

HOMES OF PROMISE

ANNUAL REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 31ST DECEMBER 2023

**HOMES OF PROMISE
TRUSTEES' REPORT FOR THE YEAR ENDED 31ST DECEMBER 2023**

Page 1

The Trustees present their report with the Financial Statements of the charity for the year ended 31st December 2023. 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)

Mr James Davidson (appointed 30th June 2023)

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 and Achievements

The work of Homes of Promise continued to grow and develop during 2023. We started with a new Management Committee in January and welcomed The Hon. Juma Abdallah (Speaker of Katabi Town Council) onto the board. He is interested in our work and was instrumental in having a street sign put in place to direct visitors to George's Place. Unfortunately the Probation Officer for Wakiso District has been sick throughout the year and unable to attend our meetings, but representatives from Katabi joined us.

The older boys in vocational training are doing well, five finished their courses at the end of the year. Already one is working in a garage in Nebbi and living with his grandmother, he is an orphan. Another has been resettled with his grandmother near Sironko and is starting up a small tailoring business - we provided a sewing machine and materials to help him get established. The boy on the hairdressing course is working in a salon in Entebbe and training as a manicurist. We are looking at resettling the other two lads shortly. One is already back with his father. Two of our boys who finished their first year in vocational training have been working during the Christmas holidays one for National Water and the other in a restaurant near his home town. It is encouraging to see these boys lives being changed in amazing ways whilst being reconciled to family members.

We had 10 boys in primary school throughout the year and we are awaiting the results of the lad who took his P7 examinations as he would like to join Senior 1 when the term begins. The four boys already in Senior School are all doing well. The two who were in S1 in 2023 received several A* on their reports throughout the year.

At George's Place we now have two dogs, Peanut and Zimba who enjoy walks we also have many chickens, as we rear chicks.

The boys in the home are always involved in preparing vegetables, making chapatis - the older boys can all cook basic meals. They all have to do chores, such as cleaning the house/compound and washing up after meals. There is a friendly family atmosphere in the home. The boys enjoy football at an Academy, swimming, basketball, table tennis, badminton, Ludo, card games, art and television!

In November we moved offices as there had been a fire in the building and no electricity for 6 weeks in the old office! We are now happily located in John Paul II Justice and Peace Building in Nsambya.

TRUSTEES' REPORT FOR THE YEAR ENDED 31ST DECEMBER 2023

Summary of Main Activities and Achievements (continued)

In August we took 27 of our boys on a camp at Lake Mboro where they camped under canvas and enjoyed the nearby Safari Park, seeing zebra, giraffe, elephants, monkeys etc., also enjoying a boat trip - seeing crocodiles, monitor lizards, and hippos.

We had two young boys join us in November 2023, we have traced their relatives and they will attend the local primary school in February 2024, we are in the process of obtaining Care Orders for them. They have had medical checks and the appropriate authorities have been notified.

We had a Christmas Party and a number of our past boys returned for the weekend to help us celebrate.

Looking forward

Our work with street boys continues with the encouragement of families being reconciled and the boys growing into responsible, mature, thoughtful young men. We will continue to support those who have finished their courses and help them as they resettlement and find work in local areas. Four more boys will attend vocational college in 2024. We trust in The Lord as we move into 2024 - we believe we are involved in doing His work. 'Changing Lives.'

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.

TRUSTEES' REPORT FOR THE YEAR ENDED 31ST DECEMBER 2023**Financial review**

Our income comes from trusts, churches and individuals most of whom give on a monthly basis. The income increased from £88641 in 2022 to £93201 in 2023. However, our expenses increased from £86405 in 2022 to £94151 in 2023 giving a deficit in the year of £950. The vast majority of the expense are spent in Uganda in the Ugandan currency. Local Ugandan accountants have audited the income and expenditure and these figures have been converted into £sterling at the average rate throughout the year for expenses and at exchange rate at the year end for current assets and liabilities as at 31st December 2023. As shown in Note 2 to the Financial Statements, the 2022 figures have been restated to reflect computer equipment, prepaid rent and creditors. Mrs Jane Davidson spent much of the year in Uganda and some of the expenses were paid by her and totalled £681 which is gifted to the charity.

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)

4th June 2024

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 2023 ,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.

2024

Paul Reddaway
Fairview House, 6 Whitefield Close, Batheaston, BA1 7PU

**HOMES OF PROMISE
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST DECEMBER 2023**

Page 6

	Note	General	Restricted	Total Funds 2023	Total Funds 2022
Income					
Donations	3	93157	-	93157	88641
Repayment supplement		<u>44</u>	<u>-</u>	<u>44</u>	<u>-</u>
		<u>93201</u>	<u>-</u>	<u>93201</u>	<u>88641</u>
Expenditure					
Raising funds		-	-	-	550
Charitable activities	4	91143		91143	84949
Governance costs		<u>-</u>	<u>3008</u>	<u>3008</u>	<u>906</u>
Total expenditure		<u>91143</u>	<u>3008</u>	<u>94151</u>	<u>86405</u>
Net income (expenditure)		2058	(3008)	(950)	2236
Reconciliation of funds:					
Total funds brought forward		<u>17585</u>	<u>6325</u>	<u>23910</u>	<u>21674</u>
Total funds carried forward		<u>19643</u>	<u>3317</u>	<u>22960</u>	<u>23910</u>

