

# Annual Report and Financial Statements

For the year ended 31 October 2022



Registered Charity Number 1159213

**South Tyneside's leading food insecurity, homelessness and community wellbeing charity.**

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## Objectives and Activities

The Trustees are pleased to present their Annual Trustees' Report together with the financial statements of the charity for the year ended the 31 of October 2022.

The financial statements comply with the Charities Act 2011, the Memorandum of Articles of Association, and the Accounting and Reporting by Charities; Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standards applicable to the UK and Republic of Ireland (FRS 102) (effective October 2019).

Hospitality and Hope is a charitable incorporated organisation, it's objective is to bring hope to the local community through;

The relief of poverty, sickness and distress amongst vulnerable people in South Tyneside, including those who are homeless or at risk of homelessness. Delivered by the provision of funds, goods, or services of any kind as the Trustees from time to time may think fit, including (but not by way of limitation) by the operations of a soup kitchen, foodbank and wider support services.

The relief of those in need by reason of age, ill health, disability, financial hardship or any other social or economic disadvantage in such ways as the Trustees from time to time may think fit (but not by way of limitation) by the promotion and provision of or assistance with the provision of accommodation and/or supported accommodation appropriate to their needs: and

To further such other purposes being exclusively charitable according to the laws of England and Wales as the Trustees may from time to time think fit.

During the period 1 of November 2021 to the 31 of October 2022 the regular activities of Hospitality and Hope were.



## Achievements and Performance

### About us.

Hospitality and Hope is one of South Tyneside's leading food insecurity, homelessness and community wellbeing charities.

We are a Charitable Incorporated Organisation (CIO) and are governed by a Board of Trustees who bring extensive experience and significant influence to our work. Our Chief Executive Officer, Staff Team and Volunteers work tirelessly, every day, to bring positive change to a community who are living in one of the most deprived areas in England.

Our work is focussed on prevention, achieved by supporting our community to develop the skills, experience and social capital needed to live their life, with an increased sense of hope for a positive and self-reliant future.

People sit at the heart of our work; our extensive insights and engagement work means that we truly understand the needs of our community and what will work best to bring positive change; we also bring their lived experience to our conversations alongside others to inform local policy making.

Collaboration, partnership working and our commitment to evidence-based practice are the cornerstones of our work.

We are ambitious.	We want Hospitality & Hope to be the leading charity and the centre of sustainable, long-term change for the community of South Tyneside.
We are focussed.	We know how easy it is to get distracted, that's why we have priorities that we stick to.
We are collaborative.	To have the maximum positive impact, we ensure our services are community driven, designed alongside those with lived experience.
We are connected.	We actively seek out and work with key partners including government, universities, businesses, fellow charities and community groups.
We are information led.	We know that the best decisions are evidence-based, so we prioritise the gathering and deployment of robust data & research.

## Summary of our achievements in 2022

Working with the University of Sunderland, and supported by the Trussell Trust, we are **spearheading research** into the drivers of deprivation in South Tyneside; particularly amongst those in our community who are working poor. This work has also extended our reputation and partnership reach. We are now an integrated member of the Council's poverty strategy group, our work is included in the Council's strategic plan and we have also extended our schools partnership network.

Our work in the community has been a critical development enabling us to bring the lived experience to the decision-making table of those in power. We have established a strong reputation as an evidence-based, information led, organisation and this has strengthened our ability to influence how others think and act.

Over the past twelve months we have opened our first **Community Shop** and integrated **Wellbeing Hub**. Our aim being to provide longer term preventative support to those living in food insecurity. With our wellbeing hub delivering services that improve our community's emotional, physical and financial wellbeing. This development has been a significant step change towards our aspiration to bring positive change to our community and build the social capital necessary to bring communities together.

In partnership with South Tyneside Council, we have secured the funding necessary to develop a network of community shops and wellbeing hubs. Over the coming two years we will open a further two shops and are aiming to **support 10,000 people**.

Demand for **emergency food support remains high** and we have seen a reduction in food donations as our community begin to feel the harrowing reality of the financial crisis. We have also seen a change in the demographic of those people seeking support, 6 in 10 of all household's supported are families with children and 4 in 10 are in employment and are working poor. A critical element of our wellbeing service has been the partnership with Age Concern Tyneside South, who provide our Debt and Welfare Benefit Advice Service. This year we have recovered **£500,000** in benefits and written off debt.

We have delivered on the commitment to extend our supported housing service. This year we have commenced the purchase of a **move on property**, increasing the number of people we can support. This will enhance our supported housing offer by enabling residents to 'test out' independent living prior to moving into their own accommodation.

We have strengthened our community wellbeing service by delivering activities that the community have identified as critical to achieving positive change. In the last 12 months, we have delivered structured **wellbeing activities to 756 people**. Our Christmas food campaign provided families with a Christmas day meal and supporting children at risk of hunger during the school holidays.

This report contains more information on the success of Hospitality and Hope over the past twelve months and our ambitions for the future. We hope that our journey inspires you as much as it does for our team of Volunteers, Trustees and Staff.

During the 2021/22 business year we experienced a significant increase in demand. Supporting 2,000 more people than the previous year, and 4,300 more people since 2020.

This work was primarily achieved by responding to increased demand for food support; opening our first Community Shop, extending our wellbeing provision and increasing our community engagement and insights work.

**7,500** people supported

**4,050** children

**3,450** adults

**'When I started back at work, I thought things would be better, but they are not. I have less money than before, I am not entitled to free school meals and my wages are nothing really, I am a care worker'.**

**Community shop member**

**'I became homeless after my marriage broke down and I lost my home due to not being able to pay the mortgage. I am living in the back of my car. My mental health is poor and my confidence is shot'.**

**Food bank client**



## STRATEGIC PLAN 2021 to 2024

### OUR VISION

The community of South Tyneside will be able to live without the stigma of disadvantage and inequality, with an increased sense of hope for a positive and self reliant future.

### OUR VALUES

#### COMPASSION

We work with care, understanding and a compelling desire to support vulnerable people.

#### INTEGRITY

We work with transparency and ensure that our decisions are ethical and morally sound.

#### INCLUSIVITY

We are inclusive by design, ensuring that our service is accessible to all in our community.

#### EMPOWERMENT

We believe that people can change and our work will instil self belief and confidence for a better future.

### OUR PRIORITIES



#### Improving Community Wellbeing

We will provide innovative and forward thinking wellbeing services that impact positively on the emotional, financial and physical wellbeing of those most in need, enabling them to live a comfortable, healthy and happy life.



#### Tackling Food Poverty

We will provide a caring service to those who need a helping hand, supporting them to access essential services so that they can live well without the need for food support.



#### Reducing Homelessness

We will provide individually tailored housing and support services to vulnerable homeless people, Bringing stability into their life, so that they can develop essential life skills and successfully move into an independent lifestyle.



#### Increasing Employability

We will provide support to those seeking employment by delivering services that enhance their knowledge, skills and qualifications, enabling them to secure work and regain control of their life.

### OUR ENABLERS

- We understand the needs of our community and use their lived experience to shape service delivery and ensure our services are accessible to all.
- We work with academic institutions, beneficiaries and partners to develop evidence based approaches and evaluate impact.
- We work in partnership with Statutory, Third Sector and Community Groups, remaining flexible and responsive in our approach.
- We advocate on behalf of those in need, remaining open and honest in our communication in order to positively influence others.
- We have an open and transparent relationship with funders, building trust and mutual respect.

