation with the object of improving the conditions of life; and
- Other such charitable purposes as the trustees think fit.

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

The principal activity of the charity is the provision of nursery education and care for children in the early years.

**Achievements and performance**

The Megacentre (recently renamed as The Hope Centre) houses the charity's work and is located on the fringe of Sheffield city centre and adjacent to some of Sheffield's most disadvantaged communities. The vast majority of the Charity's beneficiaries are from these communities and have been some of the hardest hit by the COVID-19 pandemic over the past 18 months.

Alongside many other charities operating during the pandemic the charity has experienced both a significant upturn in demand for some services whilst having to contend with the challenges associated with operating a going concern including the management of costs during periods of National Lockdown.

**Community Projects**

The Charity has sought to extend its services to the community beyond early years provision. It has chosen to do this in recognition of the social needs across the local communities neighbouring The Hope Centre. As a result, the charity's work and partnership working has impacted almost 2500 beneficiaries in the period from November 2020 to October 2021 as a direct result of being able to successfully secure 3 years' grant support from Henry Smith Charity from November 2020. This funding has enabled the Charity to create a post for a Volunteer Coordinator who has been instrumental in building volunteering capacity, now with over 60 volunteers.

What were originally termed 'Vision Centres' have now resolved into a number of community project which have experienced steady or significant growth and engagement despite periods in which Lockdowns or other restrictions were in place.

In early 2021, the Charity commenced negotiations with two potential partner Charities with aligned objects, and with proven expertise in their fields of work. This has created two significant developments which have ensured that the Charity can and has facilitated or delivered greater impact since April 2021.

**HOPE COMMUNITY FOUNDATION  
FORMERLY HOPE CITY FOUNDATION  
TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)  
FOR THE YEAR ENDED 31 MARCH 2021**

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**Key Outputs from Community Projects**

1. Successfully filled the role of Volunteer Co-ordinator and the role is being covered successfully by one person. We have in this time grown our volunteering to 60 volunteers plus board members and delivered over 4000 hours of volunteering since between April 2021 and October 2021 alone.
2. Successfully transitioned both our Hope Hampers project to the Food bank model and working in Partnership with the Message Trust have helped to establish a fully working community grocery which now has well over 600 members with an average of over 40 individual shoppers each day Monday to Friday.
3. Recently relaunched both Jigsaw Cafe for older people and Polka Dots Play Group after a period of closure due to COVID-19. Both are now running weekly and attracting approximately 12-16 attendees each week plus volunteers.
4. Taken part in the Governments Kickstart programme aimed at providing employment and training opportunities to young people for 6-month placements. In the past year we have enrolled 16 young people on the programme. 5 in Cohort 1 and 11 in Cohort 2. We had an 80% retention rate in Cohort 1 and Cohort 2 is now underway and will complete in Spring 2022.
5. Continued to build strength and capacity through the implementation of policies, procedures and training for staff and volunteers. Board members have been enrolled on the NSPCC Safeguarding Training for Trustees.
6. In a fundraising drive to enable us to relaunch our community cafe we raised over £8000 through the work of volunteers, making packed lunches during the summer holidays. Our Foundation Café, a donation-based project recently launched providing a vital connection point for staff, volunteers and beneficiaries.
7. Employed a part-time Operations Manager who is successfully adding further much needed capacity to the Community Team.

**HOPE COMMUNITY FOUNDATION  
FORMERLY HOPE CITY FOUNDATION  
TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)  
FOR THE YEAR ENDED 31 MARCH 2021**

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**Community Nursery**

The Charity operates a community nursery which comprises both paid for and funded provision for local families. Throughout the past 18 months the nursery has succeeded in providing quality childcare and continued to work in partnership with statutory agencies in an attempt to navigate the impact of both COVID-19 and the series of related restrictions which have impacted the childcare sector in general. The nursery has continued to operate effectively and is a 'Good' Ofsted rating as a result of an inspection conducted in March 2019.

Since March 2020, the time of the first National Lockdown, the nursery team have worked tirelessly to ensure that where possible, service and sustainability could be maintained. The nursery made optimal use of the Government's Job Retention Scheme to retain staff during extended periods of either lockdown or impacted uptake in childcare demand, until the scheme was brought to a close.

