

Charity registration number 1183771

HOPESPRING
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

HOPESPRING

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

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

Charity number

1183771

Registered office

10 Sea View Road West
Sunderland
Tyne and Wear
SR2 9HA

Auditor

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

HOPESPRING

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HOPESPRING

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2022

The trustees present their annual report and financial statements for the year ended 31 August 2022.

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 & families 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 through our people-based interventions.

Principal Objects

The principal objects of the charity are as follows:

- 1 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/behaviourally 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.
- 2 For the public benefit, the prevention and/or relief of poverty among people who are in conditions of need, hardship 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:

- 1 Therapeutic schools for the most vulnerable and emotionally/behaviourally complex young people who are at risk of, or have already been, excluded from school or from their alternative provision.
- 2 Residential children's homes for vulnerable young people with emotional & behavioural difficulties.
- 3 Residential family assessment centre for families needing parental capacity assessments.
- 4 Young Mums' Supported Accommodation for vulnerable young mothers.
- 5 Support for care experienced young people transitioning to independent living.
- 6 Christmas gifts for the cared for children in Sunderland.
- 7 Educational and mental health programmes for young people & families.

HOPESPRING

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Achievements and performance

Hopespring Therapeutic Schools

Across our education sites, we are now working with 8 local authorities as well as multiple schools & alternative provisions.

In September 2021, Hopespring Sunderland had its first standard Ofsted inspection since opening in 2019 and Hopespring Newcastle's second inspection took place shortly after in November 2021. Both schools received 'Good' ratings.

We have continued to see outstanding outcomes for our young people including those who have not been in education for multiple years or have experienced multiple repeated placement breakdown in a short period of time, many of whom are now maintaining 100% attendance.

In September 2022, we are due to open the second site for Hopespring Sunderland which will increase the number of young people we are able to support in the Sunderland local authority area. Once open, across our schools we will then have space for up to 48 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

Our residential children's home has now been in operation for its first full year and received a 'Good' rating from Ofsted during its first full inspection in March 2022. The home provides care for up to two children who may have social and/or emotional difficulties.

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.

The overwhelming majority of young mums we have supported in the last year no longer require social service involvement and all of our mums & 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.

Christmas presents - cared for children in Sunderland

Thanks to the generous support of our partners & donors and despite the continued challenges caused by Covid-19, during our annual Christmas appeal we supported the cared-for children of Sunderland with over 800 high-quality Christmas gifts, as well as over 200 luxurious Christmas hampers.

HOPESPRING

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Financial review

The year ending 31st of August 2022 marked the third full year of activities undertaken with the organisational structure of Hopespring. The combined activities of the Charity has resulted in an income of £1,159,569 and expenditure of £1,030,960 leading to a surplus of £128,609.

Income into Hopespring has continued to increase as our residential children's home has had its first full year of being operational as well as renovation work beginning on our new school site in Sunderland. This has resulted in a corresponding increase in expenditure in line with the increased activity.

The total income from Grants and Donations amounted to £90,424 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 £274,701 and the restricted funds were £nil.

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.

Plans for future periods

In the year ahead in our social care services, we will be opening our new residential family assessment centre and welcoming the first families into this new provision.

In education, after receiving increasing demand for a follow-on educational support, we are working hard towards establishing our Education Hub, which will provide post-16 support to some of the region's most vulnerable young people who have previously attended one of our school settings.

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.

- 1 To hold an unrestricted funds balance that has a value of no less than three months and no more than 6 months running costs.
- 2 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.
- 3 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.
- 4 Restricted funds are to be spent 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.

HOPESPRING

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

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 executive 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.

Statement of trustees' responsibilities

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

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

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



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Ms Lois Gott
Trustee

Date: Jun 1, 2023
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HOPESPRING

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF HOPESPRING

Opinion

We have audited the financial statements of Hopespring (the 'charity') for the year ended 31 August 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 August 2022 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

HOPESPRING

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF HOPESPRING

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below:

The risk of material misstatement due to error or fraud has been assessed in conjunction with how internal controls may mitigate any such risk. These controls are reviewed as part of the audit by performing systems walkthroughs to ensure they are operating effectively. Other substantive testing is also performed on all material balances and therefore instances of non-compliance should be identified or considered as insignificant.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Other matters

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with "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)" (as amended) 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.

This has been done in order for the financial statements to provide a true and fair view in accordance with current Generally Accepted Accounting Practice.

