



**TRUSTEE
ANNUAL
REPORT**

2022-2023



HOPE FOR COMMUNITIES

Charity Information

Founders and Directors of Hope for Communities

Sharo Ahmed

Alexis Rachel Ahmed

Trustees of Hope for Communities (as of 31st March 2023, unless stated, all acted for the entire year)

David John Nunn

Vivienne Lesley Nunn

Andrew David McCullough

Sarah Anne Louise Harris

John Douglas Henry Greenway

Michael Alexander Ross Channon *Elected as trustee on 16th September 2022*

Abey Varghese Philip *Elected as trustee on 25th November 2022*

Note: All trustees have confirmed that they have regarded the guidance issued by the Charity Commission on public benefit.

Charity Commission Registration Number 1180747

Charity UK address

121 Drummond RD, Bermondsey
London. England
SE16 2JY

Charity website

www.hopeforcommunities.com



HOPE FOR COMMUNITIES

A Summary of the Purposes of Hope for Communities as set out in our Governing Document

The prevention or relief of poverty or financial hardship anywhere in the world, but in particular Iraq, by providing or assisting in the provision of, primarily but not limited to, education, training, healthcare projects and all the necessary support designed to enable individuals to generate a sustainable income and be self-sufficient.

A Letter from Sharo and Alexis, Directors of Hope for Communities

In last year's annual report we shared the significance of our first big charity event in London in September 2022. It was felt by many that this was a real step towards increasing our impact as a charity. We had spent the previous years training and investing in local people and laying strong foundations in Kurdistan. We anticipated that after our event in September 2022 we would start to see significant growth and development.

We are pleased to say that this has happened and as our finances show for this last year we had a big increase in income and in spending on our projects. We now feel at a stage where our foundations have taken us to a place where we can continue to grow and develop the work of Hope for Communities. We have many exciting opportunities where we are confident we can invest and see lasting change and development. One of our focuses is to ensure we are continuing to grow and develop our presence as a UK charity to be able to resource the communities we are privileged to be able to invest in Kurdistan.

As directors we would like to thank our local team. So many of the wonderful things that you will read about in this report are because of their hard work and enthusiasm. We are also thankful for our team of trustees and friends in the UK who support us in many ways. We would like to thank our supporters, as it is your generosity that has helped us see hope restored to the communities we work in. It would help us if you could send this report to some of your contacts and encourage them to become part of this journey.



HOPE FOR COMMUNITIES

A Summary of the Main Activities and Achievements of Hope for Communities

Community Centre in Barika, Kurdish Region of Northern Iraq

In this next year we will be celebrating our 6th year of having our centre in this wonderful community. We are investing in young people's lives and watching them as they grow. At our longest running project we have learned a great deal and seen many positive developments. The centre is currently managed by one of our senior managers, Shkar, and the joy that our whole team, along with Shkar, bring into the lives of the children we work with is very evident.



The Education system here is struggling, as economic issues mean teachers aren't being paid and schools often aren't opening at all. We are currently in an 8 month period where schools haven't opened. This leaves the children in our community bored and unable to learn.



We continue to follow a curriculum teaching English in a way that will prepare those young people, that want to, work towards an internationally recognised qualification. We have children who didn't know a word of English when they first visited us, and are now fluent in English. We also have a sports programme which is an excellent opportunity for the children to learn new skills and enjoy some exercise (and much needed fun!). This is especially significant for the teenage girls who come to our centre as this may be their only opportunity to engage with sport and play as children.



HOPE FOR COMMUNITIES

An exciting trip out



One of the challenges of preparing children in a community such as ours for an internationally recognised language qualification is that you inevitably end up having to teach around a lot of topics that have no relevance to their lives or experience. For example, you may have whole lessons about going on holi-

days, flying on airplanes, etc. You often talk in detail about places and experiences that the children have never had an opportunity to experience, such as going swimming in a pool, going to the cinema, visiting a museum. Not only are these topics not relevant to their experience, it can also feel uncomfortable to be constantly reminding a group of young people about their lack of opportunities.

