

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 2024

HOPE INTO ACTION UK

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	The Reverend Mrs D Tidball (Chair)	
	Mr I G Billage	
	Mrs J Hunte	
	Mr H J Kettel	
	Mr P J Magowan	(Appointed 16 July 2023)
	Ms R Mathew	
	Mrs D J Nash	
	Mrs M D Smith	(Appointed 20 November 2023)
Secretary	Mr M Oldaker	
Ambassador	Mr E Walker MBE	
Executive team	Jon Kuhrt, CEO	
	Kate Doran-Smith, Head of Network	
	Mark Oldaker, Head of Operations	
	Dee Midgley, Head of Supporter Relations	
Charity number	1137686	
Company number	07309173	
Registered office	26 North Street	
	Peterborough	
	United Kingdom	
	PE1 2RA	
Auditor	Azets Audit Services	
	Westpoint	
	Lynch Wood	
	Peterborough	
	Cambridgeshire	
	United Kingdom	
Bankers	PE2 6FZ	
	Lloyds Bank plc 65 High Street Stamford Lincolnshire United Kingdom PE9 2AT	CAF Bank
		25 Kings Hill Avenue
		West Malling
		Kent
		United Kingdom
		ME19 4JQ
	The Co-operative Bank	
	Business Customer Services	
	P.O. Box 250	
	Skelmersdale	
	Wigan	
	United Kingdom	
	WN8 6WT	

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HOPE INTO ACTION UK

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

The Trustees present their report and accounts for the year ended 31 March 2024.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's 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

Hope into Action began in Peterborough in 2010 when our founder Ed Walker MBE used his own money to purchase our first house. The charity remains based in Peterborough at our Hope Centre.

We now have a network of 114 houses. We directly manage the accommodation in Peterborough, Norwich, Nottingham and Cambridge. The rest of our Network is run by churches and organisations who run Hope into Action franchises across the country.

The Hope into Action model

Hope into Action is a unique response to the injustice and tragedy of homelessness. Our model offers both offer high quality accommodation and positive relationships with the local community through the local church. It is this *combination* that is transformative.

Our model is based on investors who are willing to use their savings to purchase houses. We then turn these houses into homes for people who would otherwise be homeless by partnering with churches who provide a welcome, friendship and support for tenants. Hope into Action's professional staff look after the legalities, housing management, assessment and benefit applications. This combination of support empowers tenants to achieve their goals.

At the core of our work is a commitment to combine both professional excellence and spiritual passion. We are committed to professionalism in how we support tenants, manage accommodation and how we steward investments, donations and our people. Alongside this, we want to maintain our passionate belief in the transformative role that the Christian faith plays.

Headline achievements from 2023/24

New houses

In the 2023-24 financial year, we opened 17 new houses which took our net total number of houses to 112 by the end of March 2024.

New franchises opened

During 2023-24 we opened houses in 5 new franchise locations.

Successful transition of leadership

The departure of a founder is a key moment in the life of any organisation. We are pleased to say that the handover from Ed Walker to Jon Kuhrt, who started as the new CEO in January 2023 has been successful. After a thorough handover, Ed stepped back from any management or governance role but continues to be in touch, offering connections and support and meets regularly on an informal basis with Jon.

Black Country Areas franchise

This franchise had been brought into HiA UK to offer support while it weathered some challenges. We are pleased to say that the operation was successfully 'franchised out' to become its own charity in April 2023. Whilst challenges remain, the local team have worked hard and are continuing their positive trajectory.

HOPE INTO ACTION UK

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

Annual Conference 2024: Empowered

In March 2024, we held our Annual Conference at Kingsgate Church, Peterborough. Over 430 people booked in and Natalie Williams, CEO of Jubilee+, was our keynote speaker. We had over 50 delegates attend our investment seminar which has led to a number of new investment opportunities. We also launched our Easter Appeal which was successful in raising £24,000 to support 4 new franchises.

Challenges

Development project, Peterborough

In 2023 we signed a contract with a development company to build 3 units of modular housing in Peterborough following a very generous donation from an individual supporter. Unfortunately, progress of this project has been subject to significant delays and we are evaluating how to move forward.

Fire damage to property

During the year we experienced a serious fire in one of our properties caused by a tenant using candles in breach of his tenancy agreement. Fortunately, no one was seriously injured but the property was substantially damaged and has had to be significantly re-built. We commissioned a full review of the circumstances which led to the fire and the relevant sub-committees discussed this report. The Board then agreed an action plan to follow up on areas of improvement and review highlighted by the report.