In addition, and to maintain short term viability, the nursery was also successful in gaining support through the Government-backed 'Business Bounce-back loan' scheme which provided essential working capital during periods in which income levels had been adversely affected by the pandemic.

During this period of downtime, the nursery went to great lengths to undertake cost control measures and review systems, policies and procedures. In September 2021, 'Meganursery' was renamed as 'Little Ark Nursery' as part of a desire to review the brand, and in recognition that its home 'The Megacentre' had also changed its name.

The emergence from the pandemic has however been difficult and considerably slower than either anticipated or desired. As a result of this, and the lower-than-expected levels of funding being granted to the nursery from various sources, it became clear to management and Trustees during quarter three of 2021-22 that the nursery was facing considerable financial difficulties which needed immediate and remedial attention and a review of the ongoing viability of the nursery itself. The Charity Commission were, at the time, notified of a potential serious incident by Trustees as part of their statutory duties.

Lower than required occupancy levels, combined with the continued downward trend, in real terms, of funding for funded nursery places during this period, and disproportionately increasing salary costs, have been flagged by Trustees directly with local and national government officials and media outlets, both in support of the charity and the early years sector. This has been met with some success and recognition from local government in particular.

**HOPE COMMUNITY FOUNDATION  
FORMERLY HOPE CITY FOUNDATION  
TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)  
FOR THE YEAR ENDED 31 MARCH 2021**

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As a result of the overall position, the nursery has undergone and is still undergoing evaluation and change to ensure that it can remain financially sustainable. Whilst this process remains ongoing at the time of this report, the nursery has been able to make additional cost savings, has undertaken additional marketing and awareness raising activities and has secured a temporary waiver of rental, service charges and management fees from its landlord, C3 Trust UK to ease short term cash flow and viability.

The nursery has also engaged, on a pro-bono basis, the support and advice of an external childcare consultant who is undertaking a review to enable the nursery to move forward in the next 12 months and beyond. In the first stages of this review, we have been able to establish that, in principle, the operating model for the nursery is in fact viable, taking into consideration expected uplifts in funding from April 2022 and September 2022, and provided that occupancy begins to steadily rise to target levels as a result of proactive marketing.

Despite the adverse trading environment, with the support of its partners over the coming months, Trustees, at this stage, remain confident that the nursery can make a recovery from the impact of the past 18 months, although this is not expected to be fully realised within the next 12 months.

**Financial review**

The trustees make strategic and operational decisions based on the financial position of the charity by reference to the financial information (i.e. budgets, cashflows) provided to them quarterly at their formal meetings. The trustees however do not get involved in the day to day detailed running of the charity except where required in order to support the appointed officers for the charity.

The charity received £309,923 (2020: £307,110) of income during the financial year to 31 March 2021 and expended £310,836 (2020: £357,118) showing a deficit of £913 (2020: £50,008). The principal sources of income are disclosed in notes 3 and 4 to the accounts.

The charity has unrestricted reserves of £(3,046) (2020: £17,075). The trustees have identified that the available reserves are at a low level and are addressing this in order to build reserves in line with the charity's reserves policy of three month's operating costs.

The trustees have assessed the major risks to which the charity is exposed, which include the risk of over-gearing due to the cross guarantee of borrowings taken out in C3 Trust UK, formerly Hope City Church. The trustees are satisfied that systems are in place to mitigate exposure to the major risks.

**HOPE COMMUNITY FOUNDATION  
FORMERLY HOPE CITY FOUNDATION  
TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)  
FOR THE YEAR ENDED 31 MARCH 2021**

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**Future Progress and Development**

A key priority is to ensure the ongoing sustainability of the community nursery as a going concern. Having embarked upon an extensive analysis of the position and the potential, the Charity will seek to implement a recovery plan in the next twelve months to enable the nursery to re-position itself as a financially sustainable operation coming out of the period of the pandemic. Trustees are confident that the nursery has the support, at this stage, to be able to achieve this, and will continue to monitor progress and report to partners as appropriate.