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

**HOMES OF PROMISE
BALANCE SHEET AS AT 31ST DECEMBER 2023**

Page 7

		2023	2022
	Notes	£	£
Fixed Assets			
Tangible fixed assets	5	246	307
Current Assets			
Debtors	6	4299	3811
Cash at bank and in hand		<u>19140</u>	<u>20387</u>
		23439	24198
Current Liabilities			
Sundry creditors		<u>725</u>	<u>595</u>
Net Current Assets		<u>22714</u>	<u>23603</u>
Total Assets less Current Liabilities		<u><u>22960</u></u>	<u><u>23910</u></u>
Charity Funds			
Restricted funds	7	3317	6563
Unrestricted funds			
General funds	8	<u>19643</u>	<u>17347</u>
		<u><u>22960</u></u>	<u><u>23910</u></u>

The financial statements were approved by the Trustees on 4th June 2024

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 2023**

Page 8

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.

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

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 vehic	33% straight line
Computer equipment	20% 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.

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 exempt from tax on its charitable activities.

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 Prior year adjustment

The financial statements have been restated to incorporate additional information received from the Ugandan accountants auditing the Ugandan financial accountants to incorporate computer equipment and depreciation, cash in hand and prepayment increasing the reserves as at 31st December 2022 by £2020.

Summary of the prior year accounting impact

Increase in tangible fixed assets	477
Increase in tangible fixed assets depreciation	(171)
increase in cash in hand	195
Increase in prepayment of rent	2114
increase in creditors	<u>(595)</u>
	<u>2020</u>

3 Donations and Legacies

	2023	2022
	£	£
Gifts (Individuals and Organisations)	69823	74680
Gifts from individual received in Uganda	681	113
Trusts and churches	17119	10059
Gift Aid from HM Revenue & Customs	<u>5534</u>	<u>3789</u>
	<u>93157</u>	<u>88641</u>

**HOMES OF PROMISE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2023**

Page 11

	2023	2022
	£	£
4 Analysis of charitable activities expenditure		
George's Place	68282	67820
Education, school and vocational	19519	14490
Medical costs	2934	2421
Christian support	96	52
Shipping donated items to Uganda	<u>312</u>	<u>166</u>
	<u>91143</u>	<u>84949</u>
5 Tangible fixed asset		
Motor vehicle		
At cost, brought forward and carried forward	<u>13177</u>	<u>13177</u>
Depreciation brought forward	13176	13176
Charge in year	<u>-</u>	<u>-</u>
Depreciation carried forward	<u>13176</u>	<u>13176</u>
Net book value at 31st December 2023	<u>1</u>	<u>1</u>
Computer equipment		
At cost, brought forward and carried forward	<u>477</u>	<u>477</u>
Total cost, brought forward and carried forward	<u>478</u>	<u>478</u>
Depreciation brought forward	172	110
Charge in year	<u>61</u>	<u>62</u>
Depreciation carried forward	<u>233</u>	<u>172</u>
Net book value	<u>245</u>	<u>305</u>
Total net book value	<u>246</u>	<u>306</u>
Machinery, equipment, furniture and fixtures fully depreciated in Uganda have not been included		
6 Debtors		
Gift Aid receivable	2512	1697
Repayment supplement	44	-
Rent prepaid	<u>1743</u>	<u>2114</u>
	<u>4299</u>	<u>3811</u>
7 Restricted Funds		
Balance at 1st January 2023	6325	7425
Income	-	5000
Expenditure	<u>(3008)</u>	<u>(6100)</u>
Balance at 31st December 2023	<u>3317</u>	<u>6325</u>
8 Unrestricted Funds		
Balance at 1st January 2023	17585	14249
Income	93201	83641
Expenditure	<u>(91143)</u>	<u>(80305)</u>
Balance at 31st December 2023	<u>19643</u>	<u>17585</u>

**HOMES OF PROMISE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2023**

Page 12

	2023	2022
	£	£
9 Net assets by fund		
Restricted funds		
Current assets	<u>3317</u>	<u>6325</u>
General funds		
Tangible fixed assets	246	306
Net Current assets	<u>19397</u>	<u>17279</u>
	<u>19643</u>	<u>17585</u>
 Total	 <u>22960</u>	 <u>23910</u>
10 Reconciliation of net movement in funds to net cash flow from operation activities		
Net income (expenditure) for the year (as Statement of Financial Activities)	(950)	2236
(Increase) in debtors	(488)	(1918)
(Decrease) Increase in creditors	130	595
Decrease (Increase) in fixed assets	<u>61</u>	<u>(306)</u>
Net cash increase operating activities	<u>(1247)</u>	<u>607</u>