Performance in 2023-24

New franchises opened

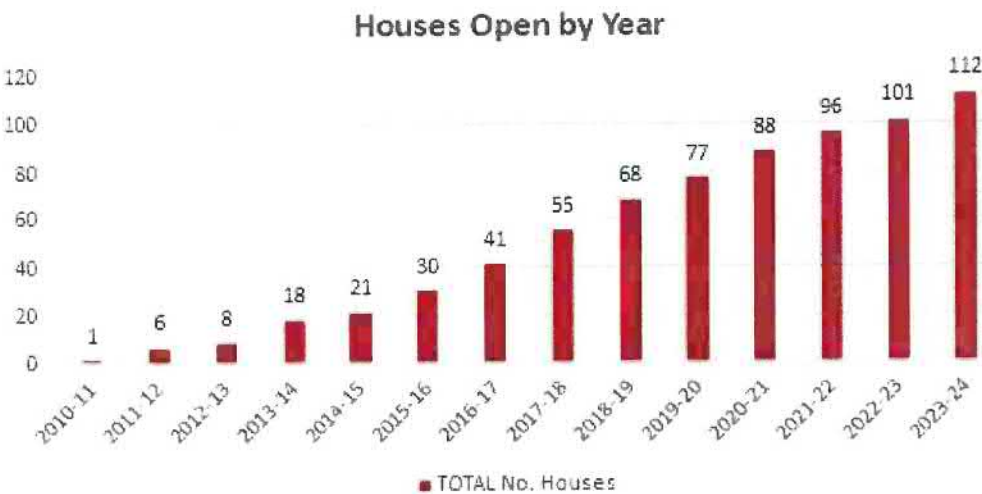
During 2023-24 we opened franchises in 5 new locations in Belfast, Beverley, Bromley, South Belfast and Warrington. Alongside this, our franchises in Lincoln and Oundle closed.

This means that by 31st March 2024, HiA is working in 35 locations across the country.

New houses opening

17 homes opened in the financial year 2023-24 which is the largest number of houses that HiA have opened in any one year.

Alongside this, 6 homes closed which meant a net growth of 11 homes. These closures were mostly due to investors reaching the end of a 5 year cycle and not re-investing, or projects closing due to lack of capacity within the partner church. 2 more houses have already opened in the 2023-24 year and there are at least 20 more in the pipeline.



HOPE INTO ACTION UK

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



Summary of tenant outcomes

The point of all our work is transformation in the life of our tenants and our churches. Once again, we are very encouraged by outcomes achieved by our tenants with the support of staff, church partners and franchisees.

Outcome	2023-24 [2022-23]	Description
Demographics	486 [^ from 412]	Adults: 339 (205 Male, 134 Female); Children: 147 (76 Male, 71 Female) 46% classed themselves as White British. At 31 st March 2024, 33% of our houses housed at least one refugee, and 38% of our tenants were refugees, mostly families. 20% of tenants considered themselves to have a disability.
Maintaining Tenancy	90% [v from 93%]	437 tenants, including children, from 486 remained in Hope into Action properties and/or moved on well.
Criminal Behaviour	94% [^ from 92%]	49 tenants have previously served a custodial sentence. Of those, 94% did not return to prison.
Drug and Alcohol Usage	89% [= 89%]	133 tenants have (had) an unhealthy relationship with drugs and alcohol at move in. 89% of those have not become more dependent, have reduced their dependency or became sober.
Social Relationships	90% [^ from 88%]	304 of our tenants felt that they had improved or maintained positive relationships this year.
Meaningful use of time: Volunteering, Training & Education	53% [^ from 32%]	178 adult tenants were in education, training or volunteering.
Meaningful use of time: Employment	34% [v from 37%]	116 of our adult tenants have been in employment of any kind (zero hours, full and part time contracts). 24% worked more than 16 hours a week for longer than 3 months. 2% of adult tenants are unable to work.
Financial Management	74% [v from 81%]	251 tenants' financial situation was stable or improving.
Mental Health	91% [v from 92%]	181 tenants' mental health was stable or improving of the 198 tenants who indicated that they had mental health needs at start of year or point of referral. There was 1 death (in hospital) and 4 babies born to tenants.

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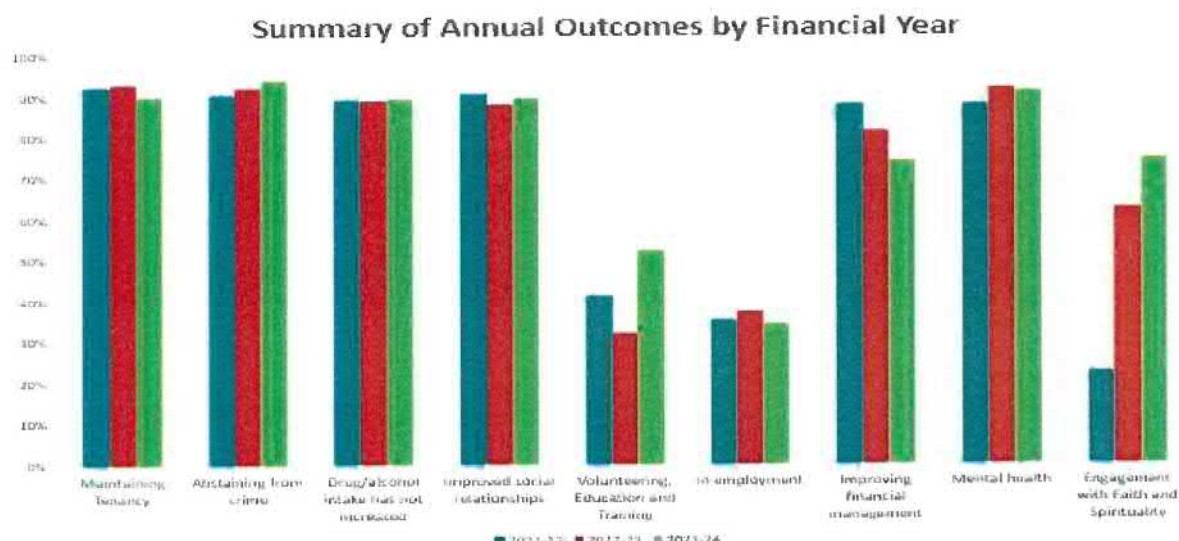
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

