



**EVERYONE
DESERVES
A PLACE TO
CALL HOME**

Hopestead

A Charitable Incorporated Organisation ('CIO')

Annual Report and Financial Statements

for the Period Ended 31 March 2021



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Hopestead

Registered Charity Number: 1190324

Trustees and Advisors

Trustees

P Burton (Chair)
D Jamieson
A Yuill
J Wicker (resigned 30 June 2021)

Registered Office

31 King Street, Norwich, Norfolk NR1 1PD

Charity Number

1190324

Auditors

Mazars LLP, First Floor, Two Chamberlain Square, Birmingham B3 3AX

Bankers

National Westminster Bank, 21 Gentleman's Walk, Norwich, Norfolk NR2 1NA



Trustees Annual Report for the period ended 31 March 2021

The Trustees present their Annual Report for the audited financial statements of Hopestead ('the Charity') for the period ended 31 March 2021.

This report has been prepared in accordance with the Charity's governing documents, applicable law and the 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 ultimate parent undertaking and sole member of Hopestead is Flagship Housing Group Limited, whose financial statements are publicly available.

Objectives and activities

Hopestead's primary objective is to end homelessness in the East of England.

Homelessness still exists everywhere so being another provider of homes to the homeless is not where Hopestead fits in. Through understanding the causes and impacts of homelessness, Hopestead works to address the drivers that underpin the cycle of homelessness, to enable individuals to start the beginning of the rest of their lives.

Hopestead seeks to support individuals through uncertain times, enabling them to remain in their homes, matching financial support with hands-on guidance.

Hopestead supports individuals to effectively budget, remove themselves from the burden of debt and manage the challenges which arise from the poverty premium.

Hopestead acknowledges that there is often more than one driver behind homelessness and therefore it partners with regional and national organisations to deliver a collective service package to reduce the risk of an individual returning to a position of homelessness.

Hopestead supports a strong pathway into employment for those needing additional support and coaching, by utilising a network of ambassadors to help individuals on their journey back into the workplace.

Public benefit

The Board of Trustees have referred to the guidance contained in the Charity Commission's published guidance on the Public Benefit requirement under the

Charities Act 2011 when reviewing Hopestead's aims and objectives and when planning future activities.

The objects of Hopestead are to relieve people who are in need by reason of homelessness by the prevention, reduction and alleviation of homelessness and the causes of homelessness and by the creation of sustainable communities primarily in but not limited to the East of England by engaging in the following:

- making of grants;
- the provision of services to individuals and organisations in need;
- engaging in partnerships with organisations working to prevent, reduce, relieve or alleviate homelessness and its causes and to create sustainable communities; and
- by any other means as the Trustees may from time to time decide which are aligned to the objective of addressing the causes of or alleviating homelessness.

Structure, governance, and management

Hopestead is a Charitable Incorporated Organisation ('CIO') with registered no. 1190324 and is governed by a Constitution dated 8 July 2020 and was incorporated on that date.

The registered address and principal office at which Hopestead can be contacted is:

31 King Street
Norwich
Norfolk
NR1 1PD

The trustees who have served during the period are set out below:

Mr P Burton (Chair)
Ms D Jamieson
Mr A Yuill
Ms J Wicker (resigned 30 June 2021)
Ms MC Delbrouque (resigned 29 January 2021)

The constitution provides for up to 12 trustees with a minimum of one trustee at all times. Each trustee is appointed for a term of three years and a trustee may be re-elected upon this expiry of their term of office. The members may at any time decide to appoint or remove a trustee. New trustees are identified by having particular skills relevant to the Charity's activities or for effective administration and governance of the CIO.



Trustees Annual Report for the period ended 31 March 2021 (continued)

Structure, governance, and management (continued)

Existing trustees of the Charity are already familiar with its governing structure, financial affairs and activities. At meetings, trustees are briefed by the Chair on any current or long-standing issues with which they may not be familiar.

