

Charity Registration No. 1133284

Company Registration No. 06877535 (England and Wales)

HOPE HOUSING, TRAINING AND SUPPORT LTD

A company limited by guarantee

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

tc accounts • tax • legal • financial planning

26-32 Oxford Road
Bournemouth
Dorset
United Kingdom
BH8 8EZ

HOPE HOUSING, TRAINING AND SUPPORT LTD

LEGAL AND ADMINISTRATIVE INFORMATION

Chief Executive Officer	Mrs. J Berti
Trustees	Mr. G Underhill Mrs. S Olley Mrs. S Harvey Mr J Adams Ms A Jones Ms S Elsbury
Charity number	1133284
Company number	06877535
Registered office	10 St Swithuns Road South Bournemouth Dorset United Kingdom BH1 3RQ
Auditor	TC Group 26-32 Oxford Road Bournemouth Dorset United Kingdom BH8 8EZ

CONTENTS

	Page
Trustee report	1 - 5
Independent auditor's report	6 - 10
Statement of financial activities	11
Balance sheet	12
Statement of cash flows	13
Notes to the financial statements	14 - 27

HOPE HOUSING, TRAINING AND SUPPORT LTD

TRUSTEE 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 accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts 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)".

Public Benefit Statement

The Board of Trustees are satisfied that they have fully complied with the duty in section 4 of 2011 Charities Act to have due regard to public benefit guidance issued by the Charity Commission, and that the mission, aims and activities of Hope Housing, Training and Support Ltd meet with these criteria.

Objectives and activities

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

Achievements and performance

We had 251 people come for assessments last year. 206 male and 51 female.

- We welcomed 162 (2019: 137) new residents into Hope Housing training and support in 2020 of which 27 were women. 44 (2019: 48) residents moved successfully onto independent living, some supported by our 10 for 10 project helping us to improve year on year.

-Depression and anxiety and psychiatric illness amounted to 84% (2019: 80%) of health and wellbeing issues. Another increase year on year.

Before Lockdown, Hope managed to have its first Valentine Ball held at the Hilton Hotel in Bournemouth on Friday 7th February. This raised £20k and a lot of community interest in our Charity. We definitely want to have another in the future.

TRUSTEE REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

2020 was spent dealing with Covid and its subsequent problems.

- All support team staff were working from home on the phones to all our residents.
- Residents without phones were supplied with phones so we could reach them.
- Whatsapp groups and zoom meetings were being carried out with residents where possible.
- A Whatsapp group was setup between support staff and also with food donators.
- All properties which did not have internet had emergency internet supplied to the properties.
- We sourced second hand TV's and Laptops to supply to those that needed them to do online courses etc.
- We purchased games/word search/brain games/cards/jigsaws etc to distribute to houses to keep them busy.
- We distributed gardening materials to houses which have gardens so they can get out and enjoy the fresh air.
- We moved the outdoor table tennis table onto the main car park so people can come and access it for some exercise.
- We continued to move people in with forehead thermometer checks and mouth swab drug tests and a travel declaration form.
- We kept one of our ensuite rooms vacant to allow anyone with symptoms to self-isolate with their own bathroom.
- We still received donations to our people fridge in reception and residents got as much help as we could offer with food as and when it was received and we had a volunteer distributing specific client food parcels every Monday.

We had 4 residents out of 100 contract Covid and due to the strict procedures of isolation and help package we provided these were very well contained. 4 staff also caught Covid during 2020 and luckily everyone made a full recovery with no hospitalisations.

Through all this madness we still saw some great achievements.

- 27 managed to do some volunteering including helping with COVID
- 21 did remote college courses with the help of devices and internet provisions.
- 28 gained working employment.

Financial review

Incoming resources for the year were £1,262,876 (2019 - £1,210,520) and resources expended were £1,185,151 (2019 - £1,129,817). The surplus for the year was £77,725 (2019: £80,703).

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

Hope's Reserves for 31 December 2020 were £325,647 of which unrestricted was £282,944.