Faith and Spirituality	55%	187 tenants engaged in a church service, Christian course or activity. 69% of tenants asked for or accepted prayer. 16 tenants were baptised or made some kind of commitment to the Christian faith. 19% of tenants engaged with a faith group other than the Christian faith.
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^ signifies increase from last year / = signifies same result / v signifies drop from last year

This is a summary of how these outcomes relate to previous years.



Areas of challenge

In 2024-25 organisationally we are prioritising quicker responses to tenants getting into arrears and quicker re-tenanting of void rooms. This is in response to the growing demand on our services and the downward trend in tenant financial management.

Risk

In 2024 we completed a full review of our Risk Register and have assessed these key factors as representing the key risk areas.

1. Unsuccessful grant funding would lead to a deficit and non-compliance with reserves policy
2. Ineffective management of voids leads to a deficit compromising reserves
3. A case of abuse/mishandling of power/ complaint/ poor safeguarding which leads to a scandal which could damage reputation
4. Ineffective management of houses leading to below standard or non-compliant properties
5. Lack of growth in regular donors
6. Closure of franchises and houses leading to lack of growth
7. Inability to recruit key staff reduces effectiveness of work
8. Loss of properties due to investor ending lease
9. Inability to source properties within investor expectations
10. Losing the Christian distinctiveness would compromise the core vision and mission of HiA to mobilise Christian faith, prayer, investments, donations and volunteering
11. Ineffective management of arrears leads to a deficit compromising reserves
12. Breakdown of church Friendship & Support groups reduces outcomes

HOPE INTO ACTION UK

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

FOR THE YEAR ENDED 31 MARCH 2024

Each of these risks has a number of mitigating actions which we are committed to as an organisation. We have grouped our Key Performance Indicators (KPI) which we report on at each Board meeting alongside each risk so that we monitor closely those actions and performances which most closely align to our risk.

Safeguarding

Safeguarding continues to be prioritised across the organisation. This year has seen us introduce a new online training system for all staff to access to ensure they can always access training to the appropriate standard. This is supported by safeguarding workshops for frontline staff to give them the opportunity for peer learning and support and ensure they are up to date with current policies and procedures.

We continue to monitor all incidents and safeguarding concerns across the Hope into action Network. In 2023-24, there were a total of 69 incidents reported and 37 safeguarding concerns reported. This is the exact same number as last year for incidents and an increase of 2 safeguarding concerns.

There was an increase in incident reports received from franchisees over the year (from 8 last year to 24 this year). Regular refresher training has worked to raise awareness with Franchises on the need to report incidents and this has been reflected in the number received. We plan to continue raising awareness with franchises and new staff throughout the year via training and regular communication.

The most common reason for submitting a safeguarding report was Domestic Violence. The most common category of incident report was ASB/violence. In response to this, the Network team will research whether there's any appropriate training or speakers who may be able to upskill EWs in these areas.

During the year, 12 referrals were made to social services, this included referrals for adults and children. Only one report was made to the Charity Commission, and this was related to the fire damage at one of our houses which is detailed above.

Strategic direction for 2024-25

We have committed to the following 3 strategic objectives and we developed an action plan based under these headings:

1. Our line-managed work will be an incubator of best practice.

Our work in our 4 line-managed locations (Peterborough, Norwich, Cambridge and Nottingham) will embody the practice we want to see across our whole network.

2. We will strengthen *and* grow our franchise Network.

We want to grow the network significantly but also *strengthen* it through clarifying expectations, addressing fragility and focussing growth on areas where there is adequate capacity.

3. Faithful stewardship of finances, supporters and people.

Ensure our finances, houses, supporters and people are supported, valued and invested in as well as possible.

HOPE INTO ACTION UK

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

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 unrestricted reserves is within that range at 3.6 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.