HOPESPRING

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF HOPESPRING

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Michael T Moran BA FCA (Senior Statutory Auditor)
for and on behalf of Robson Laidler Accountants Limited

5 June 2023
.....

Statutory Auditor

Fernwood House
Fernwood Road
Jesmond
Newcastle upon Tyne
NE2 1TJ

Robson Laidler Accountants Limited is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

HOPESPRING

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2022

Current financial year

		Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Total 2021 £
	Notes				
<u>Income and endowments from:</u>					
Donations and legacies	2	40,971	49,453	90,424	132,021
Charitable activities	3	1,050,198	-	1,050,198	624,255
Investments	4	25	-	25	13
Other income	5	18,922	-	18,922	34,794
Total income		1,110,116	49,453	1,159,569	791,083
<u>Expenditure on:</u>					
Charitable activities	6	981,507	49,453	1,030,960	737,682
Net income for the year/ Net movement in funds		128,609	-	128,609	53,401
Fund balances at 1 September 2021		146,092	-	146,092	92,691
Fund balances at 31 August 2022		274,701	-	274,701	146,092

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 2022

Prior financial year

		Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
	Notes			
<u>Income and endowments from:</u>				
Donations and legacies	2	73,666	58,355	132,021
Charitable activities	3	621,688	2,567	624,255
Investments	4	13	-	13
Other income	5	34,794	-	34,794
Total income		730,161	60,922	791,083
<u>Expenditure on:</u>				
Charitable activities	6	671,789	65,893	737,682
Net income for the year/ Net movement in funds		58,372	(4,971)	53,401
Fund balances at 1 September 2020		87,720	4,971	92,691
Fund balances at 31 August 2021		146,092	-	146,092

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 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	12		21,352		35,451
Current assets					
Debtors	13	41,762		45,082	
Cash at bank and in hand		364,861		257,955	
		<u>406,623</u>		<u>303,037</u>	
Creditors: amounts falling due within one year	15	(125,794)		(154,916)	
Net current assets			280,829		148,121
Total assets less current liabilities			302,181		183,572
Creditors: amounts falling due after more than one year	16		(27,480)		(37,480)
Net assets			<u>274,701</u>		<u>146,092</u>
Income funds					
Unrestricted funds			274,701		146,092
			<u>274,701</u>		<u>146,092</u>

The financial statements were approved by the Trustees on Jun 1, 2023

L. A. Gott

Ms Lois Gott
Trustee

HOPESPRING

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2022

	Notes	2022 £	£	2021 £	£
Cash flows from operating activities					
Cash generated from operations	22		119,577		112,710
Investing activities					
Purchase of tangible fixed assets		-		(18,336)	
Investment income received		25		13	
Net cash generated from/(used in) investing activities			25		(18,323)
Financing activities					
Repayment of bank loans		(12,696)		(12,125)	
Net cash used in financing activities			(12,696)		(12,125)
Net increase in cash and cash equivalents			106,906		82,262
Cash and cash equivalents at beginning of year			257,955		175,693
Cash and cash equivalents at end of year			364,861		257,955

HOPESPRING

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies

Charity information

Hopespring is a Charitable Incorporated Organisation. The Registered Office is 10 Sea View Road West, Sunderland, SR2 9HA

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 2022

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 2022

2 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2022 £	2022 £	2022 £	2021 £	2021 £	2021 £
Donations and gifts	40,971	6,120	47,091	25,065	6,108	31,173
Grants receivable	-	43,333	43,333	43,601	52,247	95,848
Donated goods and services	-	-	-	5,000	-	5,000
	<u>40,971</u>	<u>49,453</u>	<u>90,424</u>	<u>73,666</u>	<u>58,355</u>	<u>132,021</u>
Grants receivable for core activities						
Ballinger Trust Grant	-	15,000	15,000	-	15,000	15,000
Trusthouse Grant	-	23,333	23,333	-	-	-
Winter Offer Funding	-	2,000	2,000	-	-	-
Crisis Support Funding	-	3,000	3,000	-	-	-
Tesco Grant	-	-	-	-	1,000	1,000
CAF Grant	-	-	-	43,601	-	43,601
Winter Resilience Fund	-	-	-	-	15,811	15,811
Access Impact Fund	-	-	-	-	-	-
Grant	-	-	-	-	8,881	8,881
Covid-19 Grant	-	-	-	-	8,155	8,155
SCC Grant	-	-	-	-	1,500	1,500
Other	-	-	-	-	1,900	1,900
	<u>-</u>	<u>43,333</u>	<u>43,333</u>	<u>43,601</u>	<u>52,247</u>	<u>95,848</u>

Included in other grants is the Laptop Grant £Nil (2021: £1,400) and Independent Book Grant £Nil (2021: £500).

