

REGISTERED CHARITY NUMBER SC051454

REGISTERED COMPANY NUMBER CS005516

REPORT OF THE TRUSTEES AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MAY 2024

FOR

PROJECT ESPERANZA SCIO

PROJECT ESPERANZA SCIO
CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2024

	Page
Report of the Trustees	3
Report of the Independent Examiner	9
Statement of Financial Activities	10
Balance Sheet	11
Notes to the Financial Statements	12

**PROJECT ESPERANZA SCIO
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MAY 2024**

The trustees who are also the directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 May 2024. The trustees have adopted the provisions of 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 (FRS102) (effective 1 January 2015) for the first time.

OBJECTIVES AND ACTIVITIES

Project Esperanza SCIO was granted charitable status in December 2021.

Objectives and aims

The aim of the charity is the advancement of citizenship or community development, the advancement of the arts, heritage, culture or science, the promotion of equality and diversity and the relief of those in need by reason of age, ill-health, disability, financial hardship or other disadvantage.

We operate two main projects in order to achieve this aim:

Over the years we have

We are very proud of our services and the fact our offering continues to diversify to support those who need us most.

ACHIEVEMENTS AND PERFORMANCE

Charitable activities

The charity is a womanist initiative based in North Edinburgh, dedicated to offering practical, emotional, and integration support primarily to families of African heritage while also supporting a broad spectrum of individuals from multi-ethnic backgrounds. Our work is rooted in promoting inclusion, empowerment, and cultural preservation and we have had a remarkable track record since 2021.

Our Vision is to advance citizenship through integration services and activities, alleviate needs arising from age, ill health, disability, financial hardship, and other disadvantages, and promote African culture and heritage through creative, nutrition, beauty, and wellness arts.

Our Mission We are committed to making a positive impact through empowerment and inclusion, inspiring opportunities for action that foster an unbiased environment. This enables individuals to build meaningful lives and positive relationships within the wider community.

**PROJECT ESPERANZA SCIO
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MAY 2024**

Achievements

We have a track record of collaborating with partners and professionals who prioritise diversity, inclusion, and the elimination of racial oppression. Our efforts aim to advance racial harmony in the community by encouraging acceptance of newly arrived families and aiding their integration into the Edinburgh community. Our role has been to advocate for social change for Black and African Communities throughout Scotland and we have had the privilege of earning respect on the Third sector landscape in that regard. This annual report sets out our successes in supporting communities and the workforce across Scotland. It evidences our value on the systems change arena in Scotland.

Since we started to date, we continue to work alongside people with lived experience of racism, racial and migration trauma, NRPF, homelessness, restitution, education inequalities, mental health support and inequalities, poverty and food insecurity, social isolation/disconnection, income inequalities and chronic health. These experiences have provided information and learning opportunities for us to navigate the cost of living crisis that is evidenced in the increase in use of foodbanks, pantries and community meals; as well as challenge unsafe, hostile and discriminatory work practices to influence systems and policy change. Since we embarked on our mission, we have also explored health inequalities in women's health, with particular focus on Black maternal Health Experiences, as well as whole family wellbeing.

Throughout 2023 to 2025 we have focused on bias in the child protection system working with Children and families that have experienced The Scottish Care System. In all areas of our work, we have always questioned systems, challenged inequalities, challenged racism and addressed racial trauma; and we have emphasised greatly on culturally nuanced and trauma-informed support across all services within Project Esperanza. That said we have also chosen our partnerships by ensuring that the services we work with are aligned with how we work internally as an organisation to address the intersections of Deprivation and The Migrant Experience.

We've grown significantly and quickly since we first started our work. Despite the hostile political climate in this country and the lack of sustainable funding within the third sector, the pressures for the people continue to escalate and the demand for our support continues to increase, it must be noted that we are a maturing organisation with all of the benefits and challenges that come with that.

We have produced a more detailed Annual Report which can be obtained by request.

