

Charity registration number 1176872

Company registration number 10808150 (England and Wales)

**SOURCE OF HOPE LIMITED**  
**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**



## SOURCE OF HOPE LIMITED

### LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees</b>	Mr D Taylor	
	Mr J R Parker	
	Mr P Zak	(Appointed 2 August 2022)
	Mrs J Taylor	(Appointed 7 June 2022)
	Mr S Barrett	(Appointed 7 June 2022)
<b>Charlty number</b>	1176872	
<b>Company number</b>	10808150	
<b>Registered office</b>	127 Moss Lane Hesketh Bank PR4 6AE	
<b>Independent examiner</b>	Oliver Grills FCA J A Fell & Company 40 Hoghton Street Southport PR9 0PQ	

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# **SOURCE OF HOPE LIMITED**

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## **SOURCE OF HOPE LIMITED**

### **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2022**

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The trustees present their annual report and financial statements for the year ended 31 December 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 memorandum and articles, 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)" (as amended for accounting periods commencing from 1 January 2016). The current accounting period has been shortened to end on 31 December 2018 in order for the accounts to follow a calendar year.

#### **Objectives and activities**

The objects of the charity is to prevent or relieve poverty in any part of the wider world, to support orphans and displaced people by providing grants, the possibility of an education, and necessary items, and to work with other organisations or Charities whose goal is the same.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake. The trustees confirm that they have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission in exercising their powers or duties.

#### **Achievements and performance**

From January 2022 trustees were once again able to travel to Kenya to continue the oversight of our projects after Covid restrictions had been lifted.

The two schools we have supported around Nairobi have continued to give the children a good education.

It was decided that for the the third school in Kibera that we started to support in 2021, we would provide funding to rebuild the slum building and replace it with a two-story brick-built building. This will be a vast improvement for both the school children and the orphans who live permanently on the premises. On our November visit we saw great progress had been made and this has been completed subsequently.

To fulfil the above project, it required a large increase of support which was raised by gifts from several sources.

Funding was made available for the project at the Inyuu Conservation Centre, in Kitui County to drill a well that is able to pump 5,000 litres of water per hour. Piping was installed to the village to make fresh water available for use in their homes, and also to grow vegetables in a small plot behind their homes.

An area covering 10 acres was irrigated so crops can be grown commercially which will in time provide our Ministry Team based in Kenya funding so they will be empowered to be able to be self-financing for future projects. This centre will be open to teach the good practice of Conservation farming and provide employment for the local population.

The people who have been trained to grow using the teachings of Conservation Farming 2020, in 11 areas across Kenya, continued to operate successfully, teaching the local population good practices in farming.

## SOURCE OF HOPE LIMITED

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

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#### Financial review

The results for the year and the state of the Charity's affairs as at 31 December 2022 are set out in the financial statements on page 4 to 7.

Income for the year amounted to £198,204 (2021 - £60,078), with expenditure of £190,927 (2021 - £70,431) leaving a net surplus of £7,277 (2021 - deficit £10,803). At 31 December 2022 total funds stood at £23,142 (2021 - £15,865).

The Charity is dependent upon several unpaid volunteers and the Trustees who serve on the management committee and assist with publicity and funding. The Charity is extremely grateful for all they have done.

#### Reserves Policy

The Charity aims to hold reserves at any given time to be able to meet three to six months of planned expenditure and is expecting to reach this aim in the near future.

#### Grant Policy

The trustees will identify the organisation or individual who may be best placed to assist in fulfilling the solution to the need. This will be done by personal contact with the organisation or individuals over a period of time and assessing whether they have necessary skills and expertise to deliver the project which is required.

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

#### Structure, governance and management

The charity was formed and is governed by the Memorandum and Articles 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:

Mr D Taylor

Mr J R Parker

Mr T A Wright

Mr P Zak

Mrs J Taylor

Mr S Barrett

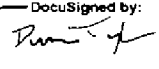
(Resigned 12 July 2022)

(Appointed 2 August 2022)

(Appointed 7 June 2022)

(Appointed 7 June 2022)

The trustees' report was approved by the Board of Trustees.

DocuSigned by:  
  
DAA675DA9ED14D3..  
**Mr D Taylor**

Dated: 25 September 2023

## SOURCE OF HOPE LIMITED

### INDEPENDENT EXAMINER'S REPORT

#### TO THE TRUSTEES OF SOURCE OF HOPE LIMITED

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I report to the trustees on my examination of the financial statements of Source of Hope Limited (the charity) for the year ended 31 December 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).

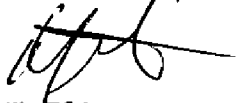
Having satisfied myself that the financial statements of the charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's financial statements carried out under section 145 of the Charities Act 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**

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.



