

Charity registration number 1137686

Company registration number 07309173 (England and Wales)

HOPE INTO ACTION UK
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

HOPE INTO ACTION UK

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr I G Billage	
	Mr G Howard	
	Mrs J Hunte	(Appointed 4 February 2022)
	Mr H J Kettel	
	Ms R Mathew	(Appointed 10 February 2022)
	Mrs D J Nash	
	Revd D Tidball	
Secretary	Mr E R Walker	
Charity number	1137686	
Company number	07309173	
Registered office	26 North Street Peterborough United Kingdom PE1 2RA	
Auditor	Azets Audit Services Ruthlyn House 90 Lincoln Road Peterborough United Kingdom PE1 2SP	
Bankers	Lloyds Bank plc 65 High Street Stamford Lincolnshire United Kingdom PE9 2AT	
	The Co-operative Bank Business Customer Services P.O. Box 250 Skelmersdale Wigan United Kingdom WN8 6WT	
	CAF Bank 25 Kings Hill Avenue West Malling Kent United Kingdom ME19 4JQ	

HOPE INTO ACTION UK

CONTENTS

	Page
Trustees' report	1 - 7
Statement of trustees' responsibilities	8
Independent auditor's report	9 - 11
Statement of financial activities	12 - 13
Balance sheet	14 - 15
Statement of cash flows	16
Notes to the financial statements	17 - 34

HOPE INTO ACTION UK

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

The Trustees present their report and accounts for the year ended 31 March 2022.

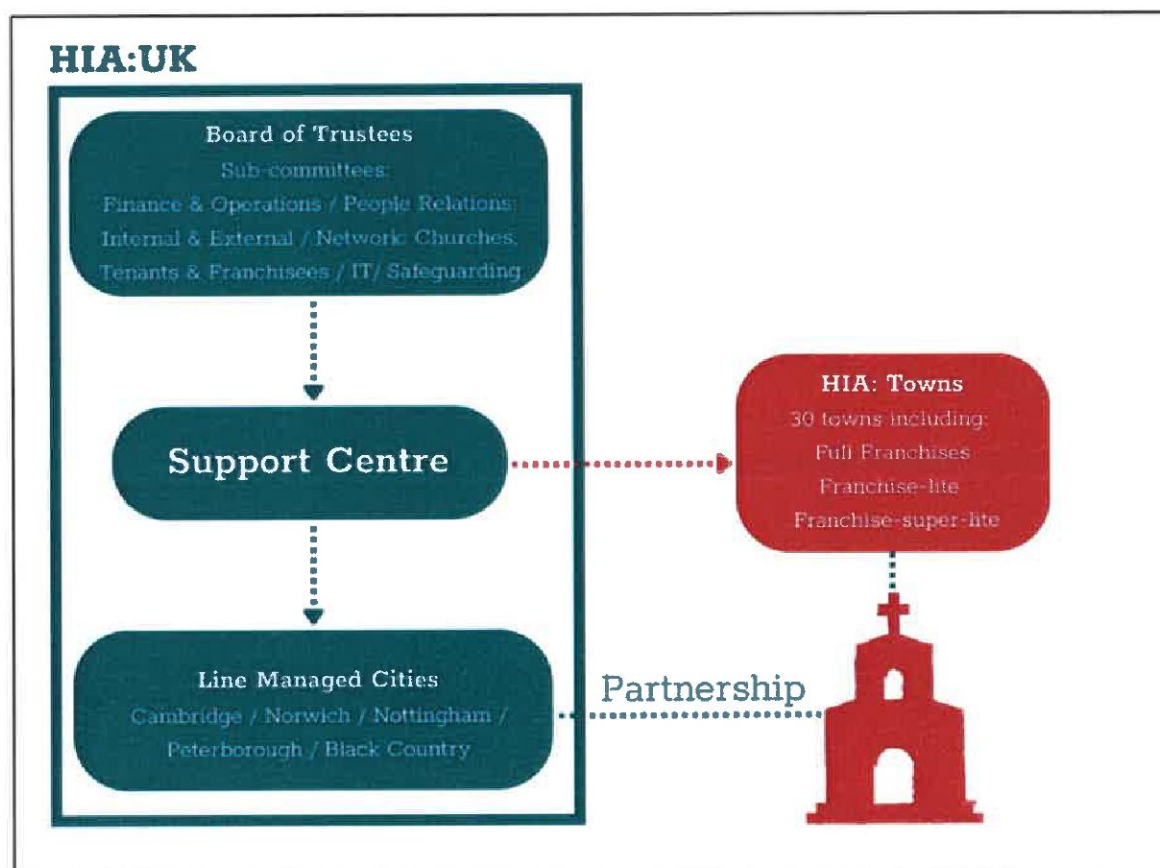
The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

Objectives and activities

The charity's objects are to relieve poverty or financial hardship in England. Hope into Action works to enable churches, using their resources and matched with others raised by Hope into Action, to provide homes and support for the vulnerable and those experiencing homelessness in their community.

The charity aims to use investment resources to buy homes for 2-3 tenants. Each home is linked to a local church that provides a community, friendship, mentoring and support. Also included is a professional Empowerment Worker who provides expertise to the tenants in benefits, tenancies, jobs, liaising with other agencies and action plans.

