

HOPE NOT HATE CHARITABLE TRUST

**Report of the directors and
financial statements
for the year ended 31 December 2016**

**Company number 2738367
Charity registration number 1013880**

Hope Not Hate Charitable Trust

(A company limited by guarantee and a charity)

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Legal and administrative information

Directors present	Ms N Thiranagama (Resigned 1.3.2017) Mr D Middleburgh Mr G Josan Mr P Adams Rev P D Butler Dr C K Hollingsworth Ms T Kazi Mr S Tuttle Rabbi Dr H Belovski (Appointed 1.8.2016)
Registered office	Suite 1, 3 rd Floor 11-12 St James's Square London SW1Y 4LB
Registered number	02738367
Charity registration number	1013880
Bankers	Metro Bank One Southampton Row London WC1B 5HA

Hope Not Hate Charitable Trust

(A company limited by guarantee and a charity)

Report of the directors for the year ended 31 December 2016

The trustees, who are also directors of the charity for the purposes of the Companies Acts, present their report and the accounts of the company for the year ended 31 December 2016.

Constitution and objects

Hope Not Hate Charitable Trust is constituted as a company limited by guarantee and is a registered charity number 1013880. Its objects and powers and other constitutional matters are set out in its Memorandum and Articles of Association dated 1 July 1992 and updated 9th December 2014.

The directors confirm they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities.

The objects of the charity in the year under review were the provision of education and training in relation to racial and religious prejudice, research into the causes and effects of racial and religious prejudice and disharmony and the dissemination of the results of such research.

Organisation

Directors are appointed by the board of directors and they serve for three years. After such period they may put themselves forward for reappointment. The directors, who are responsible for setting the strategic direction of the organisation, meet approximately quarterly but there are some groups, which include specialist co-optees, who meet more often to assess the work of the charity and its fundraising activities. These sub-groups report to the full board of directors.

Report of the charity's work in furtherance of its objectives

Research

Research successes include

- **DOVER CONVICTIONS**
Photography and research from HOPE not hate led to the imprisonment of several Nazis for their involvement in violent disorder in Dover in January 2016.
- **YOUNG NAZIS**
Throughout the year we have reported on the on-going activities of the now banned group, National Action. Several of our exposés have led to arrests and convictions.
- **GIG STOPPED**
HOPE not hate forced the cancellation of a white power gig in Scotland which was due to be attended by Bound for Glory, the world's most high profile racist band.
- **PEGIDA UNMASKED**
HOPE not hate instantly destroyed the credibility of Pegida, the newly formed anti-Muslim group set up by EDL founder Stephen Lennon, by revealing the huge number of violent EDL supporters involved.
- **CHEERLEADING FOR ISIS**
HOPE not hate produced the most extensive report into Anjem Choudary and his Al-Muhajiroun network. This included identifying several Britons who are now fighting with IS in Syria.
- **THE LEADERSHIP TABLE**
HOPE not hate reported from inside a secret meeting of Britain's far right leaders to discuss bringing the different groups together in the post-Brexit era.

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Fear & Hope 2016

Five years ago HOPE not hate launched a pioneering report investigating the new politics of identity in Britain. Much has happened since then. Five years on, English attitudes had shifted in a more optimistic direction, which is perhaps surprising given the events of recent years. Respondents to the new Fear and HOPE 2016 survey were much more positive about personal and national progress, more economically secure, and less anxious about identity change. They were also more positive about the impact of immigration, more comfortable with multiculturalism and more supportive of action against racial and religious hate speech. Even attitudes to Islam as a religion and Muslims in this country have improved. Whilst there is still a deep cultural gulf, the overwhelming majority of English people believe it is wrong to stigmatise a whole religious group for the actions of an extremist few.

Old fears remain, but these too have moderated. In the week after the EU referendum we carried out another Fear & HOPE report to see how Britain had changed. Whilst there was a spike in racist attacks in the days immediately after the referendum this did not reflect a rise in racism in society as a whole. If anything, the referendum result galvanised liberals in society to become even more liberal. However, the warning signs in this new poll were obvious. Our surveys have always found a correlation between economic pessimism and fear and even hatred of the 'other'. However, after the referendum those who had been most pessimistic about their future were suddenly the most optimistic. The danger is that if this optimism is not realised then there are going to be a lot of very angry people who feel betrayed by the political class and so could look to more extreme solutions.

