

Charity Registration No. 1167974

Company Registration No. 03916937 (England and Wales)

THE FAITH HOPE & ENTERPRISE COMPANY LTD
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

THE FAITH HOPE & ENTERPRISE COMPANY LTD

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr N T Gregory Mr J Khan Miss C S McKen Mrs P M Munro Mr I Johnson
Secretary	Mr K D Gill
Charity number	1167974
Company number	03916937
Registered office	Office 47 Eurocom House Derby West Business Centre Ashbourne Road Derby United Kingdom DE22 4NB
Independent examiner	Azets 2 Regan Way Chetwynd Business Park Chilwell Nottingham United Kingdom NG9 6RZ

THE FAITH HOPE & ENTERPRISE COMPANY LTD

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THE FAITH HOPE & ENTERPRISE COMPANY LTD

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2022

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

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

Objectives and activities

FHE exists to provide housing to people in Derby and Derbyshire who currently need support living in the community, sometimes as a result of drug and alcohol related needs, mental health needs, learning disability or a combination of these factors. Our long-term goal is to help all our residents move towards living in more independent accommodation.

Achievements and performance

This has been a year of development as we re-emerge from the pandemic. We are fortunate to continue to work with an excellent staff team. All have taken on new responsibilities and some have extended their hours. We now offer accommodation for 41 people. The end of restrictions on meeting socially in summer 2021 has enabled us to resume face-to-face work wherever possible. COVID-19 has not gone away and staff and residents have continued to test regularly, isolate and work remotely when necessary.

Thanks to grant income from The Community Fund, Foundation Derbyshire and the European Social Fund, we have supported people to improve their life skills, move closer to employment and participate in social activities which have reduced the isolating impact of Covid-19.

This has enabled 7 people to move on into independent living and 2 residents have moved on having found employment in the past year.

Residents have also had the opportunity to improve cooking skills by learning to cook new dishes with fresh ingredients, take part in 5 a side football, explore the cycle trails of the Peak District, experience paintballing, discover local parks, participate in a local community garden scheme and play pool together.

Financial review

We have continued to grow our property portfolio, completing the purchase of a four bedroom house in April 2021. In March, we received a capital grant for the purchase of 4 new flats in Ashbourne which we hope to complete early in the coming financial year and at the same time have been able to grow our reserve fund in accordance with our aspirational policy.

THE FAITH HOPE & ENTERPRISE COMPANY LTD

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

Our Chief Executive Kevin Gill remains in overall charge of the day-to-day running of the organisation, with a team of four dedicated support workers, an administrator, and two maintenance workers.

Staff-wellbeing has been a priority this year. In addition to our existing focus on supervision and training we have provided access to a counselling service to enable support workers to have time and space away from the charity to talk about their role and the impact it has on them.

As Covid-19 restrictions have lifted, we have begun to hold regular house meetings again, where residents have the opportunity to feedback on the support they receive and issues around their accommodation.

Feedback from our residents is very important to us. Two who have moved on into employment and independent living this year had this to say:

"I just want to say thank you very, very much for everything Faith Hope and Enterprise has done for me. It means ever so much. I feel like my life has gone from being a mess 6 years ago to being together now."

"The support from the team has been excellent, positive and helpful. I think Faith Hope and Enterprise gave me a good platform in life."

It continues to be a privilege to be a part of a charity that is helping people to make such progress in their lives.

Structure, governance and management

The charity is a company limited by guarantee.

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

Mr N T Gregory

Mr P Hay

(Resigned 1 December 2021)

Mr J Khan

Miss C S McKen

Mrs P M Munro

Mr I Johnson

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.

Mrs P M Munro

Trustee

Dated: 18 May 2022

THE FAITH HOPE & ENTERPRISE COMPANY LTD

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF THE FAITH HOPE & ENTERPRISE COMPANY LTD

I report to the trustees on my examination of the financial statements of The Faith Hope & Enterprise Company Ltd (the charity) for the year ended 31 March 2022.

