

**REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022
FOR
HOPE INTO ACTION PORTSMOUTH**

HOPE INTO ACTION PORTSMOUTH

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HOPE INTO ACTION PORTSMOUTH
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2022

The trustees present their report with the financial statements of the charity for the year ended 31 March 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).

HOPE INTO ACTION PORTSMOUTH
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2022

OBJECTIVES AND ACTIVITIES

Objectives and aims

The principal objective of the charity is to provide supported housing in the Portsmouth region to those who are homeless or insecurely housed.

The charity aims to use investment resources to buy houses for 2-3 tenants. Each home is linked to a local church that provides a positive community, friendship, befriending/mentoring and support. Also included is a professional Empowerment Worker who provides expertise to the tenants in benefits, tenancies, jobs, liaising with other agencies and action plans. Each house is opened with the support of a local church and they form a Friendship and Support group to support the tenants.

This holistic approach first seeks to address the immediate challenges facing the individual. Seeking to identify the reasons for homelessness and the underlying causes of their poverty. Then addressing the complexities that have kept them from progressing in life and achieving their goals. The biggest impact comes through building a positive framework of relationship through the support worker and the friendship and support group (FSG). This provides a safe environment for them to share and grow in confidence in a non-judgmental therapeutic dynamic. We try and build on the positive and seek to empower them to develop their strengths. Over time this builds self worth and confidence. With new skills and qualifications, they develop new relationships reducing their isolation and work towards independent living.

There is a wider impact on the other services providing supported accommodation in the local area. As we seek to move people on from hostels and other local services to independent living, this frees up additional bed spaces along the pathway out of homelessness for people to progress through the system. There is also a wider benefit to the local community as we are assisting people to break their cycle of disadvantage so that they can get back to a position of contributing positively to society. Most of the individuals we work alongside progress on to their own independent living and become capable of supporting themselves rather than relying on the charity of others and the benefit system. Many find work and become assets within their local community participating towards the development of their local communities.

In making decisions relative to the running of the charity, the trustees have had due regard in all instances to the commission's public benefit guidance when exercising their powers or duties. Given that the objects of the charity are the relief of poverty specific rules apply in relation to the "public" aspect of the "public benefit". Despite this the trustees are nonetheless satisfied that there is a public aspect to the benefit as has been shown above with regards to the impact of the work of the charity on other organisations providing supported accommodation and the wider community.

There is an additional aspect to the benefit that is worth mentioning. It is our experience as a charitable organisation, the volunteers from our friendship and support teams also benefit from being involved in the activities that we provide as well as the churches who we are partnered with. There is an opportunity for the churches to demonstrate in a public way that they are relevant and involved in their local communities and making a real difference to people's lives. Each house is run in conjunction with a local church who sign a five-year partnership with us committing to build long-term, holistic relationships with the tenants who were formerly homeless.

Volunteers contribute a few hours a week and they tell us that they feel that they learn as much from volunteering alongside these individuals as the clients themselves. This is assisted by the fact that they themselves are provided with ongoing support and training throughout their time volunteering. An initial full day's training is complemented by ongoing training and support from staff who work for the charity in various capacities.

In so many regards this model is as much about a way of building community as it is about housing individuals. Tenants are empowered by volunteers, who are supported by Empowerment Workers.

Working together we are seeking to build a sense of friendship, family and support that transcends racial, social, cultural, political and religious divides for the purpose of building a better community. And in the process, individuals who are struggling with the challenges of poverty, identity, relationship and resource are seeing their problems reduced and therefore begin to regain their independence.

HOPE INTO ACTION PORTSMOUTH
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2022

OBJECTIVES AND ACTIVITIES

Public benefit

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities. The trustees refer to public benefit throughout this report.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

Throughout this year, the Covid pandemic was still impacting people's lives and what services were open. A lot of services were online and local churches were still offering an online Sunday service and little other outreach. This had an impact on what we were able to do and offer, and our Empowerment Worker, Caroline Deans continued to offer a great mix of support options to our tenants.

Some training opened up and Tracey Ansell and Michelle Treacher were able to attend the Franchise leads training in Cambridge to brush up on new skills and think about growth and governance.

During this year we opened up 2 new houses. We had one investor for one house, and Portsmouth City Council leased a recently purchased house to us once it had been refurbished. One house was with St. Mary's Anglican church and their aim was to support women, and took women from previous sex work and fleeing domestic violence. The other church that came on board to help us is Paulsgrove Baptist Church, and they were able to support 3 men, 2 from a local homeless hostel and one from an alcohol rehab unit.