**Oliver Grills FCA**

J A Fell & Company  
40 Houghton Street  
Southport  
PR9 0PQ

Dated: 25 September 2023

**SOURCE OF HOPE LIMITED**
**STATEMENT OF FINANCIAL ACTIVITIES**  
**INCLUDING INCOME AND EXPENDITURE ACCOUNT**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

		Unrestricted funds 2022 £	Unrestricted funds 2021 £
	Notes		
<b><u>Income from:</u></b>			
Donations and legacies	3	198,204	60,078
<b><u>Expenditure on:</u></b>			
Raising funds	4	-	450
Charitable activities	5	190,927	70,431
<b>Total expenditure</b>		190,927	70,881
<b>Net income/(expenditure) for the year/ Net movement in funds</b>		7,277	(10,803)
Fund balances at 1 January 2022		15,865	26,668
<b>Fund balances at 31 December 2022</b>		23,142	15,865

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.

**SOURCE OF HOPE LIMITED****BALANCE SHEET****AS AT 31 DECEMBER 2022**

	Notes	2022 £	£	2021 £	£
<b>Current assets</b>					
Debtors	10	15,855		12,414	
Cash at bank and in hand		7,287		3,451	
		<u>23,142</u>		<u>15,865</u>	
Net current assets			<u>23,142</u>		<u>15,865</u>
<b>Income funds</b>					
Unrestricted funds			<u>23,142</u>		<u>15,865</u>
			<u>23,142</u>		<u>15,865</u>

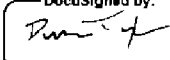
The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2022.

The trustees acknowledges his responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial period and of its incoming resources and application of resources, including its income and expenditure, for the financial period in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

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 25 September 2023

DocuSigned by:  
  
 DA4675DA9ED14D3.  
 Mr D Taylor  
 Trustee

Company registration number 10808150



# **SOURCE OF HOPE LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022**

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### **1 Accounting policies**

#### **Charity information**

Source of Hope Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is 127 Moss Lane, Hesketh Bank, PR4 6AE.

#### **1.1 Accounting convention**

The financial statements have been prepared in accordance with the charity's memorandum and articles, 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)" (as amended for accounting periods commencing from 1 January 2016). 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. 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.

#### **1.4 Incoming resources**

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.

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.

## SOURCE OF HOPE LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

#### FOR THE YEAR ENDED 31 DECEMBER 2022

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#### 1 Accounting policies

(Continued)

##### 1.5 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.

##### 1.6 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.

##### **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.

# SOURCE OF HOPE LIMITED

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

### 3 Donations and legacies

	Unrestricted funds 2022 £	Unrestricted funds 2021 £
Donations and gifts	157,720	52,868
Gift aid receivable	40,484	7,210
	<u>198,204</u>	<u>60,078</u>

### 4 Raising funds

	Total 2022 £	Unrestricted funds 2021 £
<u>Fundraising and publicity</u>		
Support costs	-	450
	<u>-</u>	<u>450</u>

### 5 Charitable Activities

	2022 £	2021 £
Grant funding of activities (see note 6)	189,103	68,594
Share of support costs (see note 7)	1,824	1,837
	<u>190,927</u>	<u>70,431</u>

### 6 Grants payable

	2022 £	2021 £
Grants to institutions:		
Children's support	18,988	19,711
Orphanage	1,635	198
Conservation Farming	168,480	48,685
	<u>189,103</u>	<u>68,594</u>

# SOURCE OF HOPE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2022

#### 7 Support costs

	Support costs	Governance costs	2022	Support costs	Governance costs	2021
	£	£	£	£	£	£
Website	451	-	451	331	-	331
Bank and payment processing	92	-	92	78	-	78
Fundraising consultant	-	-	-	450	-	450
Travel	1,281	-	1,281	1,428	-	1,428
	<u>1,824</u>	<u>-</u>	<u>1,824</u>	<u>2,287</u>	<u>-</u>	<u>2,287</u>
Analysed between						
Fundraising	-	-	-	450	-	450
Charitable activities	1,824	-	1,824	1,837	-	1,837
	<u>1,824</u>	<u>-</u>	<u>1,824</u>	<u>2,287</u>	<u>-</u>	<u>2,287</u>

#### 8 Trustees

None of the trustees (or any persons connected with them) received any remuneration from the charity during the year. During the year trustees' travelling costs of £1,281 were paid by the charity in order to facilitate the review of projects and develop partnerships with organisations in Kenya to expand the work of the charity.

Donations totalling £93,480 were made to the charity by the trustees and related parties during the period (2021 - £27,890).

#### 9 Employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
Total	-	-

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

#### 10 Debtors

	2022 £	2021 £
<b>Amounts falling due within one year:</b>		
Gift aid receivable from HMRC	15,855	2,174
Prepayments and accrued income	-	10,240
	<u>15,855</u>	<u>12,414</u>