

Report of the Trustees and
Unaudited Financial Statements
for the Year Ended 30 April 2022
for
ETHOS- Extending the Hand of Support
a Charitable Incorporated Organisation

Thorne Widgey Accountancy Ltd
Chartered Accountants
2 Wyevale Business Park
Kings Acre
Hereford
Herefordshire
HR4 7BS

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for the Year Ended 30 April 2022

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Report of the Trustees
for the Year Ended 30 April 2022

The trustees present their report with the financial statements of the charity 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

Objectives and aims

To reduce poverty and homelessness by getting to the root causes such as financial hardship lack of support, mental health and food poverty.

Activities - The Prevention and relief of poverty Homelessness and the prevention of Poverty - Including food poverty, financial hardship Human poverty lack of connections and community support.

Public benefit

In shaping our objectives for the year and planning our activities, the trustees have considered the Charity Commission's guidance on public benefit,

ACHIEVEMENT AND PERFORMANCE

Charitable activities

The community larder went on to be successful and it helped with having a constant supply of food for when people needed a food parcel. It was initially open a few hours a day on Monday to Friday and people came in for food but also needed support with a range of issues.

Additional funding was then secured through lottery awards for all, allpay and HCF to continue our work and to employ additional staff.

Planning of the community space started in consultation with other support providers and members of the community.

The cafe and community space were not able to open until May 2021. A cook Robert Cooke was taken on to run the cafe and Ali Wells was subcontracted to deliver some group work including developing a LGBT group. Then in June 2021 the search for new trustees was started as existing trustees Mark Drury, Nicola Coleman and Teresa Lasky did not feel they had the skills of time to support the charity running and further skills were needed of trustees with experience in charity governance and business management.

Nicola Coleman resigned in August 21 and Sarah Deacon came on board as Trustee, treasurer and accountant pro bono for 1 year. Richard Hankins and Edwin Kirk also came onboard and Mark Drury then stood down October 2021.

FINANCIAL REVIEW

Financial position

The results for the year show net income of £1,761 (2021: £15,431). Net assets amounted to £18,942 (2021: £17,181).

At the year end the charity had £15,942 (2021: £14,931) in unrestricted reserves, of which £15,204 were free reserves.

Reserves policy

It is the charity's aim to hold a minimum of 9 months running costs in free reserves.

FUTURE PLANS

The Charitable Incorporated Organisation plans to continue its existing activities and explore other opportunities to develop.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The organisation is a Charitable Incorporated Organisation (CIO), incorporated on 4 April 2018. The charity was established under a constitution which establishes the objectives and powers of the CIO and is governed under its constitution.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Recruitment and appointment of new trustees

New trustees are recruited by advertisement and reaching out to networks to be able to recruit to the skills needed within the board. The charity follows the charity commissions procedures for onboarding.

Organisational structure

The Trustees meet frequently with key staff and deal with the administration of the CIO encompassing the strategic vision, financial accountability and risk management.

Day to day running of the CIO is undertaken by the key staff, working in conjunction with the Board of Trustees.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

1177809

Registered Company Number

CE013709

Principal address

10 Commercial Road
Hereford
HR1 2BB

Trustees

Ms M C Groves
E Kirk (appointed 1.10.21)
R Hankins (Chair) (appointed 1.10.21)
C Dangerfield (appointed 9.12.22)
M Drury (resigned 1.10.21)
T Lasky (resigned 1.10.21)
Ms N Coleman (resigned 1.8.21)

Independent Examiner

Thorne Widgey Accountancy Ltd
Chartered Accountants
2 Wyevale Business Park
Kings Acre
Hereford
Herefordshire
HR4 7BS

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the board of trustees on 24 February 2023 and signed on its behalf by:

Ms M C Groves - Trustee

Independent examiner's report to the trustees of ETHOS- Extending the Hand of Support

I report to the charity trustees on my examination of the accounts of ETHOS- Extending the Hand of Support (the Trust) for the year ended 30 April 2022.

Responsibilities and basis of report

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

I report in respect of my examination of the Trust's accounts carried out under Section 145 of the Act and in carrying out my examination I have followed all applicable Directions given by the Charity Commission under Section 145(5)(b) of the Act.

Independent examiner's statement

I have completed my examination. I confirm that no material 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 Trust as required by Section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts 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.

Attention should be drawn to the following, in order to enable a proper understanding of the accounts

It is brought to the reader's attention that Charity Commission consent, as required by clause 6 (1) of the charity's governing document, relating to the employment of a Trustee was only granted on 27 October 2021, therefore any payments made before that date will be unauthorised and may be open to challenge.

