

HOPE
ANNUAL REPORT AND
UNAUDITED FINANCIAL STATEMENTS
30 APRIL 2023

MITCHELLS LIMITED

Chartered accountants and statutory auditors

Swallow House

Parsons Road

Washington

Tyne & Wear

NE37 1EZ

HOPE

Financial Statements

Year ended 30 April 2023

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Trustees' Annual Report

Year ended 30 April 2023

The trustees present their report and the unaudited financial statements of the charity for the year ended 30 April 2023.

Reference and administrative details

Registered charity name Hope

Charity registration number 1177553

Principal office and registered office 73 - 75 Front Street
Chester le street
DH3 3BJ
Durham

The trustees

J Laight
A Kilty
A Stobbart

Independent examiner Mitchells Limited
Swallow House
Parsons Road
Washington
Tyne & Wear
NE37 1EZ

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 Laight
Amy Kilty
A Stobbart

Objectives and activities

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

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Trustees' Annual Report

Year ended 30 April 2023

Financial review

Total income for the year was £54,997 (2022: £69,420) and total expenditure for the year was £55,712 (2022: £67,389) leaving an overall deficit for the year of £715 (2022: surplus of £2,031).

At the year end the Charity had closing reserves of £11,682 (£12,397) 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 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 raised.

At the year end the charity has free reserves of £11,682 (2022: £12,397) which is slightly less than the stated policy, however this was the fifth year of the charity, so reserves are expected to build up gradually over the next few years.

The trustees' annual report was approved on 16 January 2024 and signed on behalf of the board of trustees by:



[Jo Laight \(Jan 16, 2024 17:45 GMT\)](#)

J Laight
Trustee

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Independent Examiner's Report to the Trustees of Hope

Year ended 30 April 2023

I report to the trustees on my examination of the financial statements of Hope ('the charity') for the year ended 30 April 2023.

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 accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the 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 statement 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 Reference 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 have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

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 accounting 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 accounts to be reached.

E. Hails

[E.Hails \(Jan 16, 2024 17:53 GMT\)](#)

Elliott Hails ACA

Mitchells Limited
Swallow House
Parsons Road
Washington
Tyne & Wear
NE37 1EZ

16 January 2024

HOPE

Statement of Financial Activities (including income and expenditure account)

Year ended 30 April 2023

		2023		2022
	Note	Unrestricted funds £	Total funds £	Total funds £
Income and endowments				
Donations and legacies	5	6,301	6,301	9,256
Charitable activities	6	48,696	48,696	60,164
Total income		<u>54,997</u>	<u>54,997</u>	<u>69,420</u>
Expenditure				
Expenditure on raising funds:				
Costs of raising donations	7	1,212	1,212	3,187
Expenditure on charitable activities	8,9	54,500	54,500	64,202
Total expenditure		<u>55,712</u>	<u>55,712</u>	<u>67,389</u>
Net (expenditure)/income and net movement in funds		<u>(715)</u>	<u>(715)</u>	<u>2,031</u>
Reconciliation of funds				
Total funds brought forward		12,397	12,397	10,366
Total funds carried forward		<u>11,682</u>	<u>11,682</u>	<u>12,397</u>

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes on pages 7 to 13 form part of these financial statements.

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Statement of Financial Position

30 April 2023

		2023		2022	
	Note	£	£	£	£
Fixed assets					
Tangible fixed assets	14		7,885		2,022
Current assets					
Debtors	15	2,000		—	
Cash at bank and in hand		13,679		22,975	
		<u>15,679</u>		<u>22,975</u>	
Creditors: amounts falling due within one year	16	<u>9,062</u>		<u>8,035</u>	
Net current assets			<u>6,617</u>		<u>14,940</u>
Total assets less current liabilities			14,502		16,962
Creditors: amounts falling due after more than one year	17		<u>2,820</u>		<u>4,565</u>
Net assets			<u>11,682</u>		<u>12,397</u>
Funds of the charity					
Unrestricted funds			<u>11,682</u>		<u>12,397</u>
Total charity funds	19		<u>11,682</u>		<u>12,397</u>

The statement of financial position
continues on the following page.

The notes on pages 7 to 13 form part of these financial statements.

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Statement of Financial Position *(continued)*

30 April 2023

These financial statements were approved by the board of trustees and authorised for issue on 16 January 2024 and are signed on behalf of the board by:

Jo Laight

[Jo Laight \(Jan 16, 2024 17:45 GMT\)](#)

J Laight
Trustee

The notes on pages 7 to 13 form part of these financial statements.

HOPE

Company Limited by Guarantee

Notes to the Financial Statements

Year ended 30 April 2023

1. General information

The charity is a public benefit entity, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is 73 - 75 Front Street, Chester le street, DH3 3BJ, Durham.

2. Statement of compliance

These 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 (FRS102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

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.

