

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 2022

tc accounts • tax • legal • financial planning

10 Bridge Street
Christchurch
Dorset
BH23 1EF

HOPE HOUSING, TRAINING AND SUPPORT LTD

LEGAL AND ADMINISTRATIVE INFORMATION

Chief Executive Officer	Mrs. J Berti
Trustees	Mr. G Underhill Mrs. S Harvey Mr J Adams Ms C Gillingham Mr G Hannam Mr C Jamieson Ms L Orchard
Charity number	1133284
Company number	06877535
Registered office	10 St Swithuns Road South Bournemouth Dorset United Kingdom BH1 3RQ
Auditor	TC Group 10 Bridge Street Christchurch Dorset BH23 1EF

HOPE HOUSING, TRAINING AND SUPPORT LTD

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HOPE HOUSING, TRAINING AND SUPPORT LTD

TRUSTEE REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2022

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

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

Residents Supported through the year

During 2022, Hope Housing housed 152 residents. We have successfully moved on into independent living over one third of these residents. Over half of these residents have been awarded PIP. Improving an individual's finances and supporting their structure and purpose enables the resident to sustain a long tenancy that allows them to work on themselves and build a better future. This resulted in positive outcomes for Hope Housing during 2022, residents have successfully embarked on 'Future 2 Work' programme and 'Bounce Back', Health and Wellbeing with AFC Bournemouth.

Our evidence shows that the amount of relapse evictions has decreased dramatically from the last year. The amount of residents that volunteer and have structure has increased. This would explain why our relapse evictions are less because more residents have structure, giving them purpose. This reflects well on the support team as it shows they are focusing on giving the resident a purpose, building on the resident's self-worth and self-esteem.

Less residents left Hope Housing during this year compared to last. Improving residents benefit status and applying for PIP, has also had a positive impact. Residents can sustain their tenancy financially and stay in their accommodation longer. The support team need to continue with their focus being to assess the resident's financial situation and support structure and purpose.

Clients Needs

We have residents with very complex needs hence the need to good support in a way which suits the needs of the individuals.

One or more of our residents suffers from the following conditions, Anxiety, PTSD, Bipolar, Psychosis, Suicidal thoughts, Cancer, High Cholesterol, Epilepsy, Asthma, Emotional unstable personality disorder, ADHD & DVT, COPD, leg Ulcers & DVT, Heart Disease, Arthritis, Autism, Gambling Addiction, Drug Addiction, Alcoholism, Aspergers, Dyslexia/Dyspraxia, Schizophrenia, Poor Vision, Chronic Pancreatitis, Hearing Impairment, diabetes, Brain injury's or HIV Positive.

We sign post clients to the local partners who assist with Mental health and drug and alcohol abuse. We also make sure they are receiving the correct benefits and help them with applications and attending interviews and appointments.

We look at the benefits of the resident receiving Counselling through Hope Housing or through specific facilities like Cruse, Bereavement, Stars or Steps to wellbeing.

Funding

We raised 230K from some very generous trusts and donations in 2022 to pay for the person centred support we give to all our residents through many different initiatives and projects.

Hope has a Charity shop Hope & More based in Southbourne of which all profits go towards the support of residents. We also give free £20 vouchers to partners in the area to allow vulnerable persons to buy clothes for free in the shop.

Hope Soap is sold online and through market stalls with the principal of buyonegiveonesoap meaning every bar sold means a bar is donated to our partners such as our local foodbank in the area providing toiletries to those in need.

Our efforts to produce our own income helps us match fund projects with funders and gives social awareness to what we do in the community.

Events

During 2022 we held the following events Queens Jubilee Garden Party for all residents. 'Elvis Night' fundraiser and 'Hope and Hounds' dog walk. Christmas party for all residents where all greatly received. We have also relaunched our group facilities which are very popular with residents.

HOPE HOUSING, TRAINING AND SUPPORT LTD

TRUSTEE REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

Financial review

Incoming resources for the year were £1,391,227 (2021 - £1,202,374) and resources expended were £1,356,797 (2021 - £1,263,945), resulting in a surplus for the year of £34,430 (2021 - deficit for the year of £61,571). The deficit seen in 2021 was largely caused by additional financial and operating costs incurred in continuing to provide the charity's services throughout the Coronavirus pandemic.

Reserves policy

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

Reserves are needed to bridge the gap between the spending and receiving of income and to cover unplanned emergency repairs and other expenditure. The trustees consider that the ideal level of reserves would be £75,656.