I have no further 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.

Lisa Weaver FCCA
Thorne Widgery Accountancy Ltd
Chartered Accountants
2 Wyevale Business Park
Kings Acre
Hereford
Herefordshire
HR4 7BS

Date: 28 February 2023

ETHOS- Extending the Hand of Support
a Charitable Incorporated Organisation

Statement of Financial Activities
for the Year Ended 30 April 2022

	Notes	Unrestricted funds £	Restricted funds £	30.4.22 Total funds £	30.4.21 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies		53,059	-	53,059	18,834
Charitable activities					
Homelessness and poverty support		2,667	32,700	35,367	89,151
Other trading activities	2	<u>52,339</u>	<u>-</u>	<u>52,339</u>	<u>13,962</u>
Total		<u>108,065</u>	<u>32,700</u>	<u>140,765</u>	<u>121,947</u>
EXPENDITURE ON					
Charitable activities					
Homelessness and poverty support		<u>107,054</u>	<u>31,950</u>	<u>139,004</u>	<u>106,516</u>
NET INCOME		1,011	750	1,761	15,431
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>14,931</u>	<u>2,250</u>	<u>17,181</u>	<u>1,750</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>15,942</u></u>	<u><u>3,000</u></u>	<u><u>18,942</u></u>	<u><u>17,181</u></u>

The notes form part of these financial statements

ETHOS- Extending the Hand of Support
a Charitable Incorporated Organisation

Balance Sheet
30 April 2022

	Notes	Unrestricted funds £	Restricted funds £	30.4.22 Total funds £	30.4.21 Total funds £
FIXED ASSETS					
Tangible assets	5	738	-	738	1,108
CURRENT ASSETS					
Debtors	6	(389)	-	(389)	210
Cash at bank and in hand		<u>29,585</u>	<u>3,000</u>	<u>32,585</u>	<u>31,952</u>
		29,196	3,000	32,196	32,162
CREDITORS					
Amounts falling due within one year	7	(13,992)	-	(13,992)	(16,089)
NET CURRENT ASSETS		<u>15,204</u>	<u>3,000</u>	<u>18,204</u>	<u>16,073</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>15,942</u>	<u>3,000</u>	<u>18,942</u>	<u>17,181</u>
NET ASSETS		<u>15,942</u>	<u>3,000</u>	<u>18,942</u>	<u>17,181</u>
FUNDS	8				
Unrestricted funds				15,942	14,931
Restricted funds				<u>3,000</u>	<u>2,250</u>
TOTAL FUNDS				<u>18,942</u>	<u>17,181</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 24 February 2023 and were signed on its behalf by:

M C Groves - Trustee

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention.

ETHOS - Extending the Hand of Support, Charitable Incorporated Organisation meets the definition of a public benefit entity under FRS102.

Going concern

The Trustees have considered the future of the organisation in light of the current economic pressures in the UK, together with the ongoing affects of the COVID19 pandemic and feel satisfied that the income will not be adversely affected, however if it were, savings in expenditure can be made in the short to medium term.

Due to these factors, the Trustees believe the organisation is a going concern for the foreseeable future of at least twelve months from date of signing these financial statements.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, 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 accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures and fittings	- 25% on cost
Computer equipment	- 25% on cost

Individual fixed assets costing £1,000 or more are capitalised at cost.

Taxation

The charity is exempt from tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

1. ACCOUNTING POLICIES - continued

Pension costs and other post-retirement benefits

The charity operates a defined contribution pension scheme. Contributions payable to the charity's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Donated services or facilities

Donated services or facilities are included in incoming resources when the benefit to the charity is reasonably quantifiable and measurable. They are valued by the trustees at the amount the charity would have been willing to pay for the services or facilities on the open market.

Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Creditors and provisions

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.

2. OTHER TRADING ACTIVITIES

	30.4.22	30.4.21
	£	£
Cafe sales	20,546	4,266
Larder contributions	8,636	-
Rent received	<u>23,157</u>	<u>9,696</u>
	<u>52,339</u>	<u>13,962</u>

3. TRUSTEES' REMUNERATION AND BENEFITS

	30.4.22	30.4.21
	£	£
Trustees' salaries	38,496	12,833
Trustees' social security	148	-
Trustees' pensions paid	<u>968</u>	<u>81</u>
	<u>39,612</u>	<u>12,914</u>

Trustee, Ms M Groves, received remuneration from the charity for their management of projects during the year.

