

Charity Registration No. 1195878

Company Registration No. 13586993 (England and Wales)

**HELP TO CREATE HOPE TRUST**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

# HELP TO CREATE HOPE TRUST

## LEGAL AND ADMINISTRATIVE INFORMATION

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Trustees	Malcolm Thomas Patrick Gibney Dr William Thomas Edward Briggs Paul Findlay Michael Alan Shanley	(Appointed 28 April 2024) (Appointed 23 February 2024)
Charity number	1195878	
Company number	13586993	
Registered office	Acre House 11-15 William Road London NW1 3ER United Kingdom	
Auditor	HW Fisher LLP Acre House 11-15 William Road London NW1 3ER United Kingdom	
Bankers	National Westminster Bank Plc 250 Bishopsgate London EC2M 4AA	

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# HELP TO CREATE HOPE TRUST

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# HELP TO CREATE HOPE TRUST

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

### FOR THE YEAR ENDED 31 AUGUST 2023

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The trustees present their report and financial statements for the year ended 31 August 2023.

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 Memorandum and Articles of Association, 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)".

#### Introduction and our initial period

Help to Create Hope Trust was formed on 26th August 2021 with the professional support from Forsters LLP, Solicitors, and HW Fisher LLP, accountants.

#### Objectives and activities

The charity's objects are:

- to advance health and relieve sickness for the public benefit by such means as the trustee in their absolute discretion shall from time to time see fit (including by the support of veterans in the United Kingdom); and
- to further such other charitable purposes as the trustees shall from time to time see fit.

The Charity is established with the main objectives of providing facilities and long term support those who find themselves among the most vulnerable in society through unfortunate circumstances, including victims of war and domestic violence.

During the initial period of the Charity's existence the Trustees have concentrated on two main areas; establishing robust administrative systems and policies and supporting its subsidiary in its generation of funds for the charity.

These Trustees have engaged with various other charities and advisers to advance the objects of the charity, leading to further refinement of policies and the making of some initial grants to very deserving causes.

The Trustees are looking forward to developing their relationships with appropriate partners further and to the Charity making a real difference for those it supports.

#### Support Provision Model

The primary focus is to provide funding for capital purchases, the large majority of which will be retained and made available to charitable bodies for peppercorn rents. This model is intended to put the monies of the Charity to use where they are needed whilst allowing resources to be recovered and redeployed if a particular need has passed.

Properties under consideration vary from Stepping Stone Housing to Camps/Lodging to commercial property such as office space, recognising that appropriate back office support is important for charities to operate efficiently.

Some funds are to be made available for one off non-capital grants. These will normally be well established recipients where the Trustees are satisfied that this is the optimal way to meet the identified objectives.

We are reviewing the potential of some borrowing to help charities leverage this programme and have been in touch with an organisation called Social & Sustainability Capital in this regard.

This model ensures the Trust grows over time as its capital value increases and also ensures that charities to whom we give these properties for their use do, in fact, delivery their purpose.

#### Public Benefit

The Trustees have complied with their duty in section 17 of the Charities Act 2011 to have due regard to the guidance published by the Charity Commission.

#### Strategic report

The description under the headings "Achievements and performance" and "Financial review" meet the company law requirements for the trustees to present a strategic report.



# HELP TO CREATE HOPE TRUST

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

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### Achievements and performance

In the short period of time that we have been active, it has become quite clear that there is an immediate need for Stepping Stone Housing, filling a gap in current provisions. However, the Trustees feel that there is a need for Mental Health help underlying many of the acute issues the other projects seek to address.

To complement our bricks and mortar contributions and with the objective of reducing need in the long term, we are also going to fund development of a Mental Health Self-Help App which will be made available globally, for free. We are currently working with two parties Stephanie Coddington and Shari Kaplan in this regard.

The receipt of previous funding is not a barrier to further grants from the Charity. The Trustees believe that long term partnerships can be more efficient where the goals of the charities are closely aligned.

The Trustees are in the process of finalising their grant making policy.

### Value Guidelines ("Best Bang for the Buck")

Unfortunately, the Trustees' experience of philanthropy over the years has been that there is a significant issue in the charitable sector of inefficient and poor financial management. It is, in part, for this reason that the Funding Model is as outlined above as this gives us control and ensures we work with best in class in any given category.

The Charity's ethos is to fund or support capital expenditure, creating a legacy that addresses tomorrow's needs as well as today's.