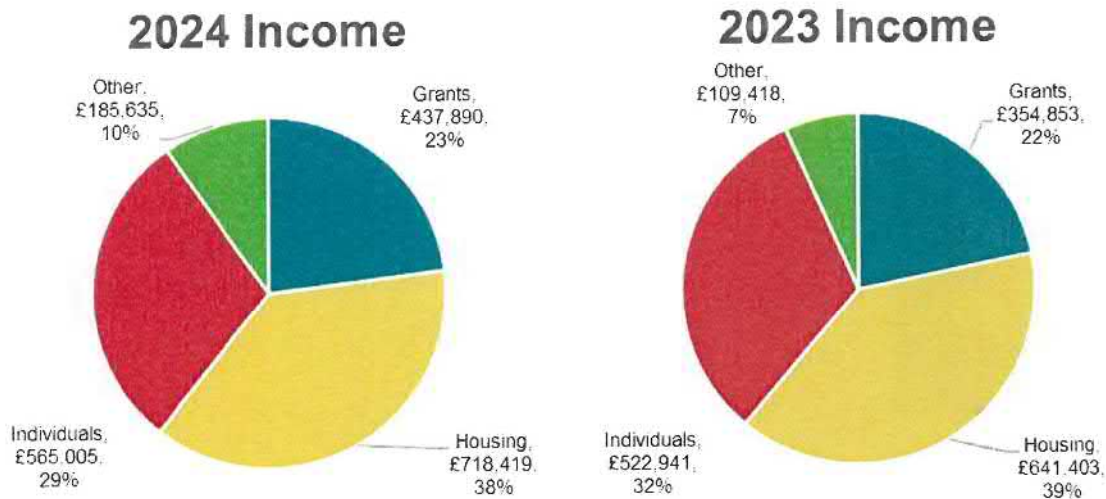
Cash balance

At year end the cash balance was £899,445 (see balance sheet). This is broken down on note 23 into unrestricted (£397,994) and restricted (£501,451). This cash balance should be understood with note 25 which states that Hope into Action have £464,000 of capital commitments as at year end.

Income and Expenditure

The net income for 2024 is £62,445 (2023: outgoing funds of £72,429) which includes donations of various restricted funds.

Trustees monitor the balance of income from the three primary sources. The total for 2023-24 was £1,906,949 (2022-23: £1,628,615), broken down as follows:



A new Head of Supporter Relations took over in October 2023 and, combined with the work of our interim postholder, a number of successful grant applications were made. The team continue to work with external agency support and a register of grant targets has been completed for 2024-25.

Individual unrestricted giving was also higher for 2023-24 due to some large individual donations. It has been a difficult year for regular donations as the cost of living has led to some reductions. Campaign income held up well. A number of factors supported higher income from other areas such as bank interest, the sale of a house (surplus on sale) and a corporate restricted donation to buy land.

HOPE INTO ACTION UK

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

FOR THE YEAR ENDED 31 MARCH 2024

Our costs ("charitable activities") have grown by 8.7% (2023: 9%). This can be almost entirely explained by the increase in staff costs and maintenance; a number of properties have required significant work after longer tenancies. The other notable increase was in the cost of bursaries provided to tenants to get into employment (137% increase to £18,557).

Assets and Investments

Hope into Action UK owns its main office and 13 houses used to support tenants. One property was sold in 2023 and two further properties are currently for sale. This is part of a strategic plan to improve the quality of our stock in Peterborough. To counterbalance this further property purchases are being considered as well the development project in Peterborough.

As an organisation we encourage individuals and churches to share their wealth with people affected by poverty by investing in homes for people who are homeless. It is important we are able to model this approach. This financial year we have contributed £10,000 to the purchase of land for the development project referenced above and have subsidised the budget for this project. We were also blessed to receive a gift of a £20,000 share in property managed by one of our Franchises (referenced in last year's financial report).

Conclusion

We are deeply grateful to all our donors and supporters for partnering with us in this work and for our trustees who provide rigorous oversight of how our resources are used.

This commitment was exemplified by Antony Barnes who sadly passed away in October 2023. Antony was erudite and clear with his input and left Hope into Action in a stronger place after his untimely passing. Antony not only served as a trustee but was a donor and an investor. Amazingly, within a month of his passing, 3 new houses were opened because of his support and they continue to house those who have been homeless through the support of his wife, Caragh.



HOPE INTO ACTION UK

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

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:

The Reverend Mrs D Tidball (Chair)

Mr A J W Barnes

(Resigned 27 October 2023)

Mr I G Billage

Mr G Howard

(Resigned 16 November 2023)

Mrs J Hunte

Mr H J Kettel

Mr P J Magowan

(Appointed 16 July 2023)

Ms R Mathew

Mrs D J Nash

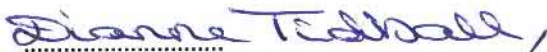
Mrs M D Smith

(Appointed 20 November 2023)

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.



The Reverend Mrs D Tidball (Chair)

Trustee

Dated: 

HOPE INTO ACTION UK

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2024

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 2024 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

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

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.

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.

HOPE INTO ACTION UK

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF HOPE INTO ACTION UK

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.

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.

HOPE INTO ACTION UK

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

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

26.7.2024

Chartered Accountants
Statutory Auditor

Westpoint
Lynch Wood
Peterborough
Cambridgeshire
United Kingdom
PE2 6FZ

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 2024

Current financial year

		Unrestricted funds 2024 £	Designated funds 2024 £	Restricted funds 2024 £	Total 2024 £	Total 2023 £
	Notes					
<u>Income and endowments from:</u>						
Donations and legacies	3	763,500	-	307,965	1,071,465	927,558
Charitable activities	4	772,134	-	-	772,134	692,493
Investments	5	23,546	-	-	23,546	8,564
Other income	6	39,804	-	-	39,804	-
Total income		1,598,984	-	307,965	1,906,949	1,628,615
<u>Expenditure on:</u>						
Raising funds	7	34,372	-	-	34,372	33,955
Charitable activities	8	1,553,597	28,964	244,413	1,826,974	1,667,089
Total resources expended		1,587,969	28,964	244,413	1,861,346	1,701,044
Net incoming/(outgoing) resources before transfers		11,015	(28,964)	63,552	45,603	(72,429)
Gross transfers between funds		47,366	(1,264)	(46,102)	-	-
Net income/(expenditure) for the year/ Net movement in funds		58,381	(30,228)	17,450	45,603	(72,429)
Fund balances at 1 April 2023		419,501	1,497,511	530,279	2,447,291	2,519,720
Fund balances at 31 March 2024		477,882	1,467,283	547,729	2,492,894	2,447,291