On or before appointment all new trustees are sent a copy of Hopestead's constitution, a copy of the latest trustees Annual Report, copies of the minutes of recent trustee meetings and a copy of the Charity Commission's guidance "The essential trustee: what you need to know". They are also advised to regularly consult the Charity Commission website.

The administration of Hopestead is in the hands of the trustees, who meet a minimum of four times a year. The day-to-day operation of Hopestead is overseen by Marie-Claire Delbrouque (Chief Executive Officer), together with Julia Everson (Head of Hopestead), Chantelle Tyrrell (Hopestead Manager) and Lisa Prior (Hopestead Community Manager).

Employees and volunteers

Hopestead formally appointed three employees from 1 May 2021 to deliver the Charity's day-to-day operations. The pay of employees is reviewed annually in March, and salary levels are determined by the trustees taking into account the skill sets required, the level of responsibility involved and hours needed.

Hopestead places considerable value on the involvement of its employees and volunteers and has continued to keep them informed on matters affecting them and on the various factors affecting the performance of the Charity. This is achieved through formal and informal meetings and employees and volunteers are consulted regularly on a wide range of matters affecting their current and future interest.

Hopestead is committed to equal opportunities. Its people are diverse and are chosen for their experience, potential and personal attributes regardless of gender, sexual orientation, marital status, age, race, colour, nationality, ethnic origin, religion or disability.

Hopestead is committed to giving full and fair consideration to applications for employment that disabled individuals make to the Charity and is committed to equal training opportunities, career development, and promotion of such individuals. With regard to individuals who become disabled,

Hopestead will take all reasonable steps, including retraining, to ensure that they can remain in employment wherever practicable.

Hopestead remains committed to equality of opportunity in all its employment policies, practices, and procedures. All employees should be given equal opportunity and are appraised solely on performance against objectives, personal attributes and potential.

Achievements and performance

Hopestead believes that everyone deserves a place to call home.

Hopestead is initially focussed on three areas to deliver its charitable objectives – Prevent and resolve homelessness; build empowering partnerships; and create sustainable communities.

Hopestead believes that a key part of resolving the homelessness crisis is to forge meaningful partnerships with organisations to create a multidisciplinary support network which helps individuals break the broader cycle of homelessness.

Prevent and resolve homelessness – Hopestead has forged a partnership with 'Your Own Place' (YOP) to deliver tenancy and independent living skills training. The focus of this training is to help individuals understand their responsibilities as a tenant and develop financial resilience, which are key building blocks for creating sustainable positive long-term tenancies with individuals who have been out of housing for a period of time. The training has a positive impact on confidence and empowers tenants to find their own positive solutions in life.

Hopestead has also formed a partnership with Eastern Savings and Loans Credit Union to empower individuals to build greater financial resilience for the future through responsible saving and lending schemes.

Build Empowering Partnerships - Hopestead has developed a Housing First initiative with West Suffolk and Babergh & Mid Suffolk councils. Housing First works with local government to improve policies that affect people experiencing homelessness. Housing First is a network of local organisations co-ordinating their work to address homelessness in a local area. Building a Housing First network enables Hopestead to deliver a multidisciplinary support network which is engaged with the services delivered by the local authority for which access for homeless individuals can be challenging.



Trustees Annual Report for the period ended 31 March 2021 (continued)

Achievements and performance (continued)

Create Sustainable Communities – Hopestead has recognised over 200 individuals across East Anglia who have supported and engaged with their communities during the COVID-19 pandemic.

Hopestead also delivered its 'Hope at Christmas' initiative during the period. The initiative encouraged individuals to donate items that could be given to homeless individuals as part of Christmas gift packs. Items included toiletries and sweet treats, sleeping bags, warm clothing, and Greggs vouchers. Hopestead co-ordinated the distribution of the gift packs.

