

Charity registration number 1193007

Company registration number 12735495 (England and Wales)

REBUILD WITH HOPE FOUNDATION
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022

REBUILD WITH HOPE FOUNDATION

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr A M Potts Mr S P Simpson Ms V Blakeman	(Appointed 8 November 2021)
Charity number	1193007	
Company number	12735495	
Registered office	46 Hamilton Square Birkenhead Wirral Merseyside CH41 5AR	
Independent examiner	Helen Furlong FCCA McLintocks (NW) Limited 46 Hamilton Square Birkenhead Wirral Merseyside CH41 5AR	
Solicitors	Stone King LLP Boundary House 91 Charterhouse Street London EC1M 6HR	

REBUILD WITH HOPE FOUNDATION

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REBUILD WITH HOPE FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 JULY 2022

The trustees present their annual report and financial statements for the year ended 31 July 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 Companies Act 2006 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

The objects of the charity are for the public benefit in the United Kingdom:

- To Promote social inclusion of prisoners and ex-offenders and assist them to integrate into society;
- To promote the rehabilitation and education of prisoners and ex-offenders, and the reduction of reoffending, particular without limitation by providing or enabling training and job opportunities;
- To relieve the needs of prisoners and ex-offenders who are suffering the effects of unemployment, financial hardship, ill health or disability.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Achievements and performance

The past year has seen considerable growth in the Foundation. Emerging at last from the pandemic and finally becoming able to establish the mission and extend reach into communities that need help.

We have employed our first members of staff, held 62 Community sales events, opened our first standalone retail outlet, established our own warehouse, opened a new administration office, provided contract work in the community for 22 serving prisoners on Release on Temporary License (ROTL) and supported other community service providers from food banks to local schools and other charitable organisations.

The cost of living crisis has made our role all the more important in delivering much needed support to disadvantaged local communities by providing a huge range of perfect quality products from high street retailers at up to 80% off the original retail price.

The shortage of staff across all areas of business has made our role of integrating trained prisoners back into the community all the more important.

New Employees:

- we have been able to confirm a CEO as a permanent full time position;
- we have appointed an ex-offender as a full time delivery driver;
- we have appointed a full time retail manager;
- we have two part time staff acting as Employment Coaches working with serving prisoners on ROTL contracts in the community helping men to adjust to a more normal life outside prison. This includes working in a warehouse environment and in our retail offering them a range of skills relevant to realistic post-release employment.

In addition they are assisting in the sales events, establishing contacts with Employers to develop employment opportunities and providing mentoring support to ex-offenders sometimes struggling to adapt to life outside prison.

REBUILD WITH HOPE FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 JULY 2022

Retail:

In the last year we have held 62 sales events in disadvantaged communities across the GMCA region and the North West.

Through this we have established not only awareness of our operation but also built strong relationships with other providers offering services to communities like Food banks and various specialist support groups.

Through grant funding from The Coalfields Regeneration Trust we have been able to establish 'Schoolbank', a service providing free schoolwear to struggling families and sessions advising them how to repair and revive their clothing reducing items sent to landfill.

Our Community sales events offer access to much needed products at affordable prices to people on low incomes. Each sale is staffed by ex-offenders working with our permanent staff. This allows the men to interact with members of the public which helps rehabilitation and re-integration.

In addition we have established our own retail on a permanent site in Earlestown near St.Helens. The shop is staffed by serving prisoners working with a member of the Foundation staff.

Funding:

The National Lottery:

We received Grant funding of £9,800 to open a shop outside a North West Prison-selling discounted products to prisoners families -we recently opened this shop outside HMP Risley.

The Coalfields Regeneration Trust:

We received Grant funding of £8,622 to provide donations of school uniform to disadvantaged families across the coalfield areas-we have held 2 events with a further 4 planned

We also received Grant funding of £2,000 to hold community sales in coalfield areas across the region.

Remade With Hope Ltd:

- have donated £50,000 worth of stock to our community sales events.
- have provided £12,985 interest free loan to purchase a Foundation minibus to provide transport for prisoners on ROTL to the sales and other work locations.

Volunteer Hours:

Across our projects over the last year we have had 1,600 hours of volunteer support from ex-offenders and members of the local communities in which we work

Progression routes for volunteers:

This year 6 of our volunteers have progressed into full time employment opportunities.

1 has become a driver, 1 a retail manager and 4 have progressed into full time employment in the construction industry.

