

Charity registration number 1177553

HOPE
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2022

HOPE

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

Jo Nicoll
Amy Kilty
Sam Scarr

Charity number

1177553

Principal address

73 - 75 Front Street
Chester le Street
Durham
DH3 3BJ

Independent examiner

Robson Laidler Accountants Limited
Fernwood House
Fernwood Road
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Newcastle Upon Tyne
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TRUSTEES' REPORT

FOR THE YEAR ENDED 30 APRIL 2022

The trustees present their annual report and financial statements for the year ended 30 April 2022.

The trustees have adopted the provisions of 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

The charity's objects are to support the homeless community and those who are vulnerable and destitute existing in the North East.

Public benefit

The Trustees have consulted the guidance made available by the Charity Commission for England and Wales on the Public Benefit requirement of the Charities Act. The Trustees are confident that they have complied with their duty under the Charities Act in that they have had due regard to public benefit guidance published by the Commission.

Achievements and performance

Financial review

Total income for the year was £69,420 (2021: £36,000) and total expenditure for the year was £67,389 (2021: £32,567) leaving an overall surplus of £2,031 (2021: £3,364).

At the year end the Charity had closing reserves of £12,397 (2021: £10,366) all of which were classed as unrestricted.

Reserves policy

It is the policy of the charity that free reserves (unrestricted reserves not tied up in fixed or other long term assets) should be maintained at a level equivalent to between three and six month's expenditure. The trustees considers that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised.

At the year end the charity had free reserves of £10,375 (2021: £6,605) which is slightly less than the stated policy, however this was the fourth year of the charity so reserves are expected to build up gradually over the next few years.

Risk assessment

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 is controlled by its governing document, a deed of trust and constitutes an unincorporated charity.

The trustees who served during the year and up to the date of signature of the financial statements were:

Jo Nicoll

Amy Kilty

Sam Scarr

Recruitment and appointment of trustees

From time to time it is necessary for the Charity to recruit new Trustees to replace those that have either resigned during their term of office, or by way of anticipating planned retirements after the completion of a single term. When a vacancy occurs, the Board will determine the mix of skills and experience needed so as to ensure a fully functioning team of Trustees and will seek to identify individuals who appear to have the qualities and interest in what we do.

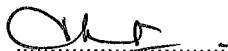
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TRUSTEES' REPORT (CONTINUED) *FOR THE YEAR ENDED 30 APRIL 2022*

Organisational structure

The charity is governed by a Board of Trustees. The Board meets as is required, to deal with any specific issues relating to the running of the charity.

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



Jo Nicoll
Trustee

Date: 15/2/23

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INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF HOPE

I report to the trustees on my examination of the financial statements of Hope (the charity) for the year ended 30 April 2022.

Responsibilities and basis of report

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act).

I report in respect of my examination of the charity's financial statements carried out under section 145 of 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

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

I understand that this has been done in order for financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

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 130 of the 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 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.

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.

Nick Cunningham

Nick Cunningham FCCA
Robson Laidler Accountants Limited

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Jesmond
Newcastle Upon Tyne
Tyne and Wear
NE2 1TJ
England

Dated: 17/02/2023

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STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 30 APRIL 2022

	Notes	Unrestricted funds 2022 £	Unrestricted funds 2021 £
<u>Income from:</u>			
Donations and legacies	2	9,256	17,849
Charitable activities	3	60,164	18,151
Total income		69,420	36,000
<u>Expenditure on:</u>			
Raising funds		3,187	69
Charitable activities	4	64,202	32,567
Total expenditure		67,389	32,636
Net income for the year/ Net movement in funds		2,031	3,364
Fund balances at 1 May 2021		10,366	7,002
Fund balances at 30 April 2022		12,397	10,366

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

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BALANCE SHEET

AS AT 30 APRIL 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	8		2,022		3,761
Current assets					
Cash at bank and in hand		22,975		17,157	
Creditors: amounts falling due within one year	9	(8,035)		(4,308)	
Net current assets			14,940		12,849
Total assets less current liabilities			16,962		16,610
Creditors: amounts falling due after more than one year	11		(4,565)		(6,244)
Net assets			12,397		10,366
Income funds					
Unrestricted funds			12,397		10,366
			12,397		10,366

The financial statements were approved by the Trustees on15/2/23



Jo Nicoll
Trustee

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2022

1 Accounting policies

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Charities Act 2011 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.

Going concern

The financial statements have been prepared on a going concern basis on the ground that current and future sources of funding or support will be more than adequate for the charity's needs. The Trustees have considered a period of 12 months from the balance sheet date and consider no further disclosures relating to the charity's ability to continue as a going concern need to be made.

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 company has applied the following accounting policies:

1.2 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.

1.3 Income

All incoming resources are included in the Statement of Financial Activities (SOFA) when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

- Voluntary income received by way of grants, donations and gifts is included in full in the Statement of Financial Activities when receivable. Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.

- Incoming resources from other trading activities are recognised in full in the Statement of Financial Activities when receivable.