No other trustees received any remuneration.

Trustees' expenses

There were no trustees' expenses paid for the year ended 30 April 2022 nor for the year ended 30 April 2021.

During the year the charity reimbursed expenses of £2,589 (2021: £11,402) to two (2021: two) trustee's for items purchased on the charity's behalf.

4. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	18,834	-	18,834
Charitable activities			
Homelessness and poverty support	23,290	65,861	89,151
Other trading activities	<u>13,962</u>	<u>-</u>	<u>13,962</u>
Total	<u>56,086</u>	<u>65,861</u>	<u>121,947</u>
EXPENDITURE ON			
Charitable activities			
Homelessness and poverty support	<u>42,905</u>	<u>63,611</u>	<u>106,516</u>
NET INCOME	13,181	2,250	15,431
RECONCILIATION OF FUNDS			
Total funds brought forward	<u>1,750</u>	<u>-</u>	<u>1,750</u>
TOTAL FUNDS CARRIED FORWARD	<u>14,931</u>	<u>2,250</u>	<u>17,181</u>

5. TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Computer equipment £	Totals £
COST			
At 1 May 2021 and 30 April 2022	<u>519</u>	<u>958</u>	<u>1,477</u>
DEPRECIATION			
At 1 May 2021	130	239	369
Charge for year	<u>130</u>	<u>240</u>	<u>370</u>
At 30 April 2022	<u>260</u>	<u>479</u>	<u>739</u>
NET BOOK VALUE			
At 30 April 2022	<u>259</u>	<u>479</u>	<u>738</u>
At 30 April 2021	<u>389</u>	<u>719</u>	<u>1,108</u>

Notes to the Financial Statements - continued
for the Year Ended 30 April 2022

6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30.4.22	30.4.21
	£	£
Trade debtors	(389)	-
Prepayments	-	210
	<u>(389)</u>	<u>210</u>

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30.4.22	30.4.21
	£	£
Trade creditors	8,058	-
Taxation and social security	2,563	1,095
Other creditors	<u>3,371</u>	<u>14,994</u>
	<u>13,992</u>	<u>16,089</u>

8. MOVEMENT IN FUNDS

	At 1.5.21 £	Net movement in funds £	At 30.4.22 £
Unrestricted funds			
General fund	14,931	1,011	15,942
Restricted funds			
National Lottery grant	2,250	(1,250)	1,000
Hereford Community Foundation grant	<u>-</u>	<u>2,000</u>	<u>2,000</u>
	<u>2,250</u>	<u>750</u>	<u>3,000</u>
TOTAL FUNDS	<u>17,181</u>	<u>1,761</u>	<u>18,942</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	108,065	(107,054)	1,011
Restricted funds			
National Lottery grant	9,950	(11,200)	(1,250)
Hereford Community Foundation grant	10,000	(8,000)	2,000
Community Housing grant	4,750	(4,750)	-
Ladau Ltd grant	<u>8,000</u>	<u>(8,000)</u>	<u>-</u>
	<u>32,700</u>	<u>(31,950)</u>	<u>750</u>
TOTAL FUNDS	<u>140,765</u>	<u>(139,004)</u>	<u>1,761</u>

Notes to the Financial Statements - continued
for the Year Ended 30 April 2022

8. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.5.20 £	Net movement in funds £	At 30.4.21 £
Unrestricted funds			
General fund	1,750	13,181	14,931
Restricted funds			
National Lottery grant	-	2,250	2,250
	<u>1,750</u>	<u>15,431</u>	<u>17,181</u>
TOTAL FUNDS	<u>1,750</u>	<u>15,431</u>	<u>17,181</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	56,086	(42,905)	13,181
Restricted funds			
National Lottery grant	9,500	(7,250)	2,250
Hereford Community Foundation grant	10,000	(10,000)	-
Connecus Housing grant	2,560	(2,560)	-
Garfield Western grant	15,000	(15,000)	-
Rank Foundation YY8	24,750	(24,750)	-
Asda Feeding Communities grant	600	(600)	-
Co-op grant	3,451	(3,451)	-
	<u>65,861</u>	<u>(63,611)</u>	<u>2,250</u>
TOTAL FUNDS	<u>121,947</u>	<u>(106,516)</u>	<u>15,431</u>

9. RELATED PARTY DISCLOSURES

M Drury (a trustee who resigned in October 2021) has made a interest free loan to the charity. During the year repayments of £13,408 was made to M Drury and the outstanding balance due to him was £985.