Future plans

Prevent and resolve homelessness – Hopestead has formed partnerships with a white goods supplier and a furniture supplier. These partnerships enable Hopestead to support individuals starting a new tenancy to equip their home with required essentials whilst effectively managing their debt risk and removing them from the poverty premium, both drivers which can result in relapsing into homelessness. Referrals are being accepted from June 2021.

Build Empowering Partnerships – Hopestead believes that it can use its capability and competence to partner with regional and national organisations that share Hopestead's objectives to add value to their work. One element of this is providing grants to local and national organisations. The first funding round was launched in the period ended 31 March 2021 inviting local and regional charities to apply for grant funding.

Hopestead will also work with a small group of partners with a shared vision to build connections and opportunities to collaboratively tackle the root causes and impacts of homelessness, using commissioned research on the barriers to housing as a starting point for focus.

Create Sustainable Communities – Hopestead will invite people from communities to work together over a six-month period to imagine, think through and then do things that build resourceful, connected communities, providing them with the team building and leadership skills to drive positive improvements.

Financial review

During the period Hopestead received income of £389,976, which constituted a mix of cash and non-cash donations.

Hopestead spent £123,374 on charitable and fundraising activities during the period and carried forward reserves of £266,602 at 31 March 2021.

Hopestead has a detailed budget for 2021/22 which shows that it expects to significantly increase its charitable activities and it is forecasting reserves carried forward at 31 March 2022 of approx. £65,000.

Fundraising

Hopestead organises fundraising activities to collect financial resources and goods for local distribution.

All resources collected from fundraising activities are designated to be used for specific support for individuals at risk of or experiencing homelessness, either directly through Hopestead or from partner activities rather than being used to fund Hopestead projects directly.

During the period ended 31 March 2021 Hopestead fundraising activities included the 'Drive in for Hope' launch event and the 'Hope at Christmas' appeal event. Both events delivered their objectives and further support Hopestead to deliver its wider charitable objectives.

Hopestead is launching its 'Hope on the Move' fundraising initiative in June 2021, encouraging individuals to collectively participate in covering 16,696 miles during June – 1 mile for every individual experiencing homelessness in the East of England.

Key risks and uncertainties

Hopestead is currently focussed on developing strategic partnerships to further its charitable objectives. Reputational damage arising from a serious event or by association with a partner is a risk for Hopestead. Hopestead performs thorough due diligence on new partners and maintains robust channels of communication to manage risk exposure.

A risk exists whereby Hopestead could make operational commitments which cannot be fulfilled due to financial resource constraints resulting in commitments being abandoned. Hopestead has a five-year funding commitment from Flagship Housing Group Limited and prepares a robust roadmap of activities covering an 18-month period supported by a detailed budget for the year ahead. This ensures Hopestead manages its reserves sufficiently to deliver its charitable objectives.



Trustees Annual Report for the period ended 31 March 2021 (continued)

Key risks and uncertainties (continued)

Whilst Hopestead continues to develop its service offering there is a risk that it could engage in activities that do not meet its charitable objectives. All projects are planned using a project plan template which requires assessment against Hopestead's three primary objectives. Senior management and trustees have fostered a strong culture of understanding how day-to-day working aligns with Hopestead's objectives to ensure that Hopestead's charitable objectives form the centre of all Hopestead's activities.

Reserves policy

Hopestead's activities during the period just ended and looking ahead into the next financial year are focussed on grant funding and empowering existing organisations to further their charitable objectives that are aligned closely with Hopestead's. Hopestead expects to develop its own projects in future years, which carries greater operational risk than its current strategic approach.

The establishment and maintenance of reserves is primarily controlled through the annual budget process whereby reserves available for grant funding can be fixed and allocated on an availability basis. In future years, as the Charity engages in projects with direct operational risk the Trustees will determine an appropriate mechanism for maintaining reserves sufficient to manage the Charity's risk exposure.

Hopestead seeks to maintain 'free' reserves sufficient to cover three months of overhead operational expenditure at any given time

The trustees consider that the unrestricted funds are sufficient to finance on-going charitable expenditure for the foreseeable future. The reserves policy is reviewed by the trustees on an annual basis and updated to reflect the risk profile of the Charity's activities as required.