1.4 Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with use of the resources. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates:

- Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2022

1 Accounting policies

(Continued)

1.5 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:

Fixtures and fittings	20% straight line
Motor vehicles	20% straight line

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.

1.6 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).

1.7 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.

1.8 Taxation

As a charity, the company is exempt from tax on income and gains to the extent that these are applied to its charitable objects. No tax charges have arisen in the charity.

1.9 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.

1.10 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.11 Leases

Rentals payable under operating leases, including any lease incentives received, are charged as an expense on a straight line basis over the term of the relevant lease.

1.12 Debtors and creditors

Trade debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid after taking account of any trade discounts due. Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2022

2 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Donations and gifts	9,256	5,465
Grants	-	12,384
	<u>9,256</u>	<u>17,849</u>
Grants receivable for core activities		
Covid-19 grants	-	12,384
	<u>-</u>	<u>12,384</u>

3 Charitable activities

	Charitable activities	Charitable activities
	2022	2021
	£	£
Sales	<u>60,164</u>	<u>18,151</u>

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2022

4 Charitable activities

	Charitable activities 2022 £	Charitable activities 2021 £
Staff costs	20,248	8,408
Depreciation and impairment	1,739	1,739
Purchases	3,172	3,347
Rent	12,305	9,720
Travelling and motor expenses	5,549	3,100
Heat and light	2,486	2,413
Rates	2,485	-
Insurance	274	274
Repairs and maintenance	11,869	755
Miscellaneous expenses	361	118
Postage	452	166
Telephone and internet	543	671
Computer costs	430	-
Bank charges	9	56
	<u>61,922</u>	<u>30,767</u>
Share of governance costs (see note 5)	2,280	1,800
	<u>64,202</u>	<u>32,567</u>

5 Support costs

	Support costs £	Governance costs £	2022 £	Support costs £	Governance costs £	2021 £
Independent examination fees	-	2,280	2,280	-	1,800	1,800
	<u>-</u>	<u>2,280</u>	<u>2,280</u>	<u>-</u>	<u>1,800</u>	<u>1,800</u>
Analysed between Charitable activities	-	2,280	2,280	-	1,800	1,800
	<u>-</u>	<u>2,280</u>	<u>2,280</u>	<u>-</u>	<u>1,800</u>	<u>1,800</u>

6 Trustees

During the year wages totalling £20,248 (2021: £8,408) were paid to Ms J Nicoll for employment in the charity shop and for fundraising purposes which is over and above normal trustee duties. The trustees are aware of the necessary guidance on transactions with trustees.

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

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2022

7 Employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
	1	1
	<u>1</u>	<u>1</u>
Employment costs	2022	2021
	£	£
Wages and salaries	19,948	8,408
Other pension costs	300	-
	<u>20,248</u>	<u>8,408</u>
	<u>20,248</u>	<u>8,408</u>

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

8 Tangible fixed assets

	Fixtures and Motor vehicles fittings		Total
	£	£	£
Cost			
At 1 May 2021	1,975	6,720	8,695
	<u>1,975</u>	<u>6,720</u>	<u>8,695</u>
At 30 April 2022	1,975	6,720	8,695
	<u>1,975</u>	<u>6,720</u>	<u>8,695</u>
Depreciation and impairment			
At 1 May 2021	1,106	3,828	4,934
Depreciation charged in the year	395	1,344	1,739
	<u>1,501</u>	<u>5,172</u>	<u>6,673</u>
At 30 April 2022	1,501	5,172	6,673
	<u>1,501</u>	<u>5,172</u>	<u>6,673</u>
Carrying amount			
At 30 April 2022	474	1,548	2,022
	<u>474</u>	<u>1,548</u>	<u>2,022</u>
At 30 April 2021	869	2,892	3,761
	<u>869</u>	<u>2,892</u>	<u>3,761</u>

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2022

9 Creditors: amounts falling due within one year

	Notes	2022 £	2021 £
Bank loans	10	1,800	1,756
Obligations under finance leases	12	-	752
Other taxation and social security		786	-
Other creditors		1,849	-
Accruals and deferred income		3,600	1,800
		<u>8,035</u>	<u>4,308</u>

10 Loans and overdrafts

	2022 £	2021 £
Bank loans	6,365	8,000
	<u>6,365</u>	<u>8,000</u>
Payable within one year	1,800	1,756
Payable after one year	4,565	6,244
	<u>6,365</u>	<u>6,244</u>

11 Creditors: amounts falling due after more than one year

	Notes	2022 £	2021 £
Bank loans	10	4,565	6,244
		<u>4,565</u>	<u>6,244</u>

12 Finance lease commitments

Future minimum lease payments due under finance leases:

	2022 £	2021 £
Within one year	-	752
	<u>-</u>	<u>752</u>

The hire purchase is secured on the charity's motor vehicles.

13 Related party transactions

There were no disclosable related party transactions during the year other than those detailed in note 6 (2021 - none).