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.

In the prior year the charity had two vehicles donated with the total value amounting to £5,000. No assets have been donated to the charity this year.

HOPESPRING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

3 Charitable activities

	Charitable activities 2022 £	Charitable activities 2021 £
Placement and referral income	1,050,198	621,688
Housing benefit income	-	2,567
	<u>1,050,198</u>	<u>624,255</u>
Analysis by fund		
Unrestricted funds	1,050,198	621,688
Restricted funds	-	2,567
	<u>1,050,198</u>	<u>624,255</u>

4 Investments

	Unrestricted funds 2022 £	Unrestricted funds 2021 £
Interest receivable	25	13
	<u>25</u>	<u>13</u>

5 Other income

	Unrestricted funds 2022 £	Unrestricted funds 2021 £
Other income	4,032	-
Volunteer rental income	14,890	34,794
	<u>18,922</u>	<u>34,794</u>

HOPESPRING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

6 Charitable activities

	Charitable Expenditure 2022 £	Charitable Expenditure 2021 £
Staff costs	667,881	379,734
Depreciation and impairment	14,099	14,099
Other staff costs	39,236	26,424
Building and premises	189,150	198,293
Direct activity costs	57,404	37,409
IT and computer costs	9,322	7,698
	<u>977,092</u>	<u>663,657</u>
Share of support costs (see note 7)	7,756	5,669
Share of governance costs (see note 7)	46,112	68,356
	<u>1,030,960</u>	<u>737,682</u>
Analysis by fund		
Unrestricted funds	981,507	671,789
Restricted funds	49,453	65,893
	<u>1,030,960</u>	<u>737,682</u>

7 Support costs

	Support costs £	Governance costs £	2022 £	Support costs £	Governance costs £	2021 £
Administration and communication	7,756	-	7,756	4,337	-	4,337
Payroll and bookkeeping fees	-	-	-	1,332	-	1,332
Audit fees	-	5,184	5,184	-	-	-
Legal and professional	-	40,928	40,928	-	64,936	64,936
Independent examiners fees	-	-	-	-	3,420	3,420
	<u>7,756</u>	<u>46,112</u>	<u>53,868</u>	<u>5,669</u>	<u>68,356</u>	<u>74,025</u>
Analysed between Charitable activities	<u>7,756</u>	<u>46,112</u>	<u>53,868</u>	<u>5,669</u>	<u>68,356</u>	<u>74,025</u>

HOPESPRING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

8 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.

9 Employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
Employees	27	17
Employment costs	2022 £	2021 £
Wages and salaries	599,354	337,368
Social security costs	45,085	21,944
Other pension costs	23,442	20,422
	667,881	379,734

Key management personnel

The charity considers its key management personnel to be the Social Care Manager, Executive Headteacher and Operations and Finance Lead. The total employee benefits received by key management were £102,703 (2021 £67,898).

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

10 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.

11 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

HOPESPRING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

12 Tangible fixed assets

	Leasehold improvements	Fixtures and fittings	Computers	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 September 2021	22,973	6,554	21,868	5,000	56,395
At 31 August 2022	22,973	6,554	21,868	5,000	56,395
Depreciation and impairment					
At 1 September 2021	8,152	2,671	8,872	1,250	20,945
Depreciation charged in the year	5,743	1,638	5,467	1,250	14,098
At 31 August 2022	13,895	4,309	14,339	2,500	35,043
Carrying amount					
At 31 August 2022	9,078	2,245	7,529	2,500	21,352
At 31 August 2021	14,821	3,884	12,996	3,750	35,451

13 Debtors

	2022 £	2021 £
Amounts falling due within one year:		
Trade debtors	10,917	28,531
Prepayments and accrued income	30,845	16,551
	41,762	45,082

14 Loans and overdrafts

	2022 £	2021 £
Bank loans	37,500	50,196
Payable within one year	10,020	12,716
Payable after one year	27,480	37,480

HOPESPRING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

15 Creditors: amounts falling due within one year

	Notes	2022 £	2021 £
Bank loans	14	10,020	12,716
Other taxation and social security		21,162	17,232
Deferred income	17	83,980	98,980
Other creditors		3,505	2,559
Accruals and deferred income		7,127	23,429
		<u>125,794</u>	<u>154,916</u>