In a recent lesson the topic of the day was to talk about the cinema. The first question was 'have you ever been to the cinema?' One of the young girls answered this question saying 'unfortunately not.' We had a discussion about this afterwards as a team. A plan began to develop to organise a trip into the city to go to the cinema. Many of the children had also seen and heard about our new centre in the city and told us they really wanted to visit it. So we picked up the children in a bus, took them into the city, went to the cinema and then came to our centre for lunch and a delicious hot chocolate. Here are what some of the young people said about the trip:

'The movie was amazing. It was my first time seeing it, and afterwards we got to play games together'

'It was lovely as it was our first time to the cinema and the movie was amazing. I liked it because I went with all of you and I sat next to Alexis, which I enjoyed'.

'it was a good time, and the popcorn was so delicious'.

'It was lovely as it was my first time going out with my friends and teachers'.



HOPE FOR COMMUNITIES

Projects in Government Orphanages

We have continued as a team to go into the orphanages every week. With additional funding, we have been able to take the children from the youngest home (0-5 year olds) out, usually to a soft play, nearly every week. As this is the only time the children of this age leave the house it has been such an important activity to be able to offer as a team. One lovely story we heard was that one of the 4 year olds waits at the window every Sunday morning as this is the day that we come. He has no schedule and nothing is written up anywhere about what day it is and so everyone is intrigued as to how he knows, but he does know and he is always waiting for our team on a Sunday.

We have continued to go into the 5-12 year old boys home. One highlight for our team was a special event that was organised by the manager of the home for children's day. We had been asked as a team to help in the preparations for it by helping the children to create some art work which they could display. We had some lovely (and messy!) painting and craft sessions with small groups in the couple of months before the event. We had some collaborative art projects that all the children worked on, and then we made a large poster for every child, with all of their art work. It was so special to see the children running over and finding their paintings and pictures, and proudly telling everyone that was their work. The children also went up on the stage to sing some songs, and between each performance they would run and find our team to sit with us. It was very rewarding for our team that the children knew they had us there cheering for them.





HOPE FOR COMMUNITIES

Some changes in the structures of the homes meant that, as well as the 12 to 18 year old boys that we have been working with for three years, two homes merged which opened up a door for us to begin working with a whole new group of young boys. They were excited by the opportunity we gave them to choose some activities and places to visit. Many of the young boys chose to go swimming, and it was very encouraging for us as a team to see their confidence growing and to teach them how to swim. For the children in the homes, the fact that schools aren't opening means these trips out and these weekly activities are even more essential, as these children are otherwise staying indoors for long periods with no structures and routines. Building strong and trusting relationships with these young men is a wonderful opportunity as they will go on to become our apprentices.



HOPE FOR COMMUNITIES

Training for the Social Services Department

Sometimes as a team we have asked the question, “Is two hours a week going into every home enough?” Of course, with more funding we would be able to increase the amount of time we spend in all of the homes and the number of homes we are able to go into. But still we ask the question, can we be doing anything more as a charity to help with these amazing children’s everyday lives.

Over the past three years our team have invested in building positive relationships with the staff and managers who work in the homes. One of the managers pointed out that they had observed a real difference in the way our team interacted with the children. We spoke about the training and investment we have given to our staff, we spoke about the importance of consistency amongst the various staff members around behaviour management etc. From these conversations, the idea of providing a wider training for people working with children in the area emerged.

Amazingly, the social services department gave us support in this and we were able to organise a whole day for all staff providing care for children in all of the homes in our city. We were able to teach on important topics such as understanding behaviours in children who have experienced trauma and ways in which we can manage challenging behaviour. The day was a great success and the social services department are very interested in the prospect of us being able to arrange some more training.





HOPE FOR COMMUNITIES

Staff Training and Development

One of the biggest learning points for us has been that investing in the training and development of our team of local staff is the thing that has the biggest impact on all of our projects. Our staff being well resourced and supported allows them to really invest well in the communities in which we work. We have continued to work with KnownValuedLoved to provide a specialised teacher training course for all new staff that begin to work with us. Our education manager has also now been trained to be able to provide this training for all new staff.