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

The trustees have a risk management strategy, which comprises:

- An annual review of the principal risks and uncertainties that the Charity face;
- The establishment of policies, systems and procedures to mitigate those risks identified in the annual review; and
- The implementation of procedures designed to minimise or manage any potential impact on the charity should those risks materialise.

This work has identified that financial sustainability is the major financial risk for charity. A key element in the management of financial risk is a regular review of available liquid funds to settle debts as they fall due, regular liaison of bank transactions, and active management of trade debtors and creditors balances to ensure sufficient working capital by the Charity. Attention has also been focussed on non-financial risks such arising from fire, health and safety, staff training and IT Systems. These risks are managed by ensuring accreditations are up to date, having robust policies and procedures through our ISO9001 quality standards and regular training of staff in these operational areas.

Future Plans

Hope will open its first Charity Shop within its Hope and More CIC.

Local vulnerable people will be able to obtain a voucher from the partners we work with across the conurbation to allow them to choose their own clothing and shoes items and pay for them using the voucher giving them the dignity of shopping and choosing for themselves.

The ethos of Hope and More is 'you buy one, we give one' and this will be rolled out across other project in addition to the Charity Shop like our Bike project and AOK rucksack project and our Hope Soap. Meaning that every time an item is purchased from these projects by the public we will donate one free to a vulnerable person in the local area.

Hope has been liaising with the local BCP council to see how it can help with the Homeless Strategy and be present on several of the partnership boards giving advice and ideas.

We are working with the local BCP Council to house the Homeless they are currently in B&B and Hotels in the area and in addition provided move in packs to each of them through AOK and clothing Vouchers through the shop.

With the data we collected in 2019 and 2020 and the impact of Covid it has become essential to raise funds and bring a Mental Health Nurse on board the team to complete the needs of the resident and be able to offer a complete individual rounded approach to their needs with no interruptions in the circle of support needs. We are currently liaising with our community partners as to how best provide this provision alongside the current offering.

We intend to launch our Hope Soap range in time for Christmas 2021 sales.

TRUSTEE REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

Covid 19

At the date of approval of these financial statements, the charity, like all organisations in the UK, is affected by COVID-19 pandemic which is having significant detrimental impact on the social and financial economy of the UK.

The UK government have announced numerous measures to contain the spread of COVID-19, which the charity have implemented within its operations and working practices, to ensure a continuity of the services the charity provides to its residents.

Although there are uncertainties over the duration of the COVID-19 pandemic and of future measures that may be announced by government, the charity's finances, its income sources and expenditure, have to date been largely unaffected.

The trustees therefore have a reasonable expectation that the charity has adequate resources to contend with the uncertainties that may arise as a result of the ongoing COVID-19 pandemic, and to continue in operational existence for the foreseeable future.

Structure, governance and management

The charity is a company limited by guarantee.

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

Mrs. V Dunster (Resigned 31 December 2020)

Mr. G Underhill

Mrs. S Olley

Mrs. S Harvey

Mr J Adams

Ms A Jones

Ms S Elsbury

All of the trustees are members of the company and guarantee to contribute £10 in the event of a winding up.

TRUSTEE REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

Statement of Trustee responsibilities

The trustees, who are also the directors of Hope Housing, Training And Support Ltd for the purpose of company law, are responsible for preparing the Trustee 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 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

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Trustee report was approved by the Board of Trustees.

.....
Mr. G Underhill

Dated:

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF HOPE HOUSING, TRAINING AND SUPPORT LTD

Opinion

We have audited the financial statements of Hope Housing, Training And Support Ltd (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.

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.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF HOPE HOUSING, TRAINING AND SUPPORT LTD

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF HOPE HOUSING, TRAINING AND SUPPORT LTD

Responsibilities of trustees

As explained more fully in the statement of Trustee responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below:

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF HOPE HOUSING, TRAINING AND SUPPORT LTD

Extent to which the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit, in respect to fraud, are: to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses; and to respond appropriately to fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and its management.