FINANCIAL REVIEW

Financial overview

Overall reserves have increased by £136,622 during the year to 31 May 2024. Total income in the year was £263,592 an increase on the prior year of £204,103.

Reserves policy

The Trustees recognise the need for the charity to have reserves (that is, those funds that are freely available), which will enable it to cope with unexpected fluctuations in income and expenditure, to take advantage of development opportunities that might otherwise cause cash flow problems and to act as responsible employers in the event of termination of specific funding of the organisation. The trustees' policy is to retain 3 months' worth of normal running costs in order to meet commitments and to cover any unexpected expenditure. The Trustees are looking for ways to increase the unrestricted reserves for the future. At 31 May 2024, unrestricted reserves totalled £397.

**PROJECT ESPERANZA SCIO
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MAY 2024**

Future plans

The next three years will be dedicated to empowering Black African communities through a **vision** that depicts Black individuals and communities thrive, free from discrimination and systemic barriers and a **mission** that empowers Black communities through education and community development.

STRUCTURE, GOVERNANACE AND MANAGEMENT

Governing document

Project Esperanza is a Scottish Charitable Incorporated Organisation (SCIO). It was registered in it’s current legal form on 14 December 2021. It’s registered Company number is CS005516 and Registered Charity number is SC051454. It operates from its registered office Thorn House. 5 Rose Street, Edinburgh, EH2 2PR.

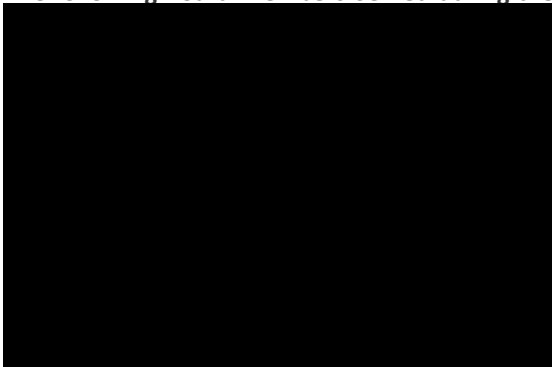
Recruitment and appointment of new trustees

The Trustees of the charity meet regularly to discuss and review the progress of the charity. Trustees will be elected at the annual general meeting.

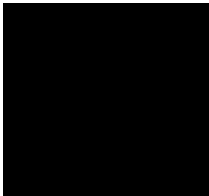
REFERENCE AND ADMINISTRATIVE DETAILS

Trustees

The following Board Members Served during the Year 2023/2024



ON BEHALF OF THE BOARD ON 28 February 2025



Examiner's Report to the Trustees of PROJECT ESPERANZA SCIO

I report on the accounts of the charity for the year ended 31 May 2024 which are set out on pages 10 to 16

Respective responsibilities of trustees and examiner

The charity's trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). The charity trustees consider that the audit requirement of Regulation 10(1) (a) to (c) of the 2006 Accounts Regulations does not apply. It is my responsibility to examine the accounts as required under section 44(1) (c) of the Act and to state whether particular matters have come to my attention.

Basis of independent examiner's statement

My examination is carried out in accordance with Regulation 11 of the 2006 Accounts Regulations. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeks explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