Investment policy

Cash that is surplus to immediate requirements is held in interest bearing accounts or on time deposits.

Statement of Trustees' responsibilities

The Trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

The Charities Act 2011 requires the trustees to prepare financial statements for each financial year in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland".

Under charity law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources, including the income and expenditure, of the Charity for that period.

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

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the 'Charities SORP (FRS102)'
- make judgments 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 to operate.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that its financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the constitution. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps to prevent and detect fraud and other irregularities.

Disclosure of information to the auditor

In the case of each trustee in office at the date the Trustees' Report is approved:

- so far as the trustee is aware, there is no relevant audit information of which the Charity's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit.



Hopestead

Registered Charity Number: 1190324

Trustees Annual Report for the period ended 31 March 2021 (continued)

Independent auditors

The auditors, Mazars LLP, have indicated their willingness to continue in office and a resolution concerning their re-appointment will be proposed at Flagship Housing Group Limited's Annual General Meeting.

By order of the Board of Directors

Philip Burton (Aug 31, 2021 11:08 GMT+1)

P Burton

Chair of the board of trustees
25 June 2021

Hopestead
31 King Street | Norwich | Norfolk | NR1 1PD



Independent auditor's report to the Trustees of Hopestead

Opinion

We have audited the financial statements of Hopestead (the 'charity') for the year ended 31 March 2021, which comprise the Statement of Financial Activities, the Balance sheet, the Statement of Changes in Funds and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 March 2021 and of its income and expenditure for the period 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. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, 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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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

In light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires 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.



Independent auditor's report to the Trustees of Hopestead (continued)

Responsibilities of directors

As explained more fully in the trustees' responsibilities statement set out on page 5, 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 liquidate the charity or 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 the 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. Based on our understanding of the charity and its activities, we identified that the principal risks of non-compliance with laws and regulations related to UK tax legislation and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements, such as the Charities Act 2011.

We evaluated the trustees' and management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, in particular in relation to significant one-off or unusual transactions.

Our audit procedures were designed to respond to those identified risks, including non-compliance with laws and regulations (irregularities) and fraud that are material to the financial statements. Our audit procedures included but were not limited to:

- discussing with the trustees and management their policies and procedures regarding compliance with laws and regulations;
- communicating identified laws and regulations throughout our engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- considering the risk of acts by the charity when were contrary to applicable laws and regulations, including fraud.

Our audit procedures in relation to fraud included but were not limited to:

- making enquiries of the trustees and management on whether they had knowledge of any actual, suspected or alleged fraud;
- gaining an understanding of the internal controls established to mitigate risks related to fraud;
- discussing amongst the engagement team the risks of fraud; and
- addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.



Independent auditor's report to the Trustees of Hopestead (continued)

Use of the audit 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.



Vincent Marke (Sep 8, 2021 16:19 GMT+1)

08/09/2021

Vincent Marke (Senior Statutory Auditor)
for and on behalf of Mazars LLP,
Chartered Accountants and Statutory Auditor
45 Church Street
Birmingham,
B3 2RT

**Statement of Financial Activities for the period ended 31 March 2021**

	Notes	Unrestricted funds Period ended 31 March 2021 £
Income		
Grant and donations	5	385,942
Income from fundraising activities	6	4,034
Total income		389,976
Expenditure		
Operating expenditure on charitable activities	8 / 9	121,126
Operating expenditure on fundraising activities	7	2,248
Total expenditure		123,374
Net income for the period and net movement in funds for the period		266,602
Reconciliation of funds		
Fund balances brought forward		-
Fund balances carried forward		266,602

The statement of financial activities includes all gains and losses recognised in the period from 8 June 2020 to 31 March 2021. All income and expenditure derive from continuing activities.

All income and expenditure was unrestricted in the current period.