Our approach was as follows:

- We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, and through discussion with the trustees and other management (as required by auditing standards), and discussed with the trustees and other management the policies and procedures regarding compliance with laws and regulations;
- We considered the legal and regulatory frameworks directly applicable to the financial statements reporting framework (FRS 102, Companies Act 2006 and the Charities Act 2011) and the relevant charity regulations in the UK;
- We considered the nature of the industry, the control environment and the charity's performance;
- We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit;
- We considered the procedures and controls that the charity has established to address risks identified, or that otherwise prevent, deter and detect fraud; and how senior management monitors those programmes and controls.

Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Where the risk was considered to be higher, we performed audit procedures to address each identified fraud risk. These procedures included: testing manual journals; reviewing the financial statement disclosures and testing to supporting documentation; performing analytical procedures; and enquiring of management, and were designed to provide reasonable assurance that the financial statements were free from fraud or error.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. This description forms part of our auditor's report.

HOPE HOUSING, TRAINING AND SUPPORT LTD

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF HOPE HOUSING, TRAINING AND SUPPORT LTD

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

(Senior Statutory Auditor)
for and on behalf of TC Group

Statutory Auditor
Office: Bournemouth

Date:.....

HOPE HOUSING, TRAINING AND SUPPORT LTD

STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £	Total 2019 £
Income from:					
Donations and grants	3	191,410	31,510	222,920	211,753
Charitable activities	4	1,039,956	-	1,039,956	998,767
Total income		1,231,366	31,510	1,262,876	1,210,520
Expenditure on:					
Charitable activities	5	1,140,786	44,365	1,185,151	1,129,817
Net incoming/(outgoing) resources before transfers		90,580	(12,855)	77,725	80,703
Gross transfers between funds		2,600	(2,600)	-	-
Net income/(expenditure) for the year/ Net movement in funds		93,180	(15,455)	77,725	80,703
Fund balances at 1 January 2020		189,764	58,158	247,922	167,218
Fund balances at 31 December 2020		282,944	42,703	325,647	247,921

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 HOUSING, TRAINING AND SUPPORT LTD

BALANCE SHEET

AS AT 31 DECEMBER 2020

	Notes	2020 £	£	2019 £	£
Fixed assets					
Tangible assets	9		503,587		504,461
Current assets					
Debtors	10	61,300		63,121	
Cash at bank and in hand		93,527		72,237	
		<u>154,827</u>		<u>135,358</u>	
Creditors: amounts falling due within one year	11	<u>(226,058)</u>		<u>(278,301)</u>	
Net current liabilities			(71,231)		(142,943)
Total assets less current liabilities			432,356		361,518
Creditors: amounts falling due after more than one year	12		(106,709)		(113,597)
Net assets			<u>325,647</u>		<u>247,921</u>
Income funds					
Restricted funds	14		42,703		58,158
Unrestricted funds			282,944		189,763
			<u>325,647</u>		<u>247,921</u>

The financial statements were approved by the Trustees on

.....
Mr. G Underhill
Trustee

Company Registration No. 06877535

HOPE HOUSING, TRAINING AND SUPPORT LTD

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	2020 £	£	2019 £	£
Cash flows from operating activities					
Cash generated from operations	20		120,838		96,312
Investing activities					
Purchase of tangible fixed assets		(35,196)		(48,755)	
Net cash used in investing activities			(35,196)		(48,755)
Financing activities					
(Repayment)/ advancement of borrowings		(57,464)		4,293	
Repayment of bank loans		(4,910)		(9,127)	
Payment of obligations under finance leases		(1,978)		(1,816)	
Net cash used in financing activities			(64,352)		(6,650)
Net increase in cash and cash equivalents			21,290		40,907
Cash and cash equivalents at beginning of year			72,237		31,330
Cash and cash equivalents at end of year			93,527		72,237

1 Accounting policies

Charity information

Hope Housing, Training And Support Ltd is a charitable company limited by guarantee incorporated in England and Wales. The registered office is 10 St Swithuns Road South, Bournemouth, Dorset, BH1 3RQ, United Kingdom.