Non-capital donations may be considered but will be very carefully scrutinised and as well as the ubiquitous requirement for feedback from any funded activities, the Charity will seek some involvement in the budgeting and execution of projects where there is a perceived need for commercial support for the recipient.

The principal risks and uncertainties facing the charity and subsidiary at this stage relate to the uncertainties around the new projects and investments outlined above.

### Support provided to-date

Having carefully laid the framework for its internal governance and policies, the Charity has been pleased to have been able to begin making grants to deserving causes in the period of this Report and in the immediately following period.

Subsequent to the year end, the Charity was pleased to provide over £270,000 of grant funding to One Small Thing's Hope Street Project, delivering a safe and supportive environment for women and children in need of it.

Other projects supported by the Charity to date include:

- Angels for Ukraine- addressing the suffering faced by those displaced by Russian aggression;
- Royal British Legion Industries- expressing gratitude for the service of those who have been part of our Armed Forces and who now need help in return;
- Yellow Door- helping to fund conversion of a garage into a usable space from which to deliver their services.
- Children's Oncology Support Fund- a US charity supported through our American Charity Partner that helps develop less toxic treatments of paediatric cancer, lessening suffering into the future.

Specifically in this accounting period, the Charity and group made a grants of £100,000 towards the installation of the EOSedge scanner in the new Imaging Suite at the Royal National Orthopaedic Hospital and £125,121 to Association Riga Tech Girls 2022.

# HELP TO CREATE HOPE TRUST

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

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#### Financial review

During the year the Charity sold land for £64,500,000. The Consolidated Statement of Financial Activities shows net proceeds of £60,973,266 after accounting for the cost of the land of £3,526,734. In addition, the consolidated accounts of the Charity include £972,593 of investment income from investing in low risk deposits. The Trustees are formulating an investment policy which, as noted in the reserves policy, balances risk and return and the short and long term plans of the Charity.

The Trustees experienced some frustration with the hurdles they had to overcome on the administrative side, particularly in respect of the Banking sector.

A bank account was established with NatWest Bank in June 2023.

The Trust received its first material funds in December 2023 and January 2024.

#### Reserves policy

Following the sale of the land and the significant level of free reserves at the year end, the trustees are in the process of reviewing the reserves policy to take consideration of the level, expected investment returns and future funding programmes. The Charity's free reserves as at the year end were £61,737,286 (2022: £479). Group free reserves were £61,443,256 (2022: a deficit of £8,021).

The Charity's wholly owned trading subsidiary reported a loss before taxation of £285,530. The Charity is owed £387,254 from its subsidiary and the accounts of Shanners Limited are in deficit in the sum of £293,930 (2022: deficit £8,400). The deficit has reversed after the year end after the sale of a remaining parcel of land in July 2024.

The Charity does not raise funds from the public.

Our Investment Model has been agreed with the help of Barnett Waddingham, an Independent Financial Advisory Firm.

The Investment Model has a target of producing returns of 10% p.a. Half of these are expected to be used immediately for charitable purposes and half of which will be reinvested to protect the principal of the charity into the future and generate further funds to meet the larger grants that will be needed for some very exciting future projects.

As ambitious projects require an ambitious approach to funding, a small portion of our investments will be in Venture Capital in order to generate the returns that bring real growth to the charity's funds. The Board are conscious of the potential risks in this area and have asked Dr William Briggs, a Trustee with experience in the sector to lead on this part of the overall strategy. We have also been guided by Withers LLP with regard to the legal aspects. The Trustees' policy is not to invest in any VC projects which may be contrary to the objects of the Charity and to have a preference for technologies that support the Charity's goals.

#### Key risks and uncertainties

The Board are appointing appropriate investment advisers to protect the assets and financial position of the charity assets and considering other diversified investments to generate further value for charitable purposes in the future.

#### Plans for future

The Trustees anticipated the receipt of more significant value in the following period and intend to invest the majority of these funds in order to secure the longevity of the company and to provide additional monies to further the objects of the charity. The Trustees intend to apply monies in excess of those invested to make capital grants in order to support, amongst other projects,

- Vulnerable women and children displaced and in need due to the armed conflict in Ukraine;
- A medical unit for the treatment and rehabilitation of armed forces personnel and veterans at a hospital in Salisbury
- A women's refuge in Hampshire

In accordance with the grant making policy adopted by the Trustees other projects will be considered as suitable applications are received. The Trustees are also pursuing discussions to proactively identify potential large scale projects for the Charity to support through grants.