16 Creditors: amounts falling due after more than one year

	Notes	2022 £	2021 £
Bank loans	14	<u>27,480</u>	<u>37,480</u>

17 Deferred income

	2022 £	2021 £
Other deferred income	<u>83,980</u>	<u>98,980</u>

Deferred income is included in the financial statements as follows:

	2022 £	2021 £
Deferred income is included within:		
Current liabilities	<u>83,980</u>	<u>98,980</u>
Movements in the year:		
Deferred income at 1 September 2021	98,980	50,540
Released from previous periods	(98,980)	(50,540)
Resources deferred in the year	<u>83,980</u>	<u>98,980</u>
Deferred income at 31 August 2022	<u>83,980</u>	<u>98,980</u>

Included in creditors is £83,980 (2021 : £98,980) of deferred income. At the year end invoices had been raised for school places relating to the 2022/23 year. This income, amounting to £83,980 (2021 : £83,980), 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.

HOPESPRING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

18 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			
	Balance at 1 September 2020	Incoming resources	Resources expended	Balance at 1 September 2021	Incoming resources	Resources expended	Balance at 31 August 2022
	£	£	£	£	£	£	£
Covid-19 Job Retention Scheme	-	8,154	(8,154)	-	-	-	-
Mother and Baby Home	-	10,437	(10,437)	-	23,333	(23,333)	-
Children's Home	2,450	13,474	(15,924)	-	-	-	-
Sunderland School	-	18,828	(18,828)	-	15,000	(15,000)	-
Newcastle School	-	1,928	(1,928)	-	-	-	-
Christmas Appeal	2,521	6,700	(9,221)	-	11,120	(11,120)	-
Equipment fund	-	1,400	(1,400)	-	-	-	-
	<u>4,971</u>	<u>60,921</u>	<u>(65,892)</u>	<u>-</u>	<u>49,453</u>	<u>(49,453)</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.

HOPESPRING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

18 Restricted funds

(Continued)

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 2021 and 2022 Christmas Appeal to raise money for Christmas gifts for the cared for children and luxury Christmas hampers for care experienced young people in Sunderland.

Equipment Fund

Funds received and restricted for the purchase of laptops.

19 Analysis of net assets between funds

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total Unrestricted funds 2022 £	Restricted funds 2021 £	Total 2021 £
Fund balances at 31 August 2022 are represented by:					
Tangible assets	21,352	-	21,352	35,451	35,451
Current assets/(liabilities)	280,829	-	280,829	148,121	148,121
Long term liabilities	(27,480)	-	(27,480)	(37,480)	(37,480)
	<u>274,701</u>	<u>-</u>	<u>274,701</u>	<u>146,092</u>	<u>146,092</u>

20 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:

	2022 £	2021 £
Within one year	86,338	86,338
Between two and five years	295,625	381,963
	<u>381,963</u>	<u>468,301</u>

HOPESPRING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

21 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 director's 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 £nil (2021: £24,390). 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 £4,891 (2021: £7,708) and paid rent of £10,864 (2021: £11,866) to Bethan (NorthEast). Tim Dunnett, chair of Bethshan (North East) is the spouse of Joanne Dunnett, a Trustee of Hopespring.

Trustee Lois Gott was also paid a salary of £30,193 (2021: £7,969) for her services as CEO. None of this salary was for services as trustee.

Dr Joanne Dunnett was paid £2,040 (2021: £740) for providing some training to all staff. This service was outside her role as trustee.

22 Cash generated from operations	2022 £	2021 £
Surplus for the year	128,609	53,401
Adjustments for:		
Investment income recognised in statement of financial activities	(25)	(13)
Depreciation and impairment of tangible fixed assets	14,099	14,099
Movements in working capital:		
Decrease/(increase) in debtors	3,320	(40,859)
(Decrease)/increase in creditors	(11,426)	37,642
(Decrease)/increase in deferred income	(15,000)	48,440
Cash generated from operations	119,577	112,710

23 Analysis of changes in net funds	At 1 September 2021 £	Cash flows £	At 31 August 2022 £
Cash at bank and in hand	257,955	106,906	364,861
Loans falling due within one year	(12,716)	2,696	(10,020)
Loans falling due after more than one year	(37,480)	10,000	(27,480)
	207,759	119,602	327,361