The notes on pages 13 to 18 form an integral part of the financial statements.

**Balance sheet as at 31 March 2021**

	Notes	31 March 2021
		£
Current assets		
Cash at bank and in hand		266,602
<hr/>		
Creditors – amounts falling due within one year		-
<hr/>		
Net current assets		266,602
<hr/>		
Net assets		266,602
<hr/>		
Funds		
Unrestricted		266,602
<hr/>		
Total funds		266,602

The notes on pages 13 to 18 form an integral part of the financial statements.

The financial statements were authorised for issue by the board of directors on 25 June 2021 and signed on its behalf by:

Philip Burton (Aug 31, 2021 11:08 GMT+1)

P Burton
Trustee

Hopestead
31 King Street | Norwich | Norfolk | NR1 1PD
Registered Number: 1190324



Statement of Changes in Funds for the period ended 31 March 2021

Unrestricted funds at 31 March 2021			
	Designated Funds	General Funds	Total Funds
	£	£	£
Balance brought forward at incorporation	-	-	-
Net income for the period	7,980	258,622	266,602
Balance carried forward at 31 March 2021	7,980	258,622	266,602

The notes on pages 13 to 18 form an integral part of the financial statements.



Notes to the financial statements for the period ended 31 March 2021

1. General information

The principal activity of Hopestead ('the Charity') is provision of relief to people in need due to homelessness with the objective of ending homelessness in the East of England.

Hopestead is a Charitable Incorporated Organisation ('CIO') under the Charities Act 2011 (charity number 1190324).

The address of its registered office is 31 King Street, Norwich, Norfolk, NR1 1PD.

2. Statement of compliance

The financial statements of Hopestead have been prepared in compliance with applicable law, United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102"), Charities SORP (FRS 102) and the Charities Act 2011. Hopestead meets the definition of a public benefit entity under FRS 102, and applies the relevant paragraphs prefixed "PBE" in FRS 102.

3. Summary of significant accounting policies

The principal accounting policies applied in the preparation of the financial statements are set out below. The policies have been consistently applied to all periods presented, unless otherwise stated. The Charity has adopted 'FRS 102' in these financial statements.

a. Basis of preparation

These financial statements are prepared on a going concern basis, under the historical cost convention.

The preparation of financial statements in conformity with 'FRS 102' requires the use of certain critical accounting estimates. It also requires management exercise its judgement in the process of applying the Charity's accounting policies. The areas involving a higher degree of judgement or complexity, or area where assumptions and estimates are significant to the financial statements are disclosed in note 4.

b. Going concern

The Charity meets its day-to-day working capital requirements primarily through the cash generated from its fund-raising activities and through its agreed

annual grant funding from Flagship Housing Group Limited.

COVID-19 has created significant uncertainty in the UK but to date has had a limited effect on the financial performance of the Charity.

Hopestead has agreed annual grant funding from Flagship Housing Group Limited for the next four financial years, with £600,000 of general funding committed for 2021/22, and a further £300,000 of restricted funding for a specific project.

The trustees have performed a detailed review of future forecasts and projections, taking into account the uncertainties presented by COVID-19, and the Charity should be able to operate within the level of its current facilities for the foreseeable future.

After making enquiries, the trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. The Charity therefore continues to adopt the going concern basis in preparing its financial statements.

c. Exemptions for qualifying entities under FRS 102

FRS 102 allows a 'qualifying entity' certain disclosure exemptions, subject to conditions.

The Charity has taken advantage of the following exemptions in its individual financial statements on the basis that it is a qualifying entity and its ultimate parent, Flagship Housing Group Limited, includes the Charity in its consolidated financial statements:

- from preparing a statement of cash flows, in accordance with paragraph 1.12(b); and
- from the financial instrument disclosures, required under FRS 102 paragraphs, 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b), 11.48(c), 12.26, 12.27, 12.29(a), 12.29(b) and 12.29(A), in accordance with paragraph 1.12(c).

d. Financial statements

These financial statements are the Charity's separate financial statements.

e. Functional and presentational currency

The Charity's functional and presentational currency is pound sterling.