Each house is run in conjunction with a local church who sign a five year partnership with us committing to build long-term, holistic relationships with the tenants who were formerly homeless.



HOPE INTO ACTION UK

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

We run the operations in Peterborough, Cambridge, Nottingham, Norwich, Black Country and then we have a franchise arrangement, governed by a franchise agreement, in every other town we work. This is either a Full Franchise or a Franchise-lite (which is generally a house run by a church). We give some towns accounting support ("Franchise-super-lite").

Enabling church members to outwork their passions for the marginalised in a relational manner is a core part of our mission. The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Our vision

Our vision is to see every church lovingly making a home for the homeless.

Our 5 year goal

By the end of 5 years we see 200 churches, running homes for the homeless with 500 tenants being housed and every single one of them in a befriending relationship with the local church.

Modus Operandi

We seek to achieve the above goal by developing a vibrant, inter-active, highly-connected network of churches, staff, franchisees – all contributing and learning from each other. We aim to keep our support centre as light as possible – and work on harnessing the resources across the country of those operating under the Hope into Action banner.

Directional leadership is needed to guide the network. We aim to empower the front line through 4 principle "scaffolding poles":

1. Excellent training
2. Facilitation of meetings, conferences, retreats, on-line training
3. Brilliant systems, policies and procedures
4. Conflict resolution at source

We call this getting our 'brains into our legs.'

Achievements and performance

In April 2021 we had 87 homes open in partnership with 71 churches. We opened a further 13 during the year. We ended the year on 100 homes open in partnership with 96 churches. (The rapid increase in churches was because a number of our homes are run with more than one supporting church which we began to count.)

The number of tenants increased from 231 (with capacity for 277) to 271 (with capacity for 319). In total we house 351 tenants across the year.

We have increased the number of full franchise agreements from 12 to 14, with Bath and Bristol signing.

We have increased the number of franchise-lites from 13 to 15 with Newark and Canterbury signing agreements.

Therefore the total number of towns we have relationship with has gone from 29 to 35. This includes Black Country moving from Full franchise to Line managed. More on this below and Bromley to whom we had offered an agreement but they had not signed this time last year.

However last year 25 towns had houses open, now it is 27, with homes opening in Corby and Ashford during the year.

HOPE INTO ACTION UK

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

FOR THE YEAR ENDED 31 MARCH 2022

Other successful events during the year included

A staff retreat with over 45 people attending, with guest speaker of Simon Guillebaud. Staff and franchisees from around the country gathered.

We also ran a successful conference with more people than we had ever had attend: over 400. Guest speakers included: the Bishop of Blackburn, Bekah Legg, Tania Bright, Martin Berry and Rev Rebecca Winfrey.

Black Country

Our franchise relationship with the Enterprise Homes Group ended in July 2021. We took over 5 of their 7 homes and ran those from 21st July.

Building Project

A benefactor has donated Hope into Action: UK £500,000 to build 3 new homes. We have identified some land and on 25th January 2022 the council granted us permission to build. We are now waiting on another arm of the council to transfer the land to us.

Staff

As well as being passionate about our vision and mission we are passionate about making Hope into Action: UK an amazing place to work. We aim to invest in our staff and make them feel cared for, equipped and empowered to do their work. Therefore, one of our strategic priorities is to invest in recruiting, onboarding and developing people of character. All new employees spend time with those in our support centre, as part of an induction, including time with our Executive Director, who shares the vision and values of Hope into Action from his heart.

We ended the year with 41 staff (full time equivalent of 29). We are delighted with our staff team and realise we could not do our work with their commitment, skills, hard-work and love. Investing in our staff, providing a caring environment is critical to our work.

New roles that we created this year include:

- Head of Operations: This role oversees finances, IT and our housing work.
- Franchise and Safeguarding Lead: Investing in Franchising is critical to building capacity for the future. We also need extra Safeguarding capacity.
- Human Resource Administrator: This role was previously held by a highly committed volunteer.
- Spiritual Advisor: to offer pastoral and spiritual support.

Internal Promotions/ staff changes

Over the course of the year we held external recruitment processes but were still able to promote five staff into the positions of franchise lead, Cambridge Team Leader, Nottingham Team Leader, Norwich Team Leader and, Empowerment Worker. All these staff have made the transition really well and we thank them for their service.

Significant Departures

This year, several long-serving employees have left due to retirement or a range of other reasons. All experienced the now infamous 'Teams call' where they are thanked and honoured in full plenary. All have been offered exit interviews which have been shared, unedited, with trustees. We thank every one for their service, sacrifice and impact on our mission to help the church house those who have experienced homelessness.

HOPE INTO ACTION UK

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

Outcomes

We are delighted once again by the outstanding outcomes achieved by our tenants, staff, church partners and franchisees. This statistics are genuinely strong, comparable with any charity in the country. They reveal and validate, once again, our theory of change: our tenants are innately talented, gifted members of society and, given a strong, stable, safe home combined with loving and supportive relationships then they are more likely to find motivation and make positive choices.

