

HOPE HOUSE SCHOOL LIMITED

England & Wales · Charity number 1121132

Details

Status Registered

Legal form Charitable company

Company number [06188419](#)

Registered 2007-10-10

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

Contact

Address Hope House School
Barnby Road
Balderton
Newark
NG24 3NE

Phone 01636700380

Email hopeadmin@hopehouseschool.co.uk

Website hopehouseschool.co.uk

Activities

Objects: The Charity's objects are:1. To advance the education of people with autism and other related conditions by the provision of a school;2. To provide relief for siblings parents and carers of children suffering from autism and other related conditions through advice, advocacy and practical support;3. To provide or assist in the provision of facilities in the interests of social welfare for recreation or other leisure time occupation for people with autism and other related conditions and their siblings, parents and carers with the object of improving their conditions of life.

Activities: Hope House School is an Independent School providing education and support for children and young people between the ages of 5 to 19 with an Autism diagnosis and associated conditions. Working with an engaging and creative curriculum, we provide our pupils with a range of experiences to develop their understanding of the world and to support them to become lifelong learners.

Classification

- **How:** Provides Buildings/facilities/open Space
- **What:** Education/training
- **Who:** Children/young People

Geography

- **Area of benefit:** NATIONAL
- Derbyshire
- Leicestershire
- Lincolnshire
- Nottinghamshire

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£1,991,802	£1,375,501	£1,199,055	31
2023-12-31	£1,860,633	£1,295,307	£582,754	29
2022-12-31	£1,262,795	£1,289,788	£17,428	30
2021-12-31	£971,810	£1,314,363	£44,421	32
2020-12-31	£1,364,492	£1,345,695	£386,974	45

Trustees

Name	Role	Appointed
Brian James Jones		2020-11-11
James Barrie		2019-11-08

HOPE HOUSE SCHOOL LIMITED

England & Wales - Charity number 1121132

Accounts

Charity registration number 1121132 (England and Wales)

Company registration number 06188419

HOPE HOUSE SCHOOL LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

HOPE HOUSE SCHOOL LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr J Barrie Mr B Jones
Chair	Mr B Jones
Charity number	1121132
Company number	06188419
Registered office	Hope School Barnby Road Balderton Newark Notts NG24 3NE
Auditor	Rogers Spencer Newstead House Pelham Road Nottingham NG5 1AP
Senior Staff	Mrs Michelle McRae - Headteacher

HOPE HOUSE SCHOOL LIMITED

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HOPE HOUSE SCHOOL LIMITED

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

The Trustees present their annual report and financial statements for the year ended 31 December 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 governing document, 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)" (as amended for accounting periods commencing from 1 January 2016).

Objectives and activities

Hope House School is a small independent special school for students with a primary need of autism spectrum disorder and related speech and language communication needs. Some students also have other complexities such as, ADHD, PDA. Many of our students have a disjointed education history, often due to long term school absence. All students have an Education Health Care Plan.

***Our Vision...** is for every young person to fulfil their personal potential. Hope House school provides every student with support when they need it - for them to develop into happy, healthy, and secure young adults who are prepared for adult life.*

***Our Core Values ...**Are based on the recognition that many of our students have had difficult journeys before arriving at Hope House school. Educational provision has been inappropriate, often resulting in several adverse experiences for both the young person and their family. Therefore, we aim to transform those early experiences of education by addressing any barriers to learning through both individualised and personalised learning experiences. At the same time, we acknowledge the importance of a student's social and emotional development and the importance of working together with peers and adults, to build positive relationships. Relationships underpin our values at Hope House school. We understand the power of building positive relationships to create and foster a culture of warmth, nurture, integrity, mutual respect, and kindness within the school environment, valuing the individual at all times, which is reflected by ensuring the voice of our young people is heard through PRIDE (Peace, Respect, Independence, Determination and Equality) FORCE.*

The school is in a rural setting in Balderton, near Newark, Nottinghamshire. It is housed in several independent one storey buildings, set out in a 'u' shape around a central grassy area which is currently being developed into a multi-sensory space. There are other detached two storey buildings in the grounds, one used for post-16 pupils and the other for administration. There is an outdoor space devoted to forest school activities and a wooden play area with specialist equipment for pupils to use as part of their curriculum and at group social times. An outdoor area attached to the lower school classroom provides an enhanced provision to extend children's learning and exploration. There is a separate building dedicated to additional curriculum activities such as music and food technology. It houses a well-equipped sensory room that supports activities that are bespoke to individual needs and group activities. A multi-agency room provides space for 1:1 sessions/assessment and the delivery of specific programs of intervention. In addition to specific reading areas in each classroom, there is a small communal library for pupils to access as part of the focus on promoting reading for pleasure.

The school has an ambitious and engaging curriculum which is broad and rich to enable all our young people to reach their potential as they Prepare for Adulthood (PfA). The school's curriculum offer is diverse, catering for the needs of pupils from early Engagement through to Level 2 qualifications. The PfA curriculum is accredited through ASDAN via personalised pathways. There are various enrichment opportunities and memorable experiences for all students, including visits to National Trust places of interest and local landmarks to embed student's understanding of cultural diversity and British values. All students have regular access to the local community and travel far and wide to promote skills for independent living. All students engage in careers education and, in addition to this, older students receive career guidance from independent advisors. Pupils have the option to access riding for the disabled (RDA) as part of their provision. Weekly swimming and tennis lessons are also provided within our local community.

Multi-disciplinary professionals regularly visit the school, including an educational psychologist, occupational therapist and a speech and language therapist. All staff receive training from the Autism Educational Trust to ensure we have the knowledge and skills to provide a personalised provision for our students. We are currently on a journey to become a recognised trauma-informed school.

HOPE HOUSE SCHOOL LIMITED

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

Achievements and performance

Pupil Qualifications – 2023/2024

Qualification	Number of Pupils
FS English EL3	3
FS Maths EL3	2
FS Maths EL2	1
ASDAN Personal & Social Development EL2	3
ASDAN Diploma in Personal Progress EL1	1
ASDAN Realising Aspirations	1
ASDAN Short Course Gardening	1
ASDAN TI Horticulture	3

For the first year, we delivered accredited functional skills courses through the NCFE and were delighted that students achieved a higher level of qualifications.

Additional achievements over 2024:

There have been many personal development achievements for our students which includes; learning to swim and learning to ride a bike . They attend Belvoir Vale riding for the disabled twice weekly and progress has been wonderful ; acknowledged through presentation of awards and certificates

The school took part in the Lincolnshire agricultural school challenge at the Lincolnshire show and was awarded 'highly commended' status.

Students came first in the South Nottinghamshire table cricket competition and represented South Nottingham SEN schools in the Lord Taverners County table cricket competition

The students have benefited from weekly coaching from Collingham tennis club and the climbing wall at the local YMCA.

In 2024, students experience a variety of cultural trips and visits locally and farther a field to support our preparing for adult program and curriculum themes.

HOPE HOUSE SCHOOL LIMITED

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

FOR THE YEAR ENDED 31 DECEMBER 2024

Financial review

2023 Business Review

Over the past academic year, the school has maintained the same number of pupils, currently 30. Increasing to 33 in the next academic year. This growth reflects the school's growing reputation for providing quality education and fostering a supportive learning environment.

Furthermore, the financial stability resulting from this growth has empowered us to invest in our infrastructure and staff.

Income/Funding

The previous substantial boost in financial resources, sustained throughout 2024, has had a profoundly positive effect on the school's operations and cashflow.

Over the 23/24 academic year the school's income has continued enhancing various aspects of our educational offerings, providing an enriched learning experience for all our students. The funding has allowed us to invest in modern teaching materials, staff training, and improved facilities, ensuring that our students have access to the best resources available.

As part of our commitment to maintaining exceptional standards, the school continues to undergo regular quality assurance visits. These visits help us identify areas for improvement and ensure that we are constantly delivering the highest standard of education to our students.

In line with our dedication to financial transparency, we will regularly review school fees to ensure they cover all the costs associated with running the school. This proactive approach ensures that our financial resources are effectively allocated, enabling us to maintain and improve the quality of education while remaining financially sustainable.

Overall, the income/funding over the 23/24 academic year has brought about numerous positive changes to our school. It has allowed us to enhance our educational offerings, expand our capacity, and ensure the continuous improvement of our educational provision through regular quality assurance visits. We remain committed to providing an exceptional educational experience for all our students while ensuring financial stability for the long-term sustainability of the school.

2023 Financial performance Summary

The school experienced a notable improvement in cashflow meaning meeting commitments more easily and more funds to invest in staff training, school resources & enrichments.

However, overhead costs also saw a substantial increase. This rise in expenses impacted the financial landscape of the school.

With regards to the surplus improvement, despite the surge in overhead costs, the school managed to achieve a surplus of £616,000. Which is £113,000 higher than budgeted.

Overall, the school's financial performance for the year demonstrates effective management in navigating increased expenses while capitalizing on revenue growth, resulting in a healthier surplus.

Reserves policy

It is the policy of the Charity to maintain unrestricted free reserves at a sufficient level to finance three months trading. Assuming monthly expenditure of £100k per month, the Charity has been able to satisfy this target with a balance in the bank amounting to almost £1.2m at 31 December 24.

Unrestricted Funds

The unrestricted funds of £1,199,055 will be rolled over into the 2025 year.

Principal source of funding

The principal source of funding is that of various Midlands-based councils, in particular Nottinghamshire and Lincolnshire County Councils.

HOPE HOUSE SCHOOL LIMITED

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

Principal risks and uncertainties

The Trustees have examined the major strategic, business and operational risks which the charity faces and confirm that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to lessen these risks.

2023 and 2024 expectation overview

The positive expectations of last year's review have been achieved, and Trustees look forward to an increase in pupil placement. Local Authority support has proven positive. The Headteacher continues to develop the school in every area including the curriculum, teaching and learning, professional development and budget control and management.

As well, strategic decisions taken prior and during this year means that the school is considered efficient. A robust structure, reporting process and effective cashflow management also means financial pressure has been reduced and ensures sustainable growth.

Trustees are in discussion with the landowners to acquire the land in 2026.

Structure, governance and management

Hope House School is a company limited by guarantee by its Memorandum and Articles of Associations dated 26th August 2007.

Appointment of trustees

The Trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mr J Barrie

Mr B Jones

Trustee Induction

On joining Hope House School New Trustees will undergo an induction which includes the Independent School Standards and the Charity Commission Welcome Pack. The induction will be carried out by the Chair Trustee and supported by the HR Manager.

The three core functions for Trustees are;

1. Ensuring clarity of vision, ethos and strategic direction
2. Holding the Headteacher / Senior Leaders account for the educational performance of the school and its pupils, and the performance management of staff
3. Overseeing and ensuring effective financial performance.

Trustee Training

Trustees receive the following training:

- Safeguarding Children in Education
- Safeguarding for Governors (Chair Trustee)
- DSL (Chair Trustee)
- Legionella (Chair Trustee)
- Data Protection
- Keeping Children Safe In Education - Copy issued Annually and confirmation of receipt gained

HOPE HOUSE SCHOOL LIMITED

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

FOR THE YEAR ENDED 31 DECEMBER 2024

The Trustees are guided by the Head Teacher who advises them on the key aspects of business operations and personnel. This included setting pay rises for the whole staff and increments for the Senior Management Team following appraisals.

Pay Review

The Headteacher supported by the HR Manager holds annual pay reviews, pay rates are benchmarked against Teachers Pay and Conditions and Regional and Local Pay rates, NMLW is also taken into consideration. Pay reviews are discussed and approved by the Chair Trustee before implementation.

- Unqualified, Lower level roles and non-teaching roles are reviewed in line with NMLW and any increases are implemented from 1st April each year
- Management & Teaching roles are reviewed in line with Teachers Pay and Conditions any increases are implemented from 1st September each year

Increases outside of the above will occur when;

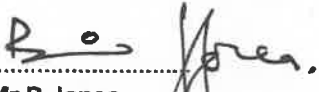
- Agreed contractually - Probationary Period, in an agreed time period subject to performance
- Pay Parity - Additional responsibilities are added to the role, either long term or for an agreed period (cover at a higher level) and are equal to other employees in the same role or Individuals reach a higher level of qualification in line with the relevant person specification and is equal to other employees in same role

The above list is not exhaustive, and there may be occasions when the school finds it necessary to review the salary of certain roles outside of the annual review periods, for example highly skilled roles that cannot be filled internally and have high competition externally in the labour market.

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 is aware of such information.

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


.....
Mr B Jones
Chair
Dated: 28/09/2025

HOPE HOUSE SCHOOL LIMITED

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2024

The Trustees, who are also the directors of Hope House School Limited for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements 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 financial statements, 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 financial statements; and
- prepare the financial statements 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 financial statements 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.

HOPE HOUSE SCHOOL LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF HOPE HOUSE SCHOOL LIMITED

Opinion

We have audited the financial statements of Hope House School Limited (the 'charity') for the year ended 31 December 2024 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of 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 December 2024 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 and the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

HOPE HOUSE SCHOOL LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF HOPE HOUSE SCHOOL LIMITED

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in 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 directors' 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.

Responsibilities of Trustees

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed auditor under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts.

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.

The extent of which the audit was considered capable of detecting irregularities including fraud

Our approach to identifying and assessing the risk of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- We identified the laws and regulations applicable to the charitable company through discussions with trustees and other management, and from our knowledge and experience of the charity sector and grant providers;
- We focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the group, including the Companies Act 2006, Charities Act 2011, taxation legislation and data protection, anti-bribery, employment, environmental and health and safety legislation;
- We assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- Identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

HOPE HOUSE SCHOOL LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF HOPE HOUSE SCHOOL LIMITED

We assessed the susceptibility of the financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- Making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
- Considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations; and
- Understanding the design of the charitable companies remuneration policies.