## Tackling Food Insecurity – Food Bank



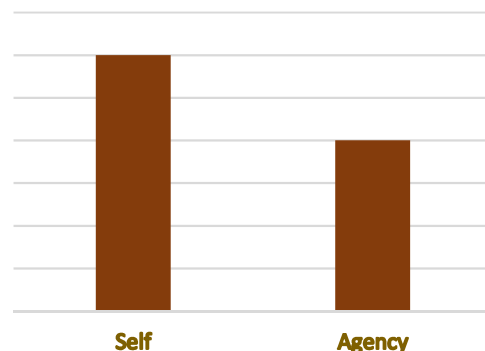
14,000 food parcels distributed

Food insecurity continues to be a daily challenge for our community. In 2021/22 our **South Tyneside Foodbank** experienced another busy year with the number of people needing food support remaining high, as the financial crisis hit household incomes hard. Without the support of our community, supermarket partners (particularly ASDA, Morrisons, Farm Foods, Heron Foods and Tesco Extra) and many local businesses, we would simply not be able to make a difference every day to those who need a helping hand.

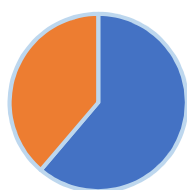
We supported **4,644** people who are living in food insecurity.

We know that needing food support has a social stigma - this is something that our team work hard to help the individual overcome. We also refer people for support to address the issues that impact negatively on their life; including our own wellbeing service and debt advice service. The self-referral route for food support continues to be used well, with 60% of those seeking food support coming via a self-referral.

### Referral by type



### Adult/Child



■ Adult ■ Child

### Family Type



■ Family ■ Single person ■ Couple

South Tyneside has seen an increase in the number of children living in food insecurity. This has been mirrored in our service with families and children now representing 50% and 40% respectively.

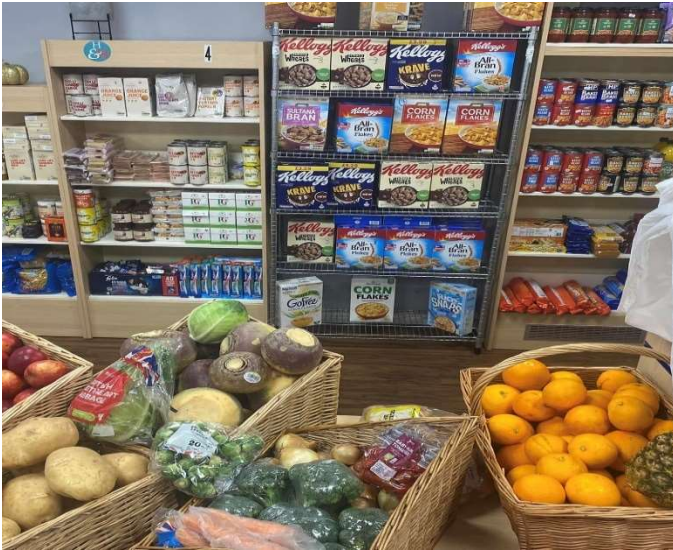
**62%** of those seeking food support cited low income as the reason for the referral, during this year we supported people across 18 of the ward areas in South Tyneside, however the areas in most need of food support are:

### The top ten ward area with highest need for food support in 2021/22

1	Beacon and Bents	6	Whiteleas
2	Simonside and Rekendyke	7	Westoe
3	Biddick and All saints	8	Cleadon Park
4	West Park	9	Horsley Hill
5	Boldon Colliery	10	Harton



## Tackling Food Insecurity - Your Community Shop



Delivering on our commitment to take an evidence based and preventative approach to supporting our community out of food insecurity, this year we opened our first community shop on Horsley Hill Square, supported by the Virgin Money Foundation, Joicey Trust and Royal Warrant Holders Association.

The aim is to create a **community anchor**, at which people can receive longer term food support and access to wider services that reduce social isolation, develop skills and build social capital in the community.

We are grateful to our colleagues in Lydon's Pharmacy, Sainsbury's, Morrisons and ASDA for their support by donating regular food supplies and essential household and personal cleaning products.

This extended reach into one of our hardest hit ward areas is enabling us to understand the complex needs of our community and tailor services that will bring positive and long-lasting change.

A survey of the first 100 customers of Your Community Shop has been used to develop wellbeing services that meet their needs.

90% reported as feeling isolated and lonely

70% suffered with their mental health

50% suffered with their physical health

Whilst it is early days, the Horsley Hill shop has developed at pace and is enabling us to help those people who would otherwise have not reached out for support; particularly those over 55 and people in employment. The initial feedback from those using the shop has been encouraging and heartwarming.



Shop volunteer serving a customer.

**'Fantastic idea to help the community and to reduce food waste, the volunteers are always friendly and helpful'.**

**'I can't believe what you actually get for £4, such a help to me and the family'.**

**'I am so grateful for this service and the lovely people who greet you. A little help goes a long way, thank you'.**



In partnership with South Tyneside Council, we have achieved two critical developments this year. The first being a successful bid into the Governments Shared Prosperity Fund to develop two more Your Community Shops, over two years. The second being delivery of the Household Support Fund to 200 families who are hard to reach.

This strengthening of our service offer has enabled us to develop a more holistic approach, supporting those who are in crisis to regain control of their lives, as demonstrated in the following case study.

### On a cold and stormy day.

It was the coldest of days when a Mum came unannounced through our doorway with her children in tow.

As she entered the building in a flurry of snow, Mum broke into tears, it was clear that she was in crisis, my colleague quickly took the children into another room. When the children left Mum nearly collapsed, saying that she had reached the end of being able to manage and did not know where to turn. She had walked the children two miles to come to us as she didn't have money for the bus fare and no other support networks to call upon.

Mum explained that both her and her husband work, but they are not managing as their household outgoings virtually now outstripped their collective salary income. They were struggling with money for utility top ups via the meter and food costs. In addition, council tax arrears were about to be taken directly from her husband's salary and she was really worried about the impact of this.

She had been unable to make a referral for food support as she didn't have the money to top up her mobile phone. In any event she didn't think that she could take food away as she couldn't manage the children and the shopping on the walk home.

Mum described a life of immense stress and hunger for both her and her husband, they were typically going without to ensure the children are safe and healthy.

She simply hadn't known what to do but knew about Hospitality and Hope, and had decided to come visit us for help.

Whilst my colleague provided cereal for the children, we put together a package of support for the family.

A referral was made to our benefits and debt advisor. We arranged for a colleague to transport the family home so that we could provide emergency food support. As part of the Household Support Fund, we provided access to support for gas so they could stay warm. In addition, we provided a SIM card that would save money by providing Mum with free calls, text and data for 6 months.

We also signed the family up as a member of the Your Community Shop to provide longer term emotional and food support. As slow cooking is the cheapest way to prepare meals, we also provided the family with a slow cooker.

As a result of kind donations from the community we provided a £30 voucher for the family to have a meal at a Green King Public House and gave the children and parents a Christmas gift.

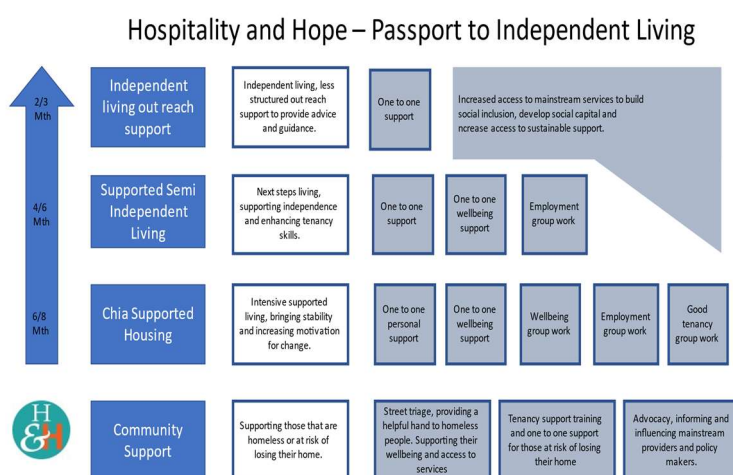
Our community is shifting in a seismic way, working people are entering deprivation at a scale previously unseen. It would be true to say that this young Mother and her sad story impacted on our staff and volunteers. Unfortunately though, this is not an isolated case, we are seeing an increasing number of people similar to this family coming to us for support.