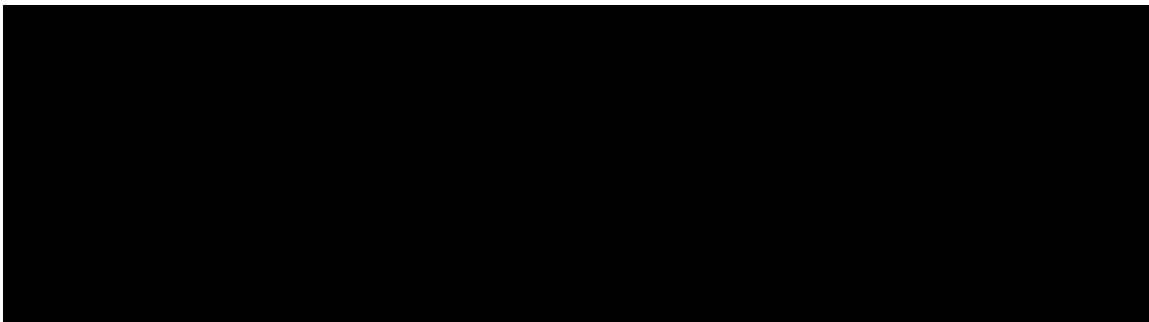
Independent examiner's statement

In the course of my examination, no matter has come to my attention

1. which gives me reasonable cause to believe that in any material respect the requirements:
 - to keep accounting records in accordance with Section 44(1) (a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations
 - to prepare accounts which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulations

have not been met, or

2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



PROJECT ESPERANZA SCIO
STATEMENT OF FINANCIAL ACTIVITIES
(Incorporating an Income and Expenditure Account)
FOR THE YEAR ENDED 31 MAY 2024

		Unrestricted funds	Restricted funds	2024 Total funds	2023 Total funds
	Notes	£	£	£	£
INCOME FROM					
Donations and legacies	2	4,270	258,242	262,512	59,489
Charitable activities	3	1,080	0	1,080	0
Other income			0	0	0
Total		5,350	258,242	263,592	59,489
EXPENDITURE ON					
Raising funds		0	0	0	0
Charitable activities	4	4,780	119,695	124,475	48,293
Other	5	1,500	0	1,500	0
Total		6,280	119,695	125,975	150,358
NET INCOME/(EXPENDITURE)		(930)	138,547	137,617	11,196
Transfer between funds		2,302	(2,302)	0	0
Net movement in funds		1,372	136,245	137,617	0
RECONCILIATION OF FUNDS					
Total funds brought forward		25	11,171	11,196	0
Prior year adjustment 2023	13	(1,000)		(1,000)	
TOTAL FUNDS CARRIED FORWARD		397	147,416	147,813	11,196

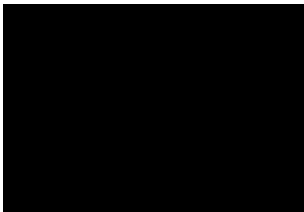
The notes form part of these financial statements

PROJECT ESPERANZA SCIO
BALANCE SHEET
AS AT 31 May 2024

		2024	2023
	Notes	£	£
FIXED ASSETS			
Tangible assets	9	<u>1,286</u>	<u>0</u>
CURRENT ASSETS			
Stock		0	0
Debtors	10	0	0
Cash at bank and in hand		<u>151,285</u>	<u>11,196</u>
		151,285	11,196
CREDITORS			
Amounts falling due within one year	11	4,758	1,000
NET CURRENT ASSETS		<u>146,527</u>	<u>10,196</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>147,813</u>	<u>10,196</u>
NET ASSETS		<u>147,813</u>	<u>10,196</u>
FUNDS			
Unrestricted funds		397	25
Unrestricted funds - prior year adjustments	13		(1,000)
Restricted funds		<u>147,416</u>	<u>11,171</u>
TOTAL FUNDS		<u>147,813</u>	<u>10,196</u>

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

The financial statements were approved by the Board of Trustees on 28 February 2025 and were signed on its behalf by:



The notes form part of these financial statements

**PROJECT ESPERANZA SCIO
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2024**

ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities and Trustee Investment (Scotland) Act 2005 and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

The financial statements are presented in Sterling (£).

Change in accounting policies and prior year adjustments

The company has adopted the Charities SORP for the first time this year, as income has exceeded £250,000. Prior year financial statements were prepared on a receipts basis. Accordingly, no accrual for accounting services was included, resulting an adjustment to reserves brought forward of £1,000. There were no fixed assets or other creditors at 31 May 2023.

