

**HOMES OF PROMISE**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**YEAR ENDED 31ST DECEMBER 2021**

**HOMES OF PROMISE  
TRUSTEES' REPORT FOR THE YEAR ENDED 31ST DECEMBER 2021**

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The Trustees present their report with the Financial Statements of the charity for the year ended 31st December 2021. The trustees have adopted the provisions of the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the UK (SORP FRS 102)

**Reference and Administrative Information**

**Name**

The full name of the charity is Homes of Promise CIO. The charity uses the name **Homes of Promise** on its website and all of its literature

**UK Registered Charity Number**

1161750

**Ugandan Registered NGO Number**

11956

**Charity's Principal Address**

19 Ridings Avenue LONDON N21 2EL

**Trustees**

The following trustees served during the year:-

Mrs Jane Davidson (Chair)

Reverend Ian Crofts

Ms Heather Holgate

Mr Geoffrey Hill (Treasurer)

**Bankers**

Barclays Bank PLC, Enfield Town Branch

Stanbic Bank Uganda Limited, Garden City Branch, Kampala

**Independent Examiner**

Paul Reddaway

**Structure, governance and management**

The charity is a Charitable Incorporated Organisation and the Constitution is its governing document. Trustees are selected by invitation. The administration of the charity has been carried out by the treasurers and the chair. Mrs Jane Davidson manages the day to day running of the charity in Uganda. We have a Child Protection Policy and an Organisational Chart available on request. There is an office in George's Place in Uganda, however there is no office in the UK and the officers operate from their own homes.

### **Objectives and Activities**

Homes of Promise primarily care for street boys in Kampala, Uganda, through George's Place, a transitional home for boys. We support the boys into full time education and vocational training. The new life skills enable these young people to reach their full potential. We take vulnerable boys off the street, registering and working with the local authorities. We locate and visit with each boy their family and home village. Reconciling them with family where possible and appropriate. We are a Christian organisation working with boys and young people from different faiths and backgrounds. We also support other Christian Organisations, individuals and related initiatives in Uganda at the Trustees discretion. This is all in keeping with our objectives set out in our governing document. A summary of the objectives are to advance the Christian faith through the prevention or relief of poverty in Uganda, and such other parts of the world as the trustees from time to time may think fit by the provision of shelter, education and healthcare and all necessary support designed to enable individuals to generate a sustainable income and be self-sufficient.

### **Summary of Main Activities**

At the beginning of 2021 we were all, of course, still living under the shadow of the COVID pandemic. Some of our boys were staying with their families in the villages, not only to keep them safe, but also so that they could be out of Kampala at the time of the January elections. The older boys who had been resettled in independent living in November were fine but finding it difficult to obtain work. The schools, colleges and churches were still closed, but by the end of February final year students returned to school and college. This was a difficult time as staff were unable to travel. The warden and security staff managed to stay on site, but the boys were in the home 24/7 which was challenging for them and for us. We arranged for a teacher from the boys' school to attend three days a week to start homeschooling. We also arranged for an art class and for someone to teach local handicrafts. One of our older boys in Senior 4, helped with the boy's education and those who received tuition during this time made significant progress.

We sadly lost our dear friend Betty Mdoe, who died in early January from COVID. (Betty's husband, Ken, is on our management committee.)

By March the boys were back playing football and those in vocational training returned to college. But it was to be a false dawn. Although schools re-opened in April, everything closed again in June for the rest of the year.

Throughout 2021 we helped other organizations in various ways. These included paying medical fees for an operation on a young lad's leg and school fees for twins. We also provided food supplies and support for a children's home. With many people in Kampala struggling to make ends meet, the boys distributed food to our neighbours after the local councillor helped identify families in real need. I am happy to say that our own staff were paid full wages during the lockdowns. In one other piece of news from the last year, one young man continued growing crops on his land and built a pit latrine and He also managed to purchase a piglet.

I returned to Uganda at the beginning of October and I am still here. By the start of November, life was gradually returning to normal, with people travelling around the capital. However, churches, schools and colleges remained closed. We had only one Management Meeting, early in December, and Mr. Ian Wardle joined the committee. We give thanks to the Lord that the work at George's Place continued despite all the setbacks and closures. The boys and their families remained healthy and three new boys joined us in November. We have Court Orders in place for these boys and we had found the families of two of them by the end of the year. Two joined vocational training in January 2022 and the younger boy is now in school.



**TRUSTEES' REPORT FOR THE YEAR ENDED 31ST DECEMBER 2021****Public Benefit**

The Charity Commission Public Benefit requirement is met by getting the street boys off the streets and out of the slums, by providing them with a safe place to live and stability for the future. The boys are supported and encouraged to enter education and vocational training. This provides the boys with the life skills needed to make a positive contribution to society, thus benefitting not just the boys and their families, but the public more widely.

