

Hessle Road Network
(A company limited by guarantee)

Report and Financial Statements

For the year ended 31 March 2019

Registered Company Number: 4360117 (England and Wales)
Registered Charity Number: 1097519

Hessle Road Network

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Hessle Road Network

Company Information

For the year ended 31 March 2019

CHIEF OFFICER & SECRETARY: J. Robinson

REGISTERED OFFICE: Network Young People's Centre
1 Massey Street
Hull
East Yorkshire
HU3 3LA

TRUSTEES: Reverend M Hills
L Tock
Reverend T Cotson
C Donnelly
R Elliott
M Hogben
T Hemming-Tayler

INDEPENDENT EXAMINER: Jon Lister FCCA
Enterprise Chartered Certified Accountants
8 Castlegate
Tickhill
Doncaster
DN11 9QU

BANKERS: Barclays Bank Plc
PO Box 11
Hull Group of Branches
Hull
HU1 2JB

Hessle Road Network

Report of the Directors (including the Trustees' Report) **For the year ended 31 March 2019**

The trustees, who are also directors of the charity for the purposes of the Companies Act, submit their annual report and the financial statements for the year ended 31st March 2019. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) (FRS 102) issued in 2015 in preparing the annual report and financial statements of the charity.

The charity is a charitable company and is limited by guarantee. The charity's governing document is its Memorandum and Articles of Association, which restricts the charity's operations to all lawful acts as are necessary or incidental to its Objects.

Trustees' responsibilities statement

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for the year. In preparing the financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statement;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Structure, governance and management

The trustees have responsibility to direct the charity's affairs in such a way as to promote the Objects.

Day to day management

The day to day management of the charity is carried out by the Chief Officer, responsible to the Executive Committee made up of the trustees of the company.

General meetings are held bi-monthly to discuss matters and for decision making. Meetings are carried out in line with the Articles of Association of the company.

Other major roles in the charity include the finance director/deputy chief officer who performs accounting duties.

Hessle Road Network

Report of the Directors (Including the Trustees' Report) - Continued **For the year ended 31 March 2019**

Structure, governance and management continued

Recruitment and training of trustees

Trustees are recruited based on their knowledge and experience in the services the charity provides to meet its objectives. No formal training is provided to new trustees given their existing knowledge. Training is available should it be required.

Risk management

The board of trustees have overall responsibility for ensuring that the charity has appropriate systems of controls, financial or otherwise. They are also responsible for keeping proper accounting records, for safeguarding the assets of the charity and for taking reasonable steps for the prevention and detection of fraud and other irregularities and to provide reasonable assurance that:

- The charity is operating efficiently and effectively
- The assets are safeguarded against unauthorised use or disposition
- Proper records are maintained and financial information used within the charity reliable
- The charity complies with relevant laws and regulations

Risk review

The trustees have conducted a review of the major risks to which the charity is exposed and appropriate systems have been established to mitigate those risks. Significant external risks to funding have led to the development and implementation of a strategic plan. This will allow for the re-direction of funding and some activities.

Internal risks are minimised by the implementation of procedures for authorisation of all transactions and projects to ensure consistent quality of delivery for all operational aspects of the charity. These procedures are constantly reviewed to ensure that they still meet the needs of the charity.

Objectives and activities

The charity's objectives as stated in the company's Memorandum and Articles of Association are principally for the benefit of the community in the area surrounding the centre.

Health

- To provide or assist in providing facilities, services or assistance to persons who are aged, who have mental or physical disabilities or who are chronically sick;
- To promote good health and the relief of sickness;

Social care

- To provide or improve or to assist in providing or improving, in the interests of social care and improving the conditions of life of those in the area, social, recreational or leisure time facilities and in particular for those who need those facilities because of their youth, age, infirmity, disability, poverty or social and economic circumstances.