So by December 2021, we had 6 houses open and were working with another investor to open another house that will be part of the Community Sponsorship Scheme. Some attendees from the local catholic church formed a group called Pompey Reset to become the Friendship & Support Group. We have also been approached by a similar group in Portchester to do a similar project there, and an investor was in conversation with us.

This meant that we now needed to look for another Empowerment Worker and we held interviews and the position was offered to Lorna Sandland, who was a trustee, so stood down from that role. Lorna began in March 2022 on 20 hours.

In March 2022, we took 9 of our tenants to the Hope Into Action Conference in Peterborough and paid for them to have an overnight stay in a hotel. 3 tenants won an award.

FINANCIAL REVIEW

Financial position

The net income for the year to March 2022, was £116,890 and shows the impact that extra houses have on our income. £65,026 was received from Housing Allowance and represents 56% of our income. This is in line with our aim to keep housing allowance at least 50% of our income. With increased staff hours, this cost increased to £46,287. £13,419 is held as restricted money on behalf of investors. At the end of March 2022 we are housing 15 tenants, including 1 baby and 2 other children under 18.

Our costs ("charitable activities") were at £121,832. All insurances are in place and the Trustees are aware that over the next 3-5 years we will need to assess the major risks that we can be exposed to, and develop a system to mitigate them. We have begun thinking about new Trustees that will help shape us into the next stage of our development, and bring a more corporate feel to the organisation as it grows.

Reserves policy

The Trustees' policy with regard to reserves is to seek to maintain unrestricted funds, other than those designated from time to time for specific purposes, at a level sufficient to provide the charity with enough working capital to carry on its existing activities successfully for two to four months. This will enable the trustees to ensure continuity of activities and honour contractual liabilities.

HOPE INTO ACTION PORTSMOUTH
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2022

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

Hope Into Action Portsmouth is a registered Charitable Incorporated Organisation and governed by its articles and memorandum of association and we are a franchise of Hope Into Action UK, which provides us with training, support, advice and expertise. We have adopted their policies, with minor adaptations as needed. Representatives of Hope Into Action UK carry out regular audits of our houses and meet with our tenants, to ensure that standards are maintained and risks are managed appropriately, with the wellbeing of our tenants being paramount.

As well as having a board of Directors, Hope Into Action Portsmouth also has Ambassadors who support and encourage the Charitable aims, and attend all Trustee Meetings. Ambassadors are appointed by the Board of Trustees and bring a particular specialism and skill set that the Trustees value. Trustees consult fully with the Ambassadors and make them fully aware of operational and governance plans.

Whilst there is a requirement to maintain the core elements of the Hope into Action model as part of being a franchisee, Hope into Action Portsmouth is free as an independent organisation to adapt the model to local circumstances and requirements. The trustees take this responsibility seriously and are keen to ensure that the charity implements the model faithfully since it has been demonstrated that it works but also to make sure that there is also an aspect of local expression and development.

In relation to risk and risk management, policies and procedures are in place to manage risk as best as can be foreseeable. Logs are maintained in order to record any incidents that may present a risk to the organisation and how risk is being managed:

- ~ Safeguarding
- ~ Critical Incidents and Sudden Death
- ~ First Aid incidents
- ~ Data Protection Breaches
- ~ Staff Training and HR

In the event of major incidents, the Operations Manager liaises with the Chair of Trustees who keeps the board informed of ongoing developments. Discussions take place to learn from the experience and to do things differently where required. Written reports are made of all major incidents, subsequent discussions, policy changes as a result and amended practices.

Outcomes

The charity has maintained outcomes that reflect the excellent standard of the work carried out. We deliberately do not set KPI's or aim for specific outcomes as we are convinced that the outcomes reflect the fact that we invest in building great relationships first and foremost.

We did have our first eviction this year, a female who had brought drugs into a clean and dry house and who had also brought a man into the house without notification or agreement. We have kept in touch with her and a friend was providing some accommodation and support.

Caroline, our Empowerment Worker has begun a conversation with Portsmouth Housing Team so that we can make direct nominations for some of our tenants to be able to move on to independent accommodation.