Outcome	2021-22 [2020-21]	Description
Demographics	352 [315]	Adults: 256; Children: 96 57% classed themselves as White British. As of 31st March 2022, 20.4% of our houses housed at least one refugee, and 30.5% of our tenants were refugees, mostly families. 13% of tenants considered themselves to have a disability.
Maintaining Tenancy	92% [95%]	325 tenants, including children, from 352 remained in Hope into Action properties and/or moved on well.
Abstaining from Crime	90% [94%]	63 tenants have previously served a custodial sentence. Of those, 90% did not reoffend. Of the 6 tenants who did reoffend, we rehoused 4. Of the remaining 2 we continued to support 1 while she was in prison.
Drug and Alcohol Intake has not increased (note slight change of definition)	89% [88%]	111 tenants have (had) an abusive relationship with drugs and/or alcohol. 89% of those have not become more dependent, have reduced their dependency or became sober. 53% (59) became sober or maintained their sobriety!! 6 people lost their accommodation because of their drug / alcohol use.
Improved or maintained their Social Relationships	91% [84%]	140 of our tenants felt that they had improved their social relationships; 92 tenants felt that they had maintained positive relationships.
Meaningful use of time: Volunteering, Training and Education	41% [42%]	The number of adult tenants in education, training or volunteering was 106
Meaningful use of time: Employment	35% [30%]	90 adult tenants in employment of all kinds (zero hours, full and part time contracts). 4% of adult tenants were unable to work.
Improving Financial Management	88%	197 (77%) of tenants did not have rent arrears; 15 (6%) of tenants were actively managing debt. 46% of tenants paid their personal charge by standing order.
Physical and Mental Health	88%* [88%]	42% of tenants indicated that they had physical or mental health needs at start of year or point of referral. 88% of these maintained or improved this during the year. There were no deaths, and 5 babies born to tenants!
Engaging with Faith and Spirituality beyond that provided by F&S	22%* [29%]	22% of our tenants engage in some form of faith practice. This may include (for example) worshipping at a mosque. 16% of tenants attended church more than once a month. 39% of tenants asked for or accepted prayer. 6 tenants were baptised or made some kind of commitment to the Christian faith (same as the last 2 years)

*Note that this data collected from Franchises included children, whereas data was for adults only in Line Managed locations.

HOPE INTO ACTION UK

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

Strategic Review

We continue to follow our strategic plan which was set-out in autumn 2020 following a summer of a strategic review lead by an external consultant. Of the 5 major steps to achieving our 5 year vision significant progress has been made on 4 of them. These are:

1. Increase our staff capacity to support growth in franchisees
2. Invest in further training and capacity building of franchisees (especially in leadership and governance)
3. Provide extra resources to develop a 'church department'
4. Expand the capacity of our supporter relations
5. Internships. This is one area we have prepared for and still plan to do.

Safeguarding and critical incidents

Hope into Action is committed to safeguarding vulnerable service users and staff and seeks to take all appropriate measures to enable this. This includes training staff/volunteers, building constructive relationships with key Safeguarding Agencies and ensuring mechanisms for reporting of concerns. Like all organisations relating to the most vulnerable, issues of Safeguarding occur more often than we would like. Each one is dealt with carefully and according to good safeguarding practice. The incidents noted reflect the issues that are faced far too often in society in general and, given the vulnerabilities faced by many of our tenants, are more highly represented in them than the general population.

During the year we hired a consultant from the independent Christian safeguarding organisation thirtyone:eight to review our practices. One of his recommendations was to institute a Safeguarding Sub-Committee. This is now chaired by an existing trustee, Diana Nash, with an advisor, Sarah Hamilton in attendance. This is shown on the chart at the start of this report.

We had 36 new safeguarding reports in the year. 3 reports were carried over from the previous year, making a total of 39. 28 reports were from line-managed cities, 11 from franchise partners. Trend wise, we categorise reports into sub groups; Mental health crises are the most common (accounting for 8). Sexual abuse is 2nd (6), child protection and ASB/violence are joint 3rd (5 each) and a mixture of others for the remaining (Domestic abuse / abandonment / financial / substance related). We have paid particular attention and been quick to respond to all matters relating to sexual abuse or allegations made.

In total we have reported 2 of the most serious safeguarding concerns to the charity commission. And one of our franchise partners has also reported one safeguarding concern to the charity commission pertaining to a safeguarding issue which occurred in a Hope into Action home in their location. In addition to the safeguarding reports, we had 53 incidents reported this year; the four most common categories in previous years have been anti-social behaviour/ violence, substance misuse, mental health struggles and child protection (in ranking order).

HOPE INTO ACTION UK

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

FOR THE YEAR ENDED 31 MARCH 2022

Financial review

Reserves

The Trustees' policy with regard to reserves is to seek to maintain unrestricted funds, other than those designated from time to time for specific purposes, at a level sufficient to provide the charity with enough working capital to carry on its existing activities successfully for two to four months. This will enable the trustees to ensure continuity of activities and honour contractual liabilities.

The Trustees have noted that the **current level of free reserves is within that range at 3.3 months**. In the unfortunate event of funding levels dropping to dangerous levels then the Trustees would have to consider the sale of one of our houses or re-mortgage a property.