Hope's Reserves for 31/12/22 were £298,505 of which unrestricted was £239,526.

Risk Management

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 system and regular training of staff in these operational areas.

HOPE HOUSING, TRAINING AND SUPPORT LTD

TRUSTEE REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

Financial improvements in 2023

We have managed to recover from our Covid loss and are now back on track financially. We still spend a lot of time and effort on fundraising to be able to keep the level of support we believe is required for our residents.

The Soap Kitchen

The soap kitchen is busy, busy, busy. We have been fortunate to of been picked as one of the New Forest Show's Charity pitches this year and we can not wait to represent Hope Soap at the show in July 2023. We feel this will really put us on the map. We also have 3 retail outlets now stocking our soap and hope to add to his more in 2023. All profits from this venture go towards supporting residents and providing a bar of soap to vulnerable adults across Dorset in need of toiletries.

Corporate Partnerships

We will be concentrating on more corporate partnerships in 2023 and hoping to work more with local businesses in our area to help them understand the needs of our residents and the good influences they can make both for us and their business and staff.

Objectives for 2023

To continue to maintain consistency and improve the service we provide wherever possible.

To continue to encourage and motivate our residents to work towards regaining control of their lives and to making positive changes towards independent living and a healthier lifestyle.

To continue to liaise with external agencies with a view to offering new Training and Further Education opportunities.

To continue to listen to our residents and improve the service we provide.

HOPE HOUSING, TRAINING AND SUPPORT LTD

TRUSTEE REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

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:

Mr. G Underhill

Mrs. S Harvey

Mr J Adams

Ms A Jones

(Resigned 31 January 2022)

Ms C Gillingham

Mr G Hannam

Mr C Jamieson

Ms L Orchard

Ms C Granville

(Resigned 31 January 2022)

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

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.

HOPE HOUSING, TRAINING AND SUPPORT LTD

TRUSTEE REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

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: 1-9-23

HOPE HOUSING, TRAINING AND SUPPORT LTD

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 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.

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.

HOPE HOUSING, TRAINING AND SUPPORT LTD

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.

HOPE HOUSING, TRAINING AND SUPPORT LTD

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.

TC Group

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

Statutory Auditor

Office: Christchurch

01/09/2023
Date:.....

HOPE HOUSING, TRAINING AND SUPPORT LTD

STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Total 2021 £
<u>Income from:</u>					
Donations and grants	3	99,471	149,745	249,216	154,788
Charitable activities	4	1,142,011	-	1,142,011	1,047,586
Total income		1,241,482	149,745	1,391,227	1,202,374
<u>Expenditure on:</u>					
Charitable activities	5	1,246,881	109,916	1,356,797	1,263,945
Net (outgoing)/incoming resources before transfers		(5,399)	39,829	34,430	(61,571)
Gross transfers between funds		42,298	(42,298)	-	-
Net income/(expenditure) for the year/ Net movement in funds		36,899	(2,469)	34,430	(61,571)
Fund balances at 1 January 2022		202,627	61,448	264,075	325,646
Fund balances at 31 December 2022		239,526	58,979	298,505	264,075

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 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	8		515,600		493,793
Current assets					
Debtors	9	133,782		82,813	
Cash at bank and in hand		54,894		59,001	
		<u>188,676</u>		<u>141,814</u>	
Creditors: amounts falling due within one year	10	<u>(324,392)</u>		<u>(279,396)</u>	
Net current liabilities			(135,716)		(137,582)
Total assets less current liabilities			379,884		356,211
Creditors: amounts falling due after more than one year	11		(81,379)		(92,136)
Net assets			<u>298,505</u>		<u>264,075</u>
Income funds					
Restricted funds	13		58,979		61,448
Unrestricted funds			239,526		202,627
			<u>298,505</u>		<u>264,075</u>

The financial statements were approved by the Trustees on 1-9-23



Mr. G Underhill
Trustee

Company Registration No. 06877535

HOPE HOUSING, TRAINING AND SUPPORT LTD

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	2022 £	£	2021 £	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	19		91,066		(33,948)
Investing activities					
Purchase of tangible fixed assets		(64,147)		(29,008)	
Proceeds on disposal of tangible fixed assets		-		190	
Net cash used in investing activities			(64,147)		(28,818)
Financing activities					
Increase/(Repayment) of borrowings from related party		(18,272)		41,006	
Repayment of bank loans		(10,772)		(10,785)	
Payment of obligations under finance leases		(1,982)		(1,981)	
Net cash (used in)/generated from financing activities			(31,026)		28,240
Net decrease in cash and cash equivalents			(4,107)		(34,526)
Cash and cash equivalents at beginning of year			59,001		93,527
Cash and cash equivalents at end of year			54,894		59,001

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 2022

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.