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

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

FOR THE YEAR ENDED 31 MARCH 2024

Prior financial year

		Unrestricted funds 2023 £	Designated funds 2023 £	Restricted funds 2023 £	Total 2023 £
	Notes				
<u>Income and endowments from:</u>					
Donations and legacies	3	795,735	-	131,823	927,558
Charitable activities	4	692,493	-	-	692,493
Investments	5	8,564	-	-	8,564
Total income		1,496,792	-	131,823	1,628,615
<u>Expenditure on:</u>					
Raising funds	7	33,955	-	-	33,955
Charitable activities	8	1,462,797	31,116	173,176	1,667,089
Total resources expended		1,496,752	31,116	173,176	1,701,044
Net incoming/(outgoing) resources before transfers		40	(31,116)	(41,353)	(72,429)
Gross transfers between funds		(9,785)	9,785	-	-
Net income/(expenditure) for the year/ Net movement in funds		(9,745)	(21,331)	(41,353)	(72,429)
Fund balances at 1 April 2022		429,246	1,518,842	571,632	2,519,720
Fund balances at 31 March 2023		419,501	1,497,511	530,279	2,447,291

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 2024

	Notes	2024 £	£	2023 £	£
Fixed assets					
Intangible assets	13	21,000		-	
Tangible assets	14	1,842,407		1,883,072	
		<u>1,863,407</u>		<u>1,883,072</u>	
Current assets					
Debtors	15	148,428		159,966	
Cash at bank and in hand		899,445		795,288	
		<u>1,047,873</u>		<u>955,254</u>	
Creditors: amounts falling due within one year	17	<u>(166,690)</u>		<u>(131,011)</u>	
Net current assets			881,183		824,243
Total assets less current liabilities			<u>2,744,590</u>		<u>2,707,315</u>
Creditors: amounts falling due after more than one year	18		(251,696)		(260,024)
Net assets			<u><u>2,492,894</u></u>		<u><u>2,447,291</u></u>
Income funds					
<u>Restricted funds</u>					
Property		73,728		74,834	
Specific projects		<u>474,001</u>		<u>455,445</u>	
	19		547,729		530,279
<u>Unrestricted funds - general</u>					
Designated funds	20		1,467,283		1,497,511
Other charitable funds			<u>477,882</u>		<u>419,501</u>
			<u><u>2,492,894</u></u>		<u><u>2,447,291</u></u>

HOPE INTO ACTION UK

BALANCE SHEET (CONTINUED)

AS AT 31 MARCH 2024

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 2024, 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 17.07.24 and are signed on its behalf by:



The Reverend Mrs D Tidball (Chair)
Trustee

Company Registration No. 07309173

HOPE INTO ACTION UK

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2024

	Notes	2024 £	£	2023 £	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	27		60,048		(92,834)
Investing activities					
Purchase of intangible assets		(21,000)		-	
Purchase of tangible fixed assets		(76,622)		(794)	
Proceeds on disposal of tangible fixed assets		126,513		-	
Investment income received		23,546		8,564	
Net cash generated from investing activities			52,437		7,770
Financing activities					
Repayment of bank loans		(8,328)		(8,990)	
Net cash used in financing activities			(8,328)		(8,990)
Net increase/(decrease) in cash and cash equivalents			104,157		(94,054)
Cash and cash equivalents at beginning of year			795,288		889,342
Cash and cash equivalents at end of year			899,445		795,288

HOPE INTO ACTION UK

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

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 2024

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 Intangible fixed assets other than goodwill

Software costs relating to long term development projects are capitalised to the extent that the long term value to the charity of the project can be demonstrated.

Amortisation 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:

Software	20% p.a. straight line
----------	------------------------

1.7 Tangible fixed assets

Tangible fixed assets are measured at cost, 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

Assets in the course of construction are not depreciated.

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 share is treated similar to the sale of property.

HOPE INTO ACTION UK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

(Continued)

1.8 Impairment of fixed assets

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

1.9 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.

1.10 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.