To address the risk of fraud through management bias and override of controls, we:

- Performed analytical procedures to identify any unusual or unexpected relationships;
- Tested journal entries to identify unusual transactions;
- Assessed whether judgements and assumptions made in determining the accounting estimates set out in note 2 were indicative of potential bias; and
- Investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- Agreeing financial statement disclosures to underlying supporting documentation;
- Reading the minutes of meetings of those charged with governance;
- Enquiring of management as to actual and potential litigation and claims; and
- Reviewing correspondence with HMRC, relevant regulators and the company's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any. Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or 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.

HOPE HOUSE SCHOOL LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF HOPE HOUSE SCHOOL LIMITED

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees 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 charitable company and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Melvin Bailey FCCA DChA (Senior statutory auditor)
Rogers Spencer

29 September 2025

Chartered Accountants
Statutory Auditor

Newstead House
Pelham Road
Nottingham
NG5 1AP

Rogers Spencer is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

HOPE HOUSE SCHOOL LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2024

		Unrestricted funds	
	Notes	2024 £	2023 £
<u>Income and endowments from:</u>			
Donations and legacies	3	3,317	8,283
Charitable activities	4	1,973,657	1,838,023
Investments	5	14,828	2,227
Other income	6	-	12,100
Total income		1,991,802	1,860,633
<u>Expenditure on:</u>			
Charitable activities	7	1,375,714	1,294,214
Finance interest	12	(213)	1,093
Total resources expended		1,375,501	1,295,307
Net income for the year/ Net movement in funds		616,301	565,326
Fund balances at 1 January 2024		582,754	17,428
Fund balances at 31 December 2024		1,199,055	582,754

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 HOUSE SCHOOL LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2024

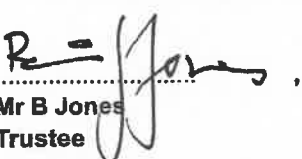
	Notes	2024 £	£	2023 £	£
Fixed assets					
Tangible assets	14		74,799		54,761
Current assets					
Debtors	15	11,686		43,325	
Cash at bank and in hand		1,180,923		543,314	
		<u>1,192,609</u>		<u>586,639</u>	
Creditors: amounts falling due within one year	16	<u>(68,353)</u>		<u>(58,646)</u>	
Net current assets			<u>1,124,256</u>		<u>527,993</u>
Total assets less current liabilities			<u>1,199,055</u>		<u>582,754</u>
Income funds					
Unrestricted funds			<u>1,199,055</u>		<u>582,754</u>
			<u>1,199,055</u>		<u>582,754</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2024.

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

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

The financial statements were approved by the Trustees on 20/09/2025.


.....
Mr B Jones
Trustee

Company Registration No. 06188419

HOPE HOUSE SCHOOL LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2024

	Notes	2024 £	£	2023 £	£
Cash flows from operating activities					
Cash generated from operations	21		667,950		416,504
Investing activities					
Purchase of tangible fixed assets		(42,996)		(29,621)	
Interest received		14,828		2,227	
Net cash used in investing activities			(28,168)		(27,394)
Financing activities					
Payment of obligations under finance leases		(2,173)		(12,251)	
Net cash used in financing activities			(2,173)		(12,251)
Net increase in cash and cash equivalents			637,609		376,859
Cash and cash equivalents at beginning of year			543,314		166,455
Cash and cash equivalents at end of year			1,180,923		543,314

HOPE HOUSE SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

1 Accounting policies

Charity information

Hope House School Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is Hope School, Barnby Road, Balderton, Newark, Notts, NG24 3NE.

1.1 Basis of preparation

The financial statements have been prepared in accordance with the charity's governing document, 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)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

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

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

1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

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

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

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

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

HOPE HOUSE SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

1 Accounting policies

(Continued)

Liabilities are recognised as resources expended when it is probable that a transfer of economic benefits will be required in settlement and the obligation can be measured reliably. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure relating to donated services and facilities is included on the same basis and at equivalent amounts as recognised within incoming resources.

Expenditure on charitable activities comprises those costs incurred by the charity in the delivery of its activities and services of its beneficiaries. It includes both the direct pay and non-pay costs and support costs relating to those activities.

Governance costs are shown as part of support costs. These are associated with the administrative arrangements of the charity which relate to the general running of the charity as opposed to those costs associated with the charitable activity. These include audit fees, legal advice, and preparation of the statutory accounts and costs of trustee meetings.

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 improvements	10% Straight line
Fixtures and fittings	25% Reducing balance
Computers	33% Straight line
Motor vehicles	25% Reducing balance

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

1.7 Impairment of fixed assets

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

1.8 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.

1.9 Retirement benefits

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

HOPE HOUSE SCHOOL LIMITED

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

1 Accounting policies

(Continued)

1.10 Leases

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

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

2 Critical accounting estimates and judgements

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Income from donations and legacies

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Donations and gifts	3,317	8,283

4 Income from charitable activities

	2024 £	2023 £
Fees from local authorities	1,973,657	1,838,023

5 Income from investments

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Interest receivable	14,828	2,227

HOPE HOUSE SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

6 Other income

Unrestricted funds 2024 £	Unrestricted funds 2023 £
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Hire purchase refund	-	12,100
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7 Expenditure on charitable activities

2024 £	2023 £
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Staff costs	974,774	895,522
Depreciation and impairment	22,960	19,433
Staff training	35,700	38,999
Equipment, furniture and resources	52,975	37,897
School trips	2,923	774
School uniform	4,838	4,593
Other school expenses	19,293	18,358
Sensory integration, therapy and counselling	28,349	22,361
School food	14,787	13,911
Rent	29,354	31,510
Light and heat	33,693	22,333
Water rates	880	728
Repairs and maintenance	25,839	45,156
Motor expenses	5,976	9,156
Insurance	40,852	48,880
Printing, postage and stationery	1,993	1,779
Telephone and data cost	35,495	35,650
Disclosure and barring service	777	830
Sundry expenses	6,422	3,070

	1,337,880	1,250,940
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Share of governance costs (see note 8)	37,834	43,274
--	--------	--------

	1,375,714	1,294,214
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Analysis by fund

Unrestricted funds	1,375,714	
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	1,375,714	
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For the year ended 31 December 2023

Unrestricted funds		1,294,214
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		1,294,214
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HOPE HOUSE SCHOOL LIMITED

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

8 Governance costs

	2024 £	2023 £
Accountancy fees	22,469	20,894
Audit fees	7,338	10,272
Legal & professional fees	8,027	12,108
	<u>37,834</u>	<u>43,274</u>

9 Net movement in funds

	2024 £	2023 £
The net movement in funds is stated after charging/(crediting):		
Depreciation of owned tangible fixed assets	<u>22,960</u>	<u>19,432</u>

10 Trustees

Trustees received £nil of remuneration in 2024 (2023: £nil).

No expenses have been paid out to the trustees in 2024 (2023: £nil).

11 Employees

The average monthly number employees during the year was:

	2024 Number	2023 Number
	<u>31</u>	<u>29</u>

Employment costs

	2024 £	2023 £
Wages and salaries	855,349	797,728
Social security costs	61,971	52,616
Other pension costs	57,454	39,724
	<u>974,774</u>	<u>895,522</u>

There was 1 employee (2023: 1) who received total employee benefits of more than £60,000.

The number of employees whose annual remuneration was more than £60,000 is as follows:

	2024 Number	2023 Number
£90,001-£100,000	<u>1</u>	<u>1</u>

HOPE HOUSE SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

11 Employees

(Continued)

Remuneration of key management personnel

	2024 £	2023 £
Aggregate compensation	99,430	90,903

12 Finance interest

	Unrestricted funds 2024	Unrestricted funds 2023
Financing costs	(213)	1,093

13 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

14 Tangible fixed assets

	Leasehold improvements £	Fixtures and fittings £	Computers £	Motor vehicles £	Total £
Cost					
At 1 January 2024	20,574	5,087	44,278	98,945	168,884
Additions	19,746	2,850	20,400	-	42,996
At 31 December 2024	40,320	7,937	64,678	98,945	211,880
Depreciation and impairment					
At 1 January 2024	5,486	1,279	19,196	88,160	114,121
Depreciation charged in the year	2,223	987	17,053	2,697	22,960
At 31 December 2024	7,709	2,266	36,249	90,857	137,081
Carrying amount					
At 31 December 2024	32,611	5,671	28,429	8,088	74,799
At 31 December 2023	15,088	3,807	25,081	10,785	54,761

HOPE HOUSE SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

15 Debtors

	2024	2023
	£	£
Amounts falling due within one year:		
Trade debtors	-	40,103
Other debtors	3,200	-
Prepayments and accrued income	8,486	3,222
	<u>11,686</u>	<u>43,325</u>

16 Creditors: amounts falling due within one year

	Notes	2024	2023
		£	£
Obligations under finance leases	17	-	2,173
Other taxation and social security		16,852	14,298
Trade creditors		23,724	16,815
Other creditors		9,457	6,127
Accruals and deferred income		18,320	19,233
		<u>68,353</u>	<u>58,646</u>

17 Finance lease obligations

Future minimum lease payments due under finance leases:

	2024	2023
	£	£
Within one year	934	1,062
Within two and five years	20,269	1,763
	<u>21,203</u>	<u>2,825</u>

18 Deferred income

Deferred income is included in the financial statements as follows:

	2024	2023
	£	£
Deferred income at 1 January 2024	-	550,749
Released from previous periods	-	(550,749)
	<u>-</u>	<u>-</u>
Deferred income at 31 December 2024	<u>-</u>	<u>-</u>

Deferred income represents amounts received in advance from local authorities relating to post year end term fees.

HOPE HOUSE SCHOOL LIMITED

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

19 Retirement benefit schemes

	2024	2023
Defined contribution schemes	£	£
Charge to profit or loss in respect of defined contribution schemes	57,454	39,724

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.

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 January 2024	Incoming resources	Resources expended	At 31 December 2024
	£	£	£	£
General funds	582,754	1,991,802	(1,375,501)	1,199,055
Previous year:	At 1 January 2023	Incoming resources	Resources expended	At 31 December 2023
	£	£	£	£
General funds	17,428	1,860,633	(1,295,307)	582,754

21 Cash generated from operations

	2024	2023
	£	£
Surplus for the year	616,301	565,326
Adjustments for:		
Investment income recognised in statement of financial activities	(14,828)	(2,227)
Depreciation and impairment of tangible fixed assets	22,960	19,433
Movements in working capital:		
Decrease in debtors	31,639	420,576
Increase/(decrease) in creditors	11,878	(586,604)
Cash generated from operations	667,950	416,504

HOPE HOUSE SCHOOL LIMITED

England & Wales - Charity number 1121132

Accounts

Charity registration number 1121132

Company registration number 06188419 (England and Wales)

HOPE HOUSE SCHOOL LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

HOPE HOUSE SCHOOL LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr J Barrie Mr B Jones
Chair	Mr B Jones
Charity number	1121132
Company number	06188419
Registered office	Hope School Barnby Road Balderton Newark Notts NG24 3NE
Auditor	Rogers Spencer Newstead House Pelham Road Nottingham NG5 1AP
Senior Staff	Mrs Michelle McRae - Headteacher

HOPE HOUSE SCHOOL LIMITED

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Statement of cash flows	13
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HOPE HOUSE SCHOOL LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2023

The Trustees present their annual report and financial statements for the year ended 31 December 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 governing document, 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)" (as amended for accounting periods commencing from 1 January 2016).

Objectives and activities

Hope House School is a small independent special school for students with a primary need of autism spectrum disorder and related speech and language communication needs. Some students also have other complexities such as, ADHD, PDA. Many of our students have a disjointed education history, often due to long term school absence. All students have an Education Health Care Plan.

Our Vision... *is for every young person to fulfil their personal potential. Hope House school provides every student with support when they need it - for them to develop into happy, healthy, and secure young adults who are prepared for adult life.*

Our Core Values ...*Are based on the recognition that many of our students have had difficult journeys before arriving at Hope House school. Educational provision has been inappropriate, often resulting in several adverse experiences for both the young person and their family. Therefore, we aim to transform those early experiences of education by addressing any barriers to learning through both individualised and personalised learning experiences. At the same time, we acknowledge the importance of a student's social and emotional development and the importance of working together with peers and adults, to build positive relationships. Relationships underpin our values at Hope House school. We understand the power of building positive relationships to create and foster a culture of warmth, nurture, integrity, mutual respect, and kindness within the school environment, valuing the individual at all times, which is reflected by ensuring the voice of our young people is heard through PRIDE (Peace, Respect, Independence, Determination and Equality) FORCE.*

The school is in a rural setting in Balderton, near Newark, Nottinghamshire. It is housed in several independent one storey buildings, set out in a 'u' shape around a central grassy area which is currently being developed into a multi-sensory space. There are other detached two storey buildings in the grounds, one used for post-16 pupils and the other for administration. There is an outdoor space devoted to forest school activities and a wooden play area with specialist equipment for pupils to use as part of their curriculum and at group social times. An outdoor area attached to the lower school classroom provides an enhanced provision to extend children's learning and exploration. There is a separate building dedicated to additional curriculum activities such as music and food technology. It houses a well-equipped sensory room that supports activities that are bespoke to individual needs and group activities. A multi-agency room provides space for 1:1 sessions/assessment and the delivery of specific programs of intervention. In addition to specific reading areas in each classroom, there is a small communal library for pupils to access as part of the focus on promoting reading for pleasure.

The school has an ambitious and engaging curriculum which is broad and rich to enable all our young people to reach their potential as they Prepare for Adulthood (PfA). The school's curriculum offer is diverse, catering for the needs of pupils from early Engagement through to Level 2 qualifications. The PfA curriculum is accredited through ASDAN via personalised pathways. There are various enrichment opportunities and memorable experiences for all students, including visits to National Trust places of interest and local landmarks to embed student's understanding of cultural diversity and British values. All students have regular access to the local community and travel far and wide to promote skills for independent living. All students engage in careers education and, in addition to this, older students receive career guidance from independent advisors. Pupils have the option to access riding for the disabled (RDA) as part of their provision. Weekly swimming and tennis lessons are also provided within our local community.