# HELP TO CREATE HOPE TRUST

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

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### The Future

The Trustees will continue to fund large and small scale capital projects and are further developing their partnerships in the charitable sector to increase the reach and impact of the Charity.

By working with these partners the Trustees are confident that they can assist in addressing longer term needs. This will provide relief from suffering today and help to create hope for the future.

### Structure, governance and management

The charity is a company limited by guarantee, company number, 13586993 (England and Wales). It is a registered charity with the Charity Commission for England and Wales (Registered number 1195878).

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:

Malcolm Thomas Patrick Gibney

Dr William Thomas Edward Briggs

Paul Findlay

(Appointed 28 April 2024)

Nicholas David Hewison

(Retired 23 January 2024)

Michael Alan Shanley

(Appointed 23 February 2024)

Trustees are appointed by direct approach from existing trustees having a consideration of the skills requirements of the charity. New trustees are inducted and trained through the existing Board.

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.

Having kept the needs of the Charity under review, one initial trustee, Nick Hewison, retired from the Board and another was appointed.

The Board of Trustees is now established with four Trustees, Malcolm Gibney, Dr William Briggs, Michael Shanley and Paul Findlay, who bring a wide range of expertise and experience to the Charity.

Help to Create Hope Trust is a registered charity and is governed by its Memorandum and Articles of Association. The trustee Board is responsible for setting out the ongoing strategic direction and exercise all the powers of the charity. There are no staff employed by the charity, however the charity may recruit from time to time as required by the needs of the charity.

Shanners Limited is a wholly owned subsidiary of Help to Create Hope Trust, its sole director is Michal Shanley. Further details of related party transactions are given in the note on related party transactions.

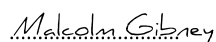
### Auditor

In accordance with the company's articles, a resolution proposing that HW Fisher LLP be reappointed as auditor of the company will be put at a General Meeting.

### Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

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



**Malcolm Thomas Patrick Gibney**

Trustee

Dated: 09 Aug 2024

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# HELP TO CREATE HOPE TRUST

## STATEMENT OF TRUSTEES' RESPONSIBILITIES

### *FOR THE YEAR ENDED 31 AUGUST 2023*

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The trustees, who are also the directors of Help to Create Hope Trust for the purpose of company law, 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).

A combination of Company Law and Charity Law 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 group and the parent charity and of the incoming resources and application of resources, including the income and expenditure, of the group 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; 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 adequate accounting records that disclose with reasonable accuracy at any time the financial position of the group and enable them to ensure that the financial statements comply with the Companies Act 2006 and the Charities Act 2011. They are also responsible for safeguarding the assets of the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# HELP TO CREATE HOPE TRUST

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF HELP TO CREATE HOPE TRUST

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#### Opinion

We have audited the financial statements of Help to Create Hope Trust (the 'parent charity') and its subsidiary (the 'group') for the year ended 31 August 2023 which comprise the consolidated statement of financial activities the consolidated and charity balance sheets, the consolidated statement of cash flows and the 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 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 group's and parent charity's affairs as at 31 August 2023 and of the group's incoming resources and application of resources, including its income and expenditure, 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 Companies Act 2006 and 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 group 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 group's and parent 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, except to the extent otherwise explicitly stated in our report, 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.

#### Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the trustees' report, which includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

# HELP TO CREATE HOPE TRUST

## INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF HELP TO CREATE HOPE TRUST

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### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the group and parent charity and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charity, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charity's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

### **Responsibilities of trustees**

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, 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 group's and parent 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 group or parent charitable company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

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.

As part of our planning process:

- We enquired of management the systems and controls the charity has in place, the areas of the financial statements that are most susceptible to the risk of irregularities and fraud, and whether there was any known, suspected or alleged fraud. The charity did not inform us of any known, suspected or alleged fraud.
- We obtained an understanding of the legal and regulatory frameworks applicable to the company. We determined that the following were most relevant: the Charity SORP; FRS 102; the Companies Act 2006 and the Charities Act 2011.
- We considered the incentives and opportunities that exist in the charity, including the extent of management bias, which present a potential for irregularities and fraud to be perpetuated, and tailored our risk assessment accordingly.
- Using our knowledge of the charity, together with the discussions held with the charity at the planning stage, we formed a conclusion on the risk of misstatement due to irregularities including fraud and tailored our procedures according to this risk assessment.

