

Charity registration number 1167974

Company registration number 03916937 (England and Wales)

THE FAITH HOPE & ENTERPRISE COMPANY LTD
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

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 Deborah Haworth	(Appointed 4 October 2022)
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

CONTENTS

	Page
Trustees' report	1 - 2
Independent examiner's report	3
Statement of financial activities	4
Balance sheet	5
Notes to the financial statements	6 - 12

THE FAITH HOPE & ENTERPRISE COMPANY LTD

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) *FOR THE YEAR ENDED 31 MARCH 2023*

The trustees present their annual report and financial statements for the year ended 31 March 2023.

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

Faith Hope and Enterprise 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

In January, we completed the purchase of Carl Taylor House, a block of four flats in Ashbourne which we have named after the founder of Faith Hope and Enterprise. Carl's vision, values and drive to house the homeless and reach out to marginalised members of society, remain at the heart of our mission. These values have been recognised by Derbyshire Dales District Council, who last year provided a capital grant to assist the purchase of these flats, and further revenue grants this year to help fund the support of the people who live there. We are very grateful to them.

We have further strengthened the board of trustees and will continue to appoint new members with specialist skills in the coming year.

With our support, 13 people moved on into independent living this year and 5 of those people moved on having found employment. In addition, 5 further residents moved on to live with family members. The restoration of family relationships is one of the most important and rewarding outcomes of our support.

Financial review

The delay in purchasing Carl Taylor House and the cost of equipping four new flats, a challenging grant funding environment and a higher than usual number of empty rooms has made this year a difficult one. The changes we have made in the staff team enable us to reduce the number of empty rooms and towards the end of the year, we began to work with a fund-raising consultant who we hope will improve our income in the year ahead. We are committed to rebuilding our reserves in accordance with our aspirational policy.

THE FAITH HOPE & ENTERPRISE COMPANY LTD

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

The staff team has also continued to develop this year.

We have employed a new apprentice and housekeeper in the maintenance team and support staff have adjusted their working weeks to improve their work life balance. One of our support workers achieved a first-class degree in Youth Work and Community Development (Youth Justice pathway) and others have continued with professional development training.

Our Senior Support Worker has taken on additional responsibilities with referrals, interviews and team leadership, and our Chief Executive is focused on the day to day running of the organisation and making progress with the strategic and development needs of the charity that have been set out by the trustees.

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 J Khan

Miss C S McKen

Mrs P M Munro

Mr I Johnson

Deborah Haworth

(Appointed 4 October 2022)

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: 30 April 2023

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 2023.

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: 10 August 2023

THE FAITH HOPE & ENTERPRISE COMPANY LTD

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2023

Current financial year		Unrestricted funds 2023 £	Restated Unrestricted funds 2022 £
	Notes		
<u>Income from:</u>			
Donations and legacies	3	23,380	200,507
Investments	4	492,412	453,084
Total income		515,792	653,591
<u>Expenditure on:</u>			
Charitable activities	5	517,476	450,464
Other	8	7,480	3,074
Total expenditure		524,956	453,538
Net (expenditure)/income for the year/ Net movement in funds		(9,164)	200,053
Fund balances at 1 April 2022		298,274	98,221
Fund balances at 31 March 2023		289,110	298,274

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 2023

		2023		Restated 2022	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	9		808,409		444,481
Investments	10		10		10
			<u>808,419</u>		<u>444,491</u>
Current assets					
Debtors	11	6,004		6,796	
Cash at bank and in hand		37,847		207,894	
		<u>43,851</u>		<u>214,690</u>	
Creditors: amounts falling due within one year	13	(21,619)		(20,772)	
Net current assets			<u>22,232</u>		<u>193,918</u>
Total assets less current liabilities			830,651		638,409
Creditors: amounts falling due after more than one year	14		(541,541)		(340,135)
Net assets			<u>289,110</u>		<u>298,274</u>
Income funds					
Unrestricted funds			289,110		298,274
			<u>289,110</u>		<u>298,274</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 2023.