**Contribution made by volunteers**

The whole UK operation is managed by volunteers. Apart from the trustees, we give thanks to all those who offer their time and support including emailing the weekly newsletters and updating our website. We also thank those who visit churches and groups on our behalf. We thank all our many knitters and those who have donated clothing and other items.

**Financial review**

The financial position has seen an increase in income from £48590 in 2020 to £66381 in 2021. Expenses have also increased from £58523 in 2020 to £66210 giving a small surplus of £171.

Much of our income comes from individuals giving regular monthly amounts and then from Trusts and fundraising events.

The charity continues to receive a restricted donation of £5000 from an individual to cover governance costs.

In Uganda, we received £868 in the year.

The trustees give thanks to all involved.

**Future developments**

Looking forward in 2022, we have to re-register as a non-governmental organization (NGO) very soon, as our five-year permit runs out in March. Thankfully we are still registered to operate a Children's Home until November 2024. One notable ambition for the coming year is that we are considering relocating George's Place outside of Kampala. We would like to find a new site, with more space and places for outside activities.

The Lord has been guiding and providing for us during these difficult times and we trust in Him for the future.

**Statement of trustees' responsibilities**

The trustees are responsible for preparing the Trustees' Report and Accounts in accordance with the applicable law and United Kingdom Accounting Standard (UK generally accepted accounting practice). The law applicable to charities in England and Wales requires the trustees to prepare accounts 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 of the charity for that period.

In preparing these accounts, the trustees are required to:

Select suitable accounting policies and then to apply them consistently

Observe the methods and principles of the Charities SORP

Make judgements and estimates that are reasonable and prudent

Prepare the accounts 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 to enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, and taking the provisions of the Constitution. They are responsible for safeguarding the assets of the charity and taking reasonable steps for the prevention and detection of fraud and other irregularities.



**By order of the board**

**J K Davidson (Chair and trustee)**

27th June 2022

## INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF HOMES OF PROMISE

I report on the accounts of the Charity for the year ended 31st December 2021, which are set out on pages 6 to 12.

**Respective responsibilities of trustees and examiner**

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 (the Charities Act) and that an independent examination is needed.

It is my responsibility to:

examine the accounts under section 145 of the Charities Act;  
follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and  
state whether particular matters have come to my attention.

**Basis of independent examiner's report**

My examination was carried out in accordance with the general directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a "true and fair" view and the report is limited to those matters set out in the statement below.

**Independent examiner's statement**

In connection with my examination, no matter has come to my attention:

- 1 which gives me reasonable cause to believe that, in any material respect, the requirements:
  - to keep accounting records in accordance with section 130 of the Charities Act; and
  - to prepare accounts which accord with the accounting records and comply with the requirements of the Charities Acthave not been met; or
- 2 to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Paul Reddaway

4 Welsummer Way, Cheshunt, Waltham Cross, EN8 0UG

*Paul Reddaway* 12/6/22.



**HOMES OF PROMISE  
STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31ST DECEMBER 2021**

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	Note	General	Restricted	Total Funds 2021	Total Funds 2020
<b>Income</b>					
Donations	2	61359	5000	66359	48590
Repayment supplement		<u>22</u>	<u>-</u>	<u>22</u>	<u>-</u>
		<u>61381</u>	<u>5000</u>	<u>66381</u>	<u>48590</u>
<b>Expenditure</b>					
Raising funds		-	1080	1080	1080
Charitable activities	3	64128	-	64128	57279
Governance costs		<u>-</u>	<u>1002</u>	<u>1002</u>	<u>164</u>
Total expenditure		<u>64128</u>	<u>2082</u>	<u>66210</u>	<u>58523</u>
<b>Net income (expenditure)</b>		(2747)	2918	171	(9933)
<b>Reconciliation of funds:</b>					
Total funds brought forward		<u>16996</u>	<u>4507</u>	<u>21503</u>	<u>31436</u>
<b>Total funds carried forward</b>		<u>14249</u>	<u>7425</u>	<u>21674</u>	<u>21503</u>

The notes on pages 8 to 12 form part of these financial statements.

**HOMES OF PROMISE  
BALANCE SHEET AS AT 31ST DECEMBER 2021**

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		2021	2020
	Notes	£	£
<b>Fixed Assets</b>			
Tangible fixed assets	4	1	1
<b>Current Assets</b>			
Debtors	5	1893	4020
Cash at bank		<u>19780</u>	<u>17482</u>
		21673	21502
Net Current Assets		<u>21673</u>	<u>21502</u>
<b>Total Assets less Current Liabilities</b>		<u>21674</u>	<u>21503</u>
<b>Charity Funds</b>			
Restricted funds	6	7425	4507
Unrestricted funds			
General funds	7	<u>14249</u>	<u>16996</u>
		<u>21674</u>	<u>21503</u>

The financial statements were approved by the Trustees on 27th June 2022



Geoffrey S. Hill

The notes on pages 8 to 12 form part of these financial statements.