For 2021- 2022 we have achieved the following outcomes:

- 93% of our tenants have maintained their tenancy
- 100% of those who had previously been in prison have not reoffended
- 90% have reduced their alcohol or substance misuse
- 63% have improved their social relations with their family

Quality Audit Report

Hope Into Action Portsmouth continues to work with the Peterborough office welcoming the Annual Quality Audit Report that provides encouragement and points for improvement. It is discussed and monitored with our Operations Manager and Trustees. We were given feedback that our quality was of a high standard.

HOPE INTO ACTION PORTSMOUTH
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2022

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

1180865

Principal address

195 Powerscourt Road
Portsmouth
Hants
PO2 7JH

Trustees

Rev Tracey Ansell
Mrs Jayne Howard (resigned 1.2.2022)
Mrs Lorna Sandland (resigned 1.1.2022)
Rev Wayne Dulson (resigned 1.12.2022)
Rev Samantha Cullen (appointed 10.2.2022)
Mr Stephen Macfarlane (appointed 18.11.2022)

Ambassadors

Mr Anthony Savage
Ms Catherine Holehouse
Mr Simon Murdoch

Independent Examiner

Paul Underwood, FCCA
Morris Crocker
Chartered Accountants
Station House
North Street
Havant
Hampshire
PO9 1QU

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

.....
Rev Tracey Ansell - Trustee

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
HOPE INTO ACTION PORTSMOUTH**

Independent examiner's report to the trustees of Hope Into Action Portsmouth

I report to the charity trustees on my examination of the accounts of Hope Into Action Portsmouth (the Trust) for the year ended 31 March 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.

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.

Paul Underwood, FCCA
Morris Crocker
Chartered Accountants
Station House
North Street
Havant
Hampshire
PO9 1QU

Date:

HOPE INTO ACTION PORTSMOUTH

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2022

	Notes	Unrestricted fund £	Restricted fund £	2022 Total funds £	2021 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	9,707	-	9,707	6,450
Charitable activities	3				
Activities undertaken directly		87,923	19,260	107,183	90,611
Total		<u>97,630</u>	<u>19,260</u>	<u>116,890</u>	<u>97,061</u>
EXPENDITURE ON					
Charitable activities	4				
Activities undertaken directly		111,892	9,940	121,832	86,081
NET INCOME/(EXPENDITURE)		(14,262)	9,320	(4,942)	10,980
RECONCILIATION OF FUNDS					
Total funds brought forward		16,322	4,099	20,421	9,441
TOTAL FUNDS CARRIED FORWARD		<u><u>2,060</u></u>	<u><u>13,419</u></u>	<u><u>15,479</u></u>	<u><u>20,421</u></u>

The notes form part of these financial statements

HOPE INTO ACTION PORTSMOUTH

BALANCE SHEET 31 MARCH 2022

	Notes	2022 £	2021 £
CURRENT ASSETS			
Debtors	9	8,114	1,000
Cash at bank		8,865	20,741
		<u>16,979</u>	<u>21,741</u>
CREDITORS			
Amounts falling due within one year	10	(1,500)	(1,320)
		<u>15,479</u>	<u>20,421</u>
NET CURRENT ASSETS			
		<u>15,479</u>	<u>20,421</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			
		<u>15,479</u>	<u>20,421</u>
NET ASSETS		<u>15,479</u>	<u>20,421</u>
FUNDS	12		
Unrestricted funds		2,060	16,322
Restricted funds		13,419	4,099
TOTAL FUNDS		<u>15,479</u>	<u>20,421</u>

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

.....
Rev Tracey Ansell - Trustee

HOPE INTO ACTION PORTSMOUTH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

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.

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.

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.

Financial instruments

The charity only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties and loans to related parties and investments in complicated investment products.

Trade and other debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, deposits with banks and other short-term highly liquid investments and bank overdrafts. In the balance sheet, bank overdrafts are shown within borrowings or current liabilities.

Trade and other creditors

Short term trade creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

HOPE INTO ACTION PORTSMOUTH

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2022

1. ACCOUNTING POLICIES - continued

Pensions

The charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the charity to the fund in respect of the period.