Income and Expenditure

The net income for 2022 is £29,034 (2021: £457,431) which includes donations of various restricted funds. Grant income was lower at £477,645 (2021: £651,289) due to changes in some of the criteria for applications. Individual unrestricted giving was higher at £400,584 (2021: £380,381) and this is without the impact of the campaign to increase regular giving at the 2022 conference. The movement on the restricted donations to £50,776 (2021: £178,219) was driven by the final donation for the building of a property.

Trustees monitor the balance of income from the three primary sources. The increase in income from housing is driven by the additional house and better void management.

- 26% Individuals, Gift aid & churches (2021: 32%)
- 40% Housing (2021: 29%)
- 31% Grants (37%)

Our costs ("charitable activities") have grown by 19% (2021: 7%) which was driven by a few significant factors: managing the Black Country franchise for most of the year, investment in some new staff positions (as outlined in the Strategic report) and the annual conference. Without these factors, the increase in charitable activities would have been around 6%.

Hope into Action believe the pay ratio between the highest and lowest paid members of staff is important. This is in keeping with our value of mutuality. In 2022 this ratio was 2 for the FTE salary.

Risk

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.

Assets and Investments

Hope into Action:UK owns its main office and 14 houses used to support tenants.

As an organisation we encourage individuals and churches to share their wealth with the poor by investing in homes for the homeless. It is important we are able to model this approach ourselves. This financial year, for the second year running, **we invested £20,000 from our free reserves** (and a £10,000 donation restricted for that purpose), into homes for the homeless. This year in HIA Bournemouth and the year before it was HIA Southampton. This is in line with our reserves policy. We intend to continue investing £20,000 per annum until £100,000 is invested.

Additionally this year we were able to use our designated reserves to purchase a further property as part of our move to take over the operations in the Black Country. We also reduced our mortgage on our North Street Office by £100,000. This reduces our loan repayments per annum.

HOPE INTO ACTION UK

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

Structure, governance and management

The charity is a company limited by guarantee and a registered charity governed by its articles and memorandum of association.

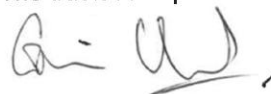
The Trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mr I G Billage	
Mrs Y A Emery	(Resigned 8 July 2021)
Mr G Howard	
Mrs J Hunte	(Appointed 4 February 2022)
Mr H J Kettel	
Ms R Mathew	(Appointed 10 February 2022)
Mrs D J Nash	
Mr M Oldaker	(Resigned 8 July 2021)
Revd D Tidball	

The existing Trustees have the power to appoint new trustees.

None of the Trustees has any beneficial interest in the company. All of the Trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

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



Mr G Howard
Trustee
Dated: 21 July 2022

HOPE INTO ACTION UK

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2022

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

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

In preparing these financial statements, the Trustees are required to:

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

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

HOPE INTO ACTION UK

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF HOPE INTO ACTION UK

Opinion

We have audited the financial statements of Hope Into Action UK (the 'charity') for the year ended 31 March 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 March 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.

Other information

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

We have nothing to report in this regard.

HOPE INTO ACTION UK

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF HOPE INTO ACTION UK

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

HOPE INTO ACTION UK

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF HOPE INTO ACTION UK

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the entity through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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



Mr Mark Jackson FCA DChA (Senior Statutory Auditor)
for and on behalf of Azets Audit Services

12/09/2022

Chartered Accountants
Statutory Auditor

Ruthlyn House
90 Lincoln Road
Peterborough
United Kingdom
PE1 2SP

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

HOPE INTO ACTION UK

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2022

	Notes	Unrestricted funds 2022 £	Designated funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Designated funds 2021 £	Restricted funds 2021 £	Total 2021 £
Income from:									
Donations and legacies	3	653,775	-	275,230	929,005	762,225	-	447,664	1,209,889
Charitable activities	4	649,852	-	-	649,852	541,144	-	-	541,144
Investments	5	5,144	-	-	5,144	9,266	-	-	9,266
Total income		1,308,771	-	275,230	1,584,001	1,312,635	-	447,664	1,760,299
Expenditure on:									
Raising funds	6	34,730	-	-	34,730	26,244	-	-	26,244
Charitable activities	7	1,243,090	32,748	244,399	1,520,237	922,318	27,510	326,796	1,276,624
Total resources expended		1,277,820	32,748	244,399	1,554,967	948,562	27,510	326,796	1,302,868
Net incoming resources before transfers		30,951	(32,748)	30,831	29,034	364,073	(27,510)	120,868	457,431

HOPE INTO ACTION UK

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2022

	Notes	Unrestricted funds 2022 £	Designated funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Designated funds 2021 £	Restricted funds 2021 £	Total 2021 £
Net incoming resources before transfers		30,951	(32,748)	30,831	29,034	364,073	(27,510)	120,868	457,431
Gross transfers between funds		(31,651)	37,427	(5,776)	-	(244,606)	369,706	(125,100)	-
Net (expenditure)/income for the year/ Net movement in funds		(700)	4,679	25,055	29,034	119,467	342,196	(4,232)	457,431
Fund balances at 1 April 2021		429,946	1,514,163	546,577	2,490,686	310,479	1,171,967	550,809	2,033,255
Fund balances at 31 March 2022		429,246	1,518,842	571,632	2,519,720	429,946	1,514,163	546,577	2,490,686