Hessle Road Network

Report of the Directors (including the Trustees' Report) - continued **For the year ended 31 March 2019**

Objectives and activities continued

Social care continued

- To promote the elimination of social exclusion and discrimination;
- To promote good community relations between both individuals and organisations both inside and outside the area;

Education and training

- To advance education;
- To provide or assist in providing and improving access to training and associated facilities;

Employment and enterprise

- To relieve unemployment in such ways as may be thought fit, including assisting people to find employment, providing employment opportunities or providing unemployed people with work experience;
- To provide or assist in providing financial assistance, technical assistance or business advice or consultancy in order to provide training and employment opportunities for unemployed people in cases of financial or other charitable need through help;
- In setting up their own business; or
- To existing business;

Environment

- To promote the conservation, protection and improvement of the physical and natural environment and access to open space;

Other

- To promote any other charitable purpose.

Equal opportunities

In furtherance of the Objects the charity shall at all times take into consideration the principles of equality of opportunity irrespective of age, gender, race, colour, nationality, ethnic origin, religion, sexual orientation or disability.

Public benefit

The trustees confirm that they have paid due regard to the Charities Commission guidance on public benefit in deciding which activities Hessle Road Network should undertake.

The area the charity serves is characterised by severe levels of urban deprivation and therefore there is little opportunity for members of the community to develop skills or be provided with information on health and social care services. The work the charity carries out with schools has given increased access to those services.

Hessle Road Network

Report of the Directors (Including the Trustees' Report) - continued **For the year ended 31 March 2019**

Chair's report

Once again this has been an interesting and exciting year for Hessle Road Network. We have done a lot of work to strengthen our position for the future as well as developing new pieces of work in response to the needs of our community.

Our management team and Directors took part in a programme designed to encourage voluntary and community sector organisations to strengthen our sustainability in new and creative ways. We visited different projects across Hull, as well as in the East Riding and North Lincolnshire, meeting some effective community leaders and project managers who had each developed different ways of generating income and shared their experiences and knowledge with us. These included workshops to help us develop and widen our own ideas and gain added insight into ways that to develop and enhance our own projects.

We further developed our approach to funding by carrying out a "Social Return on Investment" exercise which gives an objective measure to demonstrate the impact of our project to funders, commissioners and other partners. We've always known that our project has a significant impact on the people who use our service and now we are able to prove the social, environmental and economic impact we are having. For every £1 invested, Hessle Road Network produces £8.73 in added social value, meaning that the total net social value over one year is a staggering £1.8m.

We value our community highly and always try to respond to the needs of local people, so when young people and older residents told us that they would like more opportunities to exercise, socialise and improve their employment opportunities we seized the challenge by opening our free community gym and Network's Attic – our community new and used shop. These ventures enable us to offer volunteering opportunities and free exercise sessions to young people and adults as well as offering the community good quality items at very affordable prices.

Our work with young people continues to grow and we have found that an increasing number of people are asking for support to deal with some very complex issues. This is the inevitable consequence of continued years of austerity, but we are pleased that people trust us, feel able to come to us for help and engage with our support. We are not directly funded for all of this work and it demands a great deal of commitment and sensitivity from our staff but we are proud to be able to offer this service.

Continued.....

Hessle Road Network

Report of the Directors (including the Trustees' Report) - continued For the year ended 31 March 2019

Chair's report - Continued

In terms of group work, young people have been involved in planning and hosting a number of community events including an excellent Christmas pantomime and summer talent show, both of which enabled young people to demonstrate their flair for singing, dancing, magic and comedy. It was greatly enjoyed by all!

All of this is only possible with support from our growing band of volunteers who give so generously of their precious time and energy to help others. In the face of many challenges, our staff team led by Julie and Michelle continue to be focused and optimistic, even in the face of adversity. Their work is key to our achievements on behalf of our community. I would be remiss if I did not thank our funders from many diverse organisations who in these increasingly difficult times support us, particularly Hull City Council who enable us to deliver the important work we do. Lastly, my personal thanks to that other band of volunteers who serve as our board of directors. Their wisdom, skills and experience and have kept the Hessle Road Network (and me) on course for very nearly twenty years now. Here's to the next twenty!