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

1.7 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.

HOPE HOUSING, TRAINING AND SUPPORT LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

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 Retirement benefits

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

1.11 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.

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
	2022 £	2022 £	2022 £	2021 £
Donations and gifts	80,346	149,745	230,091	152,368
Government grant	19,125	-	19,125	2,420
	<u>99,471</u>	<u>149,745</u>	<u>249,216</u>	<u>154,788</u>

Government grant income is made up of £18,739 Kickstarter Scheme (providing young people with six months' paid work placement) and £386 Coronavirus Job Retention Scheme (2021 - £2,420).

In 2021, of the total donations and grants of £154,788, £97,908 were attributable to unrestricted funds and £56,880 were attributable to restricted funds.

4 Charitable activities

	Rental Income 2022 £	Rental Income 2021 £
Rental income	<u>1,142,011</u>	<u>1,047,586</u>

HOPE HOUSING, TRAINING AND SUPPORT LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

5 Charitable activities

	Total 2022	Total 2021
	£	£
Staff costs	404,610	330,464
Staff training	2,920	1,389
Rental expenses	573,330	572,154
Rates	23,752	26,606
Light and heat	63,867	50,643
Insurance	19,905	20,160
Travel and subsistence	18,470	14,395
Breakfast club for residents	17,476	16,737
Equipment repairs and renewals	9,988	11,694
General maintenance	72,869	62,729
Printing, postage and stationery	6,157	5,505
Subscriptions	17,039	16,575
Telephone and fax	14,796	16,651
Project expenses	26,929	12,605
Cleaning	2,629	3,534
Sundry	8,100	9,252
Accountancy fees	9,335	10,766
Consultancy fees	3,350	2,953
Bad debt write off	10,919	36,387
Loan interest	5,216	4,460
Depreciation	42,340	38,070
(Profit)/loss on disposal of fixed asset	-	543
HP interest	457	457
Bank charges	2,343	303
	<hr/> 1,356,797	<hr/> 1,263,946
	<hr/>	<hr/>
	<hr/> 1,356,797	<hr/> 1,263,946
	<hr/>	<hr/>
Analysis by fund		
Unrestricted funds	1,246,881	1,219,108
Restricted funds	109,916	44,838
	<hr/> 1,356,797	<hr/> 1,263,946
	<hr/>	<hr/>

HOPE HOUSING, TRAINING AND SUPPORT LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

6 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.

The Trustees deem themselves as the only key management personnel within the charity.

7 Employees

Number of employees

The average monthly number of employees during the year was:

	2022	2021
	Number	Number
	18	15
	<u> </u>	<u> </u>
Employment costs	2022	2021
	£	£
Wages and salaries	369,417	300,852
Social security costs	25,834	24,646
Other pension costs	9,359	4,966
	<u> </u>	<u> </u>
	<u>404,610</u>	<u>330,464</u>

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 2022

8 Tangible fixed assets	24 Library Road	Outdoor Classroom & Office		Fixtures, Fittings & Equipment		Motor Vehicles		New office	Refurb	Total
	£	£	£	£	£	£	£			
Cost										
At 1 January 2022	363,996	19,369	188,497	21,259	90,957	43,209	727,287			
Additions	-	7,001	24,969	23,495	-	8,682	64,147			
At 31 December 2022	363,996	26,370	213,466	44,754	90,957	51,891	791,434			
Depreciation and impairment										
At 1 January 2022	23,186	12,390	160,121	16,836	11,918	9,043	233,494			
Depreciation charged in the year	3,640	1,927	22,285	6,475	3,638	4,375	42,340			
At 31 December 2022	26,826	14,317	182,406	23,311	15,556	13,418	275,834			
Carrying amount										
At 31 December 2022	337,170	12,053	31,060	21,443	75,401	38,473	515,600			
At 31 December 2021	340,810	6,979	28,376	4,423	79,039	34,166	493,793			

HOPE HOUSING, TRAINING AND SUPPORT LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

9 Debtors

	2022	2021
Amounts falling due within one year:	£	£
Accounts receivable	28,598	14,000
Other debtors	45,014	16,915
Prepayments and accrued income	60,170	51,898
	<u>133,782</u>	<u>82,813</u>

10 Creditors: amounts falling due within one year

	Notes	2022	2021
		£	£
Bank loans	12	10,770	10,785
Obligations under hire purchase		165	2,147
Other loans - DKB Leasing Limited	12	174,328	192,600
Other taxation and social security		7,124	6,326
Accounts payable		24,339	30,738
Other creditors		54,766	2,975
Accruals and deferred income		52,900	33,825
		<u>324,392</u>	<u>279,396</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.