Responsibilities and basis of report

As the trustees of the charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of , which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
- 4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.

Azets

2 Regan Way
Chetwynd Business Park
Chilwell
Nottingham
NG9 6RZ
United Kingdom

Dated: 18 May 2022

THE FAITH HOPE & ENTERPRISE COMPANY LTD

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2022

		Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
	Notes						
Income from:							
Donations and legacies	3	28,739	171,768	200,507	34,889	9,026	43,915
Investments	4	453,084	-	453,084	396,332	-	396,332
Total income		481,823	171,768	653,591	431,221	9,026	440,247
Expenditure on:							
Charitable activities	5	220,825	38,928	259,753	245,085	-	245,085
Other	8	193,785	-	193,785	177,869	-	177,869
Total resources expended		414,610	38,928	453,538	422,954	-	422,954
Net income for the year/ Net movement in funds		67,213	132,840	200,053	8,267	9,026	17,293
Fund balances at 1 April 2021		71,061	27,160	98,221	62,794	18,134	80,928
Fund balances at 31 March 2022		138,274	160,000	298,274	71,061	27,160	98,221

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.

THE FAITH HOPE & ENTERPRISE COMPANY LTD

BALANCE SHEET

AS AT 31 MARCH 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	9	444,481		337,677	
Investments	10	10		10	
		<u>444,491</u>		<u>337,687</u>	
Current assets					
Debtors	11	6,796		3,117	
Cash at bank and in hand		207,894		61,639	
		<u>214,690</u>		<u>64,756</u>	
Creditors: amounts falling due within one year	13	(20,772)		(2,688)	
Net current assets			193,918		62,068
Total assets less current liabilities			638,409		399,755
Creditors: amounts falling due after more than one year	14	(340,135)		(301,534)	
Net assets			<u>298,274</u>		<u>98,221</u>
Income funds					
Restricted funds		160,000		27,160	
Unrestricted funds		138,274		71,061	
		<u>298,274</u>		<u>98,221</u>	

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2022.

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.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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 Trustees on 18 May 2022

Mrs P M Munro
Trustee

Company Registration No. 03916937

THE FAITH HOPE & ENTERPRISE COMPANY LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

Charity information

The Faith Hope & Enterprise Company Ltd is a private company limited by guarantee incorporated in England and Wales. The registered office is Office 47 Eurocom House, Derby West Business Centre, Ashbourne Road, Derby, DE22 4NB, 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 charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

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 financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. 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.

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 financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

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.

1.5 Expenditure

THE FAITH HOPE & ENTERPRISE COMPANY LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

1.6 Tangible fixed assets

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

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

Land and buildings	0% on cost
Fixtures, fittings & equipment	15% on cost
Motor vehicles	25% on cost

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.

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

A subsidiary is an entity controlled by the charity. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.8 Impairment of fixed assets

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

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.

THE FAITH HOPE & ENTERPRISE COMPANY LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

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 payments 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.

2 Critical accounting estimates and judgements

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

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

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2022 £	2022 £	2022 £	2021 £	2021 £	2021 £
Donations and gifts	26,951	1,785	28,736	6,167	900	7,067
Grants	1,788	169,983	171,771	28,722	8,126	36,848
	<u>28,739</u>	<u>171,768</u>	<u>200,507</u>	<u>34,889</u>	<u>9,026</u>	<u>43,915</u>

THE FAITH HOPE & ENTERPRISE COMPANY LTD

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

4 Investments

	Unrestricted funds	Unrestricted funds
	2022 £	2021 £
Rental income	453,063	396,292
Interest receivable	21	40
	<u>453,084</u>	<u>396,332</u>

5 Charitable activities

	2022 £	2021 £
Property	38,928	1
Property	220,825	245,084
	<u>259,753</u>	<u>245,085</u>
	<u>259,753</u>	<u>245,085</u>
Analysis by fund		
Unrestricted funds	220,825	245,085
Restricted funds	38,928	-
	<u>259,753</u>	<u>245,085</u>

6 Trustees

None of the trustees (or any persons connected with them) received any remuneration during the year.