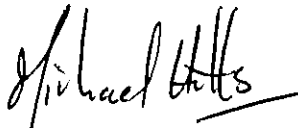
Vision

A stronger community for all

Mission

Raising aspirations, self-esteem and confidence to enhance quality of life in our community

On Behalf of the Board:



Michael Hills - Chair

Date: 10/09/19

Independent Examiners Report to the Trustees of
Hessle Road Network
For the year ended 31 March 2019

We report on the accounts for the year ended 31 March 2019 set out on pages 8 to 17.

Retrospective responsibilities of trustees and examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 145(1) of the Charities Act 2011 and that an independent examination is needed.

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 2011;
- to follow the procedures laid down in the general directions given by the Charity Commission under section 145(5)(b) of the Charities Act 2011; 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 or 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 respects the requirements to keep accounting records in accordance with section 386 of the Companies Act 2006; and to prepare accounts which accord with accounting records, comply with the accounting requirements of section 386 of the Companies Act 2006 and with the method and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities

have not been met; or

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

Jon Lister FCCA

Enterprise Accountancy Services Limited
8 Castlegate
Tickhill
Doncaster
South Yorkshire
DN11 9QU

Dated:

Hessle Road Network

Statement of Financial Activities (including Income & Expenditure Account) For the year ended 31 March 2019

	Notes	Unrestricted Funds 2019 £	Restricted Funds 2019 £	Total Funds 2019 £	Total Funds 2018 £
INCOMING RESOURCES					
Incoming resources from generated funds:					
<i>Activities for generating funds</i>					
Investment income		339	-	339	86
Rental and related income		-	-	-	51,674
Project delivery	2	43,215	89,326	132,541	112,465
Incoming resources from charitable activities:					
Grants	2	-	187,184	187,184	124,851
Donations and gifts		-	-	-	84
TOTAL INCOMING RESOURCES		43,554	276,510	320,064	289,160
RESOURCES EXPENDED					
Charitable activities	3	18,558	253,151	271,709	278,603
Governance costs	4	12,795	-	12,795	5,933
TOTAL RESOURCES EXPENDED		31,353	253,151	284,504	284,536
NET INCOMING RESOURCES	5	12,201	23,359	35,560	4,624
TRANSFER		2,398	(2,398)	-	-
Total funds brought forward		168,013	1,341,300	1,509,313	1,504,689
TOTAL FUNDS CARRIED FORWARD		182,612	1,362,261	1,544,873	1,509,313

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

Hessle Road Network**Registered Company Number: 4360117 (England and Wales)****Balance Sheet as at 31 March 2019**

	Notes	2019		2018	
		£	£	£	£
FIXED ASSETS					
Tangible assets	7		1,311,950		1,311,950
CURRENT ASSETS					
Debtors	8	8,692		1,975	
Cash at bank and in hand		229,512		200,742	
		<u>238,204</u>		<u>202,717</u>	
CURRENT LIABILITIES					
Creditors due within one year	9	5,281		5,355	
NET CURRENT ASSETS/(LIABILITIES)			<u>232,923</u>		<u>197,362</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>1,544,873</u>		<u>1,509,312</u>
FUNDS					
Unrestricted funds	10	182,612		168,013	
Restricted funds	10	1,362,261		1,341,300	
TOTAL FUNDS	10		<u>1,544,873</u>		<u>1,509,313</u>

These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

The company is entitled to exemption from the audit requirement contained within section 477 of the Companies Act 2006, for the year ended 31 March 2019. No member of the company has deposited a notice pursuant to section 476, requiring an audit of these accounts.

These financial statements were approved by the trustees on 10th September 2019.

The directors have acknowledged their responsibilities for preparing account which give a true and fair view of the Company and of the profit/loss (which ever is applicable for the year then ended in accordance with the requirements of the Companies Act 2006 and which otherwise comply with the requirements of this Act relating to accounts, so far as applicable to the Company.

The directors have acknowledged their responsibilities for ensuring that the Company keeps accounting records which comply with the Companies Act 2006.