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 INTO ACTION UK

BALANCE SHEET

AS AT 31 MARCH 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	11		1,914,497		1,781,670
Current assets					
Debtors	12	83,190		93,818	
Cash at bank and in hand		889,342		1,092,353	
		972,532		1,186,171	
Creditors: amounts falling due within one year	14	(98,295)		(97,395)	
Net current assets			874,237		1,088,776
Total assets less current liabilities			2,788,734		2,870,446
Creditors: amounts falling due after more than one year	15		(269,014)		(379,760)
Net assets			2,519,720		2,490,686
Income funds					
<u>Restricted funds</u>					
Property		75,940		77,046	
Specific projects		495,692		460,362	
Other including core costs		-		9,169	
	19		571,632		546,577
<u>Unrestricted funds - general</u>					
Designated funds	20		1,518,842		1,514,163
Other charitable funds			429,246		429,946
			2,519,720		2,490,686

HOPE INTO ACTION UK

BALANCE SHEET (CONTINUED)

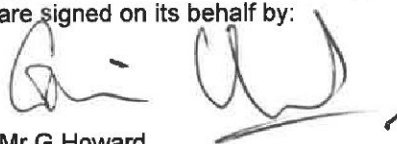
AS AT 31 MARCH 2022

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

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

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

The financial statements were approved by the board of directors and authorised for issue on 21 July 2022 and are signed on its behalf by:

A handwritten signature in black ink, appearing to be 'G. Howard', written over a horizontal line.

Mr G Howard
Trustee

Company Registration No. 07309173

HOPE INTO ACTION UK

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2022

	Notes	2022 £	£	2021 £	£
Cash flows from operating activities					
Cash generated from operations	23		69,272		472,928
Investing activities					
Purchase of tangible fixed assets		(166,681)		(133,998)	
Investment income received		5,144		9,266	
Net cash used in investing activities			(161,537)		(124,732)
Financing activities					
Repayment of bank loans		(110,746)		(12,209)	
Net cash used in financing activities			(110,746)		(12,209)
Net (decrease)/increase in cash and cash equivalents			(203,011)		335,987
Cash and cash equivalents at beginning of year			1,092,353		756,366
Cash and cash equivalents at end of year			889,342		1,092,353

HOPE INTO ACTION UK

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

1 Accounting policies

Charity information

Hope Into Action UK is a private company limited by guarantee incorporated in England and Wales. The registered office is 26 North Street, Peterborough, PE1 2RA, 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) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

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

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

1.2 Going concern

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

1.3 Charitable funds

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

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

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

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

HOPE INTO ACTION UK

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

1 Accounting policies

(Continued)

1.5 Expenditure

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

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

All resources expended are accounted for gross, and in the period in which they are incurred. VAT is not recoverable by the charity and as such is included in the relevant costs in the Statement of Financial Activities.

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.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity.

All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Land and buildings	1% p.a. straight line on buildings
Shared ownership properties	1% p.a. straight line
Equipment	33% p.a. straight line
Motor vehicles	33% p.a. straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

Shared ownership housing properties are included in fixed assets at the percentage of the charity's share in the ownership. Any payment for an increase in percentage of share is treated as an addition. Any payments received for a decrease in shares is treated similar to the sale of property.

1.7 Impairment of fixed assets

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

HOPE INTO ACTION UK

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

1 Accounting policies

(Continued)

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

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

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

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

1.10 Employee benefits

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

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

1.11 Retirement benefits

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

HOPE INTO ACTION UK

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

2 Critical accounting estimates and judgements

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

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

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2022	2022	2022	2021	2021	2021
	£	£	£	£	£	£
Donations and gifts	400,584	50,776	451,360	380,381	178,219	558,600
Grants receivable for core activities	253,191	224,454	477,645	381,844	269,445	651,289
	<u>653,775</u>	<u>275,230</u>	<u>929,005</u>	<u>762,225</u>	<u>447,664</u>	<u>1,209,889</u>
Donations and gifts						
Donations individuals	314,851	45,000	359,851	310,505	178,219	488,724
Donations other	2,228	5,776	8,004	1,726	-	1,726
Churches	37,950	-	37,950	30,123	-	30,123
Gift aid reclaimed	38,995	-	38,995	34,395	-	34,395
Individuals - in memory	6,560	-	6,560	3,632	-	3,632
	<u>400,584</u>	<u>50,776</u>	<u>451,360</u>	<u>380,381</u>	<u>178,219</u>	<u>558,600</u>

HOPE INTO ACTION UK

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

3 Donations and legacies

(Continued)