7 Employees

The average monthly number of employees during the year was:

2022 Number	2021 Number
<u>11</u>	<u>11</u>

THE FAITH HOPE & ENTERPRISE COMPANY LTD

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

8 Other

	Unrestricted funds	Unrestricted funds
	2022	2021
Governance Costs	193,785	177,869
	<u>193,785</u>	<u>177,869</u>

9 Tangible fixed assets

	Land and buildings	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£
Cost				
At 1 April 2021	337,677	200	8,400	346,277
Additions	91,323	-	16,154	107,477
Disposals	-	-	(8,400)	(8,400)
	<u>429,000</u>	<u>200</u>	<u>16,154</u>	<u>445,354</u>
At 31 March 2022	429,000	200	16,154	445,354
Depreciation and impairment				
At 1 April 2021	-	200	8,400	8,600
Depreciation charged in the year	-	-	673	673
Eliminated in respect of disposals	-	-	(8,400)	(8,400)
	<u>-</u>	<u>200</u>	<u>673</u>	<u>873</u>
At 31 March 2022	-	200	673	873
Carrying amount				
At 31 March 2022	<u>429,000</u>	<u>-</u>	<u>15,481</u>	<u>444,481</u>
At 31 March 2021	<u>337,677</u>	<u>-</u>	<u>-</u>	<u>337,677</u>

10 Fixed asset investments

	Other investments
Cost or valuation	
At 1 April 2021 & 31 March 2022	10
Carrying amount	
At 31 March 2022	10
At 31 March 2021	10

THE FAITH HOPE & ENTERPRISE COMPANY LTD

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

10 Fixed asset investments

(Continued)

	Notes	2022 £	2021 £
Other investments comprise:			
Investments in subsidiaries	17	10	10

11 Debtors

	2022 £	2021 £
Amounts falling due within one year:		
Trade debtors	5,474	2,967
Amounts owed by subsidiary undertakings	400	150
Prepayments and accrued income	922	-
	<u>6,796</u>	<u>3,117</u>

12 Loans and overdrafts

	2022 £	2021 £
Other loan	19,703	34,036
Mortgages and bank loans	320,432	267,498
Other loans	14,924	-
	<u>355,059</u>	<u>301,534</u>
Payable within one year	14,924	-
Payable after one year	<u>340,135</u>	<u>301,534</u>

The other loans are unsecured, interest free with Jubilee Church, and a separate, interest free, unsecured loan with R Prince. Bank loans are secured on the freehold property.

13 Creditors: amounts falling due within one year

	2022 £	2021 £
Borrowings	14,924	-
Other taxation and social security	3,498	-
Trade creditors	400	-
Accruals and deferred income	1,950	2,688
	<u>20,772</u>	<u>2,688</u>

THE FAITH HOPE & ENTERPRISE COMPANY LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

14 Creditors: amounts falling due after more than one year

	Notes	2022 £	2021 £
Bank loans	12	320,432	267,498
Other borrowings		19,703	34,036
		<u>340,135</u>	<u>301,534</u>

15 Analysis of net assets between funds

	Unrestricted funds 2022 £	Restricted 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted 2021 £	Total 2021 £
Fund balances at 31 March 2022 are represented by:						
Tangible assets	444,481	-	444,481	337,677	-	337,677
Investments	10	-	10	10	-	10
Current assets/ (liabilities)	193,918	-	193,918	62,068	-	62,068
Long term liabilities	(340,135)	-	(340,135)	(301,534)	-	(301,534)
	<u>298,274</u>	<u>-</u>	<u>298,274</u>	<u>98,221</u>	<u>-</u>	<u>98,221</u>

16 Related party transactions

There were no disclosable related party transactions during the year (2021 - none).

17 Subsidiaries

These financial statements are separate charity financial statements for The Faith Hope & Enterprise Company Ltd

Details of the charity's subsidiaries at 31 March 2022 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct Indirect
Taylor Made Housing td	UK	Dormant	Ordinary	100.00