Going concern

The financial statements have been prepared on a going concern basis, which the trustees believe to be appropriate for the reasons set out in the Trustee's Report. There are no material uncertainties about the charity's ability to continue.

Critical accounting judgements and key sources of estimation uncertainty

The company considers on an annual basis the judgements that are made by management when applying significant accounting policies that would have the most significant effect on amounts that are recognised in the financial statements. The trustees consider there are no such significant judgements.

Income

All income is recognised in the Statement of Financial Activities once 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.

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.

PROJECT ESPERANZA SCIO
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2024

Charitable activities

Costs of charitable activities are incurred on the charity's core operations, including support costs and costs relating to the governance of the charity.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off the cost less estimated residual value of each asset over its estimated useful life.

Computer equipment	33.33% on cost
Motor vehicles	25% on cost
Office equipment	25% on cost

Fixed assets are included in the balance sheet at cost less accumulated depreciation and impairment.

No assets with a gross value of less than £500 are capitalised. These items have been treated as expenditure in the Statement of Financial Activities.

Impairment of tangible fixed assets

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying amount. When the carrying value exceeds its recoverable amount, an impairment loss is recognised in the profit or loss unless the asset is carried at a revalued amount where the impairment loss is a revaluation decrease.

Stocks

Stocks are valued at the lower of cost and estimated selling price less costs to sell.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds

They can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds

They can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Transfers between funds

With regard to the use of both restricted and designated funds, the release represents an amount which matches the expenditure incurred in the year in respect of the relevant purpose of each fund. Transfers are made between funds for identified internal transactions such as staff training where funds are moved from unrestricted core income to a designated training fund.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

**PROJECT ESPERANZA SCIO
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2024**

Financial instruments

The charity only enters into financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable.

Debt instruments that are payable or receivable within one year. Typically trade debtors or trade creditors, are measured, initially and subsequently, at the undiscounted amount of cash or other consideration expected to be paid or received.

Financial assets measured at cost and amortised cost are assessed at the end of each reporting period for evidence of impairment and if found, an impairment loss is recognised in profit or loss.

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

Cash and cash equivalent includes cash in hand, deposits held at call with banks and other financial institutions.

Leasing commitments

Rentals payable under operating leases are charged to the Statement of Financial Activities as they are incurred over the term of the lease.

Pension commitments

The charity operates a defined contribution pension scheme . The assets of the scheme are held separately from those of the company in an independently administered fund. The amount charged against the Statement of Financial Activities represents the contributions payable to the scheme in respect of the accounting period.

Donated assets

Donated assets received by the charity are capitalised and recognised in the Statement of Financial Activities in the year they are received.

The basis of valuation is the price the charity estimates it would pay in the open market for goods of equivalent utility.

VAT

The company is exempt from VAT. Expenses are therefore shown inclusive of VAT in the financial statements.

PROJECT ESPERANZA SCIO
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2024

2 DONATIONS AND LEGACIES		2024	2023
		£	£
Donations		4,190	2,366
Fundraising		80	107
Legacies		0	0
Grants		<u>258,242</u>	<u>57,016</u>
		262,512	59,489
Grants received, included in the above are as follows:		2024	2023
		£	£
Capital City Partnership		20,000	6,000
Muirhead Housing		0	5,000
The Robertson Trust		22,500	2,500
National Lottery		0	10,000
National Gallery		0	6,350
The Corra Foundation		187,325	5,250
EVOC		10,760	17,790
Edinburgh City Council		11,257	0
One City Trust		6,000	0
Miscellaneous		<u>400</u>	<u>4,126</u>
Grants		<u>258,242</u>	<u>57,016</u>
3 INCOME FROM CHARITABLE ACTIVITIES		2024	2023
		£	£
Supporting Integration of African Community	Type	1,080	0
4 CHARITABLE ACTIVITIES COSTS		2024	2023
		£	£
Supporting Integration of African Community		<u>124,475</u>	<u>48,293</u>
		<u>124,475</u>	<u>48,293</u>