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

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

1.2 Going concern

To date the charity has received financial support from DKB Leasing Limited in the form of an interest free, unsecured loan, which the charity has used to invest in its fixed assets and fund its charitable activities. The loan has no formal repayment terms, however the trustees have received assurances from DKB Leasing Limited that they will not seek repayment of the loan if it would be detrimental to the ability of the charity to continue to operate. The continuing operations of the charity are expected to generate positive cashflows and hence with the continued support from DKB Leasing Limited, the trustees are satisfied that the charity will have sufficient resources to continue to operate for the foreseeable future. Accordingly the trustees continue to apply the going concern assumption in the preparation of these financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

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 accounts.

1.4 Incoming resources

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.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

Income from charitable activities relates to rental incomes receivable on the provision of accommodation to residents in furtherance of the charity's objects. Fees and grants for service provision are accounted for on the basis of the amount receivable for the year with income recognised in the year in which this supply is made.

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.

Other income includes and gains on the disposal of fixed assets recognised on a receivable basis.

1.5 Resources expended

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

All expenditure is recognised once there is a legal or constructive obligation to the expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

All resources expended are inclusive of irrecoverable VAT.

1.6 Tangible fixed assets

Individual fixed assets with a life expectancy of 3 years or more and of a capital nature, are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation is provided on tangible fixed assets so as to write off the cost of valuation, less any estimated residual value, over their expected useful economic life as follows:

24 Library Road	100 years straight line
Outdoor Classroom & Office	10 years straight line basis
Fixtures, Fittings & Equipment	3 years straight line basis
Motor Vehicles	4 years straight line basis
New office	25 years straight line basis
Refurb	10 years straight line

1 Accounting policies

(Continued)

1.7 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

1.8 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Basic financial assets

Trade debtors, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

Basic financial liabilities

Trade creditors, loans and other payables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and payables'. Loans and payables are measured at amortised cost using the effective interest method, less any impairment.

Interest is recognised by applying the effective interest rate, except for short-term payables when the recognition of interest would be immaterial.

1.9 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.10 Leases

Assets held under finance leases, which are leases where substantially all the risks and rewards of ownership of the asset have passed to the charity, are capitalised in the balance sheet as tangible fixed assets and are depreciated over their useful lives. The capital elements of future obligations under the leases are included as liabilities in the balance sheet. The interest element of the rental obligation is charged to the statement of financial activities over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding.

Assets held under hire purchase agreements are capitalised as tangible fixed assets and are depreciated over their useful lives. The capital element of future finance payments is included within creditors. Finance charges are allocated to accounting periods over the length of the contract.

Rentals payable under operating leases are charged in the statement of financial activities on a straight line basis over the lease term.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

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 vary 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.

The trustees have considered whether there are any critical judgements required in the preparation of these accounts and have concluded that there are none requiring disclosure.

3 Donations and grants

	Unrestricted funds	Restricted funds	Total	Total
	2020 £	2020 £	2020 £	2019 £
Donations and gifts	177,732	31,510	209,242	211,753
Coronavirus Job Retention Scheme grants	13,678	-	13,678	-
	<u>191,410</u>	<u>31,510</u>	<u>222,920</u>	<u>211,753</u>

In 2019, of the total donations of £211,753, £71,830 were attributable to unrestricted funds and £139,923 were attributable to restricted funds.

4 Charitable activities

	Rental Income 2020 £	Rental Income 2019 £
Rental income	<u>1,039,956</u>	<u>998,767</u>

HOPE HOUSING, TRAINING AND SUPPORT LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

5 Charitable activities

	Total 2020	Total 2019
	£	£
Staff costs	298,076	286,595
Staff training	45	2,270
Rental expenses	542,713	511,412
Rates	22,807	23,630
Light and heat	50,355	40,113
Insurance	18,735	17,825
Travel and subsistence	12,945	14,070
Breakfast club for residents	15,550	17,447
Equipment repairs and renewals	933	370
General maintenance	62,324	65,313
Printing, postage and stationery	5,621	5,582
Subscriptions	15,049	18,522
Telephone and fax	18,084	5,971
Project expenses	42,303	45,580
Cleaning	4,170	2,771
Sundry	6,504	7,862
Accountancy fees	800	235
Consultancy fees	4,320	1,470
Bad debt write off	15,313	16,065
Loan interest	4,947	5,894
Depreciation	36,069	33,622
(Profit)/loss on disposal of fixed asset	-	(719)
HP interest	457	419
Bank charges	62	101
	<hr/>	<hr/>
	1,185,151	1,129,818
	<hr/>	<hr/>
	1,185,151	1,129,818
	<hr/>	<hr/>
Analysis by fund		
Unrestricted funds	1,140,786	1,037,247
Restricted funds	44,365	92,571
	<hr/>	<hr/>
	1,185,151	1,129,818
	<hr/>	<hr/>