Notes to the financial statements for the period ended 31 March 2021 (continued)

f. Income recognition

All income resources are included in the Statement of Financial Activities when the Charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received, and the amount can be measured reliably.

Income from grants whether 'capital' grants or 'revenue' grants, is recognised when the Charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received, and the amount can be measured reliably and is not deferred.

Income received in advance of a specified service being performed is deferred and carried forward as deferred income in creditors until the criteria for income recognition is met.

g. Donated services and facilities

Donated professional services, goods and facilities are recognised as income when the Charity has control over the item, any conditions associated with the donation have been met, receipt of economic benefit by the Charity is probable and economic benefit can be measured reliably. In accordance with the SORP (FRS 102), general volunteer time is not recognised as income.

On receipt, donated services and facilities are recognised on the basis of the value of the gift to the Charity which is the amount the Charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market and a corresponding amount is then recognised in expenditure in the period of receipt.

Donated second-hand goods, or small value donated goods for Hopestead appeals, are not recognised as income because the economic benefit for the Charity is not reliably measurable.

h. Expenditure

Expenditure is recognised on an accruals basis.

Raising funds expenditure comprises costs directly associated within fundraising activities.

Charitable expenditure comprises costs directly attributable to the delivery of Hopestead charitable objectives.

Other support costs comprises indirectly attributable overhead costs incurred to support the delivery of the Charity's objectives.

i. Grants payable

Grants are recognised as expenditure in the period in which they are approved by the Trustees. Grants which are unpaid at the period end are carried forward as creditors.

j. Cash and cash equivalents

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

k. Fund accounting

General funds are unrestricted and can be spent on any activities that further Hopestead's charitable objectives and also provide the requisite funding to maintain the Charity's overhead costs.

Designated funds are unrestricted funds which the Trustees have decided at their discretion to set aside to use for specific purpose.

Restricted funds are resources received with performance conditions specified by the provider. These are to be used only in accordance with the performance condition attached to the fund.

l. Provisions and contingencies

Provisions

Provisions are recognised when the Charity has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount of the obligation can be estimated reliably.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are not made for future operating losses.



Notes to the financial statements for the period ended 31 March 2021 (continued)

I. Provisions and contingencies (continued)

Provisions (continued)

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as a finance cost

Contingencies

Contingent assets are not recognised. Contingent assets are disclosed in the financial statements when inflow of economic benefits is probable.

Contingent liabilities are not recognised. Contingent liabilities arise as a result of past events when (i) it is not probable that there will be an outflow of resources or that the amount cannot be reliably measured at the reporting date or (ii) when the existence will be confirmed by the occurrence or non-occurrence of uncertain future events not wholly within the Charity's control. Contingent liabilities are disclosed in the financial statements unless the probability of an outflow of resources is remote.

m. Financial instruments

The Charity has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

Financial assets

Basic financial assets, including trade and other receivables, cash and bank balances and investments in commercial paper, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price.

Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of ownership of the asset are transferred to another party or (c) control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

Financial liabilities

Basic financial liabilities, including trade and other payables, bank loans and loans from fellow group companies are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.



Notes to the financial statements for the period ended 31 March 2021 (continued)

o. Financial instruments (continued)

Offsetting

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

p. Related party transactions

Hopestead discloses transactions with related parties in accordance with Section 9 of the SORP (FRS 102). Note 13 presents the nature of related party relationships during the period.

4. Critical accounting judgements and estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other

factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical judgements in applying the entity's accounting policies

Going concern

The going concern assumption is one of the core principles of financial reporting. The Charity has completed its first period of activity and remains in the formative stage of its strategic development. The trustees have used their judgement to review the expected future performance of the Charity, taking into account available forecasts and projections, and continue to form a reasonable expectation that the Charity will continue in existence for the foreseeable future.