PROJECT ESPERANZA SCIO
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2024

5 GOVERNANCE COSTS

	2024	2023
	£	£
Accountancy fee and accounting software	1,500	1,000

6

TRUSTEE REMUNERATION AND BENEFITS

In the year to 31 May 2024, a salary of £21,117 including pension contribution was paid to the chief executive. They also received payments for consultancy work totalling £12,634 (2023: No salary received during 2023, only work for consultancy)

This was the only key management personnel.

There were no other trustees' remuneration or other benefits for the year ended 31 May 2024 nor for the year ended 31 May 2023

Trustee expenses

During the year no trustees were reimbursed any expenses. (2023: £nil)

7 STAFF COSTS

	2024	2023
	£	£
Wages and salaries	42,099	0
Other pension costs	94	0
	<u>42,193</u>	<u>0</u>

The average monthly number of employees during the year was a follows:

Administrative	3	0
Management	1	1
	<u>4</u>	<u>1</u>

None of the employees benefits exceed £60,000

PROJECT ESPERANZA SCIO
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2024

COMPARATIVES FOR THE STATEMENT OF FINANCIAL
8 ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME FROM			
Donations and legacies	2,366	0	2,366
Grants	3,500	53,516	57,016
Fundraising activities	107	0	107
Charitable activities	0	0	0
Miscellaneous income	0	0	0
Other income	0	0	0
Total	5,973	53,516	59,489
EXPENDITURE ON			
Fundraising	0	0	0
Charitable activities	5,948	42,345	48,293
Governance costs		0	0
Total	5,948	42,345	48,293
NET INCOME/(EXPENDITURE)	25	11,171	11,196
Net movement in funds	0	0	0
RECONCILIATION OF FUNDS			
Total funds brought forward	0	0	0
TOTAL FUNDS CARRIED FORWARD	25	11,171	11,196

PROJECT ESPERANZA SCIO
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2024

		Computer Equipment
		£
9 TANGIBLE FIXED ASSETS		
COST		
At 1 June 2023		0
Additions		1,928
Disposals		<u>0</u>
At 31 May 2024		<u>1,928</u>
DEPRECIATION		
At 1 June 2023		0
Charge for the year		642
Eliminated on disposal		<u>0</u>
At 30 November 2020		<u>642</u>
NET BOOK VALUE		
At 31 May 2024		<u>1,286</u>
At 31 May 2023		<u>0</u>

	2024	2023
	£	£
10 DEBTORS		
Other debtors	0	0
Prepayments	<u>0</u>	<u>0</u>
	<u>0</u>	<u>0</u>

11 CREDITORS:AMOUNTS FALLING DUE WITHIN ONE YEAR	2024	2023
	£	£
Trade creditors	0	0
Social security and other taxes	3,038	0
Pension creditor	0	0
Other creditors	220	0
Accruals and deferred income	<u>1,500</u>	<u>1,000</u>
	<u>4,758</u>	<u>1,000</u>

12 ANALYSIS OF NET ASSETS BETWEEN FUNDS	Unrestricted funds	Restricted funds	2024 Total funds	2023 Total funds
	£	£	£	£
Fixed assets	0	1,286	1,286	0
Current assets	397	150,888	151,285	11,196
Current liabilities	<u>0</u>	<u>(4,758)</u>	<u>(4,758)</u>	<u>(1,000)</u>
	<u>397</u>	<u>147,416</u>	<u>147,813</u>	<u>10,196</u>

PROJECT ESPERANZA SCIO
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2024

13	PRIOR YEAR ADJUSTMENT	
	Include accrual for accountancy fee in 2023 year end accounts	
	Increased governance expenditure	£1,000
	Decreased Reserves by	<u>£1,000</u>