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
Grants receivable for core activities						
All Churches Trust	-	-	-	-	9,258	9,258
Andrews Charitable Trust	33,825	-	33,825	5,375	-	5,375
Arnold Clark	-	2,000	2,000	-	-	-
Barclays	-	400	400	-	-	-
Beatrice Hankey Foundation	-	2,500	2,500	-	-	-
Beatrice Laing Trust	15,000	-	15,000	-	-	-
Big Lottery Funding	-	41,685	41,685	-	40,908	40,908
Blunt Trust	-	50	50	-	-	-
Cambridge Community Fund	-	6,801	6,801	-	3,850	3,850
Charles Hayward Foundation	-	-	-	-	25,000	25,000
Churches Together	-	-	-	1,000	-	1,000
Daughters of Jesus	-	-	-	-	5,000	5,000
Didymus Charity	-	10,000	10,000	-	9,200	9,200
Dominic Beer Trust	-	1,000	1,000	-	1,100	1,100
F G Charitable Trust	-	-	-	4,000	-	4,000
Garfield Weston Foundation	50,000	-	50,000	50,000	-	50,000
Glasspool Charity Trust	-	-	-	-	300	300
Haberdashers	-	-	-	3,750	-	3,750
Homeless Link	-	88,000	88,000	-	80,000	80,000
Hope Aid Charitable Trust	-	-	-	10,000	-	10,000
Hummingbird	-	-	-	10,000	-	10,000
Jerusalem Trust	31,000	-	31,000	40,000	-	40,000
Jones 1886 Trust	-	4,700	4,700	-	-	-
LandAid	-	-	-	-	6,750	6,750
Langho Charitable Trust	-	-	-	1,000	-	1,000
Lankelly Chase	1,000	-	1,000	71,545	-	71,545
Legal & General Group	-	-	-	-	3,000	3,000
Lloyds Foundation	-	-	-	-	6,470	6,470
Maclellan Foundation	-	-	-	-	45,809	45,809
Maurice & Hilda Laing Charitable Trust	15,000	-	15,000	25,000	-	25,000
Mirembé Charitable Trust	1,440	-	1,440	3,120	-	3,120
Nationwide	-	19,188	19,188	-	-	-
Norfolk Community Foundation	-	600	600	-	-	-
Nottingham Community Fund	-	-	-	-	1,900	1,900
Nottingham Community Foundation	-	-	-	-	1,500	1,500
Paul Bassham Trust	-	-	-	-	2,000	2,000
PCC COVID-19	-	-	-	500	-	500
Pears Foundation	40,000	-	40,000	40,000	-	40,000
Persimmon	1,000	-	1,000	-	-	-
	<u>188,265</u>	<u>176,924</u>	<u>365,189</u>	<u>265,290</u>	<u>242,045</u>	<u>507,335</u>

HOPE INTO ACTION UK

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

3 Donations and legacies

(Continued)

	Unrestricted funds general 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds general 2021 £	Restricted funds 2021 £	Total 2021 £
Grants receivable for core activities continued						
Police & Crime Commissioner for Norfolk	-	-	-	4,324	-	4,324
Porticus Foundation	45,000	-	45,000	45,000	-	45,000
The Big Give	10,000	-	10,000	12,500	-	12,500
The Ebyon Trust	-	-	-	-	1,500	1,500
The Mercers' Company	-	32,530	32,530	37,230	-	37,230
The Morrisons Foundation	-	-	-	-	900	900
The Orr Mackintosh Foundation	-	-	-	1,000	-	1,000
The Screwfix Foundation	-	-	-	5,000	-	5,000
Tudor Trust	-	-	-	1,500	22,000	23,500
Vardy Foundation	-	10,000	10,000	10,000	3,000	13,000
Other	9,926	5,000	14,926	10,000	11,000	21,000
	<u>253,191</u>	<u>224,454</u>	<u>477,645</u>	<u>381,844</u>	<u>269,445</u>	<u>651,289</u>

4 Charitable activities

	2022 £	2021 £
Book sales	1,441	3,212
Provision of housing	611,313	510,650
Franchise income	37,098	27,282
	<u>649,852</u>	<u>541,144</u>

5 Investments

	2022 £	2021 £
Rental income	4,983	8,954
Interest receivable	161	312
	<u>5,144</u>	<u>9,266</u>

HOPE INTO ACTION UK

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

6 Raising funds

	2022	2021
	£	£
<u>Fundraising and publicity</u>		
Costs of generating donations and legacies	34,730	26,244
	<u>34,730</u>	<u>26,244</u>

HOPE INTO ACTION UK

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

7 Charitable activities

	2022 £	2021 £
Staff costs	868,445	737,165
Depreciation and impairment	33,854	28,616
House rental and running costs	252,523	208,404
House maintenance and equipment	9,172	13,575
Franchising expenses	69,484	48,025
Volunteer expenses	16,812	5,657
Client support	3,664	5,413
Property refurbishment	83,768	90,971
General rates	5,824	5,312
Wolverhampton support costs	5,140	-
Norwich support costs	5,235	3,932
Nottingham support costs	7,955	6,156
Bad debt provision	10,374	13,956
Peterborough support costs	2,144	1,942
Cambridge support costs	7,187	5,747
Books	1,083	2,435
	<u>1,382,664</u>	<u>1,177,306</u>
Share of support costs (see note 8)	133,973	96,294
Share of governance costs (see note 8)	3,600	3,024
	<u>1,520,237</u>	<u>1,276,624</u>
Analysis by fund		
Unrestricted funds - general	1,243,090	922,318
Designated funds	32,748	27,510
Restricted funds	244,399	326,796
	<u>1,520,237</u>	<u>1,276,624</u>