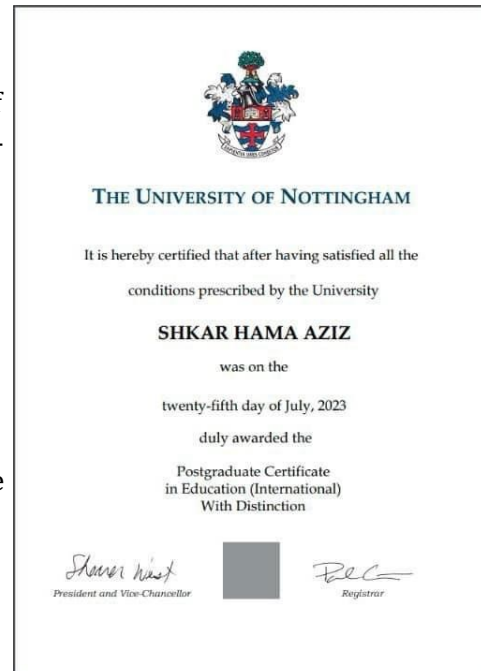
We have benefited greatly from the advice and input of experienced professionals in the UK. For example, as one of our team took on the role of becoming a mentor for our apprentices, we were able to arrange for him to have weekly training sessions with someone who was highly experienced in this area. They were able to brainstorm about any issues, and plan together excellent training and strategies for the apprentices.

We continue to invest in general regular training for our staff. We highlight areas that require further development and we source training for these areas. Also, we have introduced peer training at our monthly staff meetings. Each month one of our team will research a topic and then prepare some teaching and discussion, these have been really interesting and helpful.

One of our longest members of staff, Shkar, who manages our community centre in Barika and



children and young people across Kurdistan.



manages education in all of our projects , was funded by the charity to complete an international PGCE online with Nottingham University. Not only did Shkar complete the degree but he managed to pass it with distinction which was a truly amazing achievement as Shkar had to learn a whole new way of studying and style of essay writing which was so different from his previous educational experience in Kurdistan. We are excited to see how Shkar can use this degree to improve the educational standards for many



HOPE FOR COMMUNITIES

Apprenticeship Programmes and Hope Hub

Last year we shared in our report about the exciting news that we had received the funding to begin our apprenticeship programme and open our Hope Hub. We are happy to report that we have seen so much success in this programme. Having worked closely with the children in the orphanages for a few years, we were aware of the challenges that these young people faced, reaching 18 years of age with very limited employment and education options. Over time we developed the idea of opening a Coffee Shop/Community Hub which would, whilst serving the local community, could also be a place where these young people learn, train and work in a safe environment.

We have loved working with a number of young men and have seen many encouraging stories. One of the most significant things is the level of trust they have developed with our wonderful team of staff. This means that previously, they would have found themselves in danger and at risk when unable to control their emotions/anger, they have used techniques we have taught them or have contacted their mentors for support. We honestly believe this has kept them from situations where they could easily have ended up in prison.

The first two young men who were with us both were able to find full time employment on leaving us which also provided accommodation. They still face many challenges and we continue to speak with them and try to mentor them. We currently have five young men on our programme and they are really enjoying it. They have grown in confidence and are now much more comfortable dealing with customers. We have weekly training sessions focusing on important topics such as life skills, cooking and baking, controlling emotions, managing finances to name just a few. We are so proud of the way they have made so much effort with the programme.

The Hope Hub itself is really becoming a place that's investing in people in the surrounding community. Our most popular weekly event are our English Language classes, we have people that attend whose English is such a high standard they aren't coming to practice they just love the opportunities to socialise with people. We also have a Kurdish Language cafe, a games club and a book club. We are also in discussions to open the first sign language cafe that we know of in our region. We are still in the early stages of this project and so there is potential for more growth, but so far we are all very encouraged by all that is happening.





HOPE FOR COMMUNITIES

Encouraging visitors reports from some of our partners

Report Written by Aime Gotte, Project Development Manager at Care and Relief for the Young (CRY)

It has been a privilege for CRY to partner with and support the work of Hope for Communities in Kurdistan over the years. However, CRY had not yet had the opportunity to witness the amazing work done by HFC on the ground. To address this, Aimé Gotte visited Sharo, Alexis, and their team in May 2023.

