

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 2023

SOURCE OF HOPE LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr D Taylor Mr J R Parker Mr P Zak Mrs J Taylor Mr S Barrett
Charity number	1176872
Company number	10808150
Registered office	127 Moss Lane Hesketh Bank PR4 6AE
Independent examiner	Oliver Grills FCA J A Fell & Company 40 Hoghton Street Southport PR9 0PQ

SOURCE OF HOPE LIMITED

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SOURCE OF HOPE LIMITED

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

The trustees present their annual report and financial statements for the year ended 31 December 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 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).

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

Throughout 2023 we have continued to support our Kenyan team of workers, the CMT, led by Mr Joseph Mulwa. The tireless work the team continues was clearly evident during the trustee visits in the year.

Our support of the 3 slum schools continued through 2023, with trustees visiting all schools during the year to see the support in action. It was good to see the school and orphanage in Kibera Slum which had been rebuilt at the Fruitful Centre with our support in 2022. It was good to see the new library that was financed by the charity in January of this year installed and full of books that had been collected and delivered.

Three trustees, Duncan Taylor, Jan Taylor and Steven Barrett visited Kiusyani in Kitui County, to attend the opening of the new well which had been enabled by the generosity of the supporters of Source of Hope. This well will provide water for the local population, while having water available to grow crops at our Farm and Conservation Centre here at Kiusyani. We were able to be on site when the pump started to deliver the much needed water for the first time. The population came out to share this event and shared our joy in seeing the water flow. We walked over the farm, and were pleased to see that the land had been cleared and was ready to planted very soon.

In last year's project at Inyuu, along with this years at Kiusyani, we are seeking to provide long term self-funding for our team in Kenya. The longer term plan is to drill more boreholes in 2024 & 2025, with the intention that by that time our work in Kenya will become self-funding.

The Trustees would like to thank all those people and organisations that have supported the projects during the year and continue to do so.

SOURCE OF HOPE LIMITED

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

Financial review

The results for the year and the state of the Charity's affairs as at 31 December 2023 are set out in the financial statements on page 4 to 7.

Income for the year amounted to £137,518 (2022 - £186,313), with expenditure of £128,430 (2022 - £190,927) leaving a net surplus of £9,088 (2022 - deficit £4,614). At 31 December 2023 total funds stood at £20,339 (2022 - £11,251).

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 P Zak
Mrs J Taylor
Mr S Barrett

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

DocuSigned by:

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Mr D Taylor

Dated: 26 September 2024

SOURCE OF HOPE LIMITED

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF SOURCE OF HOPE LIMITED

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 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

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 Hoghton Street
Southport
PR9 0PQ

Dated: 26 September 2024

SOURCE OF HOPE LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	Unrestricted funds 2023 £	Unrestricted funds 2022 £ as restated
<u>Income from:</u>			
Donations and legacies	3	137,518	186,313
<u>Expenditure on:</u>			
Charitable activities	4	128,430	190,927
Net income/(expenditure) for the year/ Net movement in funds		9,088	(4,614)
Fund balances at 1 January 2023			
As originally reported		23,142	15,865
Prior year adjustment	10	(11,891)	-
As restated		11,251	15,865
Fund balances at 31 December 2023		20,339	11,251

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 2023

		2023		2022 as restated	
	Notes	£	£	£	£
Current assets					
Debtors	9	7,063		3,964	
Cash at bank and in hand		13,276		7,287	
		<u>20,339</u>		<u>11,251</u>	
Net current assets			<u>20,339</u>		<u>11,251</u>
Income funds					
Unrestricted funds			<u>20,339</u>		<u>11,251</u>
			<u>20,339</u>		<u>11,251</u>

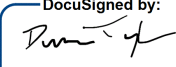
The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2023.

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 26 September 2024

DocuSigned by:

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 Mr D Taylor
 Trustee

Company registration number 10808150

SOURCE OF HOPE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

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.

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

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.

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

3 Donations and legacies

	Unrestricted funds 2023 £	Unrestricted funds 2022 £ as restated
Donations and gifts	121,009	157,720
Gift aid receivable	16,509	28,593
	<u>137,518</u>	<u>186,313</u>

4 Charitable Activities

	2023 £	2022 £
Grant funding of activities (see note 5)	121,453	189,103
Share of support costs (see note 6)	6,977	1,824
	<u>128,430</u>	<u>190,927</u>

5 Grants payable

	2023 £	2022 £
Grants to institutions:		
Children's support	18,056	18,988
Orphanage	-	1,635
Conservation Farming	103,397	168,480
	<u>121,453</u>	<u>189,103</u>

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

6 Support costs

	Support costs	Governance costs	2023	Support costs	Governance costs	2022
	£	£	£	£	£	£
Website	361	-	361	451	-	451
Bank and payment processing	96	-	96	92	-	92
Travel	6,135	-	6,135	1,281	-	1,281
Support costs heading 5	385	-	385	-	-	-
	<u>6,977</u>	<u>-</u>	<u>6,977</u>	<u>1,824</u>	<u>-</u>	<u>1,824</u>
Analysed between Charitable activities	<u>6,977</u>	<u>-</u>	<u>6,977</u>	<u>1,824</u>	<u>-</u>	<u>1,824</u>

7 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 £6,135 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 £44,796 were made to the charity by the trustees and related parties during the period (2022 - £93,480).

8 Employees

There were no employees during the year.

9 Debtors

	2023 £	2022 £ as restated
Amounts falling due within one year:		
Gift aid receivable from HMRC	4,098	3,964
Prepayments and accrued income	2,965	-
	<u>7,063</u>	<u>3,964</u>

10 Prior year restatement

The figures in the prior year (2022) have been restated due to an adjustment to the amount of gift aid income that was initially included in those accounts.