In addition, during the coming year:

1. The Charity will seek to establish and grow its existing community projects in line with its agreed Development Strategy.
2. The Charity will also seek to develop a client-centred community brokerage called 'Pathways' which will help to maximise the social impact of the Charity by connecting beneficiaries with multiple needs to the most appropriate service provision.
3. The Charity will continue to seek to attract and retain new volunteers to add further strength to its current volunteer force.
4. The Charity will also seek to implement its fundraising strategy to secure the ongoing sustainability of its work, through external funding.
5. The Charity will continue to develop its strategic partnerships including S6 Foodbank, The Message Trust and C3 Hope (part of C3 Trust UK).

**Structure, governance and management**

The charity is a company limited by guarantee under the provisions of the Companies Act 2006. (Number 04489582). The company does not have share capital. The charity was set up as a new company on 18 July 2002 and received registered charity status in March 2004 (Number 1102542). The company officially changed its name to Hope Community Foundation from 13 August 2021.

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:

D A Gilpin (Resigned 21 June 2020)  
C Davies  
A E Ibbotson  
E Muthiah  
L Davies  
L E Willis

There are at least 3 managing trustees at any one time in line with the charity's governing documents. When a vacancy occurs, the trustees discuss potential candidates and instruct a trustee representative to approach potential candidates. The trustees make a final decision to appoint trustees based on cultural fit, experience, knowledge and commitment.

None of the trustees have any beneficial interest in the company. At the time of preparing these financial statements, all of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

The trustees review payments made to employees in equivalent managerial positions in similar organisations when considering the levels of pay for key managers. The trustees also take in to consideration the ability of the charitable company to be able to pay such salaries.

**HOPE COMMUNITY FOUNDATION  
FORMERLY HOPE CITY FOUNDATION  
TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)  
FOR THE YEAR ENDED 31 MARCH 2021**

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The current company secretary is Sarah Dunys (appointed 1 July 2020).

**Disclosure of information to auditor**

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor are aware of such information.

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

**C Davies**

Trustee

Dated: 24 January 2022

**HOPE COMMUNITY FOUNDATION  
FORMERLY HOPE CITY FOUNDATION  
STATEMENT OF TRUSTEES' RESPONSIBILITIES  
FOR THE YEAR ENDED 31 MARCH 2021**

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

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

In preparing these accounts, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts;
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HOPE COMMUNITY FOUNDATION**

### **Opinion**

We have audited the financial statements of Hope Community Foundation (the 'charity') for the year ended 31 March 2021 which comprise the statement of financial activities, the balance sheet and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2021 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Material uncertainty relating to going concern**

We have identified a matter of concern in our report because we have concerns that the charity may not be able to continue as a going concern. Disclosure has been made in note 1.2 to the accounts concerning the charity's ability to continue as a going concern. Following the COVID19 pandemic, the amount of financial support given to nurseries through grants has been put under review and it is possible that some of the funding previously received may be withdrawn. If this is the case then this will have a financial impact on the nursery that may result in the charity not being able to continue as a going concern. It is not known what the outcome of this funding review will be.

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HOPE COMMUNITY FOUNDATION CONTINUED**

### **Other information**

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

We have nothing to report in this regard.

### **Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

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

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

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

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HOPE COMMUNITY FOUNDATION CONTINUED**

### **Responsibilities of trustees**

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HOPE COMMUNITY FOUNDATION CONTINUED**

Based on our understanding of the charity and the sector in which it operates, we identified the principal risks of non-compliance with laws and regulations related to the acts by the charity, which were contrary to applicable laws and regulations including fraud, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to inflated revenue and the charity's net income for the year.