Multi-disciplinary professionals regularly visit the school, including an educational psychologist, occupational therapist and a speech and language therapist. All staff receive training from the Autism Educational Trust to ensure we have the knowledge and skills to provide a personalised provision for our students. We are currently on a journey to become a recognised trauma-informed school.

HOPE HOUSE SCHOOL LIMITED

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

Financial review

2023 Business Review

We are pleased to highlight the recent increase in pupil numbers and the subsequent positive impact on the school's operations and financial stability. This growth has been a testament to the exceptional educational environment and the unwavering commitment of our staff and administration.

Over the past academic year, the School has experienced a notable increase in pupil numbers, with a rise from 24 to 30 students. This growth reflects the school's growing reputation for providing quality education and fostering a supportive learning environment.

The growth in pupil numbers at Hope House School has been a transformative experience for our institution. The increased student body has positively impacted the running of the school, allowing for expanded educational opportunities and personalised instruction. Furthermore, the financial stability resulting from this growth has empowered us to invest in our infrastructure.

There was also a fee uplift put in place increasing the average annual fee to £66k.

Income/Funding

Over the 22/23 academic year, the school has experienced a significant increase in income/funding, amounting to £387K higher than budgeted.

This substantial boost in financial resources has had a profoundly positive effect on the overall running of the school and cashflow.

With this increased income, we have been able to enhance various aspects of our educational offerings, providing an enriched learning experience for all our students. The additional funding has allowed us to invest in modern teaching materials, updated technology, and improved facilities, ensuring that our students have access to the best resources available.

As part of our commitment to maintaining exceptional standards, the school continues to undergo regular quality assurance visits. These visits help us identify areas for improvement and ensure that we are constantly delivering the highest standard of education to our students. The additional income/funding has allowed us to implement the recommendations from these visits promptly, further enhancing the quality of our educational provision.

In line with our dedication to financial transparency, we will regularly review school fees to ensure they cover all the costs associated with running the school. This proactive approach ensures that our financial resources are effectively allocated, enabling us to maintain and improve the quality of education while remaining financially sustainable.

Overall, the significant increase in income/funding over the 22/23 academic year has brought about numerous positive changes to our school. It has allowed us to enhance our educational offerings, expand our capacity, and ensure the continuous improvement of our educational provision through regular quality assurance visits. We remain committed to providing an exceptional educational experience for all our students while ensuring financial stability for the long-term sustainability of the school.

HOPE HOUSE SCHOOL LIMITED

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

FOR THE YEAR ENDED 31 DECEMBER 2023

2023 Financial performance Summary

The school experienced a notable increase in income attributed to a rise in pupil enrollment and fee uplifts. This led to a significant boost in revenue compared to the previous year.

However, overhead costs also saw a substantial increase. This rise in expenses impacted the financial landscape of the school.

With regards to the surplus improvement, despite the surge in overhead costs, the school managed to achieve a surplus of £565,000. This marks a considerable improvement from the previous year's deficit of £27,000.

Overall, the school's financial performance for the year demonstrates effective management in navigating increased expenses while capitalizing on revenue growth, resulting in a healthier surplus.

Reserves policy

It is the policy of the Charity to maintain unrestricted free reserves at a sufficient level to finance three months trading. Assuming monthly expenditure of £100k per month, the Charity has been able to satisfy this target with a balance in the bank amounting to £543k at 31 December 23.

Unrestricted Funds

The unrestricted funds of £582k will be rolled over into the 2024 year.

Principal source of funding

The principal source of funding is that of various Midlands-based councils, in particular Nottinghamshire and Lincolnshire County Councils.

Principal risks and uncertainties

The Trustees have examined the major strategic, business and operational risks which the charity faces and confirm that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to lessen these risks.

2023 and 2024 expectation overview

The positive expectations of last year's review have been achieved and Trustees look forward to an increase in pupil placements and the DfE have given approval for two additional places from September 2023. Local Authority support has proven positive. The new Headteacher has developed the school in every area including the curriculum, teaching and learning, professional development and budget control and management.

As well, strategic decisions taken over the last 3 years means that the school is considered efficient. A robust structure, reporting and process driven controls also means that business can be managed effectively and is unlikely to encounter the same type of challenges seen over the last 4 years.

Trustees are in discussion with the land owners to further develop the school and site in 2023/24.

Structure, governance and management

Hope House School is a company limited by guarantee by its Memorandum and Articles of Associations dated 26th August 2007.

Appointment of trustees

The Trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mr J Barrie

Mr B Jones

HOPE HOUSE SCHOOL LIMITED

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

FOR THE YEAR ENDED 31 DECEMBER 2023

Trustee Induction

On joining Hope House School New Trustees will undergo an induction which includes the Independent School Standards and the Charity Commission Welcome Pack. The induction will be carried out by the Chair Trustee and supported by the HR Manager.

The three core functions for Trustees are;

1. Ensuring clarity of vision, ethos and strategic direction
2. Holding the Headteacher / Senior Leaders account for the educational performance of the school and its pupils, and the performance management of staff
3. Overseeing and ensuring effective financial performance.

Trustee Training

Trustees receive the following training:

- Safeguarding Children in Education
- Safeguarding for Governors (Chair Trustee)
- DSL (Chair Trustee)
- Legionella (Chair Trustee)
- Data Protection
- Keeping Children Safe In Education - Copy issued Annually and confirmation of receipt gained

The Trustees are guided by the Head Teacher who advises them on the key aspects of business operations and personnel. This included setting pay rises for the whole staff and increments for the Senior Management Team following appraisals.

Pay Review

The Headteacher supported by the HR Manager holds annual pay reviews, pay rates are benchmarked against Teachers Pay and Conditions and Regional and Local Pay rates, NMLW is also taken into consideration. Pay reviews are discussed and approved by the Chair Trustee before implementation.

- Unqualified, Lower level roles and non-teaching roles are reviewed in line with NMLW and any increases are implemented from 1st April each year
- Management & Teaching roles are reviewed in line with Teachers Pay and Conditions any increases are implemented from 1st September each year

Increases outside of the above will occur when;

- Agreed contractually - Probationary Period, in an agreed time period subject to performance
- Pay Parity - Additional responsibilities are added to the role, either long term or for an agreed period (cover at a higher level) and are equal to other employees in the same role or Individuals reach a higher level of qualification in line with the relevant person specification and is equal to other employees in same role

The above list is not exhaustive, and there may be occasions when the school finds it necessary to review the salary of certain roles outside of the annual review periods, for example highly skilled roles that cannot be filled internally and have high competition externally in the labour market.

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 is aware of such information.

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

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HOPE HOUSE SCHOOL LIMITED

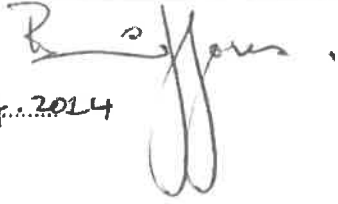
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

Mr B Jones

Chair

Dated: 17.07.2024

A handwritten signature in black ink, appearing to read 'B Jones', is written over the printed name and title. The signature is fluid and cursive.

HOPE HOUSE SCHOOL LIMITED

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2023

The Trustees, who are also the directors of Hope House School Limited for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the Trustees to prepare financial statements 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 financial statements, 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 financial statements; and
- prepare the financial statements 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 financial statements 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.

HOPE HOUSE SCHOOL LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF HOPE HOUSE SCHOOL LIMITED

Opinion

We have audited the financial statements of Hope House School Limited (the 'charity') for the year ended 31 December 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of 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 December 2023 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 and the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

HOPE HOUSE SCHOOL LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF HOPE HOUSE SCHOOL LIMITED

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in 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 directors' 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.

Responsibilities of Trustees

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed auditor under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts.

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.

The extent of which the audit was considered capable of detecting irregularities including fraud

Our approach to identifying and assessing the risk of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- We identified the laws and regulations applicable to the charitable company through discussions with trustees and other management, and from our knowledge and experience of the charity sector and grant providers;
- We focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the group, including the Companies Act 2006, Charities Act 2011, taxation legislation and data protection, anti-bribery, employment, environmental and health and safety legislation;
- We assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- Identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

HOPE HOUSE SCHOOL LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF HOPE HOUSE SCHOOL LIMITED

We assessed the susceptibility of the financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- Making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
- Considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations; and
- Understanding the design of the charitable companies remuneration policies.

To address the risk of fraud through management bias and override of controls, we:

- Performed analytical procedures to identify any unusual or unexpected relationships;
- Tested journal entries to identify unusual transactions;
- Assessed whether judgements and assumptions made in determining the accounting estimates set out in note 2 were indicative of potential bias; and
- Investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- Agreeing financial statement disclosures to underlying supporting documentation;
- Reading the minutes of meetings of those charged with governance;
- Enquiring of management as to actual and potential litigation and claims; and
- Reviewing correspondence with HMRC, relevant regulators and the company's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any. Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or 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.

HOPE HOUSE SCHOOL LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF HOPE HOUSE SCHOOL LIMITED

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees 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 charitable company and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Melvin Bailey FCCA DChA (Senior statutory auditor)
Rogers Spencer

22/7/24

Chartered Accountants
Statutory Auditor

Newstead House
Pelham Road
Nottingham
NG5 1AP

Rogers Spencer is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

HOPE HOUSE SCHOOL LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2023

		Unrestricted funds	
	Notes	2023 £	2022 £
<u>Income and endowments from:</u>			
Donations and legacies	3	8,283	3,382
Charitable activities	4	1,838,023	1,259,396
Investments	5	2,227	17
Other income	6	12,100	-
Total income		1,860,633	1,262,795
<u>Expenditure on:</u>			
Charitable activities	7	1,294,214	1,280,790
Finance interest	12	1,093	8,998
Total resources expended		1,295,307	1,289,788
Net income/(expenditure) for the year/ Net movement in funds		565,326	(26,993)
Fund balances at 1 January 2023		17,428	44,421
Fund balances at 31 December 2023		582,754	17,428

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 HOUSE SCHOOL LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2023

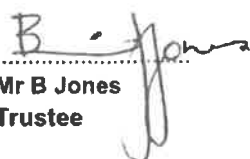
	Notes	2023 £	£	2022 £	£
Fixed assets					
Tangible assets	14		54,761		44,572
Current assets					
Debtors	15	43,325		463,901	
Cash at bank and in hand		543,314		166,455	
		<u>586,639</u>		<u>630,356</u>	
Creditors: amounts falling due within one year	17	<u>(58,646)</u>		<u>(652,790)</u>	
Net current assets/(liabilities)			527,993		(22,434)
Total assets less current liabilities			<u>582,754</u>		<u>22,138</u>
Creditors: amounts falling due after more than one year	19		-		(4,710)
Net assets			<u><u>582,754</u></u>		<u><u>17,428</u></u>
Income funds					
Unrestricted funds			582,754		17,428
			<u>582,754</u>		<u>17,428</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2023, although an audit has been carried out under section 144 of the Charities Act 2011.

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

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

The financial statements were approved by the Trustees on 17.07.2024


 Mr B Jones
 Trustee

Company Registration No. 06188419

HOPE HOUSE SCHOOL LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	2023 £	£	2022 £	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	22		416,504		(261,958)
Investing activities					
Purchase of tangible fixed assets		(29,621)		(8,697)	
Proceeds on disposal of tangible fixed assets		-		3,772	
Interest received		2,227		17	
Net cash used in investing activities			(27,394)		(4,908)
Financing activities					
Payment of obligations under finance leases		(12,251)		(2,610)	
Net cash used in financing activities			(12,251)		(2,610)
Net increase/(decrease) in cash and cash equivalents			376,859		(269,476)
Cash and cash equivalents at beginning of year			166,455		435,931
Cash and cash equivalents at end of year			<u>543,314</u>		<u>166,455</u>

HOPE HOUSE SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

Charity information

Hope House School Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is Hope School, Barnby Road, Balderton, Newark, Notts, NG24 3NE.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, 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)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

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

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

1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

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

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

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

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

HOPE HOUSE SCHOOL LIMITED

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

1 Accounting policies

(Continued)

Liabilities are recognised as resources expended when it is probable that a transfer of economic benefits will be required in settlement and the obligation can be measured reliably. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure relating to donated services and facilities is included on the same basis and at equivalent amounts as recognised within incoming resources.

Expenditure on charitable activities comprises those costs incurred by the charity in the delivery of its activities and services of its beneficiaries. It includes both the direct pay and non-pay costs and support costs relating to those activities.

Governance costs are shown as part of support costs. These are associated with the administrative arrangements of the charity which relate to the general running of the charity as opposed to those costs associated with the charitable activity. These include audit fees, legal advice, and preparation of the statutory accounts and costs of trustee meetings.

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 improvements	10% Straight line
Fixtures and fittings	25% Reducing balance
Computers	33% Straight line
Motor vehicles	25% Reducing balance

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

1.7 Impairment of fixed assets

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

1.8 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.