HOPE not hate in the community

2016 was a consolidation for the Organising Team, with a series of training workshops in January in London, Kent, Essex and South Wales setting the tone for the year which saw 30 training workshops across the country. On the ground we continued to unite divided communities and also respond to emerging crises and threats.

Highlights of the year include:

- In response to a planned demonstration by the anti-Muslim Pegida UK in Birmingham, HOPE not hate ran a positive campaign that united communities around what they had in common. This campaign culminated in a meeting of 250 people from all faiths and none to talk about how to build stronger communities in the city and many new alliances and friendships were formed.
- In the run up to the London Mayoral election, the team worked hard to use voter registration as a means of bringing communities together. Teaming up with Ben and Jerry's ice cream was a sure fire way to get into local colleges to reach young adults who were the most at risk from not being registered. In the run up to the EU referendum, voter registration was followed up with a campaign to help people 'find the facts' rather than follow the sound bites.
- The new Middle England project began to evolve, with organisers working in Kingston and Richmond as well as Watford and South Cambridgeshire to shape a positive narrative around immigration and cohesion in more affluent communities.

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- The murder of Jo Cox meant that we had to respond to the wave of anguish by the tens of thousands of people who felt that the country was becoming darker. Over 100 meetings were held across the UK.
- Another new project launched in 2016 was organising amongst younger migrants with the aim of providing them with the skills necessary to advocate and organise for themselves. A fantastic weekend school in November brought dozens of young migrants together from across the country.
- In the early Autumn we began to formulate a post-industrial communities project to work to work in those communities which have suffered most economically over the last 30 years.
- The year was also characterised by an increase in collaborations, both at local and national level. Working with groups like Bite the Ballot, Ben and Jerry's, local colleges, faith leaders, migrant support groups and increasingly trade unions, meant our work was more successful at reaching deep into communities.

In 2016 HOPE not hate launched a pilot programme to engage with young people and teachers in schools and colleges. These included teacher training at INSET days, and workshops on everyday discriminatory language to secondary school pupils. The highlight of the year was a course run for 7-14 year olds in conjunction with Colchester United Football Club, linking our message of inclusivity and tolerance with football.

Our organising team ran training sessions in Sheffield, Derby, Brighton, Stoke, London, Birmingham, Cardiff, Swansea, Carmarthen, Merthyr Tydfil, Newport, Swindon, Wrexham, Penmaenmawr, Dagenham, Colchester and Rotherham during 2016.

HOPE Camp

HOPE camp is HOPE not hate's largest annual training event, and is growing every year. In September 2016, over 90 people attended a four-day training event, exploring the state of hate and providing training in organising techniques. The training is always very interactive, and this year included sessions on power mapping, strategic choices, coalition building and campaign planning. Also covered were sessions on engaging with faith communities and planning activities around future HOPE not hate campaigns. The group attending was very diverse, ranging from students to pensioners, and included refugees whose insights enriched the learning of the whole group.

A focus this year was on learning to conduct difficult conversations, and engaging with people who express racist views. We looked in depth at the way we can use conversations to allow people to articulate their underlying concerns, and explore different views on the causes of those concerns.

#MoreInCommon

In response to the horror at the murder of Labour MP Jo Cox and the upsurge in racism which followed the EU referendum result, HOPE not hate organised a #MoreInCommon weekend to bring communities together. A new Fear & HOPE poll, commissioned in the week after the referendum, showed a deeply divided and anxious country. While a small group of racists felt emboldened by the result and so carried out racist attacks on minorities and in particular Eastern Europeans, there was also a growing backlash from many people who voted Remain in the referendum towards those who had voted to leave.

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As a result HOPE not hate felt it necessary to bring our divided communities together and over the weekend of 3/4 September we organised 83 #MoreInCommon events across the country. Some, like Batley, saw over 1,500 people attend. Others were smaller, more localised, community picnics. Despite appalling weather across much of the country, there was a real desire to organise positive events. What was most encouraging was the amount of new people who offered to organise events and many of them have gone on to get more actively involved in HOPE not hate. Our #MoreInCommon weekend was supported by tech company #SeenIt who gave our supporters the ability to upload video and photos from their events so they could be instantly put into a national video.