There are no material uncertainties about the charity's ability to continue.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

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Notes to the Financial Statements *(continued)*

Year ended 30 April 2023

3. Accounting policies *(continued)*

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

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Notes to the Financial Statements *(continued)*

Year ended 30 April 2023

3. Accounting policies *(continued)*

Tangible assets *(continued)*

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains and losses, unless it reverses a charge for impairment that has previously been recognised as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other recognised gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognised gains and losses on the statement of financial activities.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

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

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

Financial instruments

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

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Notes to the Financial Statements *(continued)*

Year ended 30 April 2023

3. Accounting policies *(continued)*

Financial instruments *(continued)*

Where investments in shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in the statement of financial activities, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

5. Donations and legacies

	Total Funds 2023 £	Total Funds 2022 £
Donations		
Donations and gifts	6,301	9,256

HOPE

Notes to the Financial Statements *(continued)*

Year ended 30 April 2023

6. Charitable activities

	Total Funds 2023	Total Funds 2022
	£	£
Sale of goods/services as part of direct charitable activities	<u>48,696</u>	<u>60,164</u>

7. Costs of raising donations and legacies

	Total Funds 2023	Total Funds 2022
	£	£
Costs of raising donations	<u>1,212</u>	<u>3,187</u>

8. Expenditure on charitable activities by fund type

	Total Funds 2023	Total Funds 2022
	£	£
Charitable activities	53,061	61,922
Support costs	<u>1,440</u>	<u>2,280</u>
	<u>54,500</u>	<u>64,202</u>

9. Expenditure on charitable activities by activity type

	Activities undertaken directly	Support costs	Total funds 2023	Total fund 2022
	£	£	£	£
	<u>60,663</u>	<u>1,440</u>	<u>62,102</u>	<u>64,202</u>

10. Net (expenditure)/income

Net (expenditure)/income is stated after charging/(crediting):	2023	2022
	£	£
Depreciation of tangible fixed assets	<u>3,639</u>	<u>1,739</u>

11. Independent examination fees

	2023	2022
	£	£
Fees payable to the independent examiner for: Independent examination of the financial statements	<u>1,440</u>	<u>2,280</u>

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Notes to the Financial Statements *(continued)*

Year ended 30 April 2023

12. Staff costs

The average head count of employees during the year was 1 (2022: 1).

No employee received employee benefits of more than £60,000 during the year (2022: Nil).

13. Trustee remuneration and expenses

During the year wages totalling £21,231 (2022: £20,248) were paid to Ms J Laight 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.

14. Tangible fixed assets

	Fixtures and fittings £	Motor vehicles £	Total £
Cost			
At 1 May 2022	1,975	6,720	8,695
Additions	9,502	—	9,502
At 30 April 2023	11,477	6,720	18,197
Depreciation			
At 1 May 2022	1,501	5,172	6,673
Charge for the year	2,295	1,344	3,639
At 30 April 2023	3,796	6,516	10,312
Carrying amount			
At 30 April 2023	7,681	204	7,885
At 30 April 2022	474	1,548	2,022

15. Debtors

	2023 £	2022 £
Other debtors	2,000	—

16. Creditors: amounts falling due within one year

	2023 £	2022 £
Bank loans and overdrafts	1,800	1,800
Accruals and deferred income	3,240	3,600
Social security and other taxes	895	903
Other creditors	3,127	1,732
	9,062	8,035

HOPE
Management Information
Year ended 30 April 2023

17. Creditors: amounts falling due after more than one year

	2023	2022
	£	£
Bank loans and overdrafts	<u>2,820</u>	<u>4,565</u>

18. Pensions and other post retirement benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £1,400 (2022: £300).

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Management Information

Year ended 30 April 2023

The following pages do not form part of the financial statements.

HOPE

Detailed Statement of Financial Activities

Year ended 30 April 2023

	2023 £	2022 £
Income and endowments		
Donations and legacies		
Donations	6,301	9,256
Charitable activities		
Sale of goods/services as part of direct charitable activities	48,696	60,164
Total income	<u>54,997</u>	<u>69,420</u>
Expenditure		
Costs of raising donations and legacies		
Cost of raising donations	1,212	3,187
Expenditure on charitable activities		
Purchases	1,682	3,172
Wages and salaries	19,831	19,948
Pension costs	1,400	300
Rent	12,320	12,305
Rates and water	1,277	2,485
Light and heat	2,384	2,486
Repairs and maintenance	791	11,869
Insurance	825	274
Other establishment	740	361
Other motor/travel costs	6,615	5,549
Telephone	524	543
Other office costs	359	882
Depreciation	3,639	1,739
Finance costs	674	9
Independent examination fees	1,440	2,280
	<u>54,500</u>	<u>64,202</u>
Total expenditure	<u>55,712</u>	<u>67,389</u>
Net (expenditure)/income	<u>(715)</u>	<u>2,031</u>

HOPE

Notes to the Detailed Statement of Financial Activities

Year ended 30 April 2023

	2023 £	2022 £
Costs of raising donations and legacies		
Cost of raising donations	<u>1,212</u>	<u>3,187</u>
Costs of raising donations and legacies	<u>1,212</u>	<u>3,187</u>
Expenditure on charitable activities		
<i>Activities undertaken directly</i>		
Purchases	1,682	3,172
Wages/salaries	19,831	19,948
Pension costs	1,400	300
Rent	12,320	12,305
Rates & water	1,277	2,485
Light & heat	2,384	2,486
Repairs & maintenance	791	11,869
Insurance	825	274
Other establishment	740	361
Other motor/travel costs	6,615	5,549
Telephone	524	543
Other office costs	359	882
Depreciation	3,639	1,739
Finance costs	674	9
	<u>53,060</u>	<u>61,922</u>
<i>Support costs</i>		
Independent examination fees	<u>1,440</u>	<u>2,280</u>
Expenditure on charitable activities	<u>54,500</u>	<u>64,202</u>