Fast forward 4 months. The lady visited us to say that both her and her husband had secured better paid jobs and a cheaper house rental. In her own words: 'our life is now brilliant, the support and kindness of you and your team gave us, when we needed it most, was brilliant. You helped us out of crisis and into a better life for our us all'.

## Reducing Homelessness

Located in Laygate, South Shields, Chai House is a 5 bedroom property regulated by South Tyneside Council as a large House of Multiple Occupancy (HMO), but that is where the similarity ends with other HMO's in the area, as the services provided at Chai House are more representative of a supported living unit. With our team of specialists in the field of supported housing, they provide more than 60 hours support each week, delivered 7 days per week.

The 'Passport to Independent Living' programme continues to be the cornerstone of our work at Chai House. It delivers structured support across the full spectrum of a person's transition from homelessness to full, independent living.



Over the course of this year, we have extended our partnership working. Hospitality and Hope now works as an integrated member of the South Tyneside Homelessness Strategy group, supporting the development of wider services that support homeless people.

During the 2021/2022 financial year, Chai House has supported 17 adult males who required accommodation and housing support due to homelessness, addictions or poor mental health.

Our residents have achieved **19 qualifications**, with one resident securing employment and four moving into their own tenancy.

*'During the time I was with Teri at Hospitality and Hope I went from homeless without a job and managed to get back on my feet and find a job, then shortly after find my own place to live again. They helped me when I had fallen on hard times and I couldn't thank them enough for that. Great staff so welcoming, understanding and helpful. So grateful for the help I received from Teri and the team'.*



Chai residents working at the allotment.

Over the next three years, one of Hospitality and Hope's strategic priorities is to increase the number of bedspaces available in our supported housing service to nine. During this financial year we commenced the acquisition of a two bedroom **move on property**. Once acquired this will provide a critical steppingstone into independent living for our residents.

## Improving Community Wellbeing

During this financial year we have continued to build and extend our wellbeing service, based on what the community tell us is most likely to bring about positive change for them. Much of this focus has been on creating synergy between the Your Community Shop at Horsley Hill and the wellbeing services which is delivered from the same location.

Collectively this has created an anchor for the community, **a symbol of hope and steadfastness** that is valued as a community asset.

Our work is focussed on creating opportunities that break the cycle between deprivation, loneliness and poor wellbeing.

Although still in its infancy our wellbeing service is gaining momentum at pace and has reached more people this year, than at any time in our 20-year history.



Cooking a budget attendees funded by Newcastle Building Society

**756** people attended a wellbeing activity.

**182** benefited from a cooking on a budget course.

**1346** received a Christmas meal.

**200** households received support with utility bills.

**890** people received debt and benefit advice.

Our partnership with Age Concern Tyneside South continues to deliver astounding and life changing outcomes for people. This year our Financial Inclusion Officer secured **£500,000** in additional benefits and written off debt.

Community involvement is important to us. During the year we have extended our volunteering opportunities. Volunteers now work in our food bank, community shop, deliver wellbeing activities and run an allotment.

In total volunteers donated **2,707** hours of their time to help the community

**‘Such a great place to come to, staff are such a help. Thank god for this place’.**

**‘I love coming here to the activities, for the company. Everyone is so friendly’.**

**‘I can’t believe how good it is here, makes such a difference talking to people’.**

## Influencing others

An exciting development from this year has been our inclusion in a project funded by Trussell Trust, to create a local approach to campaigning on the issues which are driving people into food insecurity and deprivation. We want to ensure that local decision makers are **informed on the drivers of deprivation** at a macro level.

Our aspiration is that the community of South Tyneside are supported in raising their voice and bringing their life stories to the people who can make a difference. We want to influence how others use this information to make evidence-based decisions.

This work has moved at a fast pace; in partnership with the University of Sunderland, we have established a community insights and research programme. A team from the University are now working with us to bring academic rigour, research skills and support to our developing evidence-based approaches. The University have also facilitated a one day training programme for our Trustees and staff on evidence based practice, this was following by a Board strategy planning day which brought the fresh learning about evidence based practice into the Trustees development of their three year plan.

Our Community Participation Officer has begun to engage those with lived experience, creating the foundation for supporting them to campaign in the future. We have secured the support of **8 volunteers with lived experience** who have been trained as **community champions**. This group of inspirational people have just completed a community survey of 100 community members; bringing valuable insights into the causes of deprivation and the type of services and support the community need.

During this year we have focused on those living in working poverty and have collated a significant volume of information. This will form the basis of our first stage research.

**10** workshops where 26 working people were interviewed.

**2** school parent workshops.

**13** individual parent interviews face to face, online and in the wider community.

Whilst this worked proved challenging, our ability to bring the **stories from those with lived experience** and our unique ability to provide meaningful data and information has provided the building blocks for a positive partnership with Local Authority colleagues.

We now work as an integrated member of the newly formed Council Poverty Strategy Group, who are supporting the development of a Poverty Truth Commission and have been involved in a review of (and this project is named in) the South Tyneside Council's Strategic Plan.

This work has been focussed on promoting the absolute need for prevention rather than treatment, with a clear focus on doing what works best to support our community to live their life well, accepting this is a long-term strategic imperative.

## Financial review

The results for the year and the charity's financial position at the end of the year are shown in the attached financial statement.

During the year the charity had an income of £422,308 of which £127,727 was restricted (2021: £487,756 of which £161,206 was restricted) and expenditure of £420,200 of which £99,359 was restricted (2021: £386,687 of which £166,737 was restricted). \*These figures include the value of donated and distributed food supplies.

There was an operating surplus in the year of £2,108 of which £27,678 was restricted (2021: surplus £101,069 of which a deficit of £18,931 was restricted).

On the 31<sup>st</sup> October 2022 the charity had net assets of £825,866 of which £538,128 was restricted (2021: £823,758 of which £510,450 was restricted).

The net assets of the charity includes £495,983 which is the book value of the freehold land and building at Laygate, which houses our supported living unit; and £15,082 which is the book value of stock in hand held within the South Tyneside Foodbank.

## Employees

During the year the Trustees have carefully reviewed the staffing structure to ensure that the charity is resourced to deliver against its strategic priorities.

- 1 Full time Chief Executive Officer
- 1 Full Time Wellbeing Manager
- 1 Full time Operations/Funding Manager
- 0.3 FTE Wellbeing Officer
- 0.5 FTE Office Manager
- 0.5 FTE Finance Officer
- 0.8 FTE Food Logistics Officer
- 0.8 FTE Housing Manager
- 0.6 FTE Housing Officer

Financial risk reserve	Designated contingency
Income reserve (6 months operating cost)	£142,000
Cessation reserve (foreclosure)	£42,000 Held in a tangible fixed asset
Adversity reserve (Unexpected event)	£15,000
Opportunity reserves	Designated contingency
Working capital reserve (Funding planned initiatives)	nil
Opportunity reserve (Funding new initiative)	nil
<b>Total risk reserve 2021/22</b>	<b>£199,000</b>

## Annual Reserves Policy

Hospitality and Hope is a Charitable Incorporated Organisation (CIO), its trustees have a legal duty to:

- Act in the interests of the charity and its beneficiaries.
- Protect and safeguard the assets of the charity
- Act with reasonable care and skill.
- Ensure the charity is accountable.