Financial review

HNH Charitable Trust continued to attract unrestricted and restricted grant funding, which enabled the charity to continue and expand its work, which is carried out by its employees and by engaging consultants where necessary. The successful fundraising in 2016, the effectiveness and efficiency of its staff and its strong financial management enabled HNH Charitable Trust to end the year with a surplus of cash. 2017 fundraising started well.

The main financial risk faced by the company is that the continuation of grant income is uncertain.

Policy on reserves

Although most of the company's income flow consists of short-term grants, the directors made the decision in 2015 to gradually build up the company's reserves, until a steady £100,000 is available as a reserve.

Risk management

The directors have examined the major strategic business and operational risks that the charity faces and confirm that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to lessen the risk.

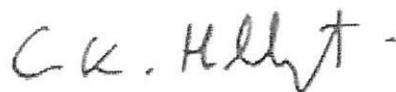
Grant-making policies

The company does not make any grants.

Volunteers

A few volunteers worked for the charity from time to time during 2016. Their contributions included management and administration, fundraising, working in the office and carrying out the objects and principal activities of the charity.

By order of the Board



Cormac Hollingsworth
Director

Date: 31 August 2017

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Independent examiner's report to the trustees of Hope Not Hate Charitable Trust

I report on the accounts of the company for the year ended 31 December 2016, which are set out on pages 8 to 14.

Respective responsibilities of trustee and examiner

The charity's trustees are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 43(2) of the Charities Act 1993 (the 1993 Act) and that an independent examination is needed.

It is my responsibility:

- To examine the accounts under section 43 of the Act;
- To follow the procedures laid down in the general Directions given by the Charity Commission under Section 43(7)(b) of the 1993 Act: and
- To state whether particular matters have come to my attention.

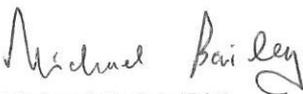
Basis of independent examiner's report

My examination was carried out in accordance with the 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 of disclosures in the accounts and seeking explanations from you as 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 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 386 of the Companies Act 2006 and
 - to prepare accounts which accord with the accounting records, comply with the accounting Requirements of section 396 of the companies Act 2006, and with the methods and Principles of the Statement of Recommended Practice: Accounting and Reporting by Charities have not been met.
- (2) to which, in my opinion, attention should be drawn in order to enable a proper undertaking of the accounts to be reached.



Michael Bailey FCA
14 Ellerby Street
London
SW6 6EY

Date: 31 August 2017

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Statement of financial activities for the year ended 31 December 2016
(also incorporating an income and expenditure account)

	Notes	Unrestricted	Restricted	2016	2015
				£	Total
					£
Net income/(expenditure) for the year					
Incoming resources from generated funds					
Grants and donations received		711,092	279,151	990,243	697,934
Interest		833	-	833	959
Other income		-	-	-	6,525
		<u>711,925</u>	<u>279,151</u>	<u>991,076</u>	<u>705,418</u>
Resources expended					
Costs of generating funds	(2)	-	-	-	-
Charitable expenditure					
Charitable activities	(3)	669,161	279,151	948,312	747,640
Governance costs		3,000	-	3,000	2,500
		<u>672,161</u>	<u>279,151</u>	<u>951,312</u>	<u>750,140</u>
Net income/(expenditure) for the year	(5)	39,764	-	39,764	(44,722)
Funds at 1 January 2016		150,762	-	150,762	195,484
Funds at 31 December 2016		<u>190,526</u>	<u>-</u>	<u>190,526</u>	<u>150,762</u>

The statement of financial activities includes all gains and losses in the year. All incoming resources and resources expended derive from continuing activities.

