

Charity registration number 1183771

**HOPESPRING**  
**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2021**



# HOPESPRING

## LEGAL AND ADMINISTRATIVE INFORMATION

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**Trustees**

Ms Lois Gott  
Dr Chikezie Okike  
Dr Myra Hannah Herbert  
Ms Joanne Dunnett

**Charity number**

1183771

**Principal address**

Hopespring  
10 Seaview Road West  
Sunderland  
SR2 9HA

**Independent examiner**

Robson Laidler Accountants Limited  
Fernwood House  
Fernwood Road  
Jesmond  
Newcastle Upon Tyne  
NE2 1TJ

**Bankers**

Lloyds Bank  
54 Fawcett Street  
Sunderland  
Tyne and Wear  
SR1 1SF

**Key Management Personnel**

Operations Manager  
Strategic Manager  
Social Care Manager  
Executive Head Teacher

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# HOPESPRING

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# **HOPESPRING**

## **TRUSTEES' REPORT**

### **FOR THE YEAR ENDED 31 AUGUST 2021**

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The trustees present their annual report and financial statements for the year ended 31 August 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

#### **Objectives and activities**

##### **Mission Statement**

Hopespring works throughout Tyne and Wear seeking to serve the various Educational, Physical and Mental Health needs of the young people in our region. With a highly committed team of trained staff and full time volunteers, we provide support and care for some of the most vulnerable people in society throughout our people-based interventions.

##### **Principal Objects**

The principal objects of the charity are as follows:

- For the public benefit, the provision of education in particular, but not exclusively, by providing schools for children aged 11 to 16 who in particular, but not exclusively for those are deemed to be vulnerable and emotionally, behaviorally complex, who are at risk of, or have already been, excluded from school or from alternative provisions in the North East of England and such other parts of the United Kingdom as the trustees may from time to time think fit.
- For the public benefit, the prevention and/or relief of poverty among people who are in conditions of need, hardships or distress in the United Kingdom by providing in particular but not exclusively, supported accommodation and transitional support for individuals leaving the care of the local authority.

##### **In fulfilment of the principle objects the following activities are undertaken:**

- Therapeutic schools for the most vulnerable and emotionally/behaviorally complex young people who are at risk of, or have already been, excluded from school or from their alternative provision.
- Residential children's homes for vulnerable young people with emotional & behavioral difficulties.
- Mother & Baby Supported Accommodation for vulnerable young mothers.
- Support for care experienced young people transitioning to independent living.
- Christmas gifts for cared for children in Sunderland.
- Educational and mental health programmes for young people & families.

# **HOPESPRING**

## **TRUSTEES' REPORT (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2021**

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### **Achievements and performance**

#### Hopespring Therapeutic Schools

Across our education sites, we are now working with 7 local authorities as well as multiple schools & alternative provisions.

Despite the continued difficulties caused by the pandemic, our schools in Sunderland and Newcastle have remained open throughout and supported 24 young people. We have also supported our young people during the holiday periods with activity programmes, providing engagement throughout times where they can be more vulnerable to taking part in risky and criminal behaviors.

We have observed outstanding outcomes as a result of our work including our young people re-engaging with education, gaining recognised qualifications and transitioning effectively into further education and/or employment.

Both our sites have space for up to twelve pupils aged 11-16 years who are demonstrating significant therapeutic need, including those who have been excluded from mainstream education and those who are at risk of permanent exclusion.

#### Residential Children's Home

Throughout the year, and despite significant delays caused by the pandemic, we have worked diligently to establish our first residential children's home in Sunderland and in August 2021, after successfully achieving Ofsted registered status, we welcomed our first residents into the home.

#### Mother & Baby Supported Accommodation

Our Mother & Baby Supported Accommodation has continued to provide tailored support and a safe nurturing environment to young mothers and vulnerable pregnant young women in Sunderland.

We have continued to take emergency referrals from social services where young mums have experienced exponential difficulty in their domestic situations as a result of the pandemic.

All of our mums and their babies have either transitioned on from our service with excellent outcomes or have specific and tailored support in place for those whose stories don't progress as well.

#### Support for care experienced young people

We have continued to provide in excess of 80kg of food to Sunderland's Next Steps team to support care experienced young people transitioning into independent living. The donations included fresh vegetables and fruit, healthy ready meals, canned and packaged foods as well as toiletries, household cleaning products and other items essential for getting settled into independent living.