HOPE INTO ACTION UK

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

8 Support costs

	Support costs	Governance costs	2022	Support costs	Governance costs	2021
	£	£	£	£	£	£
Property costs	156	-	156	1,674	-	1,674
Loan interest	5,492	-	5,492	7,804	-	7,804
Marketing	1,128	-	1,128	897	-	897
Franchising expenses	2,551	-	2,551	3,227	-	3,227
Light and heat	2,503	-	2,503	1,072	-	1,072
Travel and subsistence	8,580	-	8,580	3,817	-	3,817
Printing, postage and stationery	2,524	-	2,524	3,279	-	3,279
Telephone and fax	13,100	-	13,100	10,713	-	10,713
Computer and software	47,466	-	47,466	37,782	-	37,782
Professional and consultancy costs	22,687	-	22,687	11,837	-	11,837
Insurance	12,577	-	12,577	7,057	-	7,057
Refreshments	140	-	140	45	-	45
Sundry expenses	2,762	-	2,762	4,073	-	4,073
Legal fees	8,683	-	8,683	1,645	-	1,645
Accountancy fees	3,624	-	3,624	1,372	-	1,372
Audit fees	-	3,600	3,600	-	3,024	3,024
	<u>133,973</u>	<u>3,600</u>	<u>137,573</u>	<u>96,294</u>	<u>3,024</u>	<u>99,318</u>
Analysed between Charitable activities	<u>133,973</u>	<u>3,600</u>	<u>137,573</u>	<u>96,294</u>	<u>3,024</u>	<u>99,318</u>

Governance costs includes payments to the auditors of £3,600 (2021- £3,024) for audit fees.

9 Trustees

None of the Trustees (or any persons connected with them) received any remuneration during the year, but 1 (2021 - 1) of them was reimbursed a total of £106 for travelling expenses (2021- £78).

HOPE INTO ACTION UK

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

10 Employees

Number of employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
Average number of employees	40	38

Employment costs

	2022 £	2021 £
Wages and salaries	760,408	646,428
Social security costs	50,392	41,616
Other pension costs	57,645	49,121
	868,445	737,165

The average full time equivalent number of employees during the year was 28 (2021 - 26).

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

11 Tangible fixed assets

	Land and buildings £	Shared ownership properties £	Equipment £	Motor vehicles £	Total £
Cost					
At 1 April 2021	1,871,866	20,000	61,112	3,750	1,956,728
Additions	116,667	30,000	14,238	5,776	166,681
Disposals	-	-	(19,226)	(3,750)	(22,976)
At 31 March 2022	1,988,533	50,000	56,124	5,776	2,100,433
Depreciation and impairment					
At 1 April 2021	121,601	200	49,508	3,750	175,059
Depreciation charged in the year	19,885	500	11,543	1,925	33,853
Eliminated in respect of disposals	-	-	(19,226)	(3,750)	(22,976)
At 31 March 2022	141,486	700	41,825	1,925	185,936
Carrying amount					
At 31 March 2022	1,847,047	49,300	14,299	3,851	1,914,497
At 31 March 2021	1,750,265	19,800	11,605	-	1,781,670

HOPE INTO ACTION UK

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

11 Tangible fixed assets

(Continued)

The long-term loans are secured by fixed charges over five of the properties owned by the charity.

Included in land and buildings above is the office and 14 (2021 – 13) houses which are used to support tenants. Shared ownership properties represents an interest in 2 (2021 – 1) properties.

12 Debtors

	2022 £	2021 £
Amounts falling due within one year:		
Tenant and franchise debt	42,675	22,650
Other debtors	30,377	66,833
Prepayments and accrued income	10,138	4,335
	<u>83,190</u>	<u>93,818</u>

13 Loans and overdrafts

	2022 £	2021 £
Bank loans	<u>279,714</u>	<u>390,460</u>
Payable within one year	10,700	10,700
Payable after one year	<u>269,014</u>	<u>379,760</u>

The long-term loans are secured by fixed charges over five of the properties owned by the charity.

14 Creditors: amounts falling due within one year

	Notes	2022 £	2021 £
Bank loans	13	10,700	10,700
Other taxation and social security		13,979	12,353
Deferred income	16	7,000	19,188
Trade creditors		42,736	26,251
Other creditors		19,812	9,375
Accruals		4,068	19,528
		<u>98,295</u>	<u>97,395</u>

15 Creditors: amounts falling due after more than one year

	Notes	2022 £	2021 £
Bank loans	13	<u>269,014</u>	<u>379,760</u>

HOPE INTO ACTION UK

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

16 Deferred income

	2022 £	2021 £
Other deferred income	7,000	19,188

Deferred income is included in the financial statements as follows:

	2022 £	2021 £
Deferred income is included within:		
Current liabilities	7,000	19,188
Movements in the year:		
Deferred income at 1 April 2021	19,188	-
Released from previous periods	(12,188)	-
Resources deferred in the year	-	19,188
Deferred income at 31 March 2022	7,000	19,188

17 Retirement benefit schemes

Defined contribution schemes

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

The charge to profit and loss in respect of defined contribution schemes was £57,645 (2021 - £49,121).