Sharo and Alexis had planned a whole schedule to take me around their various projects, besides the orphanage, due to safeguarding and logistical reasons. The work I witnessed was inspiring, strategic, and profound. On the first day, I spent most of my time in the newly created Kurdish cafe. There, I met some of the team members, two of the apprentices, and some of the overseas workers. Although there were few clients that day, experiencing the concept of the cafe, especially in benefit of the apprentices, was a privilege.

On the second and third days I was taken to the children's centre and I witnessed and participated in several activities/workshops including the sports programme and English lessons. One of my highlights was to speak with two older female beneficiaries in English. Alexis had shared with me, how these girls couldn't speak a word of English upon their arrival at the centre and here they were having a full on conversation with me.

Overall, and the feedback that was shared to the CRY upon my return is that Hope for Communities are doing a crucial work which will truly help children and young people break the cycle of poverty for themselves. We are most pleased with this partnership and as mentioned, it is an honour to humbly serve the vision.

Lastly, as part of my job with CRY, I travel around the world to visit our project partners. In most cases, and understandably so, the visits can feel a little staged or rehearsed by some of our partners. This is perhaps due to the pressure they may feel of having a funder visiting. I understand it, don't condemn it but it can sometimes be tricky for me to fully understand what is the usual routine in the projects, which is what CRY is interested in witnessing. However, on this occasion, when visiting Hope for Communities, I didn't feel this dynamic at all. What I saw appeared to be the full reality of what happens on a weekly basis. It was most refreshing to see and brought a real authenticity to my visit which from a professional and personal point of view was most appreciated.



HOPE FOR COMMUNITIES

Encouraging visitors reports from some of our partners

Report Written by Andy Ball, Founder and CEO of KnownValued-Loved

There was a lot of anxiety around this trip to Kurdistan. The UK Government advice was not to travel due to the ongoing political situation in Iraq. It was a struggle to find insurance, and our trustees had many questions around the value of the trip compared to the risks.

What I found when I arrived however, was very different. I felt welcome, I felt safe and ultimately, I felt excited to be in country that was very close to our heart as a charity. Trips like this are so important, and I knew that despite all the reservations it had to go ahead. This wasn't about being stubborn and thinking we knew better, or that the advice didn't apply to us. If we cancelled trips such as this, I felt it set a precedent that would define us very differently as a charity moving forward. I won't allow us to be the charity that supports at arm's length. We can't allow our partners and friends to take the risks and do the work on the ground whilst we do the easy bit and send money and ask for feedback and updates. That isn't who we set out to be and it isn't who we will be in the future.

The risks are real. In the past month a number of ISIS members were captured in the surrounding area of Sulaymaniyah. There are over 2 million refugees in Iraqi Kurdistan, making up nearly 30% of the total population of the country. For many of them their time in the camp is all they have known. When needs are great, stress levels are high. I don't intend to glamorize the risks – not once during my time there did I feel unsafe, unless you include the 40degree heat that I struggled to acclimatize to!

I loved spending time in the 'Hope for Communities' center. Positioned just inside one of the old camps. We drove around the community to get sense of what people's lives looked like. The UN had invested in roads, there was schools (although only open for a few hours each day), small shops and children playing outside – a community had been built out of nothing.

The center itself was amazing – and children appeared out of nowhere ready to learn, do activities and interact with staff. It wasn't sad, it wasn't bleak, it was full of joy, laughter and hope. That is the story we have always tried to tell – the challenges that these children face speak for themselves – the negative images are all over the news. We always want to be part of the solution and working alongside Hope for Communities, we definitely are. The children spoke to me about their hobbies, they showed me the library, they tried (and failed) to teach me some Kurdish words. They shared their aspiration's to be doctors/ nurses/ teachers - inspired by the adults around them at the center.