Audit procedures performed included: review of the financial statement disclosures to underlying supporting documentation, review of correspondence with and reports to the regulators, including correspondence with the Charity Commission, review of correspondence with legal advisors and enquiries of management in so far as they related to the financial statements, and in testing of journals and evaluating whether there was evidence of bias by the trustees that represented a risk of material misstatement due to fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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

### **Use of our report**

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

**Roland Givans (Senior Statutory Auditor)**  
**for and on behalf of UHY Hacker Young**

24 January 2022

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

**HOPE COMMUNITY FOUNDATION  
FORMERLY HOPE CITY FOUNDATION  
STATEMENT OF FINANCIAL ACTIVITIES  
INCLUDING INCOME AND EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED 31 MARCH 2021**

		Unrestricted funds	Restricted funds	Total 2021	Unrestricted funds	Restricted funds	Total 2020
	Notes	£	£	£	£	£	£
<b><u>Income from:</u></b>							
Donations and gifts	3	37,944	36,084	74,028	-	-	-
Charitable activities	4	235,895	-	235,895	307,110	-	307,110
<b>Total income</b>		<u>273,839</u>	<u>36,084</u>	<u>309,923</u>	<u>307,110</u>	<u>-</u>	<u>307,110</u>
<b><u>Expenditure on:</u></b>							
Charitable activities	5	293,960	16,876	310,836	357,118	-	357,118
<b>Net (expenditure)/income for the year/ Net movement in funds</b>		(20,121)	19,208	(913)	(50,008)	-	(50,008)
Fund balances at 1 April 2020		<u>17,075</u>	<u>-</u>	<u>17,075</u>	<u>67,083</u>	<u>-</u>	<u>67,083</u>
<b>Fund balances at 31 March 2021</b>		<u><u>(3,046)</u></u>	<u><u>19,208</u></u>	<u><u>16,162</u></u>	<u><u>17,075</u></u>	<u><u>-</u></u>	<u><u>17,075</u></u>

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.

**HOPE COMMUNITY FOUNDATION  
FORMERLY HOPE CITY FOUNDATION  
BALANCE SHEET**

**AS AT 31 MARCH 2021**

	Notes	2021		2020	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	11		30,979		38,079
<b>Current assets</b>					
Debtors	12	4,905		10,449	
Cash at bank and in hand		40,937		1,428	
		<u>45,842</u>		<u>11,877</u>	
<b>Creditors: amounts falling due within one year</b>	14	<u>(10,659)</u>		<u>(32,881)</u>	
Net current assets/(liabilities)			35,183		(21,004)
<b>Total assets less current liabilities</b>			<u>66,162</u>		<u>17,075</u>
<b>Creditors: amounts falling due after more than one year</b>	15		(50,000)		-
<b>Net assets</b>			<u>16,162</u>		<u>17,075</u>
<b>Income funds</b>					
Restricted funds	16		19,208		-
Unrestricted funds			(3,046)		17,075
			<u>16,162</u>		<u>17,075</u>

The financial statements were approved by the Trustees on 24 January 2022

C Davies  
Trustee

Company Registration No. 4489582

**HOPE COMMUNITY FOUNDATION  
FORMERLY HOPE CITY FOUNDATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021**

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**1 Accounting policies**

**Company information**

Hope Community Foundation is a private company limited by guarantee incorporated in England and Wales. The registered office is The Megacentre, Bernard Road, Sheffield, South Yorkshire, S2 5BQ.

**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 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)". The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

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

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

**1.2 Going concern**

These financial statements are prepared on the going concern basis. The trustees have a reasonable expectation that the charity will continue in operational existence for the foreseeable future and will receive support from its parent, however, the trustees are aware of certain material uncertainties which may cause doubt on the charity's ability to continue as a going concern. The UK government's funding of nurseries is currently under review and the proposed withdrawal of the Care to Learn funding offered to nurseries will have a financial impact on the nursery. This fall in income would increase the risk that the nursery would not be able to continue trading.

**1.3 Charitable funds**

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

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

**1.4 Incoming resources**

Grants and voluntary income comprising gifts, donations and other forms of income, including grants for the purchase of fixed assets, are recognised in full in the Statement of Financial Activities in the year in which they are receivable, except insofar as they are incapable of financial measurement.

The value of services provided by volunteers has not been included.

Grants are recognised in full in the Statement of Financial Activities in the year in which they are receivable.

**HOPE COMMUNITY FOUNDATION  
FORMERLY HOPE CITY FOUNDATION  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2021**

---

**1 Accounting policies**

**(Continued)**

Income is measured at the fair value of the consideration received or receivable and represents amounts receivable for services provided in the normal course of business.

**1.5 Resources expended**

Resources expended are recognised in the year in which they are incurred inclusive of irrecoverable VAT.