Financial review

Incoming resources during the year amounted to £178,124 (2021 £5,000) and expenditure of £148,549 (2021 £500) leaving funds carried forward of £34,075 (2021 £4,500).

Unrestricted reserves amounted to £15,696 and restricted reserves to £18,379.

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The trustees considers that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. Currently this policy is not yet met.

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

REBUILD WITH HOPE FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 JULY 2022

Future plans:

Employers:

We have established new links with local and national companies - Flex, Bell Group, and continue to build on our relationship with Cidon construction.

We hope to be able to broker employment with these companies for 50 men through 22-23 year.

Retail:

We intend to open more standalone retail outlets across the North West extending our reach in communities that need help as well as offering new employment opportunities.

We will open a small shop at HMP Styal to offer product to prisoner's families on prison visits.

Prisons:

We will open a workshop in HMP Hindley to offer purposeful activity to 15 men processing stock in preparation for the sales events and our retail.

We are in the process of formalising a new broader aim for the Foundation to reflect the need we see on a daily basis throughout North West communities. This will be submitted to the Charities Commission in September 22.

Structure, governance and management

The charity is a company limited by guarantee and governed by its Memorandum and Articles of Association dated 10 July 2020.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mr N B Bennett (Resigned 3 November 2021)

Mr A M Potts

Mr S P Simpson

Ms V Blakeman (Appointed 8 November 2021)

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

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

Mr A M Potts

Trustee

Dated: 1 September 2022

REBUILD WITH HOPE FOUNDATION

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF REBUILD WITH HOPE FOUNDATION

I report to the trustees on my examination of the financial statements of Rebuild with Hope Foundation (the charity) for the year ended 31 July 2022.

Responsibilities and basis of report

As the trustees of the charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's financial statements carried out under section 145 of the Charities Act 2011 (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

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 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act 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; or
- 4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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.

Helen Furlong FCCA
McLintocks (NW) Limited

46 Hamilton Square
Birkenhead
Wirral
Merseyside
CH41 5AR

Dated: 1 September 2022

REBUILD WITH HOPE FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 JULY 2022

	Notes	Unrestricted funds 2022 £	Restricted funds 2022 £	Total Unrestricted funds 2022 £	2021 £
Income from:					
Donations and legacies	3	50,000	20,322	70,322	5,000
Charitable activities	4	107,802	-	107,802	-
Total income		157,802	20,322	178,124	5,000
Expenditure on:					
Charitable activities	5	146,606	1,943	148,549	500
Net income for the year/ Net movement in funds		11,196	18,379	29,575	4,500
Fund balances at 1 August 2021		4,500	-	4,500	-
Fund balances at 31 July 2022		15,696	18,379	34,075	4,500

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

REBUILD WITH HOPE FOUNDATION

BALANCE SHEET

AS AT 31 JULY 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	9		18,098		-
Current assets					
Debtors	10	5,148		-	
Cash at bank and in hand		43,052		4,980	
		<u>48,200</u>		<u>4,980</u>	
Creditors: amounts falling due within one year	11	<u>(32,223)</u>		<u>(480)</u>	
Net current assets			15,977		4,500
Total assets less current liabilities			<u>34,075</u>		<u>4,500</u>
Income funds					
Restricted funds	12		18,379		-
Unrestricted funds			15,696		4,500
			<u>34,075</u>		<u>4,500</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 July 2022.

The director acknowledges her responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on 1 September 2022

Mr A M Potts
Trustee

Mr S P Simpson
Trustee

Company registration number 12735495

REBUILD WITH HOPE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2022

1 Accounting policies

Charity information

Rebuild with Hope Foundation is a private company limited by guarantee incorporated in England and Wales. The registered office is 46 Hamilton Square, Birkenhead, Wirral, Merseyside, CH41 5AR.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's [governing document], the Companies Act 2006, 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 charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities not to prepare a Statement of Cash Flows.

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.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

REBUILD WITH HOPE FOUNDATION

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

1 Accounting policies

(Continued)

1.5 Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

All costs are allocated between the activity categories of the Statement of Financial Activities (SOFA) on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis.

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:

Plant and equipment	10% on cost
Fixtures and fittings	10% on cost
Motor vehicles	20% on cost

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 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with 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.