At the end of this financial year the Trustees reviewed their reserves policy & risk appetite to ensure that the Board can robustly;

- Identify and mitigate areas of financial risk, including potential cashflow issues.
- Inform strategic decisions, including whether to fund new activities from reserves.
- Develop the annual budget, including whether excess reserves can be spent.



## The year ahead

We are no less ambitious in our future priorities than we have been this year. This is driven by the rising levels of deprivation within our community, a situation we know will remain increasingly complex due to the current fiscal climate and the impact this brings to a community already struggling to make ends meet.

### In 2022/23 we will deliver against the following strategic priorities

<p><b>YOUR COMMUNITY HUBS</b>  <i>Objective: To have three Your Community Shops up and running, and demonstrated the positive impact they have had, supporting 10,800 people.</i></p> <ul style="list-style-type: none"> <li>To have secured the funding and open a second Your Community Shop (YCS).</li> <li>To have supported 3,600 people in the Your Community Shop network, who are representative of the community make-up and needs.</li> </ul>
<p><b>FOODBANK</b>  <i>Objective: To meet the demand of the community who are already stretched and are now faced with a cost of living crisis, declining living standards and escalating cost.</i></p> <ul style="list-style-type: none"> <li>To have trained volunteers to act as sign posters and advocates; supporting those in food crisis to seek support and stability.</li> <li>To have matched the expected 40% increase in referrals, maintaining a balance between supply and demand.</li> </ul>
<p><b>YOUR COMMUNITY HUBS WELLBEING ACTIVITIES</b>  <i>Objective: To have completed a total of 4,265 community wellbeing sessions.</i></p> <ul style="list-style-type: none"> <li>To have secured the funding for and developed a one-stop wellbeing hub in both Your Community Shop locations.</li> <li>To have delivered 1,460 individual community-based wellbeing sessions.</li> </ul>
<p><b>DEBT AND BENEFIT ADVICE</b>  <i>Objective: To have secured £1.8m (2023-25) in recovered benefits or written off debt for those accessing the service.</i></p> <ul style="list-style-type: none"> <li>To have secured the funds to extend our debt advisory service so that we can reach more people in need of financial support.</li> <li>To have delivered £500k in recovered benefits or written off debt for those accessing the debt advisory service.</li> </ul>
<p><b>SUPPORTED LIVING</b>  <i>Objective: To have increased the capacity of our housing service to 9 bedspaces.</i></p> <ul style="list-style-type: none"> <li>To establish a Move On property, enabling our residents to be supported in the next stage of their transition into independent living.</li> <li>To have developed a 'Passport to Independent Living' training programme that equips and accredits our Supported Living residents for mainstream housing.</li> </ul>
<p><b>COMMUNITY ENGAGEMENT AND PARTICIPATION</b>  <i>Objective: To meet the demand of the community who are already stretched and are now faced with a cost of living crisis, declining living standards and escalating cost.</i></p> <ul style="list-style-type: none"> <li>To work with the Trussell Trust Organisation and Mobilising Team to deliver a localised approach to campaigning, alongside those with lived experience, to bring about positive change to food insecurity.</li> <li>To further develop our partnership with Sunderland University to support our data collection and research into the root causes of deprivation, bringing fresh approaches and new thinking around the causal factors of deprivation and what would work best to bring positive change.</li> <li>To further our development and community ownership of the brand #chatforchange.</li> <li>To work as an integral and trusted partner in the South Tyneside Council Poverty Strategy Group, working to support the development of a Poverty Truth Commission.</li> <li>To work at a grass roots level to connect with people living with high levels of deprivation, gaining their support, and building the confidence to share their voice.</li> <li>To maintain our position as the trusted voice and central intelligence hub for information on the impact of deprivation in our local community. Utilising this to shape thinking amongst policy and strategy makers.</li> <li>To shape a campaign that brings the plight of those children and families trapped in working poverty.</li> </ul>



## A big thank you to our supporters.

Our success and the positive impact that we bring to so many in our community is not delivered in isolation.

Without the continued and generous support from our community, funding bodies and charitable foundations we would simply not be able to make a difference every day.

So, on behalf of our Volunteers, Trustees and staff we would like to say a heartfelt thank you.

**‘Alone  
We can do so little.  
Together  
We can do so much’.**

*Helen Keller, author and political activist.*

### Thank You to

The Albert Hunt Trust

Arnold Clark Auto

Community Area Forums, South Tyneside Council

The Gisela Graham Foundation

The Greggs Hardship Grant

The Grocers’ Charity

Hedley Denton Charitable Trust

The Joicey Trust

John Lewis

Neighbourly Community Fund

Royal Warrant Holders

South Tyneside Council

Trussell Trust – ASDA

Trussell Trust – OLM

Trussell Trust – Cost of Living

Trussell Trust – Participation

Trussell Trust HS – Refurbishment

TW & N Community Foundation

Virgin Money Foundation

Barbour Foundation

.....and to all in our community who supported us with donations throughout the year.

## Reference and administrative details of the charity, its trustees and advisors

<b>Registered charity name</b>	Hospitality and Hope
<b>Charity number</b>	1159213
<b>Registered office</b>	Hampden Street Operations Centre Hampden Street South Shields Tyne & Wear NE33 4JR
<b>Trustees and Members of the Board</b>	Pauline Tinnelly Sue Chilton (Treasurer) Sir David Chapman BT Peter Maloney Ann Rodgers – resigned 17.02.22 Sarah Green (Chair) Louise Lydon – appointed 21.10.21 Karen Richardson – appointed 16.08.22 Magnus Peter Robert Willis – appointed 15.07.22
<b>Chief Executive and Senior staff members</b>	Brian Thomas
<b>Independent Examiner</b>	Doug Maltman FMAAT Connected Voice Business Services Ltd One Strawberry Lane Newcastle upon Tyne. NE1 4BX.
<b>Bankers</b>	HSBC 110 Grey Street Newcastle Upon Tyne Tyne & Wear NE1 6JG

## **Structure, governance and management**

### **Recruitment and Appointment of the Board**

#### **Board Induction and Training**

New Board Members are introduced to the work of the organisation and informed of their legal roles and responsibilities at an induction meeting. The induction and training programme for new Board Members includes:

- A briefing by the Chair or Chief Executive
- An explanation of roles and responsibilities as a Board Member
- Copies of the main charity documents including the Memorandum and Articles of Association and the Financial Statements
- Copy of the business plan and most recent evaluation report
- Copies of recent board papers including budgets and management accounts
- A copy of the Charity Commission publication "How to be an Effective Trustee"
- A copy of the governance structure.

#### **Statement of Trustee Responsibilities**

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

Charity SORP requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charity and of incoming resources and application of resources, including the receipts and payments of the charity for that year. In preparing those financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 accounting records that disclose with reasonable accuracy at any time the financial position of the charity. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the Trustees on 26.07.2023 and signed on their behalf by:

S Green

Chair

## **HOSPITALITY AND HOPE CIO**

### **INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES**

For the year ended 31 October 2022

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I report on the financial statements of Hospitality and Hope CIO for the year ended 31 October 2022, which are set out on pages 15 to 32.

#### **Respective responsibilities of trustees and examiner**

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 ("the Charities Act") and that an independent examination is needed.

The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a Fellow Member of the Association of Accountancy Technicians.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the Charities Act,
- to follow the procedures laid down in the general Directions given by the Charity Commission (under section 145(5)(b) of the Charities Act), and
- to state whether particular matters have come to my attention.