11 Creditors: amounts falling due after more than one year

	Notes	2022	2021
		£	£
Bank loans	12	81,379	92,136

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.

HOPE HOUSING, TRAINING AND SUPPORT LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

12 Loans and overdrafts

	2022 £	2021 £
Bank loans	92,149	102,921
Other loans	174,328	192,600
	<u>266,477</u>	<u>295,521</u>
Payable within one year	185,098	203,385
Payable after one year	<u>81,379</u>	<u>92,136</u>
Amounts included above which fall due after five years:		
Payable by instalments	<u>47,768</u>	<u>59,964</u>

Bank and other loans on which security has been given by the Charity totalled £92,149 (2021 - £102,921).

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.

HOPE HOUSING, TRAINING AND SUPPORT LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

13 Restricted funds

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

	Balance at 1 January 2022	Movement in funds			Balance at 31 December 2022
	£	Incoming resources £	Resources expended £	Transfers £	£
Choir / Music	1,560	2,500	(489)	-	3,571
Education & Skills - DigiSkills	-	15,693	(8,677)	(3,606)	3,410
Electric Car	-	20,000	-	(20,000)	-
Support for Ex-Offenders	-	8,000	-	-	8,000
Food for Future (Hygiene course)	3,930	5,500	(7,080)	-	2,350
Future2Work	15,368	-	(10,031)	(5,337)	-
Garden Project	1,000	-	(527)	-	473
Health and Wellbeing / Gym	11,313	30,290	(29,898)	(1,433)	10,272
Laundry - 10 St Swithuns	3,142	-	-	(3,142)	-
Maths / English - Tutoring	8,279	-	-	-	8,279
Mental Health Support	8,030	7,500	(17,782)	-	(2,252)
Pathway for women to work	-	15,000	(10,030)	-	4,970
Hope Soap Kitchen	-	212	(4,177)	4,063	98
Starter Packs / Rucksack	4,916	10,050	(7,713)	-	7,253
Store Room / Space to grow	1,840	12,500	(1,446)	(12,894)	-
Support Worker	-	7,000	(7,000)	-	-
Ten4Ten	2,070	15,500	(5,015)	-	12,555
	<u>61,448</u>	<u>149,745</u>	<u>(109,865)</u>	<u>(42,349)</u>	<u>58,979</u>

13 Restricted funds

(Continued)

Included within transfers is £37,527 (2021 - £375) 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.

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

Choir and music fund - the fund was created as part of our strategy to provide relaxation therapy for the residents, through choir participation and drum classes.

Education and Digiskills - Digiskills is held every week for the residents and helps them use modern IT equipment and bring their skills up to date with Iphones, I pads, touch screen laptops and using Modern VR equipment and Drones. We have found residents are not aware how to use this new technology which is even needed to order at MacDonalds now! Without this upskill they are at a disadvantage when applying for work and to live an independent life. Over 30 residents have already attended this new club.

Electric car - We have been very fortunate to have a donation to upgrade our 13 year old fiat 500 to a nearly new Electric Golf which is now saving 3K in petrol, tax etc a year. It now costs us only £4.50 for a full charge. We have installed Tap Electric chargers which is through easy point and can be used/booked by the general public creating a further donation to the charity on an ongoing basis as we are close to the town centre and available on their App.

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

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.

Future2 Work - This project connects our clients (through mentoring/coaching) who want to be supported into a secure pathway of employment, helping them to face barriers getting into work by guiding and supporting them through several programme routes and stages, working with a number of local businesses, groups and charities to offer volunteering opportunities to our clients as well as opportunities to volunteer in- house.

13 Restricted funds

(Continued)

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.

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.

Mental health support - funding to go towards the large cost of mental health support that our residents need (even more so during and post Covid) through counselling and additional support to help them work through trauma, abuse, addiction, depression, rehabilitation and grief.