1.9 Retirement benefits

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

HOPE HOUSE SCHOOL LIMITED

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

1 Accounting policies

(Continued)

1.10 Leases

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

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

2 Critical accounting estimates and judgements

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Income from donations and legacies

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Donations and gifts	8,283	3,382

4 Income from charitable activities

	2023 £	2022 £
Fees from local authorities	1,838,023	1,259,396

5 Income from investments

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Interest receivable	2,227	17

HOPE HOUSE SCHOOL LIMITED

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

6 Other income

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Hire purchase refund	12,100	-

HOPE HOUSE SCHOOL LIMITED

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

7 Expenditure on charitable activities

	2023 £	2022 £
Staff costs	895,522	935,395
Depreciation and impairment	19,433	11,189
Staff training	38,999	18,318
Equipment, furniture and resources	37,897	41,292
School trips	774	60
School uniform	4,593	2,156
Other school expenses	18,358	14,783
Sensory integration, therapy and counselling	22,361	27,111
Animal expenses	-	1,292
School food	13,911	16,975
Rent	31,510	30,958
Light and heat	22,333	25,043
Water rates	728	738
Repairs and maintenance	45,156	16,006
Motor expenses	9,156	8,971
Insurance	48,880	39,837
Printing, postage and stationery	1,779	2,086
Telephone and data cost	35,650	26,698
Disclosure and barring service	830	653
Sundry expenses	3,070	2,452
Profit or loss on disposal of tangible assets	-	(2,301)
	<u>1,250,940</u>	<u>1,219,712</u>
Share of governance costs (see note 8)	43,274	61,078
	<u>1,294,214</u>	<u>1,280,790</u>
Analysis by fund		
Unrestricted funds	<u>1,294,214</u>	
	<u>1,294,214</u>	
For the year ended 31 December 2022		
Unrestricted funds		<u>1,280,790</u>
		<u>1,280,790</u>

HOPE HOUSE SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

8 Governance costs	2023	2022
	£	£
Accountancy fees	20,894	16,400
Audit fees	10,272	10,080
Legal & professional fees	12,108	34,598
	<u>43,274</u>	<u>61,078</u>
9 Net movement in funds	2023	2022
	£	£
The net movement in funds is stated after charging/(crediting):		
Depreciation of owned tangible fixed assets	<u>19,432</u>	<u>11,189</u>
10 Trustees		
Trustees received £nil of remuneration in 2023 (2022: £nil).		
No expenses have been paid out to the trustees in 2023 (2022: £nil).		
11 Employees		
The average monthly number employees during the year was:		
	2023	2022
	Number	Number
	<u>29</u>	<u>30</u>
Employment costs	2023	2022
	£	£
Wages and salaries	797,728	866,373
Social security costs	52,616	42,467
Other pension costs	39,724	15,559
	<u>895,522</u>	<u>935,395</u>
There was 1 employee (2022: 0) who received total employee benefits of more than £60,000.		
The number of employees whose annual remuneration was more than £60,000 is as follows:		
	2023	2022
	Number	Number
£90,001-£100,000	<u>1</u>	<u>-</u>

HOPE HOUSE SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

11 Employees (Continued)

Remuneration of key management personnel

	2023 £	2022 £
Aggregate compensation	90,903	89,841

12 Finance interest

	Unrestricted funds 2023	Unrestricted funds 2022
Financing costs	1,093	8,998

13 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

14 Tangible fixed assets

	Leasehold improvements £	Fixtures and fittings £	Computers £	Motor vehicles £	Total £
Cost					
At 1 January 2023	20,574	2,319	17,423	98,945	139,261
Additions	-	2,767	26,854	-	29,621
At 31 December 2023	20,574	5,086	44,277	98,945	168,882
Depreciation and impairment					
At 1 January 2023	3,429	748	5,947	84,565	94,689
Depreciation charged in the year	2,057	531	13,249	3,595	19,432
At 31 December 2023	5,486	1,279	19,196	88,160	114,121
Carrying amount					
At 31 December 2023	15,088	3,807	25,081	10,785	54,761
At 31 December 2022	17,145	1,571	11,476	14,380	44,572

HOPE HOUSE SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

15 Debtors

	2023	2022
Amounts falling due within one year:	£	£
Trade debtors	40,103	463,361
Prepayments and accrued income	3,222	540
	<u>43,325</u>	<u>463,901</u>

16 Finance lease obligations

Future minimum lease payments due under finance leases:

	2023	2022
	£	£
Within one year	2,173	9,714
Within two and five years	-	4,710
	<u>2,173</u>	<u>14,424</u>

17 Creditors: amounts falling due within one year

	Notes	2023	2022
		£	£
Obligations under finance leases	16	2,173	9,714
Other taxation and social security		14,298	-
Trade creditors		16,815	46,447
Other creditors		6,127	23,970
Accruals and deferred income		19,233	572,659
		<u>58,646</u>	<u>652,790</u>

18 Deferred income

Deferred income is included in the financial statements as follows:

	2023	2022
	£	£
Deferred income at 1 January 2023	550,749	354,175
Released from previous periods	(550,749)	(354,175)
Resources deferred in the year	-	550,749
	<u>-</u>	<u>550,749</u>
Deferred income at 31 December 2023	<u>-</u>	<u>550,749</u>

Deferred income represents amounts received in advance from local authorities relating to post year end term fees.

HOPE HOUSE SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

19 Creditors: amounts falling due after more than one year

	Notes	2023 £	2022 £
Obligations under finance leases	16	-	4,710

20 Retirement benefit schemes

	2023 £	2022 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	39,724	15,559

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.

21 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 January 2023 £	Incoming resources £	Resources expended £	At 31 December 2023 £
General funds	17,428	1,860,633	(1,295,307)	582,754
Previous year:	At 1 January 2022 £	Incoming resources £	Resources expended £	At 31 December 2022 £
General funds	44,421	1,262,795	(1,289,788)	17,428

22 Cash generated from operations

	2023 £	2022 £
Surplus/(deficit) for the year	565,326	(26,993)
Adjustments for:		
Investment income recognised in statement of financial activities	(2,227)	(17)
Gain on disposal of tangible fixed assets	-	(2,301)
Depreciation and impairment of tangible fixed assets	19,433	11,189
Movements in working capital:		
Decrease/(increase) in debtors	420,576	(449,501)
(Decrease)/increase in creditors	(586,604)	205,665
Cash generated from/(absorbed by) operations	416,504	(261,958)

HOPE HOUSE SCHOOL LIMITED

England & Wales - Charity number 1121132

Accounts

Charity registration number 1121132

Company registration number 06188419 (England and Wales)

HOPE HOUSE SCHOOL LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

HOPE HOUSE SCHOOL LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr J Barrie Mr B Jones
Chair	Mr B Jones
Charity number	1121132
Company number	06188419
Registered office	Hope School Barnby Road Balderton Newark Notts NG24 3NE
Auditor	Rogers Spencer Newstead House Pelham Road Nottingham NG5 1AP
Senior Staff	Mrs Michelle McRae - Headteacher (appointed Sept 22) Mrs Joanne Kiernan- Interim Headteacher (Sept 21 - Aug 22)

HOPE HOUSE SCHOOL LIMITED

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HOPE HOUSE SCHOOL LIMITED

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

The Trustees present their annual report and financial statements for the year ended 31 December 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 governing document, 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)" (as amended for accounting periods commencing from 1 January 2016).

Objectives and activities

Hope House School is a small independent special school for students with a primary need of autism spectrum disorder and related speech and language communication needs. Some students also have other complexities such as, ADHD, PDA. Many of our students have a disjointed education history, often due to long term school absence. All students have an Education Health Care Plan.

Our Vision... *is for every young person to fulfil their personal potential. Hope House school provides every student with support when they need it - for them to develop into happy, healthy, and secure young adults who are prepared for adult life.*

Our Core Values *...Are based on the recognition that many of our students have had difficult journeys before arriving at Hope House school. Educational provision has been inappropriate, often resulting in several adverse experiences for both the young person and their family. Therefore, we aim to transform those early experiences of education by addressing any barriers to learning through both individualised and personalised learning experiences. At the same time, we acknowledge the importance of a student's social and emotional development and the importance of working together with peers and adults, to build positive relationships. Relationships underpin our values at Hope House school. We understand the power of building positive relationships to create and foster a culture of warmth, nurture, integrity, mutual respect, and kindness within the school environment, valuing the individual at all times, which is reflected by ensuring the voice of our young people is heard through PRIDE (Peace, Respect, Independence, Determination and Equality) FORCE.*

The school is in a rural setting in Balderton, near Newark, Nottinghamshire. It is housed in several independent one storey buildings, set out in a 'u' shape around a central grassy area which is currently being developed into a multi-sensory space. There are other detached two storey buildings in the grounds, one used for post-16 pupils and the other for administration. There is an outdoor space devoted to forest school activities and a wooden play area with specialist equipment for pupils to use as part of their curriculum and at group social times. An outdoor area attached to the lower school classroom provides an enhanced provision to extend children's learning and exploration. There is a separate building dedicated to additional curriculum activities such as music and food technology. It houses a well-equipped sensory room that supports activities that are bespoke to individual needs and group activities. A multi-agency room provides space for 1:1 sessions/assessment and the delivery of specific programs of intervention. In addition to specific reading areas in each classroom, there is a small communal library for pupils to access as part of the focus on promoting reading for pleasure.

The school has an ambitious and engaging curriculum which is broad and rich to enable all our young people to reach their potential as they Prepare for Adulthood (PfA). The school's curriculum offer is diverse, catering for the needs of pupils from early Engagement through to Level 2 qualifications. The PfA curriculum is accredited through ASDAN via personalised pathways. There are various enrichment opportunities and memorable experiences for all students, including visits to National Trust places of interest and local landmarks to embed student's understanding of cultural diversity and British values. All students have regular access to the local community and travel far and wide to promote skills for independent living. All students engage in careers education and, in addition to this, older students receive career guidance from independent advisors. Pupils have the option to access riding for the disabled (RDA) as part of their provision. Weekly swimming and tennis lessons are also provided within our local community.

Multi-disciplinary professionals regularly visit the school, including an educational psychologist, occupational therapist and a speech and language therapist. All staff receive training from the Autism Educational Trust to ensure we have the knowledge and skills to provide a personalised provision for our students. We are currently on a journey to become a recognised trauma-informed school.

HOPE HOUSE SCHOOL LIMITED

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

Financial review

2022 Business Review

We are pleased to highlight the recent increase in pupil numbers and the subsequent positive impact on the school's operations and financial stability. This growth has been a testament to the exceptional educational environment and the unwavering commitment of our staff and administration.

Over the past academic year, the School has experienced a notable increase in pupil numbers, with a rise from 15 to 24 students. This growth reflects the school's growing reputation for providing quality education and fostering a supportive learning environment.

The growth in pupil numbers from 15 to 24 at Hope House School has been a transformative experience for our institution. The increased student body has positively impacted the running of the school, allowing for expanded educational opportunities and personalised instruction. Furthermore, the financial stability resulting from this growth has empowered us to invest in our infrastructure.

Income / funding

Over the 21/22 academic year, the school has experienced a significant increase in income/funding, amounting to £139K higher than budgeted. This substantial boost in financial resources has had a profoundly positive effect on the overall running of the school and cashflow.

With this increased income, we have been able to enhance various aspects of our educational offerings, providing an enriched learning experience for all our students. The additional funding has allowed us to invest in modern teaching materials, updated technology, and improved facilities, ensuring that our students have access to the best resources available.

As part of our commitment to maintaining exceptional standards, the school continues to undergo regular quality assurance visits. These visits help us identify areas for improvement and ensure that we are constantly delivering the highest standard of education to our students. The additional income/funding has allowed us to implement the recommendations from these visits promptly, further enhancing the quality of our educational provision.

In line with our dedication to financial transparency, we will regularly review school fees to ensure they cover all the costs associated with running the school. This proactive approach ensures that our financial resources are effectively allocated, enabling us to maintain and improve the quality of education while remaining financially sustainable.

Overall, the significant increase in income/funding over the 21/22 academic year has brought about numerous positive changes to our school. It has allowed us to enhance our educational offerings, expand our capacity, and ensure the continuous improvement of our educational provision through regular quality assurance visits. We remain committed to providing an exceptional educational experience for all our students while ensuring financial stability for the long-term sustainability of the school.

HOPE HOUSE SCHOOL LIMITED

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

2022 Financial performance Summary

In the past year, our School experienced a welcome increase in income, primarily due to the enrollment of more pupils, reflecting our School's growing popularity and trust within the community. While this was a positive development, our financial performance faced challenges as overheads costs only slightly decreased by £25k ultimately leaving us with a deficit of £27k. However, this deficit is an improvement on the previous year's deficit of £342k.

Despite our efforts, a significant portion of our expenses consists of fixed costs, such as salaries and essential operational expenses. Unfortunately, these costs do not offer much flexibility for adjustments, which posed a challenge in aligning our expenses with our increased income.

As we look ahead, it's essential to continue to explore strategies to manage our fixed costs more efficiently, ensuring a more balanced financial position in the future while maintaining the quality of education we provide to our students.

Reserves policy

It is the policy of the Charity to maintain unrestricted free reserves at a sufficient level to finance three months trading. Assuming monthly expenditure of £100k per month, the Charity has not been able to satisfy this target with a balance in the bank amounting to £166k at 31 December 22.

This was a temporary dip in cashflow as the Spring term invoices weren't paid until early January 2023. This is expected to be upheld throughout 2023.

Unrestricted Funds

The unrestricted funds of £17k will be rolled over into the 2023 year.

Principal source of funding

The principal source of funding is that of various Midlands-based councils, in particular Nottinghamshire and Lincolnshire County Councils.

Principal risks and uncertainties

The Trustees have examined the major strategic, business and operational risks which the charity faces and confirm that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to lessen these risks.

2023 and 2024 expectation overview

The positive expectations of last year's review have been achieved and Trustees look forward to an increase in pupil placements and the DfE have given approval for two additional places from September 2023. Local Authority support has proven positive. The new Headteacher has developed the school in every area including the curriculum, teaching and learning, professional development and budget control and management.

As well, strategic decisions taken over the last 3 years means that the school is considered efficient. A robust structure, reporting and process driven controls also means that business can be managed effectively and is unlikely to encounter the same type of challenges seen over the last 4 years.