HOPE FOR COMMUNITIES

I mentioned before that for some children, life in these camps is all they have known, and the reality is, it maybe all they know and see in the future. For some It's hard to see a break in the cycle. I met one boy who had dropped out of school – he was clever, confident and had a great personality – when I asked him why he no longer went to school he said he didn't see the value in it. He is now working in his uncle's restaurant washing dishes, with one day off every two weeks. Schools are open for three hours a day but the teachers are not being paid regularly, they are underfunded and out dated. The generation that can change the future of the country are being let down by other people's decisions.

We spent a day with the teachers from the center. We told them that they matter! We had fun and laughed a lot. We explored topics such as the impact of trauma on learning and development. We shared ideas around behavior management and building relationships with students. I will never fail to be inspired by teachers who work in the conditions that these guys do.

The trip itself was a success. I left feeling like I had done what I intended to do. To invest some time into our partners, to strengthen relationships and to get a better understanding of the community and how we could continue to support in the future. We always want to stand with our partners and show them we are with them and will continue to walk this walk with them.

But its not enough..... I am struggling after coming home to gather my thoughts. I'm struggling with the fact that I can get on a plane and return to 'normality', and only a few hours behind me such need and poverty exists. Even though it is masked with smiles and laughs – there are children living in situations that they don't deserve. Their lives are worth much more.

I also leave with a feeling that the work of KnownValuedLoved has to be more impactful, it has to go further. We need to be more active! And anyone who knows me will know that's it is feelings like this that started this charity! I don't know what's coming next but I know it's going to be good!



HOPE FOR COMMUNITIES

Contribution made by Volunteers

The directors of the charity (Sharo and Alexis Ahmedi), were in this time period volunteering for the charity Hope for Communities. The charity is thankful for their contribution.





HOPE FOR COMMUNITIES

Financial Review

Hope for Communities is very grateful to all of its supporters who have so generously helped us in being able to continue with all of our projects.

Statement explaining the policy for holding reserves stating why they are held:

The trustees have agreed to hold three months of the charities running cost in reserve. This is to enable projects to continue in the event of a drop in income.

Amount of reserves held at end of financial year: £24,172

This was more than the needed 3 months running costs (as of March 2023), however at present our projects are constantly developing and we are starting new projects and so these additional reserves help us in being able to confidently start new projects.

Reasons for holding zero reserves	Para 1.22	n/a
Details of fund materially in deficit	Para 1.24	n/a
Explanation of any uncertainties about the charity continuing as a going concern	Para 1.23	n/a

Funds held as custodian trustees on behalf of others

Description of the assets held in this capacity	n/a
Name and objects of the charity on whose behalf the assets are held and how this falls within the custodian charity's objects	n/a
Details of arrangements for safe custody and segregation of such assets from the charity's own assets	n/a



HOPE FOR COMMUNITIES


Structure, Governance and Management

Description of charity's trusts:		
Type of governing document (trust deed, royal charter)	Para 1.25	Constitution
How is the charity constituted? (e.g. unincorporated association, CIO)	Para 1.25	Charitable Incorporated Organisation (CIO)
Trustee selection methods including details of any constitutional provisions e.g. election to post or name of any person or body entitled to appoint one or more trustees	Para 1.25	<p>According to the constitution:</p> <p>Apart from the first charity trustees, every trustee must be appointed [for a term of three years] by a resolution passed at a properly convened meeting of the charity trustees.</p> <p>In selecting individuals for appointment as charity trustees, the charity trustees must have regard to the skills, knowledge and experience needed for the effective administration of the CIO.</p>

Declarations

The trustees declare that they have approved the trustees' report above.

Signed on behalf of the charity's trustees

Signature	
Full Name	Andrew David McCullough
Position	Chair of trustees (at time of signing report).
Date	25th January 2023