Director 

Date: 10/09/19

Hessle Road Network

Notes to the Financial Statements **For the year ended 31 March 2019**

1 ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015) and with the Accounting and Reporting by: Statement of Recommended Practice (issued in January 2015).

Going concern

The financial statements have been prepared on a going concern basis. The company's activities are dependent upon the continued support of its key funders who have undertaken to provide such support for the foreseeable future.

If the going concern basis were not appropriate, adjustments would have to be made to reduce the value of assets to their recoverable values, to provide any further liabilities that may arise and reclassify fixed assets to current assets and long terms liabilities to current liabilities.

Cash flow statement

The trustees have taken advantage of the exemption in Financial Reporting Standard No. 102 from including a cash flow statement in the financial statement on the grounds that the charity is small.

Grants receivable

Revenue grants are credited to the Statement of Financial Activities in the year for which they are received.

Taxation

The company is a registered charity and its activities are not subject to taxation.

Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows;

Leasehold property	Not depreciated
Project equipment	25% on cost

Staff Costs and overhead expenses

Staff costs and overhead expenses are allocated to activities on the basis of time spent unless otherwise identified to a particular fund.

Hessle Road Network

Notes to the Financial Statements - continued For the year ended 31 March 2019

Fund Accounting

Funds held by the charity are either:

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

Unrestricted funds - these are funds which can be used at the organisation's discretion in accordance with the objects of the charity.

Designated funds - these funds comprise unrestricted funds that have been set aside by the trustees for restricted purposes.

2 Project delivery income

	Unrestricted	Restricted	Total	Total
	2019	2019	2019	2018
	£	£	£	£
Alternative learning programme	-	-	-	91,100
Disclosure barring service/CRB	21,662	-	21,662	21,365
Sundry receipts	3,510	-	3,510	-
Youth & Community Work	18,043	89,326	107,369	-
	<u>43,215</u>	<u>89,326</u>	<u>132,541</u>	<u>112,465</u>

Grant income

	Unrestricted	Restricted	Total	Total
	2019	2019	2019	2018
	£	£	£	£
Revenue grants	-	187,184	187,184	124,851
Capital grants	-	-	-	-
	<u>-</u>	<u>187,184</u>	<u>187,184</u>	<u>124,851</u>

Hessle Road Network

Notes to the Financial Statements - continued

For the year ended 31 March 2019

3 RESOURCES EXPENDED - CHARITABLE ACTIVITIES

	Unrestricted	Restricted	Total 2019	Total 2018
	£	£	£	£
Wages and salaries	12,981	177,082	190,063	166,772
Activities and events expenses	1,270	17,321	18,591	52,967
Criminal records bureau expenses	966	13,177	14,143	13,153
Premises costs	2,566	35,000	37,565	31,523
Administration costs	366	4,996	5,362	10,961
Travel expenses	32	433	465	194
Bank charges	-	-	-	8
Sundry expenses	377	5,143	5,520	3,025
	<u>18,558</u>	<u>253,151</u>	<u>271,709</u>	<u>278,603</u>

4 RESOURCES EXPENDED - GOVERNANCE COSTS

	Unrestricted	Restricted	Total 2019	Total 2018
	£	£	£	£
Legal and professional fees	10,617	-	10,617	3,701
Independent examiners fees	2,178	-	2,178	2,232
	<u>12,795</u>	<u>-</u>	<u>12,795</u>	<u>5,933</u>

Hessle Road Network

Notes to the Financial Statements - continued For the year ended 31 March 2019

5 NET INCOMING RESOURCES

Net incoming resources for the year is stated after charging:

	2019	2018
	£	£
Depreciation - owned assets	-	-

6 Information on Directors and employees

The average number of employees during the year was made up as follows;

	2019	2018
Directors	7	6
Management and administration of the charity	2	2
Administration	1	1
Project work	14	12
	<u>24</u>	<u>22</u>

No employee received emoluments of more than £60,000.

No trustees' remuneration have been paid or waived during the year.