HOPE HOUSING, TRAINING AND SUPPORT LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

6	Net movement in funds	2020 £	2019 £
	Net movement in funds is stated after charging/(crediting)		
	Depreciation of owned tangible fixed assets	36,069	33,622

7 Trustees

None of the trustees (or any persons connected with them) received any remuneration, reimbursement of expenditure or benefits from the charity during the year. No donations were made to the charity from any of the trustees during the year.

8 Employees

Number of employees

The average monthly number of employees during the year was:

	2020 Number	2019 Number
	14	14

Employment costs

	2020 £	2019 £
Wages and salaries	274,362	265,015
Social security costs	19,249	17,770
Other pension costs	4,465	3,810
	298,076	286,595

No employee received emoluments of more than £60,000 during the current or the previous year.

HOPE HOUSING, TRAINING AND SUPPORT LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

9 Tangible fixed assets

	24 Library Road	Outdoor Classroom & Office	Fixtures, Fittings & Equipment	Motor Vehicles	New office	Refurb	Total
	£	£	£	£	£	£	£
Cost							
At 1 January 2020	363,996	18,679	148,896	21,459	90,957	21,296	665,283
Additions	-	690	20,264	-	-	14,242	35,196
At 31 December 2020	363,996	19,369	169,160	21,459	90,957	35,538	700,479
Depreciation and impairment							
At 1 January 2020	15,906	9,221	116,806	12,118	4,642	2,130	160,823
Depreciation charged in the year	3,640	1,631	20,911	3,099	3,638	3,150	36,069
At 31 December 2020	19,546	10,852	137,717	15,217	8,280	5,280	196,892
Carrying amount							
At 31 December 2020	344,450	8,517	31,443	6,242	82,677	30,258	503,587
At 31 December 2019	348,090	9,458	32,091	9,341	86,315	19,166	504,461

HOPE HOUSING, TRAINING AND SUPPORT LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

10 Debtors

	2020	2019
	£	£
Amounts falling due within one year:		
Accounts receivable	13,812	21,554
Other debtors	954	1,081
Prepayments and accrued income	46,534	40,486
	<u>61,300</u>	<u>63,121</u>

11 Creditors: amounts falling due within one year

	2020	2019
	£	£
	Notes	
Bank loans	13	9,147
Obligations under hire purchase		1,978
Other loans - DKB Leasing Limited	13	151,594
Other taxation and social security		4,788
Accounts payable		24,932
Other creditors		4,087
Accruals and deferred income		29,532
		<u>226,058</u>
		<u>278,301</u>

The hire purchase liability is secured against the assets to which they relate.

The bank loan is secured against the property owned by the charity.

12 Creditors: amounts falling due after more than one year

	2020	2019
	£	£
	Notes	
Bank loans	13	104,559
Obligations under hire purchase		2,150
		<u>106,709</u>
		<u>113,597</u>

The hire purchase liability is secured against the assets to which they relate.

The bank loan is secured against the property owned by the charity.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

13 Loans and overdrafts

	2020	2019
	£	£
Bank loans	113,706	118,616
Other loans	151,594	209,058
	<u>265,300</u>	<u>327,674</u>
Payable within one year	160,741	218,208
Payable after one year	<u>104,559</u>	<u>109,466</u>
Amounts included above which fall due after five years:		
Payable by instalments	<u>59,964</u>	<u>66,953</u>

Bank and other loans on which security has been given by the Charity totalled £113,706 (2019 - £118,616).

The mortgage loan is repayable over 15 years from December 2014 to November 2029 by monthly instalments and carries an annual interest rate of 4.5%.