CHARITY COMMISSION
FOR ENGLAND AND WALES

Charity Name
Hope for Communities

No (if any)
1180747

CC16a

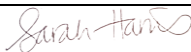

Receipts and payments accounts

For the period from	Period start date	To	Period end date
	1/4/2022		31/3/2023

Section A Receipts and payments

	Unrestricted funds to the nearest £	Restricted funds to the nearest £	Endowment funds to the nearest £	Total funds to the nearest £	Last year to the nearest £
A1 Receipts					
One-off donations from individuals	8,690	-	-	8,690	3,440
Regular invoiced donations from individuals	3,740	-	-	3,740	2,530
Donations from businesses/organisations	27,486	23,325	-	50,811	8,860
Fundraising events	-	-	-	-	1,304
Give as you live	36	-	-	36	16
Amazon	24	-	-	24	-
HMRC-reclaimed gift aid	1,629	-	-	1,629	-
	-	-	-	-	-
Sub total (Gross income for AR)	41,605	23,325	-	64,930	16,149
A2 Asset and investment sales, (see table).					
	-	-	-	-	-
	-	-	-	-	-
Sub total	-	-	-	-	-
Total receipts	41,605	23,325	-	64,930	16,149
A3 Payments					
Staff	8,776	12,508	-	21,283	14,379
Rent	1,025	1,282	-	2,307	945
Utilities/heating	392	228	-	619	172
Petrol/vehicle maintenance	1,488	-	-	1,488	543
Staff meetings/training	350	-	-	350	-
Projects:Equipment/refreshments/resources	1,685	8,816	-	10,502	1,045
Buildings maintenance	382	-	-	382	769
Bank charges/comms/admin kurdistan	318	-	-	318	97
Orphanages:Trips out/events	427	197	-	624	31
Apprenticeships salaries/support	-	294	-	294	-
Staff development/investment	1,083	-	-	1,083	-
Communications/admin UK	403	-	-	403	403
Fundraising agency	750	-	-	750	-
Charges for bank transfers	1,266	-	-	1,266	440
Stripe Fees	177	-	-	177	108
Payments sent to kurdistan yet to be deployed	12,524	-	-	12,524	-
Sub total	31,045	23,325	-	54,370	18,932
A4 Asset and investment purchases, (see table)					
	-	-	-	-	-
	-	-	-	-	-
Sub total	-	-	-	-	-
Total payments	31,045	23,325	-	54,370	18,932
Net of receipts/(payments)	10,560	0	-	10,560	- 2,783
A5 Transfers between funds	-	-	-	-	-
A6 Cash funds last year end	13,612	-	-	13,612	16,395
Cash funds this year end	24,172	0	-	24,172	13,612

Section B Statement of assets and liabilities at the end of the period

Categories	Details	Unrestricted funds to nearest £	Restricted funds to nearest £	Endowment funds to nearest £
B1 Cash funds	uk bank account	24,172	-	-
		-	-	-
		-	-	-
	Total cash funds	24,172	-	-
	(agree balances with receipts and payments account(s))	OK	OK	OK
B2 Other monetary assets	Details	Unrestricted funds to nearest £	Restricted funds to nearest £	Endowment funds to nearest £
		-	-	-
		-	-	-
		-	-	-
		-	-	-
		-	-	-
		-	-	-
B3 Investment assets	Details	Fund to which asset belongs	Cost (optional)	Current value (optional)
			-	-
			-	-
			-	-
			-	-
B4 Assets retained for the charity's own use	Details	Fund to which asset belongs	Cost (optional)	Current value (optional)
			-	-
			-	-
			-	-
			-	-
			-	-
			-	-
			-	-
			-	-
B5 Liabilities	Details	Fund to which liability relates	Amount due (optional)	When due (optional)
			-	
			-	
			-	
			-	
Signed by one or two trustees on behalf of all the trustees	Signature	Print Name	Date of approval	
		SARAH HARRIS	11-Dec-23	
		ABEY PHILIP	11-Dec-23	

Independent examiner's report to the trustees of Hope for Communities

I report to the trustees on my examination of the accounts of the Hope for Communities Trust (the Trust) for the year ended 31 March 2023.

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 2011 Act and in carrying out my examination, I have followed all the 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.

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.