REBUILD WITH HOPE FOUNDATION

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

1 Accounting policies

(Continued)

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method 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. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans 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 payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

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

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts 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 creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

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

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

REBUILD WITH HOPE FOUNDATION

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

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds
	2022 £	2022 £	2022 £	2021 £
Donations and gifts	50,000	-	50,000	5,000
Grants receivable	-	20,322	20,322	-
	<u>50,000</u>	<u>20,322</u>	<u>70,322</u>	<u>5,000</u>
Grants receivable for core activities				
The Big Lottery	-	9,800	9,800	-
Coalfields Regeneration Trust	-	10,522	10,522	-
	<u>-</u>	<u>20,322</u>	<u>20,322</u>	<u>-</u>

4 Charitable activities

	Clothing Sales 2022 £	2021 £
Shop sales	<u>107,802</u>	<u>-</u>

REBUILD WITH HOPE FOUNDATION

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

5 Charitable activities

	2022 £	2021 £
Staff costs	57,466	-
Depreciation and impairment	609	-
Cost of goods sold	50,000	-
Premises costs	25,910	-
Other costs	10,059	-
	<u>144,044</u>	<u>-</u>
Share of support costs (see note 6)	3,255	500
Share of governance costs (see note 6)	1,250	-
	<u>148,549</u>	<u>500</u>
Analysis by fund		
Unrestricted funds	146,606	500
Restricted funds	1,943	-
	<u>148,549</u>	<u>500</u>

6 Support costs

	Support costs £	Governance costs £	2022 £	2021 £
Bank charges	189	-	189	20
Accountancy fees	2,131	-	2,131	480
Professional fees	935	-	935	-
Independent examiners fee	-	1,250	1,250	-
	<u>3,255</u>	<u>1,250</u>	<u>4,505</u>	<u>500</u>
Analysed between Charitable activities	<u>3,255</u>	<u>1,250</u>	<u>4,505</u>	<u>500</u>

7 Trustees

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

REBUILD WITH HOPE FOUNDATION

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

8 Employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
Sales and administration	4	-

Employment costs

	2022 £	2021 £
Wages and salaries	49,549	-
Social security costs	4,717	-
Other pension costs	3,200	-
	57,466	-

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

9 Tangible fixed assets

	Plant and equipment £	Fixtures and fittings £	Motor vehicles £	Total £
Cost				
Additions	4,030	1,692	12,985	18,707
At 31 July 2022	4,030	1,692	12,985	18,707
Depreciation and impairment				
Depreciation charged in the year	134	42	433	609
At 31 July 2022	134	42	433	609
Carrying amount				
At 31 July 2022	3,896	1,650	12,552	18,098

10 Debtors

	2022 £	2021 £
Amounts falling due within one year:		
Prepayments and accrued income	5,148	-

REBUILD WITH HOPE FOUNDATION

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

11 Creditors: amounts falling due within one year

	2022 £	2021 £
Other taxation and social security	13,148	-
Other creditors	15,517	-
Accruals and deferred income	3,558	480
	<u>32,223</u>	<u>480</u>

12 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 £	Balance at 1 August 2021 £	Incoming resources £	Resources expended £	Balance at 31 July 2022 £
The Big Lottery	-	-	9,800	(826)	8,974
Coalfields Regeneration Trust	-	-	10,522	(1,117)	9,405
	<u>-</u>	<u>-</u>	<u>20,322</u>	<u>(1,943)</u>	<u>18,379</u>

The Big Lottery Grant was awarded to assist in the setting up of a community shop for the sale of discounted clothing

The Coalfields Regeneration Trust Grant was awarded to assist in the setting up of school uniform and clothing bank

13 Analysis of net assets between funds

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £
Fund balances at 31 July 2022 are represented by:				
Tangible assets	18,098	-	18,098	-
Current assets/(liabilities)	(2,402)	18,379	15,977	4,500
	<u>15,696</u>	<u>18,379</u>	<u>34,075</u>	<u>4,500</u>

14 Operating lease commitments

REBUILD WITH HOPE FOUNDATION

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

14 Operating lease commitments

(Continued)

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	3,750	-

15 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2022 £	2021 £
Aggregate compensation	20,440	-

During the period the charity received a loan of £12,985 from Remade with Hope Limited, a company in which the trustee Mr A Potts is materially interested. The loan is interest free and repayable within one year.

In addition to the loan Remade with Hope Limited donated stock amounting to £50,000 (2021 cash donation of £5,000) to the charity.