# HELP TO CREATE HOPE TRUST

## INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF HELP TO CREATE HOPE TRUST

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The key procedures we undertook to detect irregularities including fraud during the course of the audit included:

- Identifying and testing journal entries and the overall accounting records, in particular those that were significant and unusual.
- Reviewing the financial statement disclosures and determining whether accounting policies have been appropriately applied.
- Testing key revenue lines, in particular cut-off, for evidence of management bias.
- Assessing the extent of compliance, or lack of, with the relevant laws and regulations.
- Obtaining third-party confirmation of material bank balances.
- Documenting and verifying all significant related party balances and transactions.
- Reviewing documentation for discussions of irregularities including fraud.

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.

### Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

*Andrew Rich*  
**Andrew Rich (Senior Statutory Auditor)**  
**for and on behalf of HW Fisher LLP**

Chartered Accountants  
Statutory Auditor  
Acre House  
11-15 William Road  
London  
NW1 3ER  
United Kingdom

**09 Aug 2024**  
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# HELP TO CREATE HOPE TRUST

## CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

**FOR THE YEAR ENDED 31 AUGUST 2023**

	Notes	Unrestricted funds 2023 £	Unrestricted funds 2022 £
<b><u>Income and endowments from:</u></b>			
Donations and legacies	3	-	7,495
Investments	4	972,593	-
Other income	5	60,973,266	-
		<hr/>	<hr/>
<b>Total income</b>		61,945,859	7,495
		<hr/>	<hr/>
<b><u>Expenditure on:</u></b>			
Charitable activities	6	494,582	15,516
		<hr/>	<hr/>
<b>Net income/(expenditure) for the year/ Net movement in funds</b>		61,451,277	(8,021)
		<hr/>	<hr/>
Fund balances at 1 September 2022		(8,021)	-
		<hr/>	<hr/>
<b>Fund balances at 31 August 2023</b>		61,443,256	(8,021)
		<hr/> <hr/>	<hr/> <hr/>

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.



# HELP TO CREATE HOPE TRUST

## CONSOLIDATED AND CHARITY BALANCE SHEETS

AS AT 31 AUGUST 2023

	Notes	Group 2023 £	2022 £	Charity 2023 £	2022 £
<b>Fixed assets</b>					
Investments	11	80,378	-	80,478	100
<b>Current assets</b>					
Stocks	13	64,933	2,857,025	-	-
Debtors	14	615,818	2,589	984,607	-
Cash at bank and in hand		61,221,532	530,677	60,706,041	507,491
		61,902,283	3,390,291	61,690,648	507,491
<b>Creditors: amounts falling due within one year</b>	15	(539,405)	(3,398,312)	(33,840)	(507,112)
Net current assets/(liabilities)		61,362,878	(8,021)	61,656,808	379
<b>Total assets less current liabilities</b>		61,443,256	(8,021)	61,737,286	479
<b>Income funds</b>					
Unrestricted funds		61,443,256	(8,021)	61,737,286	479

The charitable company's net income for the year was £61,736,807 (2022: net income of £479).

The financial statements were approved by the Trustees on 09 Aug 2024

*Malcolm Thomas Patrick Gibney*  
 Malcolm Thomas Patrick Gibney  
 Trustee

Company Registration No. 13586993

# HELP TO CREATE HOPE TRUST

## CONSOLIDATED STATEMENT OF CASH FLOWS

**FOR THE YEAR ENDED 31 AUGUST 2023**

	Notes	2023 £	£	2022 £	£
<b>Cash flows from operating activities</b>					
Cash (absorbed by)/generated from operations	19		(1,174,626)		530,677
<b>Investing activities</b>					
Proceeds on disposal of tangible fixed assets		60,973,266		-	
Purchase of investments		(80,378)		-	
Investment income received		972,593		-	
<b>Net cash generated from/(used in) investing activities</b>			61,865,481		-
<b>Net cash used in financing activities</b>			-		-
<b>Net increase in cash and cash equivalents</b>			60,690,855		530,677
Cash and cash equivalents at beginning of year			530,677		-
<b>Cash and cash equivalents at end of year</b>			61,221,532		530,677

# HELP TO CREATE HOPE TRUST

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 AUGUST 2023

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#### 1 Accounting policies

##### Charity information

Help to Create Hope Trust is a private company limited by guarantee incorporated in England and Wales. The registered office is Acre House, 11-15 William Road, London, NW1 3ER, United Kingdom.

##### 1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's Memorandum and Articles of Association, 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)". The charity is a Public Benefit Entity as defined by FRS 102.