Hessle Road Network

Notes to the Financial Statements - continued For the year ended 31 March 2019

7 TANGIBLE FIXED ASSETS

	Leasehold Property £	Project Equipment £	Total £
COST			
At 1st April 2018	1,311,950	66,110	1,378,060
Additions	-	-	-
At 31st March 2019	<u>1,311,950</u>	<u>66,110</u>	<u>1,378,060</u>
DEPRECIATION			
At 1st April 2018	-	66,110	66,110
Charge for year	-	-	-
At 31st March 2019	<u>-</u>	<u>66,110</u>	<u>66,110</u>
NET BOOK VALUE			
At 31st March 2019	<u>1,311,950</u>	<u>-</u>	<u>1,311,950</u>
At 31st March 2018	<u>1,311,950</u>	<u>-</u>	<u>1,311,950</u>

The trustees have elected not to comply with accounting standards and have not depreciated the leasehold property over the remaining term of the lease. As the property was finally fully completed in 2013 the trustees considered that by recognising an impairment in value by charging depreciation was not presenting a true and fair view and accordingly have not adopted the relevant standard.

The trustees maintain the building on an ongoing basis to ensure that no impairment to the condition of the building occurs.

The trustees acknowledge that any reduction in the value of the property would have the effect of reducing restricted reserves by a corresponding amount.

Hessle Road Network

Notes to the Financial Statements - continued For the year ended 31 March 2019

8 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019	2018
	£	£
Trade debtors	1,795	1,375
Prepaid expenses & accrued income	6,897	600
	<u>8,692</u>	<u>1,975</u>

9 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019	2018
	£	£
Trade creditors	1,264	802
Accrued expenses	4,017	4,553
	<u>5,281</u>	<u>5,355</u>

10 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £	Restricted Funds £	Total Funds £
Tangible fixed assets	-	1,311,950	1,311,950
Current assets	186,629	51,575	238,204
Current liabilities	(4,017)	(1,264)	(5,281)
Net assets at 31st March 2019	<u>182,612</u>	<u>1,362,261</u>	<u>1,544,873</u>

Hessle Road Network

Notes to the Financial Statements - continued For the year ended 31 March 2019

11 MOVEMENT IN FUNDS

	At 01.04.2018	IncomIng Resources	Outgoing Resources	Transfers	At 31.03.2019
General funds	113,958	43,554	31,353	2,398	128,557
Designated funds					
Property fund	27,000				27,000
Redundancy fund	23,637				23,637
General reserves/Combined Pot	2,128				2,128
Young peoples' fund	1,290				1,290
Total unrestricted funds	168,013	43,554	31,353	2,398	182,612
Anonymous	826	2,900	3,725 (1)	-
Big Lottery Fund	19,209	67,488	67,865 (625)	18,207
Capital fund	39,596				39,596
Capital fund II	1,263,298				1,263,298
Children in Need - Year 3	326			(326)	-
The Sir James Reckitt Charity	110	13,000	6,516		6,594
Lloyds Bank Charitable Foundation	799			(799)	-
St James's Place	2,638		2,423		215
HeadStart Hull	8,773	36,423	34,970		10,226
Awards for All	5,078		5,078		-
Hull & East Riding Charitable Trust	647			(647)	-
NHS Social Prescribing	-	17,704	17,701		3
HCC	-	62,094	62,094		-
NHS Walking Group	-	-	3,010	(3,010)
ESF (Humber Learning Consortium)	-	10,901	10,901		-
Henry Smith	-	41,000	19,373		21,627
Garfield Weston	-	25,000	19,495		5,505
Total restricted funds	1,341,300	276,510	253,151 (2,398)	1,362,261
Total funds	1,509,313	320,063	284,504	-	1,544,873

Notes to the Financial Statements - continued
For the year ended 31 March 2019

12 MEMBERS

The company is limited by guarantee and therefore has no share capital. In the event of the company being wound up, the contribution of each member and members resigning in the previous year is limited to £1.

13 ULTIMATE CONTROLLING PARTY

In the opinion of the directors no one party controlled the company during the year under review. The company is controlled by its members who are the trustees named in the Company information.