#### **Basis of independent examiner's statement**

My examination was carried out in accordance with general Directions given by the Charity Commission. 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 seeking 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 no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

#### **Independent examiner's statement**

In connection with my examination, no material matters have come to my attention which gives me cause to believe that in, any material respect:

- the accounting records were not kept in accordance with section 130 of the Charities Act; or
- the accounts did not accord with the accounting records; or
- the accounts did not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 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.

I 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 accounts to be reached.

Doug Maltman FMAAT  
Connected Voice Business Services Ltd  
One Starwberry Lane  
Newcastle upon Tyne  
NE1 4BX  
Date: 26.07.2023

## HOSPITALITY AND HOPE CIO

### STATEMENT OF FINANCIAL ACTIVITIES

For the year ended 31 October 2022

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2022 £	Total 2021 £
<b><u>Income from:</u></b>					
Donations and legacies	6	81,487	100	<b>81,587</b>	136,916
Charitable activities					
Grants and contracts	7	147,053	127,627	<b>274,680</b>	286,136
Other trading activities	8	66,041	-	<b>66,041</b>	64,704
<b>Total income</b>		<b>294,581</b>	<b>127,727</b>	<b>422,308</b>	<b>487,756</b>
<b><u>Expenditure on:</u></b>					
Raising funds	9	2,985	-	<b>2,985</b>	12,870
Charitable activities					
Operation of the charity	10	317,856	99,359	<b>417,215</b>	373,817
<b>Total expenditure</b>		<b>320,841</b>	<b>99,359</b>	<b>420,200</b>	<b>386,687</b>
<b>Net income/(expenditure) before transfers</b>		<b>( 26,260 )</b>	<b>28,368</b>	<b>2,108</b>	<b>101,069</b>
Transfers between funds		690	( 690 )	-	-
<b>Net movement of funds</b>		<b>( 25,570 )</b>	<b>27,678</b>	<b>2,108</b>	<b>101,069</b>
<b><u>Reconciliation of funds</u></b>					
Total funds brought forward		313,308	510,450	<b>823,758</b>	722,689
<b>Total funds carried forward</b>		<b>287,738</b>	<b>538,128</b>	<b>825,866</b>	<b>823,758</b>

The Statement of Financial Activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities

The notes on pages 17 to 32 form an integral part of these accounts.

**BALANCE SHEET**

As at 31 October 2022

	Notes	£	Total 2022 £	£	Total 2021 £
<b><u>Fixed assets</u></b>					
Tangible assets	17		504,909		508,178
<b><i>Total fixed assets</i></b>			<b>504,909</b>		<b>508,178</b>
<b><u>Current assets</u></b>					
Stock	18	1,850		-	
Donated food stock	19	15,082		30,251	
Debtors	20	25,257		8,036	
Cash at bank and in hand	21	293,005		292,091	
<b><i>Total current assets</i></b>		<b>335,194</b>		<b>330,378</b>	
<b>Creditors:</b> amounts falling due within one year	22	( 14,237 )		( 14,798 )	
<b><i>Net current assets</i></b>			<b>320,957</b>		<b>315,580</b>
<b><i>Total assets less current liabilities</i></b>			<b>825,866</b>		<b>823,758</b>
<b><i>Total net assets or liabilities</i></b>			<b>825,866</b>		<b>823,758</b>
<b><u>Funds of the charity</u></b>					
Unrestricted income funds			287,738		313,308
Restricted income funds			538,128		510,450
<b><i>Total funds</i></b>			<b>825,866</b>		<b>823,758</b>

These financial statements were approved by the Board on:

26.07.2023

and are signed on its behalf by:

S Green  
Chair



# HOSPITALITY AND HOPE CIO

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 October 2022

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### 1 Accounting Policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

### 2 Basis of accounting

#### 2.1 Basis of preparation

These accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts.

The accounts have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective October 2019) – Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

Hospitality and Hope CIO meets the definition of a public benefit entity under FRS 102.

#### 2.2 Preparation of the accounts on a going concern basis

The charity reported total unrestricted funds at the year end of £287,738 and has already secured a significant amount of funding for the current year. The trustees are of the view that the immediate future of the charity for the next 12 months is secure and that on this basis the charity is a going concern.

### 3 Income

#### 3.1 Recognition of income

Income is recognised when the charity has entitlement to the resources, any performance conditions attached to the item(s) of income have been met, it is more likely than not that the resources will be received and the monetary value can be measured with sufficient reliability

#### 3.2 Offsetting

There has been no offsetting of assets and liabilities, or income and expenses, unless required or permitted by FRS102 SORP or FRS102.

#### 3.3 Grants and donations

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

Income received in advance of the provision of a specified service is deferred until the criteria of income recognition are met.

#### 3.4 Volunteer help

The value of volunteer help received is not included in the accounts but is described in the trustees' annual report.

#### 3.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

## **HOSPITALITY AND HOPE CIO**

### **NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 31 October 2022

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#### **3.6 Fund accounting**

Unrestricted funds are available to spend on activities that further any of the purposes of the charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity.

#### **4 Expenditure and liabilities**

##### **4.1 Liability recognition**

Liabilities are recognised when it is more likely than not that there is a legal or constructive obligation committing the charity to pay out resources and the amount of the obligation can be measured with reasonable certainty.

##### **4.2 Charitable activities**

Expenditure on charitable activities includes the costs of work and other activities undertaken to further the purposes of the charity and their associated support costs.

##### **4.3 Governance and support costs**

Support costs have been allocated between governance cost and other support. Governance costs comprise all costs involving public accountability of the charity and its compliance with regulation and good practice.

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources.

##### **4.4 Irrecoverable VAT**

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

##### **4.5 Creditors**

The charity has creditors which are measured at settlement amounts less any trade discounts.

##### **4.6 Provisions for liabilities**

A liability is measured on recognition at its historical cost and then subsequently measured at the best estimate of the amount required to settle the obligation at the reporting date.

#### **5 Assets**

##### **5.1 Tangible fixed assets for use by the charity**

Individual fixed assets costing £250 or more are capitalised at cost and are depreciated over their estimated useful economic lives on a straight line basis.

Office and computer equipment	25% straight line
Freehold land and buildings	Straight line over 50 years
Vehicle	Straight line over 5 years