# **HOPESPRING**

## **TRUSTEES' REPORT (CONTINUED)** **FOR THE YEAR ENDED 31 AUGUST 2021**

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### Christmas presents - cared for children

As part of our annual Christmas appeal, this year we provided 800 good quality Christmas gifts for the cared for children in Sunderland as well as 200 luxury Christmas hampers.

Although we were unable to raise the essential funds through carol singing in supermarkets because of Covid restrictions, this year's Christmas appeal was generously supported by Together for Children staff, Tesco, Asda, Charities Aid Foundation and Hopespring donors.

As a result of the overwhelming donations we received during the Christmas period, we were able to additionally hold a toy bank in Southwick where we gave away hundreds of toys to families in Sunderland who may have otherwise not been able to give their children Christmas gifts.

### **Financial review**

The year ending 31st of August 2021 marked the second full year of activities undertaken with the organisational structure of Hopespring. The combined activities of the Charity has resulted in an income of £791,000 and expenditure of £738,000 leading to a surplus of £53,000.

Income into Hopespring has increased as services such as Hopespring Sunderland and the residential children's home have become established during this financial year. This has resulted in a corresponding increase in expenditure in line with the increased activity.

The total income from Grants and Donations amounted to £132,000 during the year. The provision of grants and donations during the year has again supported the Charity's strong financial position to carry out its operations and invest in future activities against significant uncertainties caused by the pandemic.

At the year end the unrestricted funds were £146,092 and the restricted funds were £0.

### **Going Concern**

The Trustee's are satisfied that the Charity is a going concern and do not know of any uncertainties regarding the organisations ability to continue operating as a going concern.



# **HOPESPRING**

## **TRUSTEES' REPORT (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2021**

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### **Plans for future periods**

In the year ahead we are looking to establish our second independent therapeutic school in Sunderland as well as a new residential family centre.

Our therapists and staff have now completed training to begin delivery of various programmes to support young people, parents/carers and families including the Nurture Programme, Talking Teens, Moodmasters, Let's Get Talking and Let's Get Walking. We are also expanding our holiday club activities for young people in the school holidays.

### **Reserves Policy**

The Trustees and Management Team have developed the reserves policy to assist in strategic planning and considering how new projects or activities will be funded. This is also used when reviewing the financial year and to inform the budget process in consideration of balanced budgets or if reserves need to be drawn down or built up. The Charity's reserve policy also informs the budget and risk management process by identifying any uncertainty in future income streams and forecasting ahead for the forthcoming five years. The amount held in reserves is also monitored by the Trustees and Leadership Team during the course of the year as part of the charity's budgetary processes. The Trustees have adopted a reserves policy which they consider appropriate to maintain the activities of the charity in case of unforeseen circumstances or a drop in funding.

- To hold an unrestricted funds balance that has a value of no less than three months and no more than 6 months running costs.
- To designate the appropriate fund value required for the Charity to meet all of its contractual obligations in the event it was required to shut down.
- To invest excess unrestricted funds into new or existing charitable activities to further enhance the service provision delivered. Use of unrestricted funds is to be carried out on a priority and needs assessment.
- Restricted funds are to be spend in the time frame and in the manner outlined by the funder or the donor.

At the year end the Charity held more than three months of unrestricted funds. It is the Board's intention over the medium term to set aside a designated fund for contingency purposes.

### **Structure, governance and management**

Hopespring is a Charitable Incorporated Organisation. The governance of the Charity is overseen by the trustee's of which there must be a minimum of three members on the board at one time per the constitution. The day to day running of the organisation is delegated to the management team.

Trustee's meetings are held regularly throughout the year to give oversight and direction to the Charity.

Under the requirements of the constitution, in addition to the statutory powers of appointment, a new Trustee may be appointed by a resolution of the Trustees passed by a majority of the Trustees for the time being.

### **Public Benefit Statement**

The Trustee's have referred to the Charity Commission's general guidance on public benefit when reviewing the Organisations aims and activities. The Trustee's are satisfied that the activities and aims of the Charity meet the guidance of Public Benefit outlined by the Commission.



## HOPESPRING

### TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2021**

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

*L. A. Gott.*

.....  
Ms Lois Gott  
Trustee

Date: Jun 24, 2022  
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# HOPESPRING

## INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF HOPESPRING

I report to the trustees on my examination of the financial statements of Hopespring (the charity) for the year ended 31 August 2021.

### Responsibilities and basis of report

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

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act. In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

### Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of , which is one of the listed bodies.

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

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

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.