Trustees are in discussion with the land owners to further develop the school and site in 2023/24.

Structure, governance and management

Hope House School is a company limited by guarantee by its Memorandum and Articles of Associations dated 26th August 2007.

Appointment of trustees

The Trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mr J Barrie

Mr C Coen

Mr B Jones

(Resigned 11 November 2022)

HOPE HOUSE SCHOOL LIMITED

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

The Trustees are guided by the Head Teacher who advises them on the key aspects of business operations and personnel. This included setting pay rises for the whole staff and increments for the Senior Management Team following appraisals.

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 is aware of such information.

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

Mr B Jones

Chair

Dated: 26 September 2023

HOPE HOUSE SCHOOL LIMITED

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2022

The Trustees, who are also the directors of Hope House School Limited for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the Trustees to prepare financial statements 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 financial statements, 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 financial statements; and
- prepare the financial statements 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 financial statements 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.

HOPE HOUSE SCHOOL LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF HOPE HOUSE SCHOOL LIMITED

Opinion

We have audited the financial statements of Hope House School Limited (the 'charity') for the year ended 31 December 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of 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 December 2022 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

HOPE HOUSE SCHOOL LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF HOPE HOUSE SCHOOL LIMITED

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in 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 directors' 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.

Responsibilities of Trustees

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed auditor under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts.

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.

The extent of which the audit was considered capable of detecting irregularities including fraud

Our approach to identifying and assessing the risk of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- We identified the laws and regulations applicable to the charitable company through discussions with trustees and other management, and from our knowledge and experience of the charity sector and grant providers;
- We focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the group, including the Companies Act 2006, Charities Act 2011, taxation legislation and data protection, anti-bribery, employment, environmental and health and safety legislation;
- We assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- Identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

HOPE HOUSE SCHOOL LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF HOPE HOUSE SCHOOL LIMITED

We assessed the susceptibility of the financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- Making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
- Considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations; and
- Understanding the design of the charitable companies remuneration policies.

To address the risk of fraud through management bias and override of controls, we:

- Performed analytical procedures to identify any unusual or unexpected relationships;
- Tested journal entries to identify unusual transactions;
- Assessed whether judgements and assumptions made in determining the accounting estimates set out in note 2 were indicative of potential bias; and
- Investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- Agreeing financial statement disclosures to underlying supporting documentation;
- Reading the minutes of meetings of those charged with governance;
- Enquiring of management as to actual and potential litigation and claims; and
- Reviewing correspondence with HMRC, relevant regulators and the company's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any. Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or 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.

HOPE HOUSE SCHOOL LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF HOPE HOUSE SCHOOL LIMITED

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees 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 charitable company and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Melvin Bailey FCCA DChA (Senior statutory auditor)
Rogers Spencer

27 September 2023

Chartered Accountants
Statutory Auditor

Newstead House
Pelham Road
Nottingham
NG5 1AP

Rogers Spencer is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

HOPE HOUSE SCHOOL LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2022

		Unrestricted funds	
	Notes	2022 £	2021 £
Income from:			
Donations and legacies	3	3,382	6,353
Charitable activities	4	1,259,396	965,419
Investments	5	17	38
Total income		<u>1,262,795</u>	<u>971,810</u>
Expenditure on:			
Charitable activities	6	1,280,790	1,306,241
Finance interest	10	8,998	8,122
Total resources expended		<u>1,289,788</u>	<u>1,314,363</u>
Net expenditure for the year/ Net movement in funds		(26,993)	(342,553)
Fund balances at 1 January 2022		<u>44,421</u>	<u>386,974</u>
Fund balances at 31 December 2022		<u><u>17,428</u></u>	<u><u>44,421</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 HOUSE SCHOOL LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	12		44,572		48,537
Current assets					
Debtors	13	463,901		14,400	
Cash at bank and in hand		166,455		435,931	
		<u>630,356</u>		<u>450,331</u>	
Creditors: amounts falling due within one year	15	<u>(652,790)</u>		<u>(446,765)</u>	
Net current (liabilities)/assets			<u>(22,434)</u>		<u>3,566</u>
Total assets less current liabilities			22,138		52,103
Creditors: amounts falling due after more than one year	16		<u>(4,710)</u>		<u>(7,682)</u>
Net assets			<u>17,428</u>		<u>44,421</u>
Income funds					
Unrestricted funds			<u>17,428</u>		<u>44,421</u>
			<u>17,428</u>		<u>44,421</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2022, although an audit has been carried out under section 144 of the Charities Act 2011.

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

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

The financial statements were approved by the Trustees on 26 September 2023

Mr B Jones
Trustee

Company Registration No. 06188419

HOPE HOUSE SCHOOL LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	2022 £	£	2021 £	£
Cash flows from operating activities					
Cash absorbed by operations	20		(261,958)		(192,203)
Investing activities					
Purchase of tangible fixed assets		(8,697)		(30,346)	
Proceeds on disposal of tangible fixed assets		3,772		11,830	
Interest received		17		38	
		<u> </u>		<u> </u>	
Net cash used in investing activities			(4,908)		(18,478)
Financing activities					
Payment of obligations under finance leases		(2,610)		(5,598)	
		<u> </u>		<u> </u>	
Net cash used in financing activities			(2,610)		(5,598)
Net decrease in cash and cash equivalents			(269,476)		(216,279)
Cash and cash equivalents at beginning of year			435,931		652,210
			<u> </u>		<u> </u>
Cash and cash equivalents at end of year			166,455		435,931
			<u> </u>		<u> </u>

HOPE HOUSE SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

Charity information

Hope House School Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is Hope School, Barnby Road, Balderton, Newark, Notts, NG24 3NE.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, 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)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

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

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

1.2 Going concern

At 31 December 2022 the financial statements indicate net current liabilities of £22,434 with cash at bank of £166,455. However, since the year end pupil numbers have increased and have remained consistent resulting in predicted surpluses for both 2023 and 2024. This has resulted in a much improved and higher bank balance at the time of approving the accounts.

Therefore, at the time of approving the financial statements, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

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

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

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

HOPE HOUSE SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

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

Liabilities are recognised as resources expended when it is probable that a transfer of economic benefits will be required in settlement and the obligation can be measured reliably. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure relating to donated services and facilities is included on the same basis and at equivalent amounts as recognised within incoming resources.

Expenditure on charitable activities comprises those costs incurred by the charity in the delivery of its activities and services of its beneficiaries. It includes both the direct pay and non-pay costs and support costs relating to those activities.

Governance costs are shown as part of support costs. These are associated with the administrative arrangements of the charity which relate to the general running of the charity as opposed to those costs associated with the charitable activity. These include audit fees, legal advice, and preparation of the statutory accounts and costs of trustee meetings.

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 improvements	10% Straight line
Fixtures and fittings	25% Reducing balance
Computers	33% Straight line
Motor vehicles	25% Reducing balance

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

1.7 Impairment of fixed assets

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

1.8 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 HOUSE SCHOOL LIMITED

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

1 Accounting policies (Continued)

1.9 Retirement benefits

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

1.10 Leases

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

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

2 Critical accounting estimates and judgements

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2022 £	2021 £
Donations and gifts	3,382	6,353

4 Income from charitable activities

	2022 £	2021 £
Fees from local authorities	1,259,396	965,419

HOPE HOUSE SCHOOL LIMITED

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

5 Investments

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Interest receivable	17	38
	<u>17</u>	<u>38</u>

HOPE HOUSE SCHOOL LIMITED

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

6 Expenditure on charitable activities

	2022 £	2021 £
Staff costs	935,395	920,432
Depreciation and impairment	11,189	10,246
Staff training	18,318	28,940
Equipment, furniture and resources	41,292	30,088
School trips	60	-
School uniform	2,156	601
Other school expenses	14,783	13,117
Sensory integration, therapy and counselling	27,111	47,577
Animal expenses	1,292	4,604
School food	16,975	9,112
Rent	30,958	30,382
Light and heat	25,043	16,815
Water rates	738	628
Repairs and maintenance	16,006	31,107
Motor expenses	8,971	14,896
Insurance	39,837	31,660
Printing, postage and stationery	2,086	2,442
Telephone and data cost	26,698	23,900
Disclosure and barring service	653	414
Sundry expenses	2,452	4,986
Profit or loss on disposal of tangible assets	(2,301)	26,867
	<u>1,219,712</u>	<u>1,248,814</u>
Share of governance costs (see note 7)	61,078	57,427
	<u>1,280,790</u>	<u>1,306,241</u>
Analysis by fund		
Unrestricted funds	1,280,790	
	<u>1,280,790</u>	
For the year ended 31 December 2021		
Unrestricted funds		1,306,241
		<u>1,306,241</u>

HOPE HOUSE SCHOOL LIMITED

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

7 Governance costs

	2022 £	2021 £
Accountancy fees	16,400	13,250
Audit fees	10,080	10,080
Legal & professional fees	34,598	34,097
	<u>61,078</u>	<u>57,427</u>

8 Trustees

Trustees received £nil of remuneration in 2022 (2021: £nil).

No expenses have been paid out to the trustees in 2022 (2021: £nil).

9 Employees

The average monthly number employees during the year was:

	2022 Number	2021 Number
	30	32
	<u>30</u>	<u>32</u>

Employment costs

	2022 £	2021 £
Wages and salaries	866,373	852,445
Social security costs	42,467	36,650
Other pension costs	15,559	10,739
	<u>935,395</u>	<u>920,432</u>

There were no employees who received total employee benefits of more than £60,000.

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

Remuneration of key management personnel

	2022 £	2021 £
Aggregate compensation	89,841	123,492
	<u>89,841</u>	<u>123,492</u>

HOPE HOUSE SCHOOL LIMITED

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

10 Finance interest

	Unrestricted funds	Unrestricted funds
	2022	2021
Financing costs	8,998	8,122

11 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

12 Tangible fixed assets

	Leasehold improvements	Fixtures and fittings	Computers	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 January 2022	20,574	2,319	8,726	105,525	137,144
Additions	-	-	8,697	-	8,697
Disposals	-	-	-	(6,580)	(6,580)
At 31 December 2022	20,574	2,319	17,423	98,945	139,261
Depreciation and impairment					
At 1 January 2022	1,372	342	2,014	84,881	88,609
Depreciation charged in the year	2,057	406	3,933	4,793	11,189
Eliminated in respect of disposals	-	-	-	(5,109)	(5,109)
At 31 December 2022	3,429	748	5,947	84,565	94,689
Carrying amount					
At 31 December 2022	17,145	1,571	11,476	14,380	44,572
At 31 December 2021	19,203	1,978	6,712	20,644	48,537

13 Debtors

	2022	2021
	£	£
Amounts falling due within one year:		
Trade debtors	463,361	13,611
Prepayments and accrued income	540	789
	463,901	14,400

HOPE HOUSE SCHOOL LIMITED

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

14 Finance lease commitments

Future minimum lease payments due under finance leases:

	2022 £	2021 £
Within one year	9,714	9,352
Within two and five years	4,710	7,682
	<u>14,424</u>	<u>17,034</u>

15 Creditors: amounts falling due within one year

	Notes	2022 £	2021 £
Obligations under finance leases	14	9,714	9,352
Payments on account		-	23,075
Trade creditors		46,447	19,517
Other creditors		23,970	37,110
Accruals and deferred income		572,659	357,711
		<u>652,790</u>	<u>446,765</u>

16 Creditors: amounts falling due after more than one year

	Notes	2022 £	2021 £
Obligations under finance leases	14	<u>4,710</u>	<u>7,682</u>

17 Deferred income

Deferred income is included in the financial statements as follows:

	2022 £	2021 £
Deferred income at 1 January 2022	354,175	312,279
Released from previous periods	(354,175)	(312,279)
Resources deferred in the year	550,749	354,175
	<u>550,749</u>	<u>354,175</u>
Deferred income at 31 December 2022	<u>550,749</u>	<u>354,175</u>

Deferred income represents amounts received in advance from local authorities relating to post year end term fees.

HOPE HOUSE SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

18 Retirement benefit schemes

Defined contribution schemes

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

The charge to profit or loss in respect of defined contribution schemes was £15,559 (2021: £10,739).

19 Related party transactions

Salaries include £Nil (2021: £32,855) paid to Mr M Westmoreland (the husband of the ex trustee and principal Mrs T A Westmoreland).

20 Cash generated from operations	2022	2021
	£	£
Deficit for the year	(26,993)	(342,553)
Adjustments for:		
Investment income recognised in statement of financial activities	(17)	(38)
(Gain)/loss on disposal of tangible fixed assets	(2,301)	26,868
Depreciation and impairment of tangible fixed assets	11,189	10,246
Movements in working capital:		
(Increase)/decrease in debtors	(449,501)	48,108
Increase in creditors	205,665	65,166
Cash absorbed by operations	(261,958)	(192,203)

HOPE HOUSE SCHOOL LIMITED

England & Wales - Charity number 1121132

Accounts

Charity registration number 1121132

Company registration number 06188419 (England and Wales)

HOPE HOUSE SCHOOL LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

HOPE HOUSE SCHOOL LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr J Barrie Mr C Coen Mr B Jones
Chair	Mr B Jones
Charity number	1121132
Company number	06188419
Registered office	Hope School Barnby Road Balderton Newark Notts NG24 3NE
Auditor	Rogers Spencer Newstead House Pelham Road Nottingham NG5 1AP
Senior Staff	Mrs Michelle McRae - Headteacher (appointed Sept 22) Mrs Joanne Kiernan- Interim Headteacher (Sept 21 - Aug 22)

HOPE HOUSE SCHOOL LIMITED

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HOPE HOUSE SCHOOL LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2021

The Trustees present their annual report and financial statements for the year ended 31 December 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 governing document, 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)" (as amended for accounting periods commencing from 1 January 2016).