Signed: 

Name: Gajen Ganandran MEng, ACMA

Relevant professional qualification: Qualified Chartered Management Accountant

Address: 83 Chalgrove Crescent, Clayhall, Ilford, Essex IG5 0LX UK

Date: 27 January 2024

Supplementary information to Independent examiner's report to the trustees of Hope for Communities ("the Charity")

Detailed below are the key steps that I have undertaken in arriving at my independent examiner's statement, following the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Direction 1: Check whether the Charity is eligible to have an independent examination

My examination of the Charity confirms that it is eligible for an independent examination based on:

1. The Charity not being incorporated as a company
2. Having a Gross Income of less than <£250,000 for the accounting year ending 31 March 2023 and since inception.
3. The charity having no subsidiaries

Furthermore, no requirements were identified for the Charity to prepare accruals accounts. This was confirmed by reviewing the Governing document (last amended April 2021).

Direction 2: Check for any conflict of interest that prevents the examiner from carrying out their independent examination

I confirm that

1. I have no close personal relationships with the trustees (as listed in the Governing document) that could compromise my independence.
2. I have no day to day involvement in the administration of the charity
3. I do not provide any other services to the Charity

I have identified no circumstances where my judgment that would reasonably lead to the perception that I have not acted independently.

As a member of the Charter Institute of Management Accountants and with over fifteen years of post-qualified experience in the Financial Services industry, I believe I am sufficiently skilled to carry out the examination.

Direction 3: Record your independent examination

The following documents were examined in arriving at my assessment:

Financial

- Receipt & Payments Account 2022 – 2023
- UK Payment Accounts 2022 – 2023
- Detailed UK Receipt Accounts 2022 – 2023
- Co-Operative Bank Accounts – transaction details 1 April 2022 to 28 April 2023 (*for verification against receipts recorded in the accounts*)
- Sample copies of receipts for the month of March 2023 – highest month of expenditure for project related costs at £6,666 to test record keeping and verification of expenses.
- Copy of trustees annual report

Non-Financial

- Charity Governing document
- Internal Financial Controls Policy (unchanged from last examination)
- Risk Management Policy (unchanged from last examination)
- Sample review of trust meeting minutes

My appointment by the trustees was confirmed by the Chair of Trustees (Andy McCullough) on 18 December 2023 via email.

Hi Gaj

I'm writing to confirm that the trustees of Hope for Communities are delighted to engage you again this year to undertake the independent examination of accounts for the charity.

Thank you so much for assisting the charity in this matter.

Please let me know if there is anything else you need from us.

Warm regards, and season's greetings.

Andy McCullough

Chair

Hope for Communities

To support the examination process, a number of calls and email communication was undertaken with the Charity Director (Alexis Ahmedi).

Key areas of discussion / questions were:

- Key drivers for the increase in staff costs
- Key drivers for the increase in rental costs and supporting documents
- Key expenditures under Projects, in particular circa £6.6k expenditure in March 2023
- Further details and supporting on the staff development expenditure of £1k in June 2022
- Reporting treatment in the accounts for funds held in Kurdistan bank account that are yet to be deployed, with the treatment being confirmed as appropriate as an expense as it has been paid outside the UK based on Charity commission's confirmation
- Reasons for bank transfer charges increasing
- Queries as to why no independent examination was required for the prior year

Key findings to the above queries are outlined under the Direction 11 section.

The conclusion of the examination has been shared with the trustees.

There were no matters of material significance about which a report must be made direct to the Commission.

Direction 4: Plan the independent examination

The examination procedure was planned in an appropriate basis taking into account the circumstance of the Charity.

Understanding the Charity

Through both the documents outlined above and follow up discussions, I was able to maintain an understanding of the charity's constitution, objectives, organisational structure, the funds managed, its activities and accounting records and systems to support my review. This follows on from my independent examination of the 2021 accounts.

Areas for improvement outlined to the trustees:

- Consider the implementation of a simple, low cost digital expense tracking tool e.g. with the ability to log copies of receipts (via phone / tablet) and staff payments to increase automation of record keeping.

Going concern

Given the Charity undertakes payment and receipts accounting (not accruals) and given the end of period funds, there are no concerns identified relating to the charity being a going concern.

End of period funds of circa £24,000 is held to cover three months of the charity's running expenses. Furthermore, the charity continues to receive robust levels of donations in 2023/24 to meet expenditures, which are budgeted and prioritised based on the level of donation receipts.