**Michael Moran FCA**  
**Robson Laidler Accountants Limited**

Fernwood House  
Fernwood Road  
Jesmond  
Newcastle upon Tyne  
NE2 1TJ

Dated: 27 June 2022





# HOPESPRING

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2021

### Current financial year

	Notes	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Total 2020 £
<b><u>Income and endowments from:</u></b>					
Donations and legacies	2	73,666	58,355	132,021	102,409
Charitable activities	3	621,688	2,567	624,255	317,718
Other trading activities		-	-	-	65
Investments		13	-	13	25
Other income		34,794	-	34,794	34,823
<b>Total income</b>		<b>730,161</b>	<b>60,922</b>	<b>791,083</b>	<b>455,040</b>
<b><u>Expenditure on:</u></b>					
Raising funds		-	-	-	1,407
Charitable activities	4	671,789	65,893	737,682	360,942
<b>Total resources expended</b>		<b>671,789</b>	<b>65,893</b>	<b>737,682</b>	<b>362,349</b>
<b>Net income/(expenditure) for the year/ Net movement in funds</b>		<b>58,372</b>	<b>(4,971)</b>	<b>53,401</b>	<b>92,691</b>
Fund balances at 1 September 2020		87,720	4,971	92,691	-
<b>Fund balances at 31 August 2021</b>		<b>146,092</b>	<b>-</b>	<b>146,092</b>	<b>92,691</b>

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

All income and expenditure derive from continuing activities.

# HOPESPRING

## STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2021

Prior financial year

		Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
	Notes			
<b><u>Income and endowments from:</u></b>				
Donations and legacies	2	41,627	60,782	102,409
Charitable activities	3	313,770	3,948	317,718
Other trading activities		65	-	65
Investments		25	-	25
Other income		19,323	15,500	34,823
<b>Total income</b>		<b>374,810</b>	<b>80,230</b>	<b>455,040</b>
<b><u>Expenditure on:</u></b>				
Raising funds		1,407	-	1,407
Charitable activities	4	285,683	75,259	360,942
<b>Total resources expended</b>		<b>287,090</b>	<b>75,259</b>	<b>362,349</b>
<b>Net income/(expenditure) for the year/ Net movement in funds</b>		<b>87,720</b>	<b>4,971</b>	<b>92,691</b>
Fund balances at 1 September 2019		-	-	-
<b>Fund balances at 31 August 2020</b>		<b>87,720</b>	<b>4,971</b>	<b>92,691</b>

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

All income and expenditure derive from continuing activities.



# HOPESPRING

## BALANCE SHEET

AS AT 31 AUGUST 2021

	Notes	2021 £	£	2020 £	£
<b>Fixed assets</b>					
Tangible assets	9		35,451		31,213
<b>Current assets</b>					
Debtors	10	45,082		4,224	
Cash at bank and in hand		257,955		175,693	
		<u>303,037</u>		<u>179,917</u>	
<b>Creditors: amounts falling due within one year</b>	11	(154,916)		(65,975)	
Net current assets			148,121		113,942
<b>Total assets less current liabilities</b>			183,572		145,155
<b>Creditors: amounts falling due after more than one year</b>	12		(37,480)		(52,464)
<b>Net assets</b>			<u>146,092</u>		<u>92,691</u>
<b>Income funds</b>					
Restricted funds	15		-		4,971
Unrestricted funds			146,092		87,720
			<u>146,092</u>		<u>92,691</u>

Jun 24, 2022

The financial statements were approved by the Trustees on .....

*L. A. Gott*

Ms Lois Gott  
Trustee

# HOPESPRING

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2021

	Notes	2021 £	£	2020 £	£
<b>Cash flows from operating activities</b>					
Cash generated from operations	20		112,710		151,406
<b>Investing activities</b>					
Purchase of tangible fixed assets		(18,336)		(38,059)	
Investment income received		13		25	
<b>Net cash used in investing activities</b>			(18,323)		(38,034)
<b>Financing activities</b>					
Repayment of bank loans		(12,125)		62,321	
<b>Net cash (used in)/generated from financing activities</b>			(12,125)		62,321
<b>Net increase in cash and cash equivalents</b>			82,262		175,693
Cash and cash equivalents at beginning of year			175,693		-
<b>Cash and cash equivalents at end of year</b>			257,955		175,693



# HOPESPRING

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021

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### 1 Accounting policies

#### Charity information

Hopespring is a Charitable Incorporated Organisation.