1.11 Employee benefits

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

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

HOPE INTO ACTION UK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

(Continued)

1.12 Retirement benefits

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

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the 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 2024 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
Donations and gifts	602,075	31,500	633,575	572,705	-	572,705
Grants receivable	161,425	276,465	437,890	223,030	131,823	354,853
	<u>763,500</u>	<u>307,965</u>	<u>1,071,465</u>	<u>795,735</u>	<u>131,823</u>	<u>927,558</u>
Donations and gifts						
Donations from individuals	565,005	-	565,005	522,941	-	522,941
Churches	37,070	-	37,070	49,764	-	49,764
Other	-	31,500	31,500	-	-	-
	<u>602,075</u>	<u>31,500</u>	<u>633,575</u>	<u>572,705</u>	<u>-</u>	<u>572,705</u>

HOPE INTO ACTION UK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

3 Donations and legacies

(Continued)

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
Grants receivable						
Albert Hunt Trust	-	7,000	7,000	-	7,000	7,000
Andrews Charitable Trust	76,425	-	76,425	72,050	-	72,050
B&Q Foundation	-	5,000	5,000	-	-	-
Beatrice Hankey Foundation	-	-	-	-	2,500	2,500
Beatrice Laing Trust	20,000	-	20,000	17,750	-	17,750
Beer Harris Memorial Trust	-	2,000	2,000	-	2,171	2,171
Benefact Trust	-	20,000	20,000	-	-	-
Big Lottery Funding	-	-	-	-	10,470	10,470
Cambridgeshire Community Fund	-	-	-	-	1,678	1,678
Charles Hayward Foundation	-	25,000	25,000	-	-	-
Cinnamon Trust	-	2,000	2,000	-	-	-
Clothworkers Foundation	-	50,000	50,000	-	-	-
Cornerstone	-	-	-	10,000	-	10,000
Daughters of Jesus	-	200	200	-	-	-
Didymus Charity	-	10,000	10,000	-	10,000	10,000
Garfield Weston Foundation	-	50,000	50,000	-	-	-
Hopstead	-	5,903	5,903	-	6,607	6,607
Jerusalem Trust	-	76,000	76,000	-	3,240	3,240
Landaidd Charitable Trust	-	9,073	9,073	-	-	-
Lighthouse Community Church	-	-	-	-	2,000	2,000
Maclellan Foundation	-	-	-	-	47,027	47,027
Maurice & Hilda Laing Charitable Trust	20,000	-	20,000	17,750	-	17,750
Mazars Charitable Trust	-	7,883	7,883	-	-	-
Mirembe Charitable Trust	-	-	-	480	-	480
Norfolk Community Foundation	-	2,956	2,956	-	-	-
Paul Bassham Trust	-	-	-	-	2,000	2,000
Pears Foundation	45,000	-	45,000	45,000	-	45,000
Porticus Foundation	-	-	-	45,000	-	45,000
St Baranabas Church	-	-	-	-	2,100	2,100
The Howard Foundation	-	3,450	3,450	-	-	-
The Mercers' Company	-	-	-	-	32,530	32,530
The Rowney Trust	-	-	-	15,000	-	15,000
Vardy Foundation	-	-	-	-	2,500	2,500
	<u>161,425</u>	<u>276,465</u>	<u>437,890</u>	<u>223,030</u>	<u>131,823</u>	<u>354,853</u>

HOPE INTO ACTION UK

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

4 Charitable activities

	2024 £	2023 £
Provision of housing	718,419	641,403
Franchise income	53,458	50,763
Book sales	257	327
	<u>772,134</u>	<u>692,493</u>

5 Investments

	2024 £	2023 £
Rental income	4,215	4,252
Interest receivable	19,331	4,312
	<u>23,546</u>	<u>8,564</u>

6 Other income

	2024 £	2023 £
Net gain on disposal of tangible fixed assets	39,297	-
Other income	507	-
	<u>39,804</u>	<u>-</u>

7 Raising funds

	2024 £	2023 £
<u>Fundraising and publicity</u>		
Costs of generating donations and legacies	34,372	33,955
	<u>34,372</u>	<u>33,955</u>

HOPE INTO ACTION UK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

8 Charitable activities

	2024 £	2023 £
Staff costs	1,033,293	972,794
Depreciation and impairment	30,070	32,222
House rental and running costs	278,561	261,034
House maintenance and equipment	17,932	11,995
Franchising expenses	50,270	55,458
Volunteer expenses	3,142	4,124
Client support	4,718	7,122
Property refurbishment	144,785	93,533
General rates	6,382	9,657
Bad debt expense	26,355	30,365
Books	-	70
	<u>1,595,508</u>	<u>1,478,374</u>
Support costs (see note 9)	226,066	183,315
Governance costs (see note 9)	5,400	5,400
	<u>1,826,974</u>	<u>1,667,089</u>
Analysis by fund		
Unrestricted funds - general	1,553,597	1,462,797
Designated funds	28,964	31,116
Restricted funds	244,413	173,176
	<u>1,826,974</u>	<u>1,667,089</u>

HOPE INTO ACTION UK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

9 Support costs

	Support costs	Governance costs	2024 Support costs	Governance costs	2023
	£	£	£	£	£
Property costs	15,105	-	15,105	17,792	17,792
Loan interest	5,167	-	5,167	2,663	2,663
Bank and processing charges	5,040	-	5,040	3,033	3,033
Light and heat	2,831	-	2,831	2,084	2,084
Travel and subsistence	26,554	-	26,554	20,898	20,898
Printing, postage and stationery	8,727	-	8,727	4,800	4,800
Telephone and fax	13,150	-	13,150	12,500	12,500
Computer and software	56,736	-	56,736	57,860	57,860
Professional and consultancy costs	55,094	-	55,094	23,945	23,945
Insurance	14,581	-	14,581	15,537	15,537
Refreshments	3,749	-	3,749	3,605	3,605
Sundry expenses	11,425	-	11,425	14,524	14,524
Legal fees	5,845	-	5,845	2,986	2,986
Accountancy fees	2,062	-	2,062	1,088	1,088
Audit fees	-	5,400	5,400	-	5,400
	<u>226,066</u>	<u>5,400</u>	<u>231,466</u>	<u>183,315</u>	<u>188,715</u>

Governance costs represents payments to the auditors of £5,400 (2023- £5,400) for audit fees.