## HOSPITALITY AND HOPE CIO

### NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 October 2022

#### Analysis of income

	Unrestricted Funds £	Restricted Funds £	Total 2022 £	Total 2021 £
<b>6 Donations and legacies</b>				
Donations and gifts	48,586	100	<b>48,686</b>	55,665
Donated goods for distribution to recipients	27,593	-	<b>27,593</b>	79,937
Other	5,308	-	<b>5,308</b>	1,314
	<b>81,487</b>	<b>100</b>	<b>81,587</b>	<b>136,916</b>
<b>7 Charitable activities</b>				
<u>Income from grants</u>				
Greggs Foundation	-	-	-	20,000
Greggs Hardship Grant	100	-	<b>100</b>	570
Gisela Graham Foundation	13,000	-	<b>13,000</b>	3,000
Albert Hunt Trust	5,000	-	<b>5,000</b>	5,000
County Durham Community Foundation - Sherburn House Charity	-	-	-	6,000
South Tyneside Council - CAF	500	-	<b>500</b>	4,000
South Tyneside Council - Local Restrictions	-	-	-	7,621
TW&N Community Foundation	-	2,983	<b>2,983</b>	8,000
TW&N Community Foundation - Foodbank	9,970	-	<b>9,970</b>	-
TW&N Community Foundation - Ringtons	-	-	-	4,840
Tenants rent	800	-	<b>800</b>	530
South Tyneside Council - Foodbank	49,500	-	<b>49,500</b>	53,500
Neighbourly	500	-	<b>500</b>	-
Trussell Trust - ASDA	4,261	1,697	<b>5,958</b>	-
Trussell Trust - OLM	6,098	30,488	<b>36,586</b>	-
Trussell Trust - Cost of living	-	5,000	<b>5,000</b>	-
Trussell Trust - Participation	2,822	18,815	<b>21,637</b>	-
Hedley Denton	1,000	-	<b>1,000</b>	1,000
Arnold Clark Auto	1,000	-	<b>1,000</b>	-
Virgin Money Foundation	-	16,535	<b>16,535</b>	-
Trussell Trust HS - Refurbishment	-	28,500	<b>28,500</b>	-
Royal Warrant Holders	-	3,000	<b>3,000</b>	-
Joicey Trust	-	2,100	<b>2,100</b>	-
Grocers Charity	4,800	-	<b>4,800</b>	-
John Lewis	500	-	<b>500</b>	-
Pease Family	12,500	-	<b>12,500</b>	-
Garfield Weston Foundation	-	-	-	25,000
TW&N Community Foundation - Co-op Food	-	-	-	5,591
Coalfields Regeneration Trust	-	-	-	9,945
Balance C/fwd	<b>112,351</b>	<b>109,118</b>	<b>221,469</b>	<b>154,597</b>

## HOSPITALITY AND HOPE CIO

### NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 October 2022

#### Income from grants (continued)

	Unrestricted Funds £	Restricted Funds £	<b>Total 2022 £</b>	Total 2021 £
Balance B/fwd	112,351	109,118	<b>221,469</b>	154,597
J Fenwick	-	-	-	600
Finn Family Fund	-	-	-	1,000
Archer Trust	-	-	-	2,000
Dr. Tony Trapp	-	-	-	10,000
Roy & Pixie Baker Charitable Trust	-	-	-	2,000
W A Handley Charitable Trust	-	-	-	2,000
Charitable Trust	-	-	-	2,000
South Tyneside Council - (Summer) HAF	31,000	-	<b>31,000</b>	32,400
Sylvia & Colin Shepherd Charitable Trust	-	-	-	500
Trussell Trust - Financial inclusion	3,702	18,509	<b>22,211</b>	45,560
National Lottery Community Fund	-	-	-	27,968
HMRC Job Retention Grant	-	-	-	5,511
	<u>147,053</u>	<u>127,627</u>	<u><b>274,680</b></u>	<u>286,136</u>

#### 8 Other trading activities

Fundraising events	830	-	<b>830</b>	140
Room Hire	-	-	-	200
Supported Living Accommodation residents	61,835	-	<b>61,835</b>	64,364
Shop takings	3,376	-	<b>3,376</b>	-
	<u>66,041</u>	<u>-</u>	<u><b>66,041</b></u>	<u>64,704</u>

Income was £422,308 (2021: £487,756) of which £294,581 was unrestricted or designated (2021: £326,550) and £127,727 was restricted (2021: £161,206)

# HOSPITALITY AND HOPE CIO

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 October 2022

### Analysis of expenditure on charitable activities

	Unrestricted Funds	Restricted Funds	Total 2022	Total 2021
	£	£	£	£
<b>9 Raising funds</b>				
Fundraising costs - salary	2,473	-	<b>2,473</b>	12,870
Fundraising costs	512	-	<b>512</b>	-
	<u>2,985</u>	<u>-</u>	<u><b>2,985</b></u>	<u>12,870</u>
<b>10 Charitable activities</b>				
<u>Direct costs</u>				
Staff salaries	46,546	28,854	<b>75,400</b>	43,899
Staff NI	30,914	-	<b>30,914</b>	3,323
Pension costs	6,131	-	<b>6,131</b>	682
Staff - Other expenses	275	-	<b>275</b>	-
Donated goods distributed to recipients	42,762	-	<b>42,762</b>	80,275
Food bank core costs:				
- Staff salaries	16,599	-	<b>16,599</b>	18,027
- Staff NI	1,201	-	<b>1,201</b>	1,510
- Pension costs	517	-	<b>517</b>	161
- vehicle costs	2,679	-	<b>2,679</b>	7,183
- Other expenses	597	-	<b>597</b>	20
- Activities	-	-	-	3,966
<u>Support costs</u>				
Volunteer Co-ordinator costs:				
- Salary costs	-	-	-	12,159
- NI costs	-	-	-	1,370
- Pension costs	-	-	-	365
Staff training	735	-	<b>735</b>	1,000
Staff travel	775	-	<b>775</b>	390
Core costs:				
- Literature	-	-	-	170
- Volunteer costs	744	-	<b>744</b>	-
- Office costs	1,428	1,021	<b>2,449</b>	5,822
- Insurance	2,784	-	<b>2,784</b>	3,754
- Membership fees	-	481	<b>481</b>	-
- Sundry	1,377	-	<b>1,377</b>	682
- Equipment	2,264	-	<b>2,264</b>	-
- Depreciation	2,951	6,174	<b>9,125</b>	7,709
- Health and Safety	20	-	<b>20</b>	-
- ICT software	3,508	143	<b>3,651</b>	4,901
- Marketing and communications	2,162	50	<b>2,212</b>	2,271
- M&E Consultancy	900	-	<b>900</b>	6,000
- Legal fees	-	-	-	647
- HR support	2,526	-	<b>2,526</b>	2,105
Balance C/fwd	<u>170,395</u>	<u>36,723</u>	<u><b>207,118</b></u>	<u>208,391</u>

## HOSPITALITY AND HOPE CIO

### NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 October 2022

#### Support costs continued

Balance B/fwd	170,395	36,723	<b>207,118</b>	208,391
- Staff recruitment expenses	384	-	<b>384</b>	-
- Bank charges	260	-	<b>260</b>	-
- Office costs	660	-	<b>660</b>	1,590
- Refreshments	195	-	<b>195</b>	518
- Payroll fees	1,300	-	<b>1,300</b>	2,359
- Other expenses	-	-	-	3,143
Trussell Trust - Financial Inclusion	-	17,729	<b>17,729</b>	12,546
South Tyneside Council - Covid-19	-	-	-	5,852
National Lottery Community Fund	-	-	-	18,534
Greggs Hardship Fund	-	-	-	654
South Tyneside Council - Holidays, activities and food	24,895	-	<b>24,895</b>	22,310
Coalfields Regeneration Trust	-	-	-	2,699
Laygate - Supported living Accommodation core costs:				
- Salary costs	34,358	-	<b>34,358</b>	29,522
- NI costs	2,583	100	<b>2,683</b>	2,536
- Pension costs	1,068	-	<b>1,068</b>	790
- Agency staff	284	-	<b>284</b>	-
- Training	-	370	<b>370</b>	-
- Office costs	1,669	-	<b>1,669</b>	2,652
- Inspection	230	-	<b>230</b>	-
- Small equipment	350	-	<b>350</b>	-
- Clothing	125	201	<b>326</b>	-
- Premises	7,101	-	<b>7,101</b>	5,224
- Food	668	159	<b>827</b>	620
- House expenses	2,053	-	<b>2,053</b>	1,535
- Activities	77	2,918	<b>2,995</b>	554
- Other expenses	1,531	-	<b>1,531</b>	2,064
Wellbeing:				
- Salary costs	37,025	-	<b>37,025</b>	15,277
- NI costs	2,730	-	<b>2,730</b>	1,081
- Pension costs	810	-	<b>810</b>	288
STEP costs:				
- Premises	2,106	-	<b>2,106</b>	-
- Janitorial	339	-	<b>339</b>	-
- Inspection	1,695	-	<b>1,695</b>	-
- Equipment	250	-	<b>250</b>	-
- Activities	1,558	2,983	<b>4,541</b>	-
Hampden core costs:				
- Inspections	444	-	<b>444</b>	869
- Security	1,245	-	<b>1,245</b>	-
- Premises costs	10,942	-	<b>10,942</b>	7,603
- Building repairs	-	-	-	5,005
- Refurbishment	112	28,500	<b>28,612</b>	-
- Janitorial	191	-	<b>191</b>	643
- Small equipment	285	-	<b>285</b>	-
Grant refunds				
- Trussell Trust	1,770	-	<b>1,770</b>	5,240
- Greggs Foundation	-	-	-	10,000
Balance C/fwd	<b>311,688</b>	<b>89,683</b>	<b>401,371</b>	<b>370,099</b>