HOPE INTO ACTION UK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

18 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 April 2021	Incoming resources	Resources expended	Transfers	Balance at 31 March 2022
	£	£	£	£	£
Special Projects					
Arnold Clark	-	2,000	(2,000)	-	-
Barclays	-	400	(400)	-	-
Beatrice Hankey Foundation	-	2,500	(2,500)	-	-
Didymus Trust	-	10,000	(2,498)	-	7,502
Dominic Beer Trust	-	1,000	(1,000)	-	-
Jones 1886 Trust	-	4,700	(4,700)	-	-
Mickleham Trust	-	5,000	(5,000)	-	-
Nationwide	-	19,188	(19,188)	-	-
Norfolk Community Foundation	-	600	(600)	-	-
The Blunt Trust	-	50	(50)	-	-
Tudor Trust	8,000	-	(8,000)	-	-
Vardy Foundation	-	10,000	(10,000)	-	-
Donation for vehicle	-	5,776	-	(5,776)	-
Donation for property	452,362	45,000	(9,172)	-	488,190
	<u>460,362</u>	<u>106,214</u>	<u>(65,108)</u>	<u>(5,776)</u>	<u>495,692</u>
Other including core costs					
Big Lottery	1,169	41,685	(42,854)	-	-
Cambridge Community Fund	-	6,801	(6,801)	-	-
Charles Hayward Foundation	5,000	-	(5,000)	-	-
Homeless Link	-	88,000	(88,000)	-	-
Mercers Trust	-	32,530	(32,530)	-	-
Vardy Foundation	3,000	-	(3,000)	-	-
	<u>9,169</u>	<u>169,016</u>	<u>(178,185)</u>	<u>-</u>	<u>-</u>
Property					
SEIF	77,046	-	(1,106)	-	75,940
	<u>77,046</u>	<u>-</u>	<u>(1,106)</u>	<u>-</u>	<u>75,940</u>
Total	<u>546,577</u>	<u>275,230</u>	<u>(244,399)</u>	<u>(5,776)</u>	<u>571,632</u>

HOPE INTO ACTION UK

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

18 Restricted funds

(Continued)

There are a number of restricted funds as outlined above, some of which are for specific projects, some that cover specific elements of core costs. The two largest funds are as follows:

Donation for property - this relates to a donation received to enable the charity to invest in further property to be used to house tenants.

SEIF - the funds received were for the purchase of a property by the charity. A property was purchased in 2012 and this fund is now represented by fixed assets, but the fund remains a restricted fund as the funding is potentially repayable to SEIF if there is a future change to the use of the property or the property is sold.

HOPE INTO ACTION UK

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

19 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Balance at 1 April 2020 £	Resources expended £	Transfers £	Balance at 1 April 2021 £	Resources expended £	Transfers £	Balance at 31 March 2022 £
Fixed asset fund	1,071,967	(27,510)	269,706	1,314,163	(32,748)	237,427	1,518,842
North Street provision	100,000	-	(100,000)	-	-	-	-
Mortgage repayment provision	-	-	100,000	100,000	-	(100,000)	-
Additional property provision	-	-	100,000	100,000	-	(100,000)	-
	<u>1,171,967</u>	<u>(27,510)</u>	<u>369,706</u>	<u>1,514,163</u>	<u>(32,748)</u>	<u>37,427</u>	<u>1,518,842</u>

The fixed asset fund represents the net book value of the property and other fixed assets that is not represented by restricted funds, excluding the £40,000 investment from unrestricted funds in accordance with the charity's reserves policy.

The North Street provision was a fund to purchase the remainder of the North Street property.

The mortgage repayment provision was a fund to allow part of the mortgage to be repaid.

The additional property provision was to fund future investments in property, this has been fully spent in the year.

HOPE INTO ACTION UK

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

20 Analysis of net assets between funds

Fund balances at 31 March 2022 are represented

by:

	Unrestricted funds 2022 £	Designated funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Designated funds 2021 £	Restricted funds 2021 £	Total 2021 £
Tangible assets	-	1,838,557	75,940	1,914,497	-	1,704,624	77,046	1,781,670
Current assets/(liabilities)	429,246	(50,701)	495,692	874,237	432,946	186,299	469,531	1,088,776
Long term liabilities	-	(269,014)	-	(269,014)	(3,000)	(376,760)	-	(379,760)
	429,246	1,518,842	571,632	2,519,720	429,946	1,514,163	546,577	2,490,686

HOPE INTO ACTION UK

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

21 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	91,530	92,584
Between two and five years	558	6,517
	<u>92,088</u>	<u>99,101</u>

22 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel including pension contributions is as follows.

	2022 £	2021 £
Aggregate compensation	<u>136,998</u>	<u>141,058</u>

Key management personnel represents 5 (2021 - 5) members of staff.