10 Trustees

None of the Trustees (or any persons connected with them) received any remuneration during the year. Four Trustees (2023 - 2) were reimbursed a total of £573 for travelling expenses (2023- £513).

HOPE INTO ACTION UK

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

11 Employees

Number of employees

The average monthly number of employees during the year was:

	2024 Number	2023 Number
Average number of employees	41	41

Employment costs

	2024 £	2023 £
Wages and salaries	897,404	842,649
Social security costs	68,733	66,146
Other pension costs	67,156	63,999
	<u>1,033,293</u>	<u>972,794</u>

Included in wages and salaries above are redundancy payments totalling £2,213 (2023 - £Nil) and termination payments totalling £6,035 (2023 - £Nil).

The average full time equivalent number of employees during the year was 30 (2023 - 30).

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

12 Taxation

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

13 Intangible fixed assets

	Software £
Cost	
At 1 April 2023	-
Additions	21,000
At 31 March 2024	<u>21,000</u>
Amortisation and impairment	
At 1 April 2023 and 31 March 2024	-
Carrying amount	
At 31 March 2024	<u>21,000</u>
At 31 March 2023	<u>-</u>

HOPE INTO ACTION UK

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

14 Tangible fixed assets

	Land and buildings	Shared ownership properties	Assets under construction	Equipment	Motor vehicles	Total
	£	£	£	£	£	£
Cost						
At 1 April 2023	1,988,533	50,000	-	56,920	5,776	2,101,229
Additions	-	20,000	46,101	10,521	-	76,622
Disposals	(95,866)	-	-	-	-	(95,866)
At 31 March 2024	1,892,667	70,000	46,101	67,441	5,776	2,081,985
Depreciation and impairment						
At 1 April 2023	161,372	1,200	-	51,736	3,851	218,159
Depreciation charged in the year	18,927	700	-	8,518	1,924	30,069
Eliminated in respect of disposals	(8,650)	-	-	-	-	(8,650)
At 31 March 2024	171,649	1,900	-	60,254	5,775	239,578
Carrying amount						
At 31 March 2024	1,721,018	68,100	46,101	7,187	1	1,842,407
At 31 March 2023	1,827,162	48,800	-	5,184	1,926	1,883,072

Included in land and buildings above is the office and 13 (2023 - 14) houses which are used to support tenants. Shared ownership properties represents and interest in 2 (2023 - 2) properties.

HOPE INTO ACTION UK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

15 Debtors		2024	2023
		£	£
Amounts falling due within one year:			
Tenant and franchise debt		66,483	66,247
Other debtors		76,818	63,835
Prepayments and accrued income		5,127	29,884
		<u>148,428</u>	<u>159,966</u>

16 Loans and overdrafts		2024	2023
		£	£
	Notes		
Bank loans		<u>262,396</u>	<u>270,724</u>
Payable within one year	14	10,700	10,700
Payable after one year	15	<u>251,696</u>	<u>260,024</u>

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

17 Creditors: amounts falling due within one year		2024	2023
		£	£
	Notes		
Bank loans	16	10,700	10,700
Other taxation and social security		18,301	17,186
Deferred income	19	27,452	56,213
Trade creditors		88,117	9,899
Other creditors		16,716	21,374
Accruals		5,404	15,639
		<u>166,690</u>	<u>131,011</u>

18 Creditors: amounts falling due after more than one year		2024	2023
		£	£
	Notes		
Bank loans	16	<u>251,696</u>	<u>260,024</u>

HOPE INTO ACTION UK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

19 Deferred income

Deferred income is included in the financial statements as follows:

	2024 £	2023 £
Deferred income is included within:		
Current liabilities	27,452	56,213
Movements in the year:		
Deferred income at 1 April 2023	56,213	7,000
Released from previous periods	(56,213)	(7,000)
Resources deferred in the year	27,452	56,213
Deferred income at 31 March 2024	27,452	56,213

20 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 £67,156 (2023 - £63,999).