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, modified to include certain financial instruments at fair value. The principal accounting policies adopted are set out below.

The group financial statements reflect the results and combined financial position of Help to Create Hope and Shanners Limited. As permitted by s408 of the Companies Act 2006, the parent charitable company has not presented its own income and expenditure account and related notes.

##### 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.

##### 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.

##### 1.5 Expenditure

Liabilities are recognised as expenditure once there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All single charitable activity in the statement of financial activities.

Governance costs comprise all costs involving the public accountancy of the charity and its compliance with regulation and good practice.

##### 1.6 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

# HELP TO CREATE HOPE TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

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### 1 Accounting policies

(Continued)

#### 1.7 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. Items held for distribution at no or nominal consideration are measured the lower of replacement cost and cost.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

#### 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.

##### ***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.

# HELP TO CREATE HOPE TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

#### 1 Accounting policies

(Continued)

##### 1.10 Basis of consolidation

The consolidated financial statements incorporate those of Help to Create Hope Trust and its subsidiary (i.e. the entity that the Group controls through its power to govern the financial and operating policies so as to obtain economic benefits). Their results are incorporated from the date that control passes.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Where necessary, adjustments are made to the financial statements of subsidiary to bring the accounting policies used into line with those used by other members of the Group.

#### 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.

##### Calculation of cost value of land gifted to Help to Create Hope Trust

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows. The cost value of land disposed of is determined by reference to the proportion of overall sales value.

#### 3 Donations and legacies

	Total	Unrestricted funds
	2023	2022
	£	£
Donations and gifts	-	7,495

#### 4 Investments

	Unrestricted funds	Total
	2023	2022
	£	£
Interest receivable	972,593	-

# HELP TO CREATE HOPE TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

#### 5 Other income

	Unrestricted funds	Total
	2023	2022
	£	£
Net gain on disposal of tangible fixed assets	60,973,266	-

The land was donated by Shanners Limited, the wholly owned trading subsidiary on 19 January 2023. The land was sold by the Charity on 19 January 2023. The gain on sale of the property is calculated as the difference between the total sales proceeds of £64,500,000 less the cost of the land originally held by the subsidiary (£3,526,734).

#### 6 Charitable activities

	Support for vulnerable persons 2023 £	Support for vulnerable persons 2022 £
Grant funding of activities (see note 7)	225,121	-
Share of support costs (see note 8)	155,339	5,504
Share of governance costs (see note 8)	114,122	10,012
	494,582	15,516

#### 7 Grants payable

	Support for vulnerable persons 2023 £	2022 £
Grants to institutions:		
RNOH Charity	100,000	-
Association Riga Tech Girls 2022	125,121	-
	225,121	-

-

# HELP TO CREATE HOPE TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

### 8 Support costs

	Support costs	Governance costs	2023	Support costs	Governance costs	2022
	£	£	£	£	£	£
Bank charges	179	-	179	10	-	10
Sundry	120,324	-	120,324	732	-	732
Legal and professional	5,725	-	5,725	4,762	-	4,762
Land valuation services	5,000	-	5,000	-	-	-
Legal advice - charity	9,111	-	9,111	-	-	-
Investment advice	15,000	-	15,000	-	-	-
Audit fees	-	18,000	18,000	-	-	-
Accountancy	-	96,122	96,122	-	10,012	10,012
	<u>155,339</u>	<u>114,122</u>	<u>269,461</u>	<u>5,504</u>	<u>10,012</u>	<u>15,516</u>
Analysed between						
Charitable activities	<u>155,339</u>	<u>114,122</u>	<u>269,461</u>	<u>5,504</u>	<u>10,012</u>	<u>15,516</u>

Governance costs includes payments to the auditors of £18,000 (2022: £nil) for audit fees and £29,036 (2022: nil) for tax advice to the Charity and £23,421 (2022: £10,012) for the subsidiary.

### 9 Trustees

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

Malcolm Gibney, a trustee of the Charity, received a fee of £600,000 in connection with his negotiation of the sale of the land by Shanners Limited. The fee was paid by Shanners Limited along with £3,394 in related expenses reimbursement.

A sum of £115,000 was paid to Ameribrit Ventures LLC, a company incorporated in Florida, U.S.A, of which Michael Shanley is a director.