#### 1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

#### 1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

#### 1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

#### 1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

All voluntary income from supporters are recognised as donations and are included in full, with associated gift aid receivable in the Statement of Financial Activities.

Grants where entitlement is not conditional on the delivery of specific performance by the charity are recognised when the charity becomes unconditionally entitled to the grant.

Income resources from charitable trading activities such as letting of the building are accounted for when invoices are drawn up (as the point of entitlement).

Donated services and facilities are included at the value to the charity where this can be quantified and the donation is material to the accounts.

Gifts in Kind are accounted for at a reasonable estimate of their value to the charity or the amount actually realised.

Volunteer time, the value of voluntary support for the work of the charity is not included in the accounts but is described in the accounts.

Investment income is included in the accounts when receivable.



# HOPESPRING

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

### 1 Accounting policies

(Continued)

#### 1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

#### 1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold improvements	25% straight line
Fixtures and fittings	25% straight line
Computers	25% straight line
Motor vehicles	25% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

#### 1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

#### 1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.9 Taxation

The charity is exempt from tax on the basis of its charitable activities.

#### 1.10 Retirement benefits

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

#### 1.11 Leases

Rental charges payable under operating leases are charged on a straight line basis.



# HOPESPRING

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

### 2 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2021 £	2021 £	2021 £	2020 £	2020 £	2020 £
Donations and gifts	25,065	6,108	31,173	30,127	34,827	64,954
Grants receivable	43,601	52,247	95,848	11,500	25,955	37,455
Donated goods and services	5,000	-	5,000	-	-	-
	<u>73,666</u>	<u>58,355</u>	<u>132,021</u>	<u>41,627</u>	<u>60,782</u>	<u>102,409</u>

During the year Hopespring received government grants through the Covid-19 job retention scheme. The total amount received during the year was £8,155 (2020 : £4,805).

#### Donated goods and services.

During the year Hopespring received 80KG of food per week from Fareshare to pass on to care experienced young people. Due to the quantity and nature of the goods no reliable estimate has been placed on the donation.

During the year the charity also had two vehicles donated which the total value amounts to £5,000 and has been included within the income for the year.

### 3 Charitable activities

	Charitable activities 2021 £	Charitable activities 2020 £
Placement and referral income	621,688	313,770
Housing benefit income	2,567	3,948
	<u>624,255</u>	<u>317,718</u>
Analysis by fund		
Unrestricted funds	621,688	313,770
Restricted funds	2,567	3,948
	<u>624,255</u>	<u>317,718</u>



# HOPESPRING

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

### 4 Charitable activities

	Charitable Expenditure 2021 £	Charitable Expenditure 2020 £
Staff costs	379,734	146,944
Depreciation and impairment	14,099	6,846
Other staff costs	26,424	29,330
Building and premises	198,293	102,393
Direct activity costs	37,409	36,916
IT and computer costs	7,698	4,100
	<u>663,657</u>	<u>326,529</u>
Share of support costs (see note 5)	5,669	2,298
Share of governance costs (see note 5)	68,356	32,115
	<u>737,682</u>	<u>360,942</u>
<b>Analysis by fund</b>		
Unrestricted funds	671,789	285,683
Restricted funds	65,893	75,259
	<u>737,682</u>	<u>360,942</u>

### 5 Support costs

	Support costs £	Governance costs £	2021 £	Support costs £	Governance costs £	2020 £
Administration and communication	4,337	-	4,337	414	-	414
Payroll and bookkeeping fees	1,332	-	1,332	1,884	-	1,884
Legal and professional	-	64,936	64,936	-	30,435	30,435
Independent examiners fees	-	3,420	3,420	-	1,680	1,680
	<u>5,669</u>	<u>68,356</u>	<u>74,025</u>	<u>2,298</u>	<u>32,115</u>	<u>34,413</u>
Analysed between Charitable activities	<u>5,669</u>	<u>68,356</u>	<u>74,025</u>	<u>2,298</u>	<u>32,115</u>	<u>34,413</u>



# HOPESPRING

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

### 6 Trustees

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

None of the trustees incurred any expenses in the current or preceding year.

### 7 Employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
Employees	17	7
Employment costs	2021 £	2020 £
Wages and salaries	337,368	131,872
Social security costs	21,944	5,978
Other pension costs	20,422	9,094
	379,734	146,944

#### Key management personnel

The charity considers its key management personnel to be the Strategic Manager, Social Care Manager, Executive Headteacher and Operations Manager. The total employee benefits received by key management were £104,916 (2020 £82,177).