**HOMES OF PROMISE  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST DECEMBER 2021**

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**1 Accounting policies**

**a) Basis of preparation of financial statements**

The financial statements have been prepared in accordance with 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 1st January 2015) - (Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Homes of Promise meets the definition of a public benefit entity as defined by FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Trustees are satisfied the charity has sufficient reserves and there are no material uncertainties to continue as a going concern for the foreseeable future.

**b) Legal status of the Charity**

The Charity is a Charity Incorporated Organisation. The trustees are named on page 2. The registered contact address is 19 Ridings Avenue, London, N21 2EL.

**c) Fund accounting**

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors which have been raised by the Charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

**d) Income**

Income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Donations are received income from individual donors and organisations.

Income tax recoverable in relation to donations received under Gift Aid declarations is recognised at the time of the donation.

**HOMES OF PROMISE  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST DECEMBER 2021**

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**1 Accounting policies (continued)**

**e) Expenditure**

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

**f) Tangible fixed assets and depreciation**

All assets costing more than £500 are capitalised.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following basis:

Motor vehicles      33% straight line

**g) Debtors**

Other debtors are shown at the settlement amount.

**h) Cash at bank and in hand**

Cash at bank and in hand includes cash and short term highly liquid investments.

**i) Creditors**

Creditors are recognised where the charity has an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement and the amount of the settlement can be estimated reliably. There were no creditors at 31st December 2021 (2020 Nil).

**j) Financial instruments**

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

**k) Taxation**

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

**HOMES OF PROMISE  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST DECEMBER 2021**

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**1 Accounting policies (continued)**

**l) Foreign currency translation**

Foreign currency transactions are recorded at the exchange rate ruling on the date of transaction. Foreign exchange gains and losses resulting from the settlement of such transactions, and from the retranslation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies, are recognised in the Statement of Financial Activities.

**m) Reserves**

The charity have adopted a policy regarding reserves that should ensure that, excluding those funds represented by fixed assets, general reserves should be at a level commensurate to 3 to 6 months of planned operating expenditure. This is between £15,000 and £30,000.

**n) Use of Volunteers**

The charity from time to time relies on volunteers to be involved in the fund raising activities. This use of volunteers in the course of undertaking the charitable and income generating activities is not recognized within the Statement of Financial Activities.

**2 Donations and Legacies**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Gifts (Individuals and Organisations)	51365	32727
Gifts from individuals received in Uganda	868	-
Trusts and Corporates	10000	10000
Gift Aid from HM Revenue & Customs	<u>4126</u>	<u>5863</u>
	<u>66359</u>	<u>48590</u>

Donations in the current year include a donation from an individual of £5000 (2020: £5000) which is restricted for expenditure on core costs including fundraising, administration and governance costs.



**HOMES OF PROMISE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST DECEMBER 2021**

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	2021	2020
	£	£
<b>3 Analysis of charitable activities expenditure</b>		
George's Place	51726	47018
Education, school and vocational	9769	8237
Medical costs	1729	1156
Christian support	57	24
Shipping donated items to Uganda	719	708
Bank charges	128	136
	<u>64128</u>	<u>57279</u>
 <b>4 Tangible fixed asset</b>		
<b>Motor vehicle</b>		
At cost, brought forward and carried forward	<u>13177</u>	<u>13177</u>
Depreciation brought forward	13176	13176
Charge in year	—	—
Depreciation carried forward	<u>13176</u>	<u>13176</u>
Net book value at 31st December 2021	<u>1</u>	<u>1</u>
Net book value at 31st December 2020	<u>1</u>	<u>1</u>
 <b>5 Debtors</b>		
Gift Aid receivable	<u>1893</u>	<u>4020</u>
 <b>6 Restrictcd Funds</b>		
Balance at 1st January 2021	4507	751
Income	5000	5000
Expenditure	(2082)	(1244)
Balance at 31st December 2021	<u>7425</u>	<u>4507</u>
 <b>7 Unrestricted Funds</b>		
Balance at 1st January 2021	16996	30685
Income	61381	43590
Expenditure	(64128)	(57279)
Balance at 31st December 2021	<u>14249</u>	<u>16996</u>



**HOMES OF PROMISE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST DECEMBER 2021**

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	2021	2020
	£	£
<b>8 Net assets by fund</b>		
<b>Restricted funds</b>		
Current assets	<u>7425</u>	<u>4507</u>
<b>General funds</b>		
Tangible fixed assets	1	1
Current assets	<u>14248</u>	<u>16995</u>
	<u>14249</u>	<u>16996</u>
 Total	 <u>7425</u>	 <u>21503</u>

**9 Reconciliation of net movement in funds to net cash flow from operation activities**

Net income (expenditure) for the year (as Statement of Financial Activities)	171	(9933)
Decrease (Increase) in debtors	2127	4242
(Decrease) Increase in creditors	-	(5589)
Decrease in fixed assets	<u>-</u>	<u>-</u>
Net cash increase (used in) operating activities	<u>2298</u>	<u>(11280)</u>