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Balance sheet as at 31 December 2016

		2016		2015
		£	£	£
Fixed assets				
Tangible assets	(6)	-	-	-
Current assets				
Rent Deposit		3,915	3,915	-
Debtors	(7)	-	-	-
Cash at bank and in hand		<u>490,594</u>	<u>282,155</u>	-
		494,509	286,070	
Creditors: amounts falling due within one year	(8)	<u>303,983</u>	<u>135,308</u>	-
Net current assets		<u>190,526</u>	<u>150,762</u>	
Total net assets		<u>190,526</u>	<u>150,762</u>	
Funds				
Restricted funds	(9)	-	-	
Unrestricted funds		<u>190,526</u>	<u>150,762</u>	
	(10)	<u>190,526</u>	<u>150,762</u>	

For the year ended 31 December 2016 the company was entitled to exemption under section 477 of the Companies Act 2006 and no members have required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibility for:

- i) ensuring that the company keeps accounting records which comply with sections 386 and 387; and
- ii) preparing accounts which give a true and fair view of the state of affairs of the company as at 31 December 2016 and of its profit for the year then ended, in accordance with the sections 394 and 395, and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements so far as applicable to the company.

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

The financial statements were approved by the Board on 31/1/17 and signed on its behalf.

Cormac Hollingsworth
Director

C. K. Hollingsworth

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Cashflow Statement – year ended 31 December 2016

	Notes	2016 £	£	2015 £	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations			207,606		(15,287)
Investing activities					
Interest received		833		959	
Net cash generated from investing activities			833		959
Net cash used in financing activities			-		-
Net increase/(decrease) in cash and cash equivalent			208,439		(14,328)
Cash and cash equivalents at beginning of year			282,155		296,483
Cash and cash equivalents at end of year			490,594		282,155

Cash generated from operations

	2016 £	2015 £
Surplus/(deficit) for the year	39,764	(44,722)
Adjustments for:		
Interest	(833)	(959)
Movements in working capital:		
Increase in rent deposit	-	(3,915)
Increase in creditors	168,675	34,309
Cash generated from/(absorbed by) operations	207,606	(15,287)

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Notes forming part of the accounts for the year ended 31 December 2016

1. Accounting policies

1.1 Basis of accounting

These accounts have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102"), "Accounting and Reporting by Charities" the Statement of Recommended Practice for charities applying FRS 102, the Companies Act 2006 and UK Generally Accepted Accounting Practice as it applies from 1 January 2015. The company is a Public Benefit Entity as defined by FRS 102.

1.2 Transition to FRS102

These accounts for the year ended 31 December 2016 are the first accounts of Hope Not Hate Charitable Trust prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 August 2014.

1.3 Reconciliation with previous Generally Accepted Accounting Policies

In preparing the financial statements, the Trustees have considered whether in applying the accounting policies required by FRS 102 and the SORP FRS 102 a restatement of comparative items was needed. Certain items on the Statement of Financial Activities were reanalysed as part of the transition, which had no resulting impact on the fund balances brought forward or carried forward. The Statement of Financial Activities now incorporates movements in both the Unrestricted and Designated funds, whereas in the previous year's financial statements it only incorporated the Unrestricted fund income and expenditure. In addition pupil deposits have been reclassified from liabilities due after more than one year to current liabilities as per the understanding in note 1.9 of when they are repayable

1.4 Assessment of Going Concern

At the time of approving the accounts, the Trustees have a reasonable expectation that the Fund 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 accounts.

1.5 Income and expenditure

Income and expenditure is accounted for under an accruals basis.

Grant income is recognised in full in the year of receipt unless the project has not commenced.

No income is stated net of expenditure and no income has been deferred.

Costs of generating funds are the direct costs associated with attracting grant income and donations.

Charitable activity expenditure comprises the costs incurred by the charity in pursuing its objectives. It includes the direct costs of such activities and indirect costs that are necessary to support them.

Governance costs represents the costs arising through the charity existing as a legal entity and the statutory requirements and management costs that arise from being such.

1.6 Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation. Fixed assets with a cost value below £150 are not capitalised. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following basis:

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Office equipment

25% reducing balance basis

1.7 Transfer between funds

Transfers from surplus unrestricted funds to funds designated for specific purposes are made when the Trustees consider necessary.

1.8 Fund accounting

The Funds held by the Charitable Company are either:

- Unrestricted general funds: these are funds which can be used in accordance with the Charitable Company's objectives at the discretion of the Trustees;
- Designated funds: these are funds set aside by the Trustees out of the unrestricted general funds for specific future purposes or projects;
- Restricted funds: these are funds that can only be used for specific purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

1.9 Liabilities

Liabilities are recognised when it is probable that an outflow of economic benefit will result from the settlement of a present obligation and the amount at which the settlement will take place can be measured reliably.