Objectives and activities

Hope House School is an independent special school for pupils with a primary need of autism spectrum disorder (ASD) and related speech and language communication needs (SLCN). Some pupils also have other complex needs e.g. ADHD, PDA and Attachment Disorder. Many of our pupils join us after difficult past educational histories with having been to multiple schools and long-term absences.

The school has an ambitious curriculum which is broad and rich to enable all our young people to Prepare for Adulthood (PfA). There are multiple opportunities within the curriculum for enrichment with older pupils and Post-16 having access to work for enrichment with older pupils and Post-16 having access to work experience, regular access to the community e.g. travel training, gym, cooking own meals and independent living. The PfA curriculum is an essential offer and is accredited through ASDAN.

Our Vision...

..is for every young person to fulfil their personal potential. Hope House School supports students to develop into happy, healthy, and secure young adults who are prepared for Adult Life.

Our Values...

..are based upon recognition that our young people join us having had difficult journeys and their education experiences have not always been positive ones.

Therefore, we aim to transform young people's experiences of education by taking a pro-active approach to predicting and addressing any barriers to learning. We embrace the benefits of individualised approaches and curriculum tailored to the needs of our young people. We also recognise the importance of integrating the therapeutic approach by working with Speech and Language Therapy, Occupational Therapy and Educational Psychology. Ultimately, Hope House School wants to be the enabler of our young people to confidently take up their place within society.

Our Ethos...

..adopts a culture of integrity, mutual respect, and kindness, valuing the individual at all times. This is reflected by ensuring the voice of our young people is heard through PRIDE (Peace, Respect, Independence, Determination and Equality) Force. We work closely as a community with families and professionals, recognising that each brings their own area of expertise to support our students to become secure and independent members of society.

The trustees are fully aware of the guidance issued by the Charity Commission regarding Public Benefit and ensure that this guidance is adhered to.

Charity Commission enquiry

The Charity Commission opened a statutory inquiry into Hope House School Limited on 9 October 2017 due to serious regulatory concerns that there was or had been mismanagement and/or misconduct in the administration of the charity. An interim Manager was appointed under section 76 (3) (G) of the Charities Act 2011 on 20 August 2018 and discharged on 8 November 2019 following the appointment of new trustees on 25 September 2019.

The substantive phase of the inquiry was closed for the second time on 10 February 2021 and the inquiry formally closed with the publication of a report published 7 March 2022. This report is available on the Charity Commission website.

HOPE HOUSE SCHOOL LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

Financial review

2021 Business Review

The lag effect from the 2020 Inadequate Ofsted inspection rating meant the business saw a significant year on year slide. This was caused by a downsizing of the business in 2020 and a decline in local authority income triggered by a fall in pupil numbers. Whilst efficiency measures taken in 2020 helped to mitigate the effects from reduced income, the fixed cost structure of the business created a sizable gap between earnings and expenditure. This gap was filled by an unrestricted fund balance steadily built over previous years.

The turnaround program instigated in 2020 continued with the addition of external expert resource which was appointed to implement and speed up positive change. As part of wide change, the school's offer was also reviewed and decisions made to withdraw transport services from September 21 and wind down the school's Animal unit which was seen as a high cost / low value function and more efficient to outsource.

The Covid-19 pandemic continued to disrupt operations throughout 2021 although an effective outreach programme for pupils could easily be deployed meaning funding from local authorities was not affected

Income / funding

Principal income from local authorities shrunk by nearly a quarter (£325k) year on year. There were no other commercial trading activities. The number of funded pupils on the roll shrunk from 17 at the start of the year to 14 pupils at the end of December. A non fee-paying pupil on the roll for a number of years left the roll at the end of the 2020 / 21 academic year.

A formal application was submitted in 2021 for an uplift to pupil fees as rates had been unchanged for some time and a large number of pupil placements were being heavily subsidised by up to £20k per pupil per annum in the case of one local authority. The East Midlands review panel awarded only a 2.46% uplift effective September 2021, which was a long way from the 30% requested. This uplift related to existing pupils only and so a revised base fee for all new future pupil placements was formalised, which is representative of the true associated cost for the business.

With capacity to subsidise pupil placements ebbing away, it is critical that moving forward, fees are regularly reviewed and aligned to cost to secure financial security and continued business viability.

The school had regular quality assurance visits from local authorities to support the reopening of pupil referrals on hold since January 2020 following the inadequate Ofsted inspection rating.

2021 Financial performance Summary

While income shrunk by 29%, expenses fell by only 2% which exacerbated financial pressures. Significant exceptional cost was incurred for external Headteacher support and overdue investment into areas such as staff training was critical as part of the turnaround program. Other high value expense lines were subject to market changes such as insurance.

The contrast between income and expense shrinkage also reflects the fixed cost nature of the business.

A significant fall in staffing costs reflects efficiencies brought about by the 2020 team resizing exercise and further resizing undertaken in summer 2021.

Ongoing analysis and cleansing of service provision has been undertaken to ensure appropriateness and value for money.

An existing employment dispute is expected to be concluded after the balance sheet date and provision has been made in the financial statements in respect of the costs to resolve the dispute.

Reserves policy

It is the policy of the charity to maintain unrestricted free reserves at a sufficient level to finance three months trading. The charity has not been able to satisfy this target with free reserves amounting to £4k at 31 December 2021, which falls short by c£266k assuming monthly expenditure of £90,000 per month. This deficiency is considered short term only and the policy is expected to be fully met in 2022.

HOPE HOUSE SCHOOL LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

Unrestricted Funds

The £387k carried forward into 2021 means that despite the 2021 loss, £44k is carried forward into 2022.

Principal source of funding

The principal source of funding is that of various Midlands-based councils, in particular Nottinghamshire and Lincolnshire County Councils.

Principal risks and uncertainties

The Trustees have examined the major strategic, business and operational risks which the charity faces and confirm that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to lessen these risks.

2022 and 2023 expectation overview

2022 financial performance is expected to be weak as the school will not be carrying sufficient average pupil numbers across the year to break even. The breakeven point is c22 pupils. As such the business is expected to make a loss and operations will continue to be subsidised through unrestricted funds carried over from 2021, which will be exhausted during the latter part of the year and as such create a hand to mouth scenario at least in the short term.

However, this financial year will represent the bottom of the curve from the cumulative effect of the 2020/21 challenges and the outlook for 2023 and beyond is far more positive as key aspects of the turnaround programme are completed. As well, the school has received an improved Ofsted rating following a Standard Inspection undertaken in June 22, which critically will enable pupil referrals to recommence having been suspended by some feeder local authorities since the inadequate award rating in January 2020. While the new rating of 'Requires Improvement' reflects some remaining weaknesses, it formally represents significant progress and importantly the Department for Education have confirmed that the school now meets Independent School Standards. Ofsted's full inspection report can be viewed via their website.

In addition to the 2.46% uplift awarded in 2021, the East Midlands fee review panel has approved a further 1.9% uplift for existing pupils which will be applied in September 22 for the 2022/23 academic year.

New placements are in place for the Autumn 22 school term and the pupil roll is expected to reach 25 by January 2023 delivering income in excess of £1.5m. Pupil numbers beyond breakeven of 22 means the business will benefit from strong economies of scale and create a surplus and with it a good opportunity to replenish reserves and deliver investment into educational provision, staff and facilities. Although the school is licensed for 28 pupils, the decision has been taken not to exceed 25 for the foreseeable future to ensure the school does not become over stretched and vulnerable.

A new permanent Headteacher has been appointed to commence September 22 at which time interim Headteacher support will cease. As well, strategic decisions taken over the last 2 years means that the school is considered efficient. A robust structure, reporting and process driven controls also means that business can be managed effectively and is unlikely to encounter the same type of challenges seen over the last 3 years.

Structure, governance and management

Hope House School is a company limited by guarantee by its Memorandum and Articles of Associations dated 26th August 2007.

Appointment of trustees

The Trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mr J Barrie

Mr C Coen

Mr B Jones

The Trustees are guided by the Head Teacher who advises them on the key aspects of business operations and personnel. This included setting pay rises for the whole staff and increments for the Senior Management Team following appraisals.

HOPE HOUSE SCHOOL LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) *FOR THE YEAR ENDED 31 DECEMBER 2021*

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 is aware of such information.

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

Mr B Jones

Chair

Dated: 31 October 2022

HOPE HOUSE SCHOOL LIMITED

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2021

The Trustees, who are also the directors of Hope House School Limited for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the Trustees to prepare financial statements 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 financial statements, 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 financial statements; and
- prepare the financial statements 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 financial statements 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.

HOPE HOUSE SCHOOL LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF HOPE HOUSE SCHOOL LIMITED

Opinion

We have audited the financial statements of Hope House School Limited (the 'charity') for the year ended 31 December 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of 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 December 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 and the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

HOPE HOUSE SCHOOL LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF HOPE HOUSE SCHOOL LIMITED

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in 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 directors' 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.

Responsibilities of Trustees

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed auditor under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts.

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.

The extent of which the audit was considered capable of detecting irregularities including fraud

Our approach to identifying and assessing the risk of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- We identified the laws and regulations applicable to the charitable company through discussions with trustees and other management, and from our knowledge and experience of the charity sector and grant providers;
- We focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the group, including the Companies Act 2006, Charities Act 2011, taxation legislation and data protection, anti-bribery, employment, environmental and health and safety legislation;
- We assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- Identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

HOPE HOUSE SCHOOL LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF HOPE HOUSE SCHOOL LIMITED

We assessed the susceptibility of the financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- Making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
- Considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations; and
- Understanding the design of the charitable companies remuneration policies.

To address the risk of fraud through management bias and override of controls, we:

- Performed analytical procedures to identify any unusual or unexpected relationships;
- Tested journal entries to identify unusual transactions;
- Assessed whether judgements and assumptions made in determining the accounting estimates set out in note 2 were indicative of potential bias; and
- Investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- Agreeing financial statement disclosures to underlying supporting documentation;
- Reading the minutes of meetings of those charged with governance;
- Enquiring of management as to actual and potential litigation and claims; and
- Reviewing correspondence with HMRC, relevant regulators and the company's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any. Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or 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.

HOPE HOUSE SCHOOL LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF HOPE HOUSE SCHOOL LIMITED

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees 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 charitable company and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Melvin Bailey FCCA DChA (Senior statutory auditor)
Rogers Spencer

31 October 2022

Chartered Accountants
Statutory Auditor

Newstead House
Pelham Road
Nottingham
NG5 1AP

Rogers Spencer is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

HOPE HOUSE SCHOOL LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2021

		Unrestricted funds	
	Notes	2021 £	2020 £
Income from:			
Donations and legacies	3	6,353	5,359
Charitable activities	4	965,419	1,359,073
Investments	5	38	60
Total income		<u>971,810</u>	<u>1,364,492</u>
Expenditure on:			
Charitable activities	6	1,306,241	1,339,635
Finance interest	10	8,122	6,060
Total resources expended		<u>1,314,363</u>	<u>1,345,695</u>
Net (expenditure)/income for the year/ Net movement in funds		(342,553)	18,797
Fund balances at 1 January 2021		<u>386,974</u>	<u>368,177</u>
Fund balances at 31 December 2021		<u><u>44,421</u></u>	<u><u>386,974</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 HOUSE SCHOOL LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	11		48,537		67,135
Current assets					
Debtors	12	14,400		62,508	
Cash at bank and in hand		435,931		652,210	
		<u>450,331</u>		<u>714,718</u>	
Creditors: amounts falling due within one year	14	<u>(446,765)</u>		<u>(389,282)</u>	
Net current assets			3,566		325,436
Total assets less current liabilities			52,103		392,571
Creditors: amounts falling due after more than one year	15		(7,682)		(5,597)
Net assets			<u>44,421</u>		<u>386,974</u>
Income funds					
Unrestricted funds			44,421		386,974
			<u>44,421</u>		<u>386,974</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2021, although an audit has been carried out under section 144 of the Charities Act 2011.

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

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

The financial statements were approved by the Trustees on 31 October 2022

Mr B Jones
Trustee

Company Registration No. 06188419

HOPE HOUSE SCHOOL LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	2021 £	£	2020 £	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	19		(192,203)		453,456
Investing activities					
Purchase of tangible fixed assets		(30,346)		(1,274)	
Proceeds on disposal of tangible fixed assets		11,830		2,767	
Interest received		38		60	
		<u> </u>		<u> </u>	
Net cash (used in)/generated from investing activities			(18,478)		1,553
Financing activities					
Payment of obligations under finance leases		(5,598)		(20,008)	
		<u> </u>		<u> </u>	
Net cash used in financing activities			(5,598)		(20,008)
Net (decrease)/increase in cash and cash equivalents			(216,279)		435,001
Cash and cash equivalents at beginning of year			652,210		217,209
			<u> </u>		<u> </u>
Cash and cash equivalents at end of year			<u>435,931</u>		<u>652,210</u>

HOPE HOUSE SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

Charity information

Hope House School Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is Hope School, Barnby Road, Balderton, Newark, Notts, NG24 3NE.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, 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)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

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

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

1.2 Going concern

These financial statements are prepared on the going concern basis. Despite material uncertainties over the last 2 years, which cast some doubt on the charity's ability to continue as a going concern, the Trustees have a full expectation that the charity will continue in operational existence for the foreseeable future.

As has already been mentioned in the Trustees' Report, Hope House School received a formal Ofsted inspection in June 2022, which reported positively about the school's progress since February 2020 and an improved rating was awarded. As well, the Section 46 Enquiry, opened on 30 October 2017, by the Charity Commission has now fully concluded and the matter closed. The report is available on the Charity Commission website.

The charity has prepared a forecast covering a period to December 2023, which indicates that the charity will generate sufficient income to continue and build a sustainable future and there is no material uncertainty that may lead to or cast doubt on the charity's ability to continue as a going concern.