Direction 5: Check that accounting records are kept to the required standard

In undertaking this examination, I have sought to confirm:

- Accounting records are complete and produced to the required standard
- The process by which the trustees ensure the accounting records are complete
- Internal financial controls were followed

The final set of accounts were approved by the trustees on 11 December 2023.

Direction 6: Check that the accounts are consistent with the accounting records

In undertaking my examination I compared the accounts to the underlying accounting records for receipts and payments, prior year accounts and the UK bank statement.

Confirmation was provided that the necessary steps to ensure that restricted funds were correctly reported in the accounts.

Direction 7: If the accounts are prepared on an accruals basis and one or more related party transactions took place the examiner must check if these were properly disclosed in the notes to the accounts.

Not applicable as the accounts are prepared on a receipts and payments basis.

Direction 8: Check the reasonableness of the significant estimates and judgments and accounting policies used in accounting for the types of fund held and in the preparation of the accounts

There are no year end balances in the Restricted or Endowment funds.

A total of £23,325 of restricted donations made in the period by two organisations (Friends in Formation and CRY).

This amount was fully deployed during the period to fund staff costs and key projects (e.g. Hope hub/ coffee shop initiative) in line with the restrictions from the donors.

I received confirmation from the trustees that the necessary steps to ensure that restricted or endowed funds are correctly reported in the accounts.

Given the cash accounting undertaken by the Charity, the examination did not identify any significant estimates or judgements had been made in preparing the accounts.

Direction 9: The examiner must check whether the trustees have considered the financial circumstances of the charity at the end of the reporting period and, if the accounts are prepared on an accruals basis, check whether the trustees have made an assessment of the charity's position as a going concern when approving the accounts

Given the Charity's accounts and closing funds, there is nothing in the review that would indicate that the Charity would not continue to be a going concern.

End of period funds of circa £24,000 is held to cover three months of the charity's running expenses. Furthermore, the charity continues to receive robust levels of donations in 2023/24 to meet expenditures, which are budgeted and prioritised based on the level of donation receipts.

Direction 10: Check the form and content of the accounts

The accounts and supporting schedules have been reviewed as part of this examination.

Where receipts and payments accounts have been prepared, I checked that the charity can lawfully prepare such accounts, that all the accounting statements are present and that the funds of the charity are correctly identified.

I have further undertaken sample testing of records e.g. reviewing UK bank statements for receipts and sample payment receipts as part of this examination.

Direction 11: Identify items from the analytical review of the accounts that need to be followed up for further explanation or evidence

Performed analytical review of the accounts (2022-23 compared to 2021-22 and 2020-21) with follow up queries and requests for supporting information in the following areas:

- Copy of UK bank statement to review against detailed receipts schedule.
- Key drivers for the increase in staff costs
 - Number of employees has increased in line with the increased number of projects.
 - Currently 8 employees and 4 volunteers
 - Senior manager is the highest paid employee at c.£700 per month (annualised £8.4k)
- Key drivers for the increase in rental costs
 - Increase reflects the charity is now renting two properties with the most recent addition being the Hope hub / coffee shop, which is of a higher cost given city centre location.
- Key expenditure under Projects (£10.5k, £8.8k from the restricted funds), in particular circa £6.5k expenditure in March 2023.
 - This primarily relates to the setting up of the new Hope Hub / coffee shop project.
 - Receipts were shared for the expenditure in March, including larger US dollar denominated transactions.
- Further details and supporting on the staff development cost of £1k in June 2022
 - Funding for international PGCE at a UK university for the senior manager employee
 - Transaction receipt (email) shared.

- Reasons for bank transfer charges increasing
 - This links to higher project costs and using the international banking system, in-line with the charity commissions guidelines, which incurs higher charges but provides better safeguards.

No exceptional items were noted.

Direction 12: Compare the trustees' annual report with the accounts

The final accounts were reviewed against the trustee's final annual report and these were identified to be consistent.

Direction 13: Write and sign the independent examination report, Statutory duty to report matters of material significance to the Commission and Examiner's discretion to report relevant matters to the Commission

The signed independent examination report has been submitted to the trustees for noting.

No matters for raising to the Commission were identified.