Charitable expenditure comprises costs incurred by the charity in the delivery of its activities and includes costs that can be allocated directly to such activities and costs of an indirect nature to support them.

Grants for other charitable activities are made at the discretion of the trustees and are recognised in the year in which they are made.

Governance costs are those incurred in connection with the administration of the charity and compliance with constitutional and statutory requirements.

**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:

Leasehold buildings	Straight line over the period of the lease
Fixtures, fittings & equipment	20% straight line

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

Fixed assets costing less than £500 are not capitalised.

**1.7 Impairment of fixed assets**

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

**HOPE COMMUNITY FOUNDATION  
FORMERLY HOPE CITY FOUNDATION  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2021**

---

**1 Accounting policies**

**(Continued)**

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

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in income/(expenditure) for the year, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

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

**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.

***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.

**HOPE COMMUNITY FOUNDATION  
FORMERLY HOPE CITY FOUNDATION  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2021**

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**1 Accounting policies**

**(Continued)**

***Impairment of financial assets***

Financial assets, other than those held at fair value through income and expenditure, are assessed for indicators of impairment at each reporting date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected.

If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in net income/(expenditure) for the year.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in net income/(expenditure) for the year.

***Derecognition of financial assets***

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the charity transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

***Basic financial liabilities***

Basic financial liabilities, including trade and other payables, 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 receipts discounted at a market rate of interest. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Accounts 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 payables 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.

**HOPE COMMUNITY FOUNDATION  
FORMERLY HOPE CITY FOUNDATION  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2021**

**1 Accounting policies (Continued)**

**1.12 Leases**

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

**2 Critical accounting estimates and judgements**

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods. There are no judgements or estimates which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities.

**3 Donations and gifts**

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2021 £	2021 £	2021 £	2020 £	2020 £	2020 £
Donations and gifts	2,300	36,084	38,384	-	-	-
Coronavirus Job Retention Scheme	35,644	-	35,644	-	-	-
	<u>37,944</u>	<u>36,084</u>	<u>74,028</u>	<u>-</u>	<u>-</u>	<u>-</u>

**4 Charitable activities**

	2021 £	2020 £
Sales within charitable activities	235,895	306,974
Other income	-	136
	<u>235,895</u>	<u>307,110</u>

**HOPE COMMUNITY FOUNDATION  
FORMERLY HOPE CITY FOUNDATION  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2021**

**5 Charitable activities**

	Pre-school nursery education £	Community based activities £	Total 2021 £	Pre-school nursery education £	Community based activities £	Total 2020 £
Staff costs	212,908	6,760	219,668	254,505	-	254,505
Depreciation and impairment	7,100	-	7,100	7,100	-	7,100
Rent	34,075	-	34,075	40,569	-	40,569
Insurance	1,558	-	1,558	1,527	-	1,527
Cleaning	1,845	-	1,845	2,178	-	2,178
Printing, postage and stationery	608	784	1,392	707	-	707
Staff training	1,524	137	1,661	3,071	-	3,071
Catering costs	4,401	8,106	12,507	11,747	-	11,747
Legal and professional fees	10,070	3	10,073	12,089	-	12,089
Bad and doubtful debts	3,964	-	3,964	5,392	-	5,392
Sundry expenses	6,861	400	7,261	8,065	-	8,065
Advertising	1,026	-	1,026	-	-	-
Repairs and maintenance	2,602	808	3,410	2,845	-	2,845
Educational activities	3,337	137	3,474	6,873	-	6,873
Bank charges	1,342	-	1,342	-	-	-
	<u>293,221</u>	<u>17,135</u>	<u>310,356</u>	<u>356,668</u>	<u>-</u>	<u>356,668</u>
Share of governance costs (see note 7)	480	-	480	450	-	450
	<u>293,701</u>	<u>17,135</u>	<u>310,836</u>	<u>357,118</u>	<u>-</u>	<u>357,118</u>
<b>Analysis by fund</b>						
Unrestricted funds	293,701	259	293,960	357,118	-	357,118
Restricted funds	-	16,876	16,876	-	-	-
	<u>293,701</u>	<u>17,135</u>	<u>310,836</u>	<u>357,118</u>	<u>-</u>	<u>357,118</u>

**HOPE COMMUNITY FOUNDATION  
FORMERLY HOPE CITY FOUNDATION  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2021**

**6 Description of charitable activities**

Pre-school nursery education

The charity runs a children's nursery providing pre-school childcare and education.