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

### 8 Volunteers

The charity benefits greatly from voluntary contributions of time and money. It is estimated that the charity benefited from over 7,500 voluntary hours. The main bulk of this time is contributed from 7 full time volunteers. These volunteers give time towards areas such as but not exclusively fundraising, the running of Hopespring activities and administration. Due to the significant part that volunteers play to the running of the charity and its activities, Hopespring provide rental accommodation for certain volunteers.





# HOPESPRING

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

### 9 Tangible fixed assets

	Leasehold improvements	Fixtures and fittings	Computers	Motor vehicles	Total
	£	£	£	£	£
<b>Cost</b>					
At 1 September 2020	14,600	4,919	18,540	-	38,059
Additions	8,373	1,635	3,328	5,000	18,336
At 31 August 2021	22,973	6,554	21,868	5,000	56,395
<b>Depreciation and impairment</b>					
At 1 September 2020	2,409	1,032	3,405	-	6,846
Depreciation charged in the year	5,743	1,638	5,467	1,250	14,098
At 31 August 2021	8,152	2,670	8,872	1,250	20,944
<b>Carrying amount</b>					
At 31 August 2021	14,821	3,884	12,996	3,750	35,451
At 31 August 2020	12,192	3,887	15,134	-	31,213

### 10 Debtors

	2021	2020
	£	£
<b>Amounts falling due within one year:</b>		
Trade debtors	28,531	1,279
Prepayments and accrued income	16,551	2,945
	45,082	4,224

### 11 Creditors: amounts falling due within one year

	Notes	2021	2020
		£	£
Bank loans	13	12,716	9,857
Other taxation and social security		17,232	-
Deferred income	14	98,980	50,540
Trade creditors		-	2,828
Other creditors		2,559	-
Accruals and deferred income		23,429	2,750
		154,916	65,975



# HOPESPRING

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

### 12 Creditors: amounts falling due after more than one year

	Notes	2021 £	2020 £
Bank loans	13	37,480	52,464

### 13 Loans and overdrafts

	2021 £	2020 £
Bank loans	50,196	62,321
Payable within one year	12,716	9,857
Payable after one year	37,480	52,464

### 14 Deferred income

	2021 £	2020 £
Other deferred income	98,980	50,540

Deferred income is included in the financial statements as follows:

	2021 £	2020 £
Deferred income is included within:		
Current liabilities	98,980	50,540
Movements in the year:		
Deferred income at 1 September 2020	50,540	-
Released from previous periods	(50,540)	-
Resources deferred in the year	98,980	50,540
Deferred income at 31 August 2021	98,980	50,540

Included in creditors is £98,890 (2020 : £50,540) of deferred income. At the year end invoices had been raised for school places relating to the 2021/22 year. This income, amounting to £83,980 (2020 : £50,540), has been deferred as the entitlement to the income had not yet passed as the service of educational provision has not been carried out at the point of the year end. The remaining £15,000 (2020 : £nil) related to a grant received from Ballinger Trust for expenditure in 2021/22 year and has also been deferred.



# HOPESPRING

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

### 15 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds			Movement in funds		
	Incoming resources	Resources expended	Balance at 1 September 2020	Incoming resources	Resources expended	Balance at 31 August 2021
	£	£	£	£	£	£
Covid-19 Job Retention Scheme	4,805	(4,805)	-	8,154	(8,154)	-
Mother and Baby Home	20,948	(20,948)	-	10,437	(10,437)	-
Children's Home	2,450	-	2,450	13,474	(15,924)	-
Sunderland School	28,150	(28,150)	-	18,828	(18,828)	-
Newcastle School	16,499	(16,499)	-	1,928	(1,928)	-
Christmas Appeal	6,818	(4,297)	2,521	6,700	(9,221)	-
Covid-19 Support	500	(500)	-	-	-	-
Care experienced support	60	(60)	-	-	-	-
Equipment fund	-	-	-	1,400	(1,400)	-
	<u>80,230</u>	<u>(75,259)</u>	<u>4,971</u>	<u>60,921</u>	<u>(65,892)</u>	<u>-</u>

#### Covid-19 Job retention Scheme

Funding received from the UK Government as part of the Covid-19 economic support package. The grants received were only to be used to pay the salaries of those employees whom have been furloughed during the pandemic.