HOPE INTO ACTION UK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

21 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 2023	Incoming resources	Resources expended	Transfers	Balance at 31 March 2024
	£	£	£	£	£
Special Projects					
Albert Hunt Trust	-	7,000	(7,000)	-	-
Beer Harris Memorial Trust	-	2,000	(2,000)	-	-
Benefact Trust	-	20,000	(20,000)	-	-
B&Q Foundation	-	5,000	(5,000)	-	-
Charles Hayward Foundation	-	25,000	(25,000)	-	-
Cinnamon Trust	-	2,000	(2,000)	-	-
Daughters of Jesus	-	200	(200)	-	-
Didymus Trust	7,502	10,000	(10,000)	-	7,502
Garfield Weston Foundation	-	50,000	(50,000)	-	-
Hopstead	-	5,903	(5,903)	-	-
Howard Foundation	-	3,450	(3,450)	-	-
Landaid Chairtable Trust	-	9,073	(9,073)	-	-
Mazars Charitable Trust	-	7,883	(7,883)	-	-
Norfolk Community Foundation	-	2,956	(2,956)	-	-
Donation for property	447,943	81,500	(16,842)	(46,101)	466,500
	<u>455,445</u>	<u>231,965</u>	<u>(167,307)</u>	<u>(46,101)</u>	<u>474,002</u>
Other including core costs					
Jerusalem Trust	-	76,000	(76,000)	-	-
	<u>-</u>	<u>76,000</u>	<u>(76,000)</u>	<u>-</u>	<u>-</u>
Property					
SEIF	74,834	-	(1,106)	-	73,728
	<u>74,834</u>	<u>-</u>	<u>(1,106)</u>	<u>-</u>	<u>73,728</u>
Total	<u>530,279</u>	<u>307,965</u>	<u>(244,413)</u>	<u>(46,101)</u>	<u>547,729</u>

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 donations received to enable the charity to invest in further property to be used to house tenants. The transfer out of restricted funds represent purchase of fixed assets which are shown in the designated fixed asset fund.

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 2024

22 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 2022 £	Resources expended £	Transfers £	Balance at 1 April 2023 £	Resources expended £	Transfers £	Balance at 31 March 2024 £
Fixed asset fund	1,518,842	(31,116)	9,785	1,497,511	(28,964)	(1,264)	1,467,283
	<u>1,518,842</u>	<u>(31,116)</u>	<u>9,785</u>	<u>1,497,511</u>	<u>(28,964)</u>	<u>(1,264)</u>	<u>1,467,283</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 £60,000 (2023 - £40,000) investment from unrestricted funds in accordance with the charity's reserves policy.

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

23 Analysis of net assets between funds

Fund balances at 31 March 2024 are represented by:

	Unrestricted funds 2024 £	Designated funds 2024 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds 2023 £	Designated funds 2023 £	Restricted funds 2023 £	Total 2023 £
Intangible fixed assets	-	21,000	-	21,000	-	-	-	-
Tangible assets	59,999	1,708,679	73,729	1,842,407	40,000	1,768,238	74,834	1,883,072
Current assets/(liabilities)	417,883	(10,700)	474,000	881,183	379,498	(10,700)	455,445	824,243
Long term liabilities	-	(251,696)	-	(251,696)	-	(260,024)	-	(260,024)
	477,882	1,467,283	547,729	2,492,894	419,498	1,497,514	530,279	2,447,291

The analysis of current assets/(liabilities) is as follows:

	Unrestricted funds 2024 £	Designated funds 2024 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds 2023 £	Designated funds 2023 £	Restricted funds 2023 £	Total 2023 £
Current assets	148,427	-	-	148,427	152,464	-	7,502	159,966
Cash	397,994	-	501,452	899,446	347,345	-	447,943	795,288
Current liabilities	(128,538)	(10,700)	(27,452)	(166,690)	(120,311)	(10,700)	-	(131,011)
	417,883	(10,700)	474,000	881,183	379,498	(10,700)	455,445	824,243

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

24 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:

	2024 £	2023 £
Within one year	109,584	99,444
Between two and five years	8,156	10,091
	<u>117,740</u>	<u>109,535</u>

25 Capital commitments

At 31 March 2024 the charity had capital commitments as follows:

Contracted for but not provided in the financial statements:

Acquisition of property, plant and equipment	450,000	-
Acquisition of intangible assets	14,400	-
	<u>464,400</u>	<u>-</u>

26 Related party transactions

Remuneration of key management personnel

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

	2024 £	2023 £
Aggregate compensation	<u>165,506</u>	<u>158,113</u>

Key management personnel represents 4 (2023 - 4) members of staff who form the executive team.

Included in expenditure are the following amounts in respect of rent paid on properties used for the charity's clients.

	2024 £	2023 £
Property rented from children of Mr G Howard	11,400	11,400
Property rented from Mr G Howard	1,597	1,597
Property rented from Mr and Mrs E Walker	4,492	5,437
Property rented from The Reverend Mrs D Tidball	1,919	1,919

During the year the charity received donations totalling £13,450 (2023 - £15,900) from Trustees.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

27	Cash generated from operations	2024 £	2023 £
	Surplus/(deficit) for the year	45,603	(72,429)
	Adjustments for:		
	Investment income recognised in statement of financial activities	(23,546)	(8,564)
	Gain on disposal of tangible fixed assets	(39,297)	-
	Depreciation and impairment of tangible fixed assets	30,070	32,222
	Movements in working capital:		
	Decrease/(increase) in debtors	11,539	(76,779)
	Increase/(decrease) in creditors	64,440	(16,497)
	(Decrease)/increase in deferred income	(28,761)	49,213
	Cash generated from/(absorbed by) operations	60,048	(92,834)

28 Analysis of changes in net funds

	At 1 April 2023 £	Cash flows £	At 31 March 2024 £
Cash at bank and in hand	795,288	104,157	899,445
	795,288	104,157	899,445
Loans falling due within one year	(10,700)	-	(10,700)
Loans falling due after more than one year	(260,024)	8,328	(251,696)
	524,564	112,485	637,049