Community based activities

The charity runs community based activities to relieve poverty, including food poverty, and loneliness within the local community.

**7 Support costs**

	<b>Support costs</b>	<b>Governance costs</b>	<b>2021</b>	<b>Support costs</b>	<b>Governance costs</b>	<b>2020</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Independent examination fees	-	480	480	-	450	450
	<u>-</u>	<u>480</u>	<u>480</u>	<u>-</u>	<u>450</u>	<u>450</u>
	<u>-</u>	<u>480</u>	<u>480</u>	<u>-</u>	<u>450</u>	<u>450</u>
Analysed between Charitable activities	-	480	480	-	450	450
	<u>-</u>	<u>480</u>	<u>480</u>	<u>-</u>	<u>450</u>	<u>450</u>

Governance costs includes payment to the auditor of £480 for audit fees (2020: £450 for independent examination fees). Other costs includes payments to the auditor of £1,800 (2020: £1,770) for other services.

**8 Trustees**

C Davies together with his wife controls another company that during the year received payments totalling £1,389 (2020: £1,043) for payroll services.

None of the other trustees (or any persons connected with them) received any remuneration or any other benefits from employment with the charitable company and no trustee expenses have been incurred in the year (2020: none).

**HOPE COMMUNITY FOUNDATION  
FORMERLY HOPE CITY FOUNDATION  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2021**

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**9 Employees**

**Number of employees**

The average monthly number of employees during the year was:

	<b>2021 Number</b>	<b>2020 Number</b>
Staff	17	17
Trustees	5	5
	<u>22</u>	<u>22</u>

**Employment costs**

	<b>2021 £</b>	<b>2020 £</b>
Wages and salaries	204,316	238,529
Social security costs	10,215	10,848
Other pension costs	5,137	5,128
	<u>219,668</u>	<u>254,505</u>

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

**10 Taxation**

In view of the charitable objects of the company and of its registered charity status, no taxation should be payable.

**HOPE COMMUNITY FOUNDATION  
FORMERLY HOPE CITY FOUNDATION  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2021**

**11 Tangible fixed assets**

	Leasehold buildings £	Fixtures, fittings & equipment £	Total £
<b>Cost</b>			
At 1 April 2020	122,767	20,769	143,536
At 31 March 2021	122,767	20,769	143,536
<b>Depreciation and impairment</b>			
At 1 April 2020	86,853	18,604	105,457
Depreciation charged in the year	6,258	842	7,100
At 31 March 2021	93,111	19,446	112,557
<b>Carrying amount</b>			
At 31 March 2021	29,656	1,323	30,979
At 31 March 2020	35,914	2,165	38,079

**12 Debtors**

	2021 £	2020 £
<b>Amounts falling due within one year:</b>		
Trade debtors	4,098	9,642
Amounts owed by fellow group undertakings	-	807
Other debtors	807	-
	4,905	10,449

**13 Loans and overdrafts**

	2021 £	2020 £
Bank loans	50,000	-
Payable after one year	50,000	-

The long-term loan is secured as part of the cross guarantee arrangement for the bank loan held by C3 Trust UK as described in note 18.

**HOPE COMMUNITY FOUNDATION  
FORMERLY HOPE CITY FOUNDATION  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2021**

**14 Creditors: amounts falling due within one year**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Other taxation and social security	-	2,114
Trade creditors	4,036	7,431
Amount owed to parent undertaking	1,688	18,688
Amounts owed to fellow group undertakings	78	336
Other creditors	1,453	1,109
Accruals and deferred income	3,404	3,203
	<u>10,659</u>	<u>32,881</u>

**15 Creditors: amounts falling due after more than one year**

	<b>Notes</b>	<b>2021</b>	<b>2020</b>
		<b>£</b>	<b>£</b>
Bank loans	<b>13</b>	50,000	-
		<u>50,000</u>	<u>-</u>