Pathway for women to work - We have used this EFA funding through Groundworks to concentrate on getting our female residents back into work. We have run personal development classes, new business start-up groups and work ready sessions liaising with the women and tailoring sessions to the people in the room rather than a set program.

Hope Soap Kitchen - This is a project to get residents involved with the making of soap to sell in the Charity shop.

Starter packs/employment - are essential items needed by our residents when they first come to us. For those that are without, they are provided with kitchen, bedroom and bathroom items to help them live comfortably.

Store Room / Space to grow - project involved purchasing additional storage sheds and summerhouses, including for Hope's property in Poole, which can be used by residents for gardening, craft, social and therapeutic activities.

Support Worker - new funding received for ex-offenders counselling services.

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.

HOPE HOUSING, TRAINING AND SUPPORT LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

14 Restricted funds

Previous year

	Balance at 1 January 2021	Movement in funds			Balance at 1 January 2022
	£	Incoming resources £	Resources expended £	Transfers £	£
Choir / Music	-	-	(1,239)	1,239	-
Choir and music fund	1,560	-	-	-	1,560
Food for Future	1,214	2,920	(204)	-	3,930
Health and wellbeing	4,792	21,160	(14,639)	-	11,313
Garden Project	-	1,000	-	-	1,000
Kitchen - 10 St Swithuns	(3,087)	-	-	3,087	-
Laundry room - 10 St Swithens	3,629	-	(113)	(375)	3,141
Maths/english tutoring	8,279	-	-	-	8,279
Hope Soap kitchen	(1,814)	-	(600)	2,414	-
Space to grow	840	1,000	-	-	1,840
Starter packs/employment	1,261	4,500	(845)	-	4,916
Mental health support	10,000	1,000	(2,970)	338	8,368
Ex-offenders support worker	2,126	5,000	(7,464)	-	(338)
Ten4Ten	13,903	300	(12,133)	-	2,070
Future2 Work	-	20,000	(4,631)	-	15,369
	42,703	56,880	(44,838)	6,703	61,448

15 Analysis of net assets between funds

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Total 2021 £
Fund balances at 31 December 2022 are represented by:				
Tangible assets	515,600	-	515,600	493,793
Current assets/(liabilities)	(194,695)	58,979	(135,716)	(137,582)
Long term liabilities	(81,379)	-	(81,379)	(92,136)
	239,526	58,979	298,505	264,075

16 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).

HOPE HOUSING, TRAINING AND SUPPORT LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

17 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:

	2022 £	2021 £
Within one year	353,405	455,686
Between two and five years	279,439	310,849
	<u>632,844</u>	<u>766,535</u>

During the year £573,328 (2021 - £572,154) of lease payments were recognised as an expense.

18 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 £563,638 (2021 - £566,654) to DKB Leasing Limited. During the year the charity received £22,019 (2021 - £74,202) in unrestricted donations from DKB Leasing Limited.

At the year end the charity owed DKB Leasing Limited £193,728 (2021 - £211,525), of this £19,400 (2021 - £18,925) was within accruals. This amount has accrued over a period 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 to formalise a repayment plan.

The CEO of the charity is also a director and person of significant control of Hope & More Community Interest Company. Hope & More Community Interest Company was established in 2019 to support and make more profitable several community projects in the area, to involve more volunteers and to enable more community members to benefit from their facilities.

During the year the charity received £17,000 in unrestricted donations from Hope & More Community Interest Company.

HOPE HOUSING, TRAINING AND SUPPORT LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

19	Cash generated from operations	2022	2021	
		£	£	
	Surplus/(deficit) for the year	34,430	(61,572)	
	Adjustments for:			
	(Gain)/loss on disposal of tangible fixed assets	-	543	
	Depreciation and impairment of tangible fixed assets	42,340	38,070	
	Movements in working capital:			
	(Increase) in debtors	(50,969)	(21,514)	
	Increase in creditors	65,265	10,525	
	Cash generated from/(absorbed by) operations	91,066	(33,948)	
20	Analysis of changes in net (debt)/funds			
		At 1 January 2022	Cash flows	At 31 December 2022
		£	£	£
	Cash at bank and in hand	59,001	(4,107)	54,894
	Loans falling due within one year	(203,385)	18,287	(185,098)
	Loans falling due after more than one year	(92,136)	10,757	(81,379)
	Obligations under finance leases	(2,147)	1,982	(165)
		(238,667)	26,919	(211,748)