Other loans represents an amount DKB Leasing Limited has provided the charity, which is interest free, unsecured and has no formal repayment terms. The trustees have received assurances from DKB Leasing Limited that they will not seek repayment of the loan if it would be detrimental to the ability of the charity to continue to operate.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

14 Restricted funds

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

	Movement in funds				
	Balance at 1 January 2020	Incoming resources	Resources expended	Transfers	Balance at 31 December 2020
	£	£	£	£	£
Rucksack appeal	13,143	-	(16,178)	3,035	-
Bedroom refurbishment	10	-	(10)	-	-
Choir/music	910	-	-	-	910
Heike Drum Share	650	-	-	-	650
Food for future	1,341	-	(127)	-	1,214
Garden project	123	-	(903)	780	-
Health and wellbeing	11,185	-	(6,393)	-	4,792
Kitchen - 10 St Swithens	(3,087)	-	-	-	(3,087)
Laundry room - 10 St Swithens	3,629	-	-	-	3,629
Maths/ English Tutoring	8,279	-	-	-	8,279
Hope Soap Kitchen	9,236	-	(5,325)	(5,725)	(1,814)
Space to grow	530	-	-	-	530
Starter Packs/ Employment	1,261	-	-	-	1,261
Store Room	1,000	-	-	(690)	310
Ten4Ten	9,948	14,610	(10,655)	-	13,903
Mental health nurse	-	10,000	-	-	10,000
Ex-offenders support worker	-	6,900	(4,774)	-	2,126
	<u>58,158</u>	<u>31,510</u>	<u>(44,365)</u>	<u>(2,600)</u>	<u>42,703</u>

Included within transfers is £6,845 (2019 - £8,610) which relates to fixed assets purchased by the charity during the year and capitalised within fixed assets. The charity having acquired these fixed assets considers itself to have met the conditions of these funds and hence has released the restricted funds to unrestricted funds.

14 Restricted funds

(Continued)

The specific purposes for which the funds are applied are as follows:

Rucksack Appeal - this appeal is to support 4 different packs we provide to help vulnerable adults across Dorset. We engage with 46 agencies and provide rucksacks for the homeless, move in packs for people moving in to supported accommodation, move on packs for moving into independent living and employment packs.

Bedroom refurbishment - part of a mayor refurbishment of 10 St Swithun's Road, when the staff vacated their offices and moved to a purpose build office block, freeing up room to be redecorated and furnish as bedrooms, providing additional accommodation for more residents .

Choir/Music - part of relaxation therapy for the residents, we are going to start a choir. The donation given will be used to employ a Choir Master.

Heike Drum Share - a drum class to be held for our residents once a week for a year to help with their health and wellbeing.

Food For Future - involves organising cookery clubs for residents to learn about cookery skills, healthy eating, new recipes and cooking on a budget. Project also includes accredited training for residents to achieve a catering qualification.

Garden Project - help fund our 12 gardens, especially three large ones at our main site. We provide gardening opportunities, vegetable growing, fruit plants/trees and composting areas along with bird feeders and bird boxes for the wildlife. This is along with a water feature and bench areas for relaxation and contemplation.

Health and wellbeing - is a project to improve the health and wellbeing of clients through various in-house health monitoring of BMI, blood pressure, weight management etc through to arranging and facilitating doctors, dentist and vision checks. We also provide wellbeing activities such as a gym, cooking evenings, yoga classes, guitar lessons, gardening, outdoor table tennis and regular group events.

Kitchen - 10 St Swithuns- As part of the refurbishment at No 10, the very old kitchen was reallocated to a larger room and completely refitted

Laundry Room - to install new washers and dryers into a separate laundry room at our main site.

Maths/English Tutoring - provide one to one tutoring to our residents who have anxiety around group course to work on their English and Maths up to an accredited level.

Hope soap – This is a project to get residents involved with the making of soap to sell in the Charity shop that we are opening in 2021.

Space to Grow - project involved purchasing a summerhouse for Hope's property in Poole, which can be used by residents for gardening, craft, social and therapeutic activities.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

14 Restricted funds

(Continued)

Ex-Offenders Support Worker - new funding received for ex-offenders counselling services which has started this year.