**HOPE COMMUNITY FOUNDATION  
FORMERLY HOPE CITY FOUNDATION  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2021**

**16 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:

	<b>Movement in funds</b>			<b>Balance at 31 March 2021</b>
	<b>Balance at 1 April 2020</b>	<b>Incoming resources</b>	<b>Resources expended</b>	
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Henry Smith Charity	-	16,550	(6,763)	9,787
Hope Hampers	-	11,905	(10,113)	1,792
Neon Schools Programme	-	4,629	-	4,629
Befriending/ Jigsaw Services	-	3,000	-	3,000
	<u>-</u>	<u>36,084</u>	<u>(16,876)</u>	<u>19,208</u>
	<u><u>-</u></u>	<u><u>36,084</u></u>	<u><u>(16,876)</u></u>	<u><u>19,208</u></u>

The charity received the first drawdown of a three year grant from the Henry Smith Charity. The grant has been awarded to assist with capacity building or projects and to strengthen the role of volunteering in the charity and has funded a Volunteer Coordinator for the whole of the period of the funding.

Various funders contributed to our efforts to tackle the immediate impact of COVID-19 by providing emergency food provision through our Hope Hampers project up to April 2021 to those affected either directly or indirectly.

In order to contribute to a planned project working with young people in schools, funds were raised largely through Aviva Community Fund to the Neon Schools Programme. This project has not yet commenced due to COVID-19 restrictions and the impact in schools but funds are scheduled to be allocated in the financial year 2021/22.

Our work with the elderly went online during the periods of national and local lockdown hence funds raised for our Jigsaw project in financial year 2020/21 have remained unspent. As Jigsaw is now re-launched our plan is to apply this fund to the project over the coming 12 months.

**HOPE COMMUNITY FOUNDATION  
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2021**

**17 Analysis of net assets between funds**

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2021	2021	2021	2020	2020	2020
	£	£	£	£	£	£
Fund balances at 31 March 2021 are represented by:						
Tangible assets	30,979	-	30,979	38,079	-	38,079
Current assets/ (liabilities)	15,975	19,208	35,183	(21,004)	-	(21,004)
Long term liabilities	(50,000)	-	(50,000)	-	-	-
	<u>(3,046)</u>	<u>19,208</u>	<u>16,162</u>	<u>17,075</u>	<u>-</u>	<u>17,075</u>

**18 Financial commitments, guarantees and contingent liabilities**

Hope City Foundation along with Megacentre Limited cross guarantee bank loan held by C3 Trust UK. At 31 March 2021, the bank loan amounted to £784,294 (2020: £811,682) and is due to mature on 27 November 2033.

**19 Events after the reporting date**

As referred to in the going concern section of the accounting policies, the trustees are monitoring the situation regarding the coronavirus and any impact it may have on the charity. Given the current uncertainties, any longer term financial effect cannot be estimated.

**20 Related party transactions**

**Remuneration of key management personnel**

The remuneration of key management personnel is as follows.

	2021	2020
	£	£
Aggregate compensation	15,336	33,016

The trustees review payments made to employees in equivalent managerial positions in similar organisations when considering the levels of pay for key managers. The trustees also take in to consideration the ability of the charitable company to be able to pay such salaries.

**HOPE COMMUNITY FOUNDATION  
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2021**

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**20 Related party transactions**

**(Continued)**

The company has taken advantage of the exemption from the requirement to disclose transactions with group companies on the grounds that any such transactions were entered into between the ultimate parent or wholly owned subsidiaries of the group and that group accounts are prepared.

**21 Control**

The ultimate controlling party is C3 Trust UK, formerly Hope City Church, a charitable company incorporated in the United Kingdom. C3 Trust UK control Hope Community Foundation as it is able to appoint and remove all the trustees of Hope Community Foundation. C3 Trust UK (being the smallest and largest group of which the charitable company is a member for which group financial statements are prepared) prepares group accounts and copies can be obtained from The Megacentre, Bernard Road, Sheffield, South Yorkshire, S2 5BQ.

The parent's principal purposes are to advance the Christian faith, to relieve sickness and financial hardship and to advance education.