1.10 Financial Instruments

The Fund has elected to apply the provisions of Section 11 'Basic Financial Instruments' to all of its financial instruments.

Financial instruments are recognised in the Fund's balance sheet when the Fund 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.

2. Critical accounting estimates and judgements

In the application of the Fund'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.

3. Cost of generating funds

Cost of generating funds consists of the following.

	2016	2015
	£	£
Other fundraising costs	-	-

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Notes forming part of the accounts for the year ended 31 December 2016

4. Furtherance of the objects of the charity

Unrestricted funds – Charitable activities

Direct charitable costs

	2016	2015
	£	£
Staff and volunteer costs	393,531	181,710
Telephone, post, stationery, printing, computer maintenance	155,643	24,601
Rent and rates	12,430	9,827
Research and project costs	83,490	9,593
Other costs	27,067	66,750
	<u>672,161</u>	<u>292,481</u>

Restricted funds – Charitable activities

Direct charitable costs

	2016	2015
	£	£
Staff and volunteer costs	184,304	326,658
Telephone, post, stationery, printing, computer maintenance	54,537	22,997
Other costs	40,310	110,004
	<u>279,151</u>	<u>459,659</u>

5. Employee costs

Staff costs (excluding freelance consultants) consist of the following:

	2016	2015
	£	£
Gross salaries	485,868	412,204
Employer's national insurance	45,194	39,371
Pension costs	3,774	3,219
Total	<u>534,836</u>	<u>454,794</u>

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5. Employee costs (continued)

	2016	2015
The average weekly number of employees during the year, calculated on a full-time equivalent basis was:	16	15

No employee received remuneration amounting to more than £60,000 in the year.

Trustees received no remuneration (2015 £nil). There was no reimbursement of their expenses in the year (2015 £nil).

6. Net outgoing resources

	2016	2015
	£	£
This is stated after charging:		
Staff costs	534,836	454,794
Independent examiner's remuneration – governance cost	3,000	2,500
Depreciation of owned assets	-	-
	<u> </u>	<u> </u>

7. Tangible fixed assets

	Office equipment
	£
Cost	
At 1 January 2016	3,152
Additions	-
	<u> </u>
At 31 December 2016	<u>3,152</u>
Depreciation	
At 1 January 2016	3,152
Charge for the year	-
	<u> </u>
At 31 December 2016	<u>3,152</u>
Net book value	
At 31 December 2016	<u> </u>
At 31 December 2015	<u> </u>

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8. Debtors

	2016	2015
	£	£
Amounts falling due within one year		
Trade debtors	-	-
Other debtors	-	-
	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>

9. Creditors: Amounts falling due within one year

	2016	2015
	£	£
Taxation and social security	11,113	6,517
Other creditors	<u>292,870</u>	<u>128,791</u>
	<u>303,983</u>	<u>135,308</u>

10. Restricted funds

Funds were received from the following donors during the year and utilised in accordance with their restricted terms:

Joseph Rowntree £30,000 – Organising
The Big Give £14,079 More In Common Wales
Stiftung Open Society £69,074 Research and Educational work related to the understanding of Counter Jihad Movement
Stiftung Open Society £50,998 Voter Engagement
Barrow Cadbury Trust £70,000 – West Midlands/Fear & Hope
Tinsley Foundation – Hope Camp £25,000
Paul Hamlyn £20,000 – Migrant Communities

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	Balance at beginning of the year	Funds received	Expenditure incurred	Balance at end of the year
	£	£	£	£
Voter Registration	-	20,000	20,000	-
Together Project	-	95,077	95,077	-
Counter Jihad Movement	-	69,074	69,074	-
Hope Camp	-	70,000	70,000	-
Hope Academy	-	25,000	25,000	-
	<u>-</u>	<u>279,151</u>	<u>279,151</u>	<u>-</u>

10. Total funds

Total funds are invested as follows:

	Unrestricted funds	Restricted funds	2016
	£	£	£
Tangible fixed assets	-	-	-
Current assets	494,509	-	494,509
Current liabilities	(303,983)	-	(303,983)
	<u>190,526</u>	<u>-</u>	<u>190,526</u>