#### Mother and Baby Home

This fund relates to:

- closing fund balances transferred from Bethshan (North East) as part of the transfer for charitable activities when the Mother and Baby Home transferred to Hopespring. At the point of transfer the funds were restricted to Mother and baby Home activities.
- Grant income for day to day running of the home.
- Housing benefit support payments paid directly to the charity relating to the benefit entitlement of the service users.

#### Children's Home

Funds and donations received and restricted for the set up and running of the Children's Home based in Sunderland.

#### Sunderland School

Funds and donations received and restricted for the set up and running of the Therapeutic School based in Sunderland.

#### Newcastle School

Funds and donations received and restricted for the set up and running of the Therapeutic School based in Newcastle.

#### Christmas Appeal

Funds and donations received and restricted from the 2019 and 2020 Christmas Appeal to raise money for Christmas gifts for the cared for children and luxury Christmas hampers for care experienced young people in Sunderland.



# HOPESPRING

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

### 15 Restricted funds

(Continued)

#### Covid-19 Support

Funds and donations received and restricted for the provision of food for those in need during the Covid-19 pandemic.

#### Care Experienced Support

Funds and donations received and restricted for the provision of food and gift hampers for care experienced young people transitioning to independent living.

#### Equipment Fund

Funds received and restricted for the purchase of laptops.

### 16 Analysis of net assets between funds

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
Fund balances at 31 August 2021 are represented by:						
Tangible assets	35,451	-	35,451	31,213	-	31,213
Current assets/ (liabilities)	148,121	-	148,121	108,971	4,971	113,942
Long term liabilities	(37,480)	-	(37,480)	(52,464)	-	(52,464)
	<u>146,092</u>	<u>-</u>	<u>146,092</u>	<u>87,720</u>	<u>4,971</u>	<u>92,691</u>

### 17 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2021 £	2020 £
Within one year	86,338	89,938
Between two and five years	381,963	466,976
	<u>468,301</u>	<u>556,914</u>





# HOPESPRING

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

### 18 Related party transactions

During the year the charity used the consultancy services of one trustee through their management consultancy business. Lois Gott is one of the directors of Revive Consultancy Limited (Company no. 08162406) who received payments for the consultancy work provided. The total consultancy fee's paid during the year was £24,390 (2020 :£21,710). The payments were made on the legal grounds that the charity constitution allows remuneration to trustees for providing services to the charity outside of the trustee's role. The consultancy service's were authorised by the other acting trustee's at the time.

During the year the charity received income of £7,707 paid rent of £11,866 to Bethan (NorthEast). Tim Dunnnett, chair of Bethshan (North East) is the spouse of Joanne Dunnnett, a Trustee of Hopespring. In 2020 there was also a transfer of charitable activity from Bethan (North East) resulting in income of £16,500 and expenditure of £44,635 being reflected in the the financial statements of Hopespring in 2020.

Trustee Lois Gott was also paid a salary of £7,969 for her services as CEO. None of this salary was for services as trustee.

Dr Joanne Dunnnett was paid £740 for providing some training to all staff. This service was outside her role as trustee.

### 19 Transfer of charitable activities

Prior to the legal formation of Hopespring as a Charitable Incorporated Organisation (CIO), Hopespring operated as a department under the legal governance structure of Bethshan (North East) charity number 1120015.

Between September and December 2020 the charitable activities which had historically being operating within Bethshan (North East) were transferred to Hopespring.

As part of the transfer arrangement Hopespring repaid a loan which had been taken out by Bethshan (North East) to fund the activities of the Newcastle School. Hopespring paid £nil (2020 : £16,736) to Bethshan (North east) in order to settle the outstanding loan.

The payment is included within charitable expenditure on the Statement of Financial Activities.

20 Cash generated from operations	2021 £	2020 £
Surplus for the year	53,401	92,691
Adjustments for:		
Investment income recognised in statement of financial activities	(13)	(25)
Depreciation and impairment of tangible fixed assets	14,099	6,846
Movements in working capital:		
(Increase) in debtors	(40,859)	(4,224)
Increase in creditors	37,642	5,578
Increase in deferred income	48,440	50,540
<b>Cash generated from operations</b>	<b>112,710</b>	<b>151,406</b>

# HOPESPRING

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

### 21 Analysis of changes in net funds

	At 1 September 2020 £	Cash flows £	At 31 August 2021 £
Cash at bank and in hand	175,693	82,262	257,955
Loans falling due within one year	(9,857)	(2,859)	(12,716)
Loans falling due after more than one year	(52,464)	14,984	(37,480)
	<u>113,372</u>	<u>94,387</u>	<u>207,759</u>