1.3 Charitable funds

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

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

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

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

HOPE HOUSE SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

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

Liabilities are recognised as resources expended when it is probable that a transfer of economic benefits will be required in settlement and the obligation can be measured reliably. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure relating to donated services and facilities is included on the same basis and at equivalent amounts as recognised within incoming resources.

Expenditure on charitable activities comprises those costs incurred by the charity in the delivery of its activities and services of its beneficiaries. It includes both the direct pay and non-pay costs and support costs relating to those activities.

Governance costs are shown as part of support costs. These are associated with the administrative arrangements of the charity which relate to the general running of the charity as opposed to those costs associated with the charitable activity. These include audit fees, legal advice, and preparation of the statutory accounts and costs of trustee meetings.

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 improvements	10% Straight line
Fixtures and fittings	25% Reducing balance
Computers	33% Straight line
Motor vehicles	25% Reducing balance

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

1.7 Impairment of fixed assets

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

1.8 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 HOUSE SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

1.9 Retirement benefits

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

1.10 Leases

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

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

2 Critical accounting estimates and judgements

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Donations and gifts	6,353	5,359

4 Income from charitable activities

	2021	2020
	£	£
Fees from local authorities	965,419	1,359,073

HOPE HOUSE SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

5 Investments

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Interest receivable	38	60
	<u> </u>	<u> </u>

HOPE HOUSE SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

6 Expenditure on charitable activities

	2021 £	2020 £
Staff costs	920,432	1,050,982
Depreciation and impairment	10,246	15,103
Staff training	28,940	8,606
Equipment, furniture and resources	30,088	24,548
School trips	-	1,486
School uniform	601	991
Other school expenses	13,117	7,494
Sensory integration, therapy and counselling	47,577	26,896
Animal expenses	4,604	7,542
School food	9,112	7,336
Rent	30,382	29,833
Light and heat	16,815	19,593
Water rates	628	399
Repairs and maintenance	31,107	25,157
Cleaning and waste disposals	-	2,189
Motor expenses	14,896	15,725
Insurance	31,660	18,662
Printing, postage and stationery	2,442	4,598
Telephone and data cost	23,900	15,841
Disclosure and barring service	414	1,243
Sundry expenses	4,986	583
Loss on disposal of tangible assets	26,867	-
	<u>1,248,814</u>	<u>1,284,807</u>
Share of governance costs (see note 7)	57,427	54,828
	<u>1,306,241</u>	<u>1,339,635</u>
Analysis by fund		
Unrestricted funds	<u>1,306,241</u>	
	<u>1,306,241</u>	
For the year ended 31 December 2020		
Unrestricted funds		<u>1,339,635</u>
		<u>1,339,635</u>

HOPE HOUSE SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

7 Governance costs

	2021 £	2020 £
Accountancy fees	13,250	15,914
Audit fees	10,080	15,300
Legal & professional fees	34,097	23,614
	<u>57,427</u>	<u>54,828</u>

8 Trustees

Trustees received £nil of remuneration in 2021 (2020: £nil).

No expenses have been paid out to the trustees in 2021 (2020: £nil).

9 Employees

The average monthly number employees during the year was:

	2021 Number	2020 Number
	<u>32</u>	<u>45</u>

Employment costs

	2021 £	2020 £
Wages and salaries	852,445	974,380
Social security costs	36,650	57,461
Other pension costs	10,739	19,141
	<u>920,432</u>	<u>1,050,982</u>

There were no employees who received total employee benefits of more than £60,000.

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

10 Finance interest

	Unrestricted funds 2021	Unrestricted funds 2020
Net loss on disposal of tangible fixed assets	-	2,019
Financing costs	<u>8,122</u>	<u>4,041</u>

HOPE HOUSE SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

11 Tangible fixed assets

	Leasehold improvements	Fixtures and fittings	Computers	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 January 2021	36,675	722	552	124,616	162,565
Additions	20,574	1,598	8,174	-	30,346
Disposals	(36,675)	-	-	(19,091)	(55,766)
At 31 December 2021	20,574	2,320	8,726	105,525	137,145
Depreciation and impairment					
At 1 January 2021	-	180	184	91,398	91,762
Depreciation charged in the year	5,039	162	1,830	6,883	13,914
Eliminated in respect of disposals	(3,668)	-	-	(13,400)	(17,068)
At 31 December 2021	1,371	342	2,014	84,881	88,608
Carrying amount					
At 31 December 2021	19,203	1,978	6,712	20,644	48,537
At 31 December 2020	33,007	542	368	33,218	67,135

12 Debtors

	2021	2020
	£	£
Amounts falling due within one year:		
Trade debtors	13,611	44,474
Other debtors	-	17,064
Prepayments and accrued income	789	970
	14,400	62,508

13 Finance lease commitments

Future minimum lease payments due under finance leases:

	2021	2020
	£	£
Within one year	9,352	17,035
Within two and five years	7,682	5,597
	17,034	22,632

HOPE HOUSE SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

14 Creditors: amounts falling due within one year

	Notes	2021 £	2020 £
Obligations under finance leases	13	9,352	17,035
Other taxation and social security		-	24,598
Payments on account		23,075	-
Trade creditors		19,517	24,259
Other creditors		37,110	2,111
Accruals and deferred income		357,711	321,279
		<u>446,765</u>	<u>389,282</u>

15 Creditors: amounts falling due after more than one year

	Notes	2021 £	2020 £
Obligations under finance leases	13	<u>7,682</u>	<u>5,597</u>

16 Government grants

Deferred income is included in the financial statements as follows:

	2021 £	2020 £
Deferred income at 1 January 2021	312,279	90,760
Released from previous periods	(312,279)	(90,760)
Resources deferred in the year	<u>331,100</u>	<u>312,279</u>
Deferred income at 31 December 2021	<u>331,100</u>	<u>312,279</u>

Deferred income represents amounts received in advance from local authorities relating to post year end term fees.

17 Retirement benefit schemes

Defined contribution schemes

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

The charge to profit or loss in respect of defined contribution schemes was £10,739 (2020: £19,141).

HOPE HOUSE SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

18 Related party transactions

Remuneration of key management personnel

	2021 £	2020 £
Aggregate compensation	24,064	33,824

Salaries include £32,855 (2020: £30,490) paid to Mr M Westmoreland (the husband of the ex trustee and principal Mrs T A Westmoreland).

19 Cash generated from operations

	2021 £	2020 £
(Deficit)/surplus for the year	(342,553)	18,797
Adjustments for:		
Investment income recognised in statement of financial activities	(38)	(60)
Loss on disposal of tangible fixed assets	26,868	2,019
Depreciation and impairment of tangible fixed assets	10,246	15,103
Movements in working capital:		
Decrease in debtors	48,108	216,258
Increase in creditors	65,166	201,339
Cash (absorbed by)/generated from operations	(192,203)	453,456

HOPE HOUSE SCHOOL LIMITED

England & Wales - Charity number 1121132

Accounts

Charity Registration No. 1121132

Company Registration No. 06188419 (England and Wales)

HOPE HOUSE SCHOOL LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

HOPE HOUSE SCHOOL LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr J Barrie Mr C Coen Mr B Jones	(Appointed 11 November 2020)
Chair	Mr B Jones	
Charity number	1121132	
Company number	06188419	
Registered office	Hope School Barnby Road Balderton Newark Notts NG24 3NE	
Auditor	Rogers Spencer Newstead House Pelham Road Nottingham NG5 1AP	
Senior Staff	Joanne Kiernan- Interim Headteacher	

HOPE HOUSE SCHOOL LIMITED

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HOPE HOUSE SCHOOL LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2020

The Trustees present their report and financial statements for the year ended 31 December 2020.

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 [governing document], 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)" (as amended for accounting periods commencing from 1 January 2016).

Objectives and activities

Hope House School is a school for children and young people with Autistic Spectrum Disorders. Our Governing Document states that our objectives are: "To advance the education of people with autism and other related conditions by the provision of a school; To provide relief for siblings, parents and carers of children suffering from autism and other related conditions through advice, advocacy and practical support; To provide or assist in the provision of facilities in the interests of social welfare for recreation or other leisure time occupation for people with autism and other related conditions and their siblings, parents and carers with the object of improving their conditions of life."

The trustees are fully aware of the guidance issued by the Charity Commission regarding Public Benefit and ensure that we provide this. We have one pupil who has a scholarship with no fees from the Local Authorities;

Our school is entirely run by paid staff due to the nature of the commitment required to work with challenging pupils

Following the Charity Commission opening a statutory inquiry into Hope House School Limited on 9 October 2017, the Charity Commission appointed Guy Hollander of Mazars LLP as Interim Manager under section 76 (3) (G) of the Charities Act 2011 on 20 August 2018.

The Charity Commission remained concerned about the correct governance and administration arrangements and whether these were adequately meeting the needs of the charity. Consequently, the Interim Manager's duties were to establish the viability of the charity and to determine the most appropriate option regarding the charity's future. During the Interim Manager's term in office, the Trustees' powers were excluded.

Following the Interim Manager's investigations, he concluded that the charity was financially viable and that a governance structure could be implemented that would be satisfactory to the Charity Commission. Consequently five new potential trustees were identified and were then appointed on 25 September 2019. At the same time the three previous trustees all resigned from office. The Interim Manager will cease to act on the 24 July 2021 following an order of the Charity Commission, although the enquiry had not yet been closed.

HOPE HOUSE SCHOOL LIMITED

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

FOR THE YEAR ENDED 31 DECEMBER 2020

Financial review

2020 Business Review

2020 saw a significant adverse change for the school, which is the consequence of an 'inadequate' inspection judgment awarded by Ofsted following an audit conducted in February 2020. Outcomes were the closure of the residential function indefinitely, suspension of the school's clubs function and the integration of temporary external resource to support a broad turnaround programme.

While the Covid-19 pandemic led to a temporary shut-down, the school reacted strongly by implementing an effective outreach programme for its pupils, which provided continuity for pupils and meant funding from local authorities was not affected

Pupil numbers shrunk significantly over the year driven by natural wastage and prompted by the poor Ofsted judgement. In response, a team resizing exercise was undertaken in the autumn which reduced staff costs by £250k over a full year.

The school in effect down sized, which in turn has created financial pressures as the cost base due to its fixed nature cannot retract comparatively to income. As such, operations will need to be subsidised through unrestricted funds in 2021 and beyond until new pupil intake can be secured.

Income / funding

Primary income from local authorities shrunk by £80k or 6% year on year. There were no other commercial trading activities. The number of funded pupils on the roll shrunk from 25 at the start of the year to 17 pupils at the end of December. The full effect of this decline will be fully felt in 2021. A further non fee paying pupil was retained.

The fall in pupil numbers has affected the financial benefit from economies of scale and it was identified that pupil fees have remained static for a number of years and have fallen behind other comparative schools. A formal uplift request across all feeder local authorities has been submitted in 2021.

2020 Financial performance Summary

While income shrunk by 6%, expenses fell by only 3%, which is partially attributed to the fixed nature of the school's cost base and the very high labour cost element.

The efficiency benefits from a team resizing exercise undertaken in the autumn will not be felt until 2021.

It is noted that the value of year end trade debtors reduced significant from £279k in 2019 to £45k in 2020. A more robust management approach was applied to finance during the year including formal controls and processes, regular reporting and the integration of dedicated book keeping resource. A comprehensive analysis and cleansing exercise has been undertaken which has created a more solid function platform.

Unrestricted Funds

A total of £387k is carried forward into 2021 made of up a £19k 2020 surplus and further £368k carried over from 2019.

Reserves policy

It is the policy of the charity to maintain unrestricted free reserves at a sufficient level to finance three months trading. The charity has satisfied this target with free reserves amounting to £325,436 at 31 December 2020, exceeding the current monthly expenditure of £90,000 per month.

Principal source of funding

The principal source of funding is that of various Midlands-based councils, in particular Nottinghamshire and Lincolnshire County Councils.

HOPE HOUSE SCHOOL LIMITED

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

FOR THE YEAR ENDED 31 DECEMBER 2020

Charities Commission enquiry

Following the Charity Commission's enquiry the Trustees and Company Directors were stood down. The appointment of the current Trustees and Company Directors took place in November 2019 and 2020. The trustees understand that formal investigations are now complete although are still waiting for the release of the commission's full report / outcomes. It is hoped that this enquiry and be formally closed in 2021.

Principal risks and uncertainties

The Trustees have examined the major strategic, business and operational risks which the charity faces and confirm that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to lessen these risks.

2021 and 2022 expectation overview

The adverse effects from falling pupil numbers will be fully realised in 2021 whereby local authority income cannot carry the school's predominately fixed cost base. As such, operations will be subsidised by the fund balance carried over from 2019 and will steadily erode. 2021 full year income is budgeted to reach just under £1m which would represent a significant decline.

Pupil numbers will slide further with 15 expected to return for the 21/22 autumn term.

Operations are being subsidised by the fund balance carried over from 2019 which is steadily eroding. A worst case scenario would see funds fully depleted by July 2022 based on a pupil roll of 15. The school's Reserves policy will need to be considered.

A strategic review of the school's offer and functions has been undertaken to ensure best use of income. Whilst the formal turnaround / rebuilding journey is nearly complete, new pupil intake remains a huge barrier to move forward as local authority policy does not allow for new pupil placements within schools rated as inadequate. However, one local authority has agreed to new placements before a new Ofsted inspection, which will strength income. Assuming the school secures 3 anticipated new placements, 2022 full year income will reach just over £1m which would allow for a near breakeven scenario.

Temporary expert resource remains in place to support continued development and improvement. A formal Ofsted inspection will be requested late 2021 which assuming results in an improved judgement will pave the way new pupil intake and income.

Structure, governance and management

Hope House School is a company limited by guarantee by its Memorandum and Articles of Associations dated 26th August 2007.