5. Grants and donations

Notes	Period ended 31 March 2021		
	Unrestricted funds		
	General funds	Designated funds	Total
	£	£	£
Grant from Flagship Housing Group Limited	380,649	-	380,649
Donations from other parties	-	5,293	5,293
	380,649	5,293	385,942

The trustees have designated donations received from the general public and from fundraising activities (that is donations other than from Flagship Housing Group Limited) to be used for specific support for individuals at risk of or experiencing homelessness, either directly through Hopestead or from partner activities rather than being used to fund Hopestead projects directly.

6. Income from fundraising

	Period ended 31 March 2021
	£
Drive-in cinema ticket sales	4,034
	4,034

All income from fundraising activities is unrestricted but has been designated by the trustees to be used for the purpose explained in note 5.



Notes to the financial statements for the period ended 31 March 2021 (continued)

7. Expenditure on raising funds

	Period ended 31 March 2021		
	Designated Funds	General Funds	Total
	£	£	£
Ticket sales administration fee	347	-	347
Advertising	-	1,901	1,901
	347	1,901	2,248

All expenditure on raising funds is unrestricted. The drive-in cinema event was used to launch Hopestead as a charity. The majority of the events cost was borne by Flagship Housing Group Limited.

8. Expenditure on charitable activities

	Period ended 31 March 2021		
	Designated Funds	General Funds	Total
	£	£	£
Grants / donations paid	1,000	36,012	37,012
Provision of household goods to support settling into a home	-	485	485
Support toward fuel poverty alleviation	-	408	408
Support toward carpet in property	-	2,026	2,026
	1,000	38,931	39,931

The two grants made from designated funds were made as part of Hopestead's Hope at Christmas campaign and were specifically focussed at homelessness alleviation over the Christmas period.

A £36,000 grant was made from general funds to St Martins Housing based in Norfolk to meet a funding shortfall due to COVID-19. St Martins and Hopestead have a shared vision of ending homelessness through effective partnerships.

9. Other – support costs

	Notes	Period ended 31 March 2021 £
Staff costs	10	69,732
Strategic development consultancy		6,282
Training		4,174
Other overhead expenditure		1,007
		81,195

The audit fee of £7,285 was borne by Flagship Housing Group Limited for the period ended 31 March 2021.



Notes to the financial statements for the period ended 31 March 2021 (continued)

10. Employees and trustees

Hopestead had no contracted employees during the period ended 31 March 2021.

Flagship Housing Group Limited donated the time of a number of employees to facilitate the creation of the Charity during the period and the costs of these individuals have been recognised as staff costs in note 9 in these financial statements.

On 1 May 2021 Hopestead provided employment contracts to three employees to support the on-going growth of the Charity.

No trustees received any remuneration or expenses from the Charity.

11. Income tax

Hopestead is a charity within the meaning of the Taxes Acts and is, therefore, eligible to claim certain exemptions to income tax and capital gains tax. Consequently, no charge to taxation has arisen for the period. Hopestead is not registered for Value Added Tax (VAT) and cannot reclaim any VAT cost incurred.

12. Commitments

At the balance sheet date there were no capital commitments.

13. Related party disclosures

The sole Member of Hopestead is Flagship Housing Group Limited. During the period ended 31 March 2021 Flagship Housing Group Limited provided a donation to Hopestead. The nature of transactions between Hopestead and Flagship Housing Group Limited during the period meet the criteria of paragraph 9.18 of SORP (FRS 102) and do not require further disclosure within these financial statements.

There are no other related party transactions that require disclosure in these financial statements.

14. Ultimate controlling party

The sole Member and controlling party of Hopestead is Flagship Housing Group Limited. The smallest and largest group to consolidate these financial statements is Flagship Housing Group Limited. Copies of the Flagship Housing Group Limited consolidated financial statements can be obtained from 31 King Street, Norwich, Norfolk, NR1 1PD.