## HOSPITALITY AND HOPE CIO

### NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 October 2022

#### Support costs continued

Balance B/fwd	311,688	89,683	<b>401,371</b>	370,099
- Coalfields Regeneration Trust	-	-	-	2,710
SHOP costs:				
- Premises	1,416	5,345	<b>6,761</b>	-
- Cleaning	389	-	<b>389</b>	-
- Telephone	287	-	<b>287</b>	-
- Janitorial	486	-	<b>486</b>	-
- Equipment	156	-	<b>156</b>	-
- Membership	318	-	<b>318</b>	-
- Food	501	4,331	<b>4,832</b>	-
- Office costs	301	-	<b>301</b>	-

#### Governance costs

Trustees event	802	-	<b>802</b>	-
Independent examiner's fees for reporting on the accounts	1,512	-	<b>1,512</b>	1,008
	<u>317,856</u>	<u>99,359</u>	<u><b>417,215</b></u>	<u>373,817</u>

Expenditure on charitable activities was £420,200 (2021: £386,687) of which £320,841 was unrestricted or designated (2021: £219,950) and £99,359 was restricted (2021: £166,737)

#### 11 Fees for examination of the accounts

	<b>2022</b>	2021
	<b>£</b>	£
Independent examiner's fees for reporting on the accounts	<b>1,512</b>	1,008
Other accountancy services paid to the examiner	<b>1,300</b>	2,359
	<u><b>2,812</b></u>	<u>3,367</u>

#### 12 Analysis of staff costs and the cost of key management personnel

	<b>2022</b>	2021
	<b>£</b>	£
Salaries and wages	<b>134,488</b>	123,296
Social security costs	<b>17,528</b>	9,821
Pension costs (defined contribution pension plan)	<b>7,624</b>	2,286
	<u><b>159,640</b></u>	<u>135,403</u>

No employee received remuneration above £60,000 (2021: nil)

The key management personnel of the charity, comprise the Chief Executive Officer. The total employee benefits of the key management personnel of the charity were £46,797 (2021: £36,902).

## HOSPITALITY AND HOPE CIO

### NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 October 2022

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#### 13 Staff numbers

The average monthly head count was 14 staff (2021: 13 staff) and the average monthly number of full-time equivalent employees during the year were as follows:

	2022 Number	2021 Number
The parts of the charity in which the employee's work		
Charitable activities	8.1	5.6
	8.1	5.6

#### 14 Transactions with trustees

None of the trustees have been paid any remuneration or received any other benefits from an employment with their charity or a related entity.

##### Trustees' expenses

No trustee expenses have been incurred in the year.

##### Transaction(s) with related parties

There have been no related party transactions in the reporting period.

Sir David Chapman is also a board member for Chapman Charitable Trust and The Giesla Graham Foundation of which a grant of £13,000 was received (2021: £3,000).

#### 15 Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The employer's pension costs represent contributions payable by the charity to the fund and amount to £7,624 (2021: £2,286). There was £902 outstanding as at 31 October 2022 (2021: £486)

#### 16 Corporation Taxation

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

## HOSPITALITY AND HOPE CIO

### NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 October 2022

	Vehicle £	Office and computer equipment £	Freehold land and Buildings £	Total £
<b>17 Tangible fixed assets</b>				
<b>Cost</b>				
Balance brought forward	6,770	4,601	524,423	<b>535,794</b>
Additions	-	5,855	-	<b>5,855</b>
Disposals	-	-	-	-
<b>Balance carried forward</b>	<b>6,770</b>	<b>10,456</b>	<b>524,423</b>	<b>541,649</b>
<b>Depreciation</b>				
Basis	SL	SL	SL	
Rate	25%	25%	50 years	
Balance brought forward	1,354	3,510	22,752	<b>27,616</b>
Depreciation charge for year	1,354	2,082	5,688	<b>9,124</b>
Disposals	-	-	-	-
<b>Balance carried forward</b>	<b>2,708</b>	<b>5,592</b>	<b>28,440</b>	<b>36,740</b>
<b>Net book value</b>				
<b>Brought forward</b>	<b>5,416</b>	<b>1,091</b>	<b>501,671</b>	<b>508,178</b>
<b>Carried forward</b>	<b>4,062</b>	<b>4,864</b>	<b>495,983</b>	<b>504,909</b>

	2022 £	2021 £
<b>18 Stock</b>		
Opening stock	-	20
Added in period	<b>6,180</b>	-
Expensed in period	<b>( 4,330 )</b>	-
Impaired	-	( 20 )
Closing stock	<b>1,850</b>	-

	2022 £	2021 £
<b>19 Donated food stock</b>		
Opening stock	<b>30,251</b>	30,589
Added in period	<b>27,593</b>	79,937
Expensed in period	<b>( 42,762 )</b>	( 80,275 )
Impaired	-	-
Closing stock	<b>15,082</b>	30,251

	2022 £	2021 £
<b>20 Debtors and prepayments (receivable within 1 year)</b>		
Debtors	<b>22,211</b>	4,625
Prepayments	<b>3,046</b>	3,411
	<b>25,257</b>	8,036

## HOSPITALITY AND HOPE CIO

### NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 October 2022

#### 21 Cash at bank and in hand

	2022 £	2021 £
Cash at bank	292,555	291,891
Cash in hand	450	200
	<b>293,005</b>	<b>292,091</b>

#### 22 Creditors and accruals (payable within 1 year)

	2022 £	2021 £
Accruals		
Independent examination of the accounts	1,440	1,008
Loan repayment	10,000	10,000
Credit card	652	1,370
Prepaid income	-	228
Other creditors	2,145	2,192
	<b>14,237</b>	<b>14,798</b>

#### 23 Deferred income

Deferred income comprises of advance payments from grants that relate to future periods

	2022 £	2021 £
Balance brought forward	-	44,348
Amount released to income earned from charitable activities	-	( 44,348 )
Amount deferred in year	-	-
Balance carried forward	-	-

#### 24 Events after the end of the reporting period

No other significant events affecting the Charity since the year end.

#### 25 Analysis of charitable funds

##### Analysis of movements in unrestricted funds

For the year ended 31 October 2022

	Fund balances brought forward £	Incoming resources £	Resources expended £	Transfers £	Fund balances carried forward £
<b>Unrestricted funds</b>					
General unrestricted fund	89,308	294,581	( 320,841 )	25,690	88,738
Designated funds:					
Contingency Fund	224,000	-	-	( 25,000 )	199,000
<b>Totals</b>	<b>313,308</b>	<b>294,581</b>	<b>( 320,841 )</b>	<b>690</b>	<b>287,738</b>

# HOSPITALITY AND HOPE CIO

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 October 2022

### For the year ended 31 October 2021

	Fund balances brought forward £	Incoming resources £	Resources expended £	Transfers £	Fund balances carried forward £
<b>Unrestricted funds</b>					
General unrestricted fund	122,308	326,550	( 219,950 )	( 139,600 )	<b>89,308</b>
Designated funds:					
Contingency Fund	71,000	-	-	153,000	<b>224,000</b>
<b>Totals</b>	<b>193,308</b>	<b>326,550</b>	<b>( 219,950 )</b>	<b>13,400</b>	<b>313,308</b>

### Purpose of unrestricted funds

General unrestricted fund	The 'free reserves' of the charity
Designated Funds:	
Contingency Fund	To cover unexpected costs incurred.