Store Room - funding to provide storage predominately for AOK Rucksack appeal - to date we have purchased one shed.

Ten4Ten - Move on Project 2019 10th Anniversary - to date we have successfully moved on 12 person with support for the first year and then progressing onto unsupported living. This project has been such a success we will be looking to apply for future funding to extend the scheme.

14 Restricted funds
Previous year

	Movement in funds				
	Balance at 1 January 2019	Incoming resources	Resources expended	Transfers	Balance at 1 January 2020
	£	£	£	£	£
Rucksack appeal	2,632	32,607	(22,096)	-	13,143
Bedroom refurbishment	-	2,800	-	(2,790)	10
Choir/music	-	910	-	-	910
Heike drum share	1,250	-	(600)	-	650
Food for future	1,727	-	(386)	-	1,341
Garden Project	-	700	(577)	-	123
Health and wellbeing	3,054	32,040	(23,909)	-	11,185
Kitchen - 10 St Swithuns	-	4,400	(5,367)	(2,120)	(3,087)
Laundry room	1,629	2,000	-	-	3,629
Life skills - support worker	-	10,000	(10,000)	-	-
Maths/english tutoring	4,399	3,880	-	-	8,279
Hope soap	-	21,456	(12,220)	-	9,236
Space to grow -24 Library	530	-	-	-	530
Starter packs/employment	495	1,000	(234)	-	1,261
Store room		1,000			1,000
Ten4ten		27,130	(17,182)		9,948
New van	3,700			(3,700)	-
	19,416	139,923	(92,571)	(8,610)	58,158

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

16 Analysis of net assets between funds

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £	Total 2019 £
Fund balances at 31 December 2020 are represented by:				
Tangible assets	503,587	-	503,587	504,461
Current assets/(liabilities)	(113,934)	42,703	(71,231)	(142,943)
Long term liabilities	(106,709)	-	(106,709)	(113,597)
	<u>282,944</u>	<u>42,703</u>	<u>325,647</u>	<u>247,921</u>

17 Financial commitments, guarantees and contingent liabilities

The Talbot Trust has a proportional charge over the property at 24 Library Road Poole. In the event that the property is either sold or no longer used for its charitable purpose an amount would be owed to the Talbot Trust at a value proportional to the contribution the Trust made to the purchase of 24 Library Road (being £55,000 of £242,237).

18 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2020 £	2019 £
Within one year	454,244	186,446
Between two and five years	635,848	65,344
	<u>1,090,092</u>	<u>251,790</u>

During the year £542,715 (2019 - £511,412) of lease payments were recognised as an expense.

19 Related party transactions

The CEO of the charity is a director and person of significant control of DKB Leasing Limited. DKB Leasing Limited established the charity in 2009 to enable supported housing to continue after the loss of supported people funding.

DKB Leasing Limited operate Leo Training as a division of the company.

During the year the charity paid rent totalling £537,215 (2019 - £505,912) to DKB Leasing Limited. During the year the charity received £29,432 (2019 - £26,875) in unrestricted donations from DKB Leasing Limited.

At the year end the charity owed DKB Leasing Limited £167,726 (2019 - £221,807), of this £16,132 (2019 - £12,749) was within accruals. This amount has accrued over a period of nine years since conception through differing rent payments to enable the charity to support its core running costs and has increased during the year. Part of the future development plans for the charity is a two year repayment plan.

20 Cash generated from operations	2020	2019
	£	£
Surplus for the year	77,725	80,702
Adjustments for:		
Depreciation and impairment of tangible fixed assets	36,069	33,622
Movements in working capital:		
Decrease/(increase) in debtors	1,820	(18,890)
Increase in creditors	5,224	97
Cash generated from operations	120,838	95,531

21 Analysis of changes in net (debt)/funds	At 1 January 2020	Cash flows	At 31 December 2020
	£	£	£
Cash at bank and in hand	72,237	21,290	93,527
Loans falling due within one year	(218,208)	57,467	(160,741)
Loans falling due after more than one year	(109,466)	4,907	(104,559)
Obligations under finance leases	(6,109)	1,981	(4,128)
	(261,546)	85,645	(175,901)