Appointment of trustees

As noted above on 20 August 2018 the Charity Commission appointed an Interim Manager over Hope House School Limited by an order under section 76 (3) (G) of the Charities Act 2011, to manage the affairs of the charity and to exercise all the power and authority to the exclusion of the Trustees.

The Trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mr J Barrie

Mr C Coen

Mrs M A Darnbrough

(Resigned 23 November 2020)

Mrs B A W Pointing

(Resigned 23 November 2020)

Mr B Jones

(Appointed 11 November 2020)

The Interim Manager has ceased to act.

The Trustees are guided by the Principal who advises them on the key management personnel. This included setting pay rises for the whole staff and increments for the Senior Management Team following appraisals.

HOPE HOUSE SCHOOL LIMITED

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

FOR THE YEAR ENDED 31 DECEMBER 2020

Statement of Trustees' responsibilities

The Trustees, who are also the directors of Hope House School Limited for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the Trustees to prepare financial statements 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 financial statements, 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 financial statements; and
- prepare the financial statements 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 financial statements 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.

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 is aware of such information.

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

Mr B Jones

Chair

Dated: 27 October 2021

HOPE HOUSE SCHOOL LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF HOPE HOUSE SCHOOL LIMITED

Opinion

We have audited the financial statements of Hope House School Limited (the 'charity') for the year ended 31 December 2020 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of 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 December 2020 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 and the Charities Act 2011.

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 related to going concern

We draw your attention to Note 1.2 in the Financial Statements, which indicates that the charity faces uncertainty as a result of both Ofsted and the Charity Commission Enquiries. This indicates that material uncertainty exists that may cast doubt on the charity's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other information

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

HOPE HOUSE SCHOOL LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF HOPE HOUSE SCHOOL LIMITED

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in 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 directors' 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.

Responsibilities of Trustees

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed auditor under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts.

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.

HOPE HOUSE SCHOOL LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF HOPE HOUSE SCHOOL LIMITED

The extent of which the audit was considered capable of detecting irregularities including fraud

Our approach to identifying and assessing the risk of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- We identified the laws and regulations applicable to the charitable company through discussions with trustees and other management, and from our knowledge and experience of the charity sector and grant providers;
- We focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the group, including the Companies Act 2006, Charities Act 2011, taxation legislation and data protection, anti-bribery, employment, environmental and health and safety legislation;
- We assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- Identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- Making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
- Considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations; and
- Understanding the design of the charitable companies remuneration policies.

To address the risk of fraud through management bias and override of controls, we:

- Performed analytical procedures to identify any unusual or unexpected relationships;
- Tested journal entries to identify unusual transactions;
- Assessed whether judgements and assumptions made in determining the accounting estimates set out in note 2 were indicative of potential bias; and
- Investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- Agreeing financial statement disclosures to underlying supporting documentation;
- Reading the minutes of meetings of those charged with governance;
- Enquiring of management as to actual and potential litigation and claims; and
- Reviewing correspondence with HMRC, relevant regulators and the company's legal advisors.

HOPE HOUSE SCHOOL LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF HOPE HOUSE SCHOOL LIMITED

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or 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 trustees, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees 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 charitable company and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Melvin Bailey (Senior Statutory Auditor)
for and on behalf of Rogers Spencer

28 October 2021

Chartered Accountants
Statutory Auditor

Newstead House
Pelham Road
Nottingham
NG5 1AP

Rogers Spencer is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under of section 1212 of the Companies Act 2006.

HOPE HOUSE SCHOOL LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2020

		Unrestricted funds	
	Notes	2020 £	2019 £
Income from:			
Donations and legacies	3	5,359	1,644
Charitable activities	4	1,359,073	1,439,329
Other trading activities	5	-	3,165
Investments	6	60	746
Total income		<u>1,364,492</u>	<u>1,444,884</u>
Expenditure on:			
Charitable activities	7	<u>1,339,635</u>	<u>1,384,669</u>
Mr M Westmoreland - expenditure in earlier years	11	-	(1,034)
Finance interest	12	6,060	4,782
Total resources expended		<u>1,345,695</u>	<u>1,388,417</u>
Net income for the year/ Net movement in funds		18,797	56,467
Fund balances at 1 January 2020		<u>368,177</u>	<u>311,710</u>
Fund balances at 31 December 2020		<u><u>386,974</u></u>	<u><u>368,177</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 HOUSE SCHOOL LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2020

	Notes	2020 £	£	2019 £	£
Fixed assets					
Tangible assets	13		67,135		85,750
Current assets					
Debtors	14	62,508		278,766	
Cash at bank and in hand		652,210		217,209	
		<u>714,718</u>		<u>495,975</u>	
Creditors: amounts falling due within one year	16	<u>(389,282)</u>		<u>(190,058)</u>	
Net current assets			325,436		305,917
Total assets less current liabilities			392,571		391,667
Creditors: amounts falling due after more than one year	17		(5,597)		(23,490)
Net assets			<u>386,974</u>		<u>368,177</u>
Income funds					
Unrestricted funds			386,974		368,177
			<u>386,974</u>		<u>368,177</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2020, although an audit has been carried out under section 144 of the Charities Act 2011.

The directors acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

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

The financial statements were approved by the Trustees on 27 October 2021

Mr B Jones
Trustee

Company Registration No. 06188419

HOPE HOUSE SCHOOL LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2020

		2020		2019	
	Notes	£	£	£	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	19		453,456		(111,522)
Investing activities					
Purchase of tangible fixed assets		(1,274)		(5,431)	
Proceeds on disposal of tangible fixed assets		2,767		-	
Interest received		60		746	
		<hr/>		<hr/>	
Net cash generated from/(used in) investing activities			1,553		(4,685)
Financing activities					
Payment of obligations under finance leases		(20,008)		(22,195)	
		<hr/>		<hr/>	
Net cash used in financing activities			(20,008)		(22,195)
Net increase/(decrease) in cash and cash equivalents			435,001		(138,402)
Cash and cash equivalents at beginning of year			217,209		355,611
Cash and cash equivalents at end of year			<u>652,210</u>		<u>217,209</u>

HOPE HOUSE SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

Charity information

Hope House School Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is Hope School, Barnby Road, Balderton, Newark, Notts, NG24 3NE.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, 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)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

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

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

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, however, the Trustees are aware of certain material uncertainties which may cause doubt on the charity's ability to continue as a going concern.

As has already been mentioned in the Trustees' Report, Hope House School has received an inadequate Ofsted report. In addition to this, there is an ongoing Section 46 Enquiry, opened on 30 October 2017, by the Charity Commission. The school is now awaiting a follow up Ofsted visit in December 2021, which will assess the improvements made since the original inspection in January 2020.

The charity has prepared a forecast covering a period to August 2022 and has estimated to December 2022. This indicated that the charity has sufficient funds to continue until that date. However, the consequences of the future report awaited from Ofsted and the Charity Commission are unknown.

As a result of the above, there is material uncertainty relating to these events or conditions that may cast significant doubt on the charity's ability to continue as a going concern and, therefore, that it may be unable to realise its assets and discharge its liabilities in the normal course of business.

1.3 Charitable funds

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

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

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

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

HOPE HOUSE SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

1.5 Expenditure

Liabilities are recognised as resources expended when it is probable that a transfer of economic benefits will be required in settlement and the obligation can be measured reliably. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure relating to donated services and facilities is included on the same basis and at equivalent amounts as recognised within incoming resources.

Expenditure on charitable activities comprises those costs incurred by the charity in the delivery of its activities and services of its beneficiaries. It includes both the direct pay and non-pay costs and support costs relating to those activities.

Governance costs are shown as part of support costs. These are associated with the administrative arrangements of the charity which relate to the general running of the charity as opposed to those costs associated with the charitable activity. These include audit fees, legal advice, and preparation of the statutory accounts and costs of trustee meetings.

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 improvements	10% Straight line
Fixtures and fittings	25% Reducing balance
Computers	25% Straight line
Motor vehicles	25% Reducing balance

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.

1.7 Impairment of fixed assets

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

Derecognition of financial liabilities

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

HOPE HOUSE SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies (Continued)

1.8 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.

1.9 Retirement benefits

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

1.10 Leases

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

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

2 Critical accounting estimates and judgements

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2020 £	2019 £
Donations and gifts	5,359	1,644

4 Income from charitable activities

	2020 £	2019 £
Fees from local authorities	1,359,073	1,439,329

HOPE HOUSE SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

5 Income from other trading activities

	2020	2019
	£	£
Animal boarding	-	2,118
Trading activity income: other	-	1,047
	<u> </u>	<u> </u>
Other trading activities	-	3,165
	<u> </u>	<u> </u>

6 Investments

	Unrestricted funds	Unrestricted funds
	2020	2019
	£	£
Interest receivable	60	746
	<u> </u>	<u> </u>

HOPE HOUSE SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

7 Expenditure on charitable activities

	2020	2019
	£	£
Staff costs	1,035,430	1,083,025
Depreciation and impairment	15,103	16,360
Staff training	8,606	10,377
Equipment, furniture and resources	24,548	15,151
School trips	1,486	652
School uniform	991	6,163
Other school expenses	7,494	16,666
Sensory integration, therapy and counselling	42,448	15,421
Animal expenses	7,542	4,939
School food	7,336	18,743
Rent	29,833	37,864
Light and heat	19,593	13,661
Water rates	399	653
Repairs and maintenance	25,157	8,883
Cleaning and waste disposals	2,189	2,520
Garden expenses	-	-
Building renovation	-	-
Motor expenses	15,725	21,902
Insurance	18,662	24,094
Printing, postage and stationery	4,598	2,641
Telephone and data cost	15,841	10,585
Disclosure and barring service	1,243	2,510
Sundry expenses	583	4,283
	<u>1,284,807</u>	<u>1,317,093</u>
Share of governance costs (see note 8)	54,828	67,576
	<u>1,339,635</u>	<u>1,384,669</u>
Analysis by fund		
Unrestricted funds	1,339,635	
	<u>1,339,635</u>	
For the year ended 31 December 2019		
Unrestricted funds		1,384,669
		<u>1,384,669</u>

HOPE HOUSE SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

8 Governance costs

	2020 £	2019 £
Accountancy fees	15,914	5,695
Audit fees	15,300	4,000
Legal & professional fees	23,614	57,881
	<u>54,828</u>	<u>67,576</u>

9 Trustees

Trustees received £0 of remuneration in 2020 (2019: £19,899).

No expenses have been paid out to the trustees in 2020 (2019: £nil).

10 Employees

The average monthly number employees during the year was:

	2020 Number	2019 Number
	45	61
	<u>45</u>	<u>61</u>

Employment costs

	2020 £	2019 £
Wages and salaries	958,828	997,255
Social security costs	57,461	71,257
Other pension costs	19,141	14,513
	<u>1,035,430</u>	<u>1,083,025</u>

There were no employees who received total employee benefits of more than £60,000.

11 Mr M Westmoreland - expenditure in earlier years

	2020 £	2019 £
Expenditure in earlier periods	-	1,034
	<u>-</u>	<u>1,034</u>

HOPE HOUSE SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

12 Finance interest

	Unrestricted funds	Unrestricted funds
	2020	2019
Net loss on disposal of tangible fixed assets	2,019	-
Financing costs	4,041	4,782
	<u> </u>	<u> </u>

13 Tangible fixed assets

	Leasehold improvements	Fixtures and fittings	Computers	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 January 2020	36,675	-	-	135,960	172,635
Additions	-	722	552	-	1,274
Disposals	-	-	-	(11,344)	(11,344)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31 December 2020	36,675	722	552	124,616	162,565
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Depreciation and impairment					
At 1 January 2020	-	-	-	86,885	86,885
Depreciation charged in the year	3,668	180	184	11,071	15,103
Eliminated in respect of disposals	-	-	-	(6,558)	(6,558)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31 December 2020	3,668	180	184	91,398	95,430
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Carrying amount					
At 31 December 2020	33,007	542	368	33,218	67,135
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31 December 2019	36,675	-	-	49,075	85,750
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

14 Debtors

	2020	2019
	£	£
Amounts falling due within one year:		
Trade debtors	44,474	278,766
Other debtors	17,064	-
Prepayments and accrued income	970	-
	<u> </u>	<u> </u>
	62,508	278,766
	<u> </u>	<u> </u>

HOPE HOUSE SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

15 Finance lease commitments

Future minimum lease payments due under finance leases:

	2020 £	2019 £
Within one year	19,150	19,150
Within two and five years	5,898	23,490
	<u>25,048</u>	<u>42,640</u>

16 Creditors: amounts falling due within one year

	Notes	2020 £	2019 £
Obligations under finance leases	15	17,035	19,150
Other taxation and social security		24,598	60,099
Trade creditors		24,259	6,473
Other creditors		2,111	4,576
Accruals and deferred income		321,279	99,760
		<u>389,282</u>	<u>190,058</u>

17 Creditors: amounts falling due after more than one year

	Notes	2020 £	2019 £
Obligations under finance leases	15	5,597	23,490

18 Related party transactions

Remuneration of key management personnel

	2020 £	2019 £
Aggregate compensation	<u>33,824</u>	<u>30,220</u>

Salaries include £30,490 paid to Mr M Westmoreland (the husband of the ex trustee and principal Mrs T A Westmoreland).

HOPE HOUSE SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

19 Cash generated from operations	2020 £	2019 £
Surplus for the year	18,797	56,467
Adjustments for:		
Investment income recognised in statement of financial activities	(60)	(746)
Loss on disposal of tangible fixed assets	2,019	-
Depreciation and impairment of tangible fixed assets	15,103	16,360
Movements in working capital:		
Decrease/(increase) in debtors	216,258	(226,955)
Increase in creditors	201,339	43,352
Cash generated from/(absorbed by) operations	<u>453,456</u>	<u>(111,522)</u>