2. DONATIONS AND LEGACIES

	2022	2021
	£	£
Donations	9,707	6,450
	<u>9,707</u>	<u>6,450</u>

3. INCOME FROM CHARITABLE ACTIVITIES

	Activity	2022	2021
		£	£
Grants	Activities undertaken directly	11,200	17,750
Income from housing benefit and tenants	Activities undertaken directly	76,723	46,523
Income from investors	Activities undertaken directly	19,260	26,338
		<u>107,183</u>	<u>90,611</u>

Grants received, included in the above, are as follows:

	2022	2021
	£	£
Portsmouth City Council	-	15,000
Other grants	2,000	2,750
The National Lottery Community Fund	9,200	-
	<u>11,200</u>	<u>17,750</u>

4. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 5)
	£
Activities undertaken directly	<u>121,832</u>

HOPE INTO ACTION PORTSMOUTH

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2022

5. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2022	2021
	£	£
Staff costs	46,287	34,599
Insurance	1,506	1,120
Premises costs	19,199	8,153
Repairs and renewals	24,760	1,663
Staff expenses	5,631	4,103
Gift - Steve Ansell	4,083	1,000
General administration	2,096	955
Travel and subsistence	705	-
Franchise fee	2,039	1,923
Investor rentals	9,940	6,460
Legal and professional fees	4,086	1,090
Independent examination	1,500	660
House costs	-	24,355
	<u>121,832</u>	<u>86,081</u>

6. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2022 nor for the year ended 31 March 2021.

Trustees' expenses

During the year no trustees (2021: 1) were reimbursed out of pocket expenses totalling NIL (2021: £1,631).

7. STAFF COSTS

	2022	2021
	£	£
Wages and salaries	46,287	34,599
	<u>46,287</u>	<u>34,599</u>

The average monthly number of employees during the year was as follows:

	2022	2021
Operations manager	1	1
Empowerment worker	2	1
	<u>3</u>	<u>2</u>

No employees received emoluments in excess of £60,000.

HOPE INTO ACTION PORTSMOUTH

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022**

8. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted fund £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	6,450	-	6,450
Charitable activities			
Activities undertaken directly	64,273	26,338	90,611
Total	<u>70,723</u>	<u>26,338</u>	<u>97,061</u>
EXPENDITURE ON			
Charitable activities			
Activities undertaken directly	61,726	24,355	86,081
NET INCOME	8,997	1,983	10,980
RECONCILIATION OF FUNDS			
Total funds brought forward	7,325	2,116	9,441
TOTAL FUNDS CARRIED FORWARD	<u>16,322</u>	<u>4,099</u>	<u>20,421</u>

9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Trade debtors	6,501	-
Other debtors	-	1,000
Prepayments and accrued income	1,613	-
	<u>8,114</u>	<u>1,000</u>

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Other creditors	1,500	1,320

11. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted fund £	Restricted fund £	2022 Total funds £	2021 Total funds £
Current assets	3,560	13,419	16,979	21,741
Current liabilities	(1,500)	-	(1,500)	(1,320)
	<u>2,060</u>	<u>13,419</u>	<u>15,479</u>	<u>20,421</u>

HOPE INTO ACTION PORTSMOUTH

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022

12. MOVEMENT IN FUNDS

	At 1.4.21 £	Net movement in funds £	At 31.3.22 £
Unrestricted funds			
General fund	16,322	(14,262)	2,060
Restricted funds			
Specific gifts	4,099	9,320	13,419
TOTAL FUNDS	<u>20,421</u>	<u>(4,942)</u>	<u>15,479</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	97,630	(111,892)	(14,262)
Restricted funds			
Specific gifts	19,260	(9,940)	9,320
TOTAL FUNDS	<u>116,890</u>	<u>(121,832)</u>	<u>(4,942)</u>

Comparatives for movement in funds

	At 1.4.20 £	Net movement in funds £	At 31.3.21 £
Unrestricted funds			
General fund	7,325	8,997	16,322
Restricted funds			
Specific gifts	2,116	1,983	4,099
TOTAL FUNDS	<u>9,441</u>	<u>10,980</u>	<u>20,421</u>

HOPE INTO ACTION PORTSMOUTH

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2022

12. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	70,723	(61,726)	8,997
Restricted funds			
Specific gifts	26,338	(24,355)	1,983
TOTAL FUNDS	<u>97,061</u>	<u>(86,081)</u>	<u>10,980</u>

Specific Gifts - this fund relates to monies received from investors specifically for costs in relation to Carnarvon Rd and Bell Rd

13. EMPLOYEE BENEFIT OBLIGATIONS

The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. The pension cost charge represents the contributions payable by the charity to the fund and amounted to £2,252 (2021 - £1,302). Contributions totalling £0 (2021 - £0) were payable to the fund at the balance sheet date and are included in creditors.

14. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2022.