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 3 October 2023

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 2023

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, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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 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.

THE FAITH HOPE & ENTERPRISE COMPANY LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

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.

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
Plant and machinery	25% 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 the statement of financial activities.

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.

THE FAITH HOPE & ENTERPRISE COMPANY LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

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 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.

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.

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.

THE FAITH HOPE & ENTERPRISE COMPANY LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

3 Donations and legacies

	Unrestricted funds	Restated Unrestricted funds
	2023 £	2022 £
Donations and gifts	20,911	28,736
Grants	2,469	171,771
	<u>23,380</u>	<u>200,507</u>

4 Investments

	Unrestricted funds	Restated Unrestricted funds
	2023 £	2022 £
Rental income	491,183	453,063
Interest receivable	1,229	21
	<u>492,412</u>	<u>453,084</u>

5 Charitable activities

	2023 £	Restated 2022 £
Property	<u>517,476</u>	<u>450,464</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:

2023 Number	2022 Number
<u>12</u>	<u>13</u>

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

THE FAITH HOPE & ENTERPRISE COMPANY LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

8 Other

	Unrestricted funds	Restated Unrestricted funds
	2023	2022
Governance Costs	7,480	3,074
	<u>7,480</u>	<u>3,074</u>

9 Tangible fixed assets

	Land and buildings	Plant and machinery	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 April 2022	429,000	-	200	16,154	445,354
Additions	367,361	499	-	-	367,860
Disposals	-	-	(200)	-	(200)
	<u>796,361</u>	<u>499</u>	<u>-</u>	<u>16,154</u>	<u>813,014</u>
At 31 March 2023	796,361	499	-	16,154	813,014
Depreciation and impairment					
At 1 April 2022	-	-	200	673	873
Depreciation charged in the year	-	62	-	3,870	3,932
Eliminated in respect of disposals	-	-	(200)	-	(200)
	<u>-</u>	<u>62</u>	<u>-</u>	<u>4,543</u>	<u>4,605</u>
At 31 March 2023	-	62	-	4,543	4,605
Carrying amount					
At 31 March 2023	<u>796,361</u>	<u>437</u>	<u>-</u>	<u>11,611</u>	<u>808,409</u>
At 31 March 2022	<u>429,000</u>	<u>-</u>	<u>-</u>	<u>15,481</u>	<u>444,481</u>

10 Fixed asset investments

	Other investments
Cost or valuation	
At 1 April 2022 & 31 March 2023	<u>10</u>
Carrying amount	
At 31 March 2023	<u>10</u>
At 31 March 2022	<u>10</u>

THE FAITH HOPE & ENTERPRISE COMPANY LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

10 Fixed asset investments (Continued)

	Notes	2023 £	2022 £
Other investments comprise:			
Investments in subsidiaries	16	10	10

11 Debtors Restated

	2023 £	2022 £
Amounts falling due within one year:		
Trade debtors	5,359	5,474
Amounts owed by subsidiary undertakings	535	400
Prepayments and accrued income	110	922
	6,004	6,796

12 Loans and overdrafts Restated

	2023 £	2022 £
Other loan	14,682	19,703
Mortgages and bank loans	526,859	320,432
Other loans	13,572	14,924
	555,113	355,059
Payable within one year	13,572	14,924
Payable after one year	541,541	340,135

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

13 Creditors: amounts falling due within one year Restated

	2023 £	2022 £
Borrowings	13,572	14,924
Other taxation and social security	3,976	3,498
Trade creditors	496	400
Accruals and deferred income	3,575	1,950
	21,619	20,772

THE FAITH HOPE & ENTERPRISE COMPANY LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

14	Creditors: amounts falling due after more than one year		2023 £	Restated 2022 £
		Notes		
	Bank loans	12	526,859	320,432
	Other borrowings		14,682	19,703
			<u>541,541</u>	<u>340,135</u>

15 Related party transactions

There were no disclosable related party transactions during the year (2022 - none).

16 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 2023 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	