### Analysis of movement in restricted funds

For the year ended 31 October 2022

	Fund balances brought forward £	Incoming resources £	Resources expended £	Transfers £	Fund balances carried forward £
<b>Restricted funds</b>					
Laygate Supported Living Accommodation	-	100	( 100 )	-	-
Building Fund	( 14,818 )	-	-	4,818	<b>( 10,000 )</b>
Freehold land and Building	501,672	-	( 5,688 )	-	<b>495,984</b>
Trussell Trust - Financial Inclusion	19,948	18,509	( 18,069 )	( 4,908 )	<b>15,480</b>
TW&N Community Foundation - Ringtons	3,648	-	( 3,648 )	-	-
Shop equipment	-	1,944	( 486 )	-	<b>1,458</b>
Trussell Trust - ASDA	-	1,697	-	-	<b>1,697</b>
Trussell Trust - OLM	-	30,488	( 21,692 )	-	<b>8,796</b>
Trussell Trust - Participation	-	18,815	( 8,517 )	( 600 )	<b>9,698</b>
Trussell Trust - Hampden refurbishment	-	28,500	( 28,500 )	-	-
Trussell Trust - Cost of Living	-	5,000	-	-	<b>5,000</b>
Virgin Money - Shop	-	16,535	( 9,520 )	-	<b>7,015</b>
Joicey Trust - Shop	-	156	( 156 )	-	-
Royal Warrant Holders - Shop	-	3,000	-	-	<b>3,000</b>
TW&N Community Foundation - Cooking on a Budget	-	2,983	( 2,983 )	-	-
<b>Totals</b>	<b>510,450</b>	<b>127,727</b>	<b>( 99,359 )</b>	<b>( 690 )</b>	<b>538,128</b>

## HOSPITALITY AND HOPE CIO

### NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 October 2022

#### For the year ended 31 October 2021

	Fund balances brought forward £	Incoming resources £	Resources expended £	Transfers £	Fund balances carried forward £
<b>Restricted funds</b>					
Laygate café	-	64,364	( 40,964 )	( 23,400 )	-
Greggs Foundation	6,237	-	( 6,237 )	-	-
Barbour Foundation	15,508	-	( 15,508 )	-	-
Sir James Knott Trust	24,932	-	( 24,932 )	-	-
Building Fund	( 24,818 )	-	-	10,000	( 14,818 )
Freehold land and Building	507,359	-	( 5,687 )	-	501,672
Asset - Laygate furniture	73	-	( 73 )	-	-
Durham County Community Foundation - Sherburn House	-	6,000	( 6,000 )	-	-
Greggs Hardship Grant	90	570	( 660 )	-	-
TW&N Community Foundation - Co- op Food	-	5,591	( 5,591 )	-	-
Coalfields Regeneration Trust	-	9,945	( 9,945 )	-	-
Trussell Trust Financial Inclusion	-	41,928	( 21,980 )	-	19,948
National Lottery Community Fund	-	27,968	( 27,968 )	-	-
TW&N Community Foundation - Ringtons	-	4,840	( 1,192 )	-	3,648
<b>Totals</b>	<b>529,381</b>	<b>161,206</b>	<b>( 166,737 )</b>	<b>( 13,400 )</b>	<b>510,450</b>

#### Purpose of restricted funds

Restricted funds represent income resources used for a specific purpose within the charity as identified by the donor.

Laygate café	Funds to cover costs of Laygate cafe.
Laygate Supported Living Accommodation	Funds to cover costs of Laygate HMO.
Greggs Foundation	Costs of operating Hampden Street.
Barbour Trust	Staffing to develop the charity.
Sir James Knott	Staffing costs.
Building Fund	Funds to cover costs of Laygate property.
Freehold land and buildings	Value of land and building less depreciation.
Asset - Laygate furniture	Value of Laygate furniture less depreciation.
County Durham Community Foundation - Sherburn House Charity	Staffing costs.
Greggs Hardship Grant	Clothing for Supported Living Accommodation residents.
TW&N Community Foundation - Co- op Food	Funds for the foodbank.
Coalfields Regeneration Trust	Funds for activities for Supported Living Accommodation residents.
Trussell Trust Financial Inclusion	Funds for Financial inclusion Project.
National lottery community Fund	Funds for the foodbank.
TW&N Community Foundation - Ringtons	Funds for the Supported Living Accommodation.
Shop equipment	Funds for purchasing equipment for Community Shop.
Trussell Trust - ASDA	Funds for purchasing stock for Foodbank.



## HOSPITALITY AND HOPE CIO

### NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 October 2022

#### Purpose of restricted funds (continued)

Trussell Trust - OLM	Funds to bring the lived experience of those suffering deprivation, to the table of statutory organisations to change thinking and inform decision
Trussell Trust - Participation	Funds to deliver our community insight and research, working in the community to identify the root cause of deprivation at a macro level.
Trussell Trust - Hampden refurbishment	Funds to refurbish Hampden Street Operations Centre.
Trussell Trust - Cost of Living	Funds for purchasing stock for the Foodbank.
Virgin Money - Shop	Funds to develop community shop.
Joicey Trust - Shop	Funds to develop community shop.
Royal Warrant Holders - Shop	Funds to develop community shop.
TW&N Community Foundation - Cooking on a Budget	Funds to deliver Cooking on a Budget courses.

Transfers between funds As at 31 October 2022	Reason for transfer	Amount £
Between restricted and unrestricted funds.	Transfer to Building Fund loan.	4,818
Between restricted and unrestricted funds.	Trussell Trust - Financial Inclusion contribution to core costs.	4,908
Between restricted and unrestricted funds.	Trussell Trust - Participation contribution to core costs.	600
Between unrestricted and designated funds.	Trustee decision to decrease Contingency fund for 2022-23.	25,000
Transfers between funds As at 31 October 2021	Reason for transfer	Amount £
Between restricted and unrestricted funds.	Transfer to Building Fund loan.	10,000
Between restricted and unrestricted funds.	Laygate Supported living Accommodation surplus moved to unrestricted funds.	23,400
Between unrestricted and designated funds.	Trustee decision to increase Contingency fund for 2021-22.	153,000

#### 26 Capital commitments

As at 31 October 2022, the charity had no capital commitments (2021 -£nil)

27 Analysis of net assets between funds	Unrestricted Funds £	Restricted Funds £	Total 2022 £	Total restated 2021 £
Tangible fixed assets	4,062	500,847	504,909	508,178
Cash at bank and in hand	255,724	37,281	293,005	292,091
Other net current assets/(liabilities)	27,952	-	27,952	23,975
	287,738	538,128	825,866	824,244

#### 28 Guarantee

There have been no guarantees given by the charity at 31 October 2022.

## **HOSPITALITY AND HOPE CIO**

### **NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 31 October 2022

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#### **29 Debt**

There is no debt outstanding which is owed by the charity and which is secured by an excess charge on any of the assets of the charity at 31 October 2022.

#### **30 Governing document**

The organisation is a Charitable Incorporated Organisation - Foundation registered on 14 November 2014 as a body corporate under part 11 of the Charities Act 2011.