### 10 Employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
Total	<u>-</u>	<u>-</u>

# HELP TO CREATE HOPE TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

### 11 Fixed asset investments

#### Group

	Unlisted investments £	Other investments	Total £
<b>Cost or valuation</b>			
At 1 September 2022	-	-	-
Additions	80,378	-	80,378
	<u>          </u>	<u>          </u>	<u>          </u>
At 31 August 2023	80,378	-	80,378
	<u>          </u>	<u>          </u>	<u>          </u>
<b>Carrying amount</b>			
At 31 August 2023	80,378	-	80,378
	<u>          </u>	<u>          </u>	<u>          </u>
At 31 August 2022	-	-	-
	<u>          </u>	<u>          </u>	<u>          </u>

#### Charity

	Unlisted investments £	Investment in subsidiary	Total £
<b>Cost or valuation</b>			
At 1 September 2022	-	100	100
Additions	80,378	-	80,378
	<u>          </u>	<u>          </u>	<u>          </u>
At 31 August 2023	80,378	100	80,478
	<u>          </u>	<u>          </u>	<u>          </u>
<b>Carrying amount</b>			
At 31 August 2023	80,378	100	80,478
	<u>          </u>	<u>          </u>	<u>          </u>
At 31 August 2022	-	100	100
	<u>          </u>	<u>          </u>	<u>          </u>

### 12 Subsidiaries

Details of the charity's subsidiaries at 31 August 2023 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
Shanners Limited	Acre House, 11/15 William Road, London, United Kingdom, NW1 3ER	Development of building projects	Ordinary	100.00	



# HELP TO CREATE HOPE TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

<b>13</b>	<b>Stocks</b>			
	<b>Group</b>		<b>2023</b>	<b>2022</b>
			<b>£</b>	<b>£</b>
	Finished goods and goods for resale		64,933	2,857,025

<b>14</b>	<b>Debtors</b>				
		<b>Group</b>		<b>Charity</b>	
		<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
		<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
	<b>Amounts falling due within one year:</b>				
	Amounts owed by subsidiary undertakings	-	-	387,254	-
	Other debtors	20,367	2,589	1,902	-
	Prepayments and accrued income	595,451	-	595,451	-
		<u>615,818</u>	<u>2,589</u>	<u>984,607</u>	<u>-</u>

<b>15</b>	<b>Creditors: amounts falling due within one year</b>				
		<b>Group</b>		<b>Charity</b>	
		<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
		<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
	Trade creditors	-	5,711	-	-
	Amounts owed to subsidiary undertakings	-	-	-	503,075
	Other creditors	-	3,385,664	100	100
	Accruals and deferred income	539,405	6,937	33,740	3,937
		<u>539,405</u>	<u>3,398,312</u>	<u>33,840</u>	<u>507,112</u>

## 16 Members' Liability

The company is limited by guarantee, not having a share capital and consequently the liability of members is limited, subject to an undertaking by each member to contribute to the net assets or liabilities of the company on winding up such amounts as may be required not exceeding £1.

## 17 Prior year adjustment

The prior year adjustment relates to the charity's own accounts only, it represents a sum of £500,000 treated in the prior year as a donation from Shanners Limited, the wholly owned subsidiary. Shanners Limited, did not have any distributable profits to which a Gift Aid donation would be permitted. The sum was reclassified as an intercompany transaction.

# HELP TO CREATE HOPE TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

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#### 18 Related party transactions

Malcolm Gibney, a trustee of the Charity, received a fee of £600,000 in connection with his negotiation of the sale of the land by Shanners Limited. The fee was paid by Shanners Limited along with £3,394 in related expenses reimbursement and is included in the total land costs donated.

As at 31 August 2023, the group owed nil (2022: £2,885,564 owed to) to Michael Shanley, one of trustees. In addition, a sum of £115,000 was paid to Ameribrit Ventures LLC, a company incorporated in Florida, U.S.A, of which Michael Shanley is a director.

19	Cash generated from operations	2023 £	2022 £
	Surplus/(deficit) for the year	61,451,277	(8,021)
	Adjustments for:		
	Investment income recognised in statement of financial activities	(972,593)	-
	Gain on disposal of tangible fixed assets	(60,973,266)	-
	Movements in working capital:		
	Decrease/(increase) in stocks	2,792,092	(2,857,025)
	(Increase) in debtors	(613,229)	(2,589)
	(Decrease)/increase in creditors	(2,858,907)	3,398,312
	<b>Cash (absorbed by)/generated from operations</b>	<b>(1,174,626)</b>	<b>530,677</b>

#### 20 Analysis of changes in net funds

The charity had no debt during the year.