

Hope Projects (West Midlands) Limited

(A company limited by guarantee)

Annual Report and Financial Statements

For the year ended

31st March 2019

Registered Charity number: 1138402
Company number: 07341898

Hope Project (West Midlands) Limited
(A company limited by guarantee)

Report and Financial Statements for the year ended 31st March 2019

Contents

Reference and administrative details	1
Trustees' Report	2 - 4
Independent Examiner's Report	5
Statement of Financial Activities	6
Balance Sheet	6
Notes to the Accounts	7 - 8

Hope Project (West Midlands) Limited
(A company limited by guarantee)

Reference and administrative details of the charity, its trustee and advisors for the year ended 31st March 2019

Trustees	S A Brown (Chair, resigned 20th August 2019) D C Bennett (treasurer) Rt Hon C Short A S Randall Dr S Guru Rev N W Johnson R Sondhi CBE
Company registered number	07341898
Charity registered number	1138402
Registered office	196 - 198 Edward Road Balsall Heath Birmingham B12 9LX
Company secretary	P W Davis
Independent examiner	D E Chittenden
Bankers	Unity Trust Bank 4 Brindleyplace Birmingham B1 2JB

Trustees report for the year ended 31st March 2019

Structure

Hope Projects (West Midlands) Ltd is commonly known as Hope Projects. It was registered as a company limited by guarantee on 10th August 2010 under number 7341898. It obtained charitable status on 10th August 2010 under number 1138402. It is governed by a memorandum and articles of association dated 10th August 2010.

Governance and Management

This year saw our long standing chair, Shari Brown, leave following her appointment as Executive Secretary of the Churches Committee for Migrants in Europe based in Brussels. She was replaced by Rev. Neil Johnson, who has served Hope Projects as a trustee since it was formed in 2010.

Hope Projects believes that it has the requisite skills and experience within its trustee body necessary to effectively manage the charity, but is actively seeking additional trustees to further strengthen its governance.

In 2018-19 the board met 5 times.

Objectives and activities

Hope Projects works for the benefit of homeless and destitute asylum seekers. We aim to help homeless asylum seekers to escape destitution by challenging flawed refusals of asylum. We achieve this through 3 main services of public benefit: The provision of **housing** at no cost to destitute asylum seekers, cash grants through the **destitution fund** and **legal advice** and representation.

Housing

Providing short term housing at no cost for homeless and destitute asylum seekers allowing them a stable place from which they can challenge asylum refusals. Over this year we had 39 bedspaces in 12 houses donated by housing associations, faith based organisations and individual donors. Our housing is mainly in Birmingham but with 2 rooms in Wolverhampton.

Destitution Fund

Grants of £20 per week paid monthly through our network of partner charities. These allow destitute asylum seekers to buy food and essentials. We pay grants to between 60 and 70 people each month. We also make payments to cover the travel costs of destitute asylum seekers going to Liverpool to make further representations in person to the Home Office.

Legal Advice

We offer legal advice at OISC level 3 to all applicants for housing or the destitution fund. In addition, we act as a representative for anyone that we house who does not have a legal representative funded through legal aid.

Achievement and Performance (Outcomes)

In the year 2018-19 we enabled 52 people who were homeless and destitute to access housing and support.

Trustees believe that this represents significant public benefit and are content that this complies with their public benefit requirements.

Financial Review

Income for the year amounted to £272,905 (2018: £217,205) whilst expenditure amounted to £226,577 (2018: - £191,719). This gave rise to a surplus of £46,238 (2018: £25,486) and increase in funds for to £79,249 (2018: £32,921).

A review of the way the charity has recognised income has been undertaken during the year, following the guidance in the Charity SORP. In 2018 £47,565 of grants were treated as 'prepaid income' which have been taken in the year. All grants in 2019 meet the criteria for being recognised in the year. The effect of this is to increase the surplus for the year.

Reserves Policy

Reserves are generally required to:

- * smooth out surpluses and deficits year on year;
- * replace capital expenditure or restructure the organisation;
- * deal with the effects of any risks that materialise eg significant losses of income and delays in payments;
- * allow the organisation to take on opportunities that may arise in a timely manner;
- * deal with the unexpected.

Trustees are required to set an appropriate minimum level of reserves, and in doing so take into account these reasons for holding reserves, as well as current and future financial needs. The Trustees have decided to retain reserves to allow the organisation to ensure the well-being of clients and the long term future of the charity in the event of a sudden loss of income.

Trustees have set a target which would allow free reserves to cover

• All HDF grants to be paid out for 3 months	£18,125
• All staff redundancy obligations at the end of the year to be met	£8,785
• Houses to be maintained for 3 months	£7,779
• Coordinator retained for 6 months. Other staff retained for 3 months*	£27,542

In addition, an operational contingency fund of 5% of our budgeted expenditure should be maintained of £14,667.

This leaves a total targeted reserve plus contingency of £76,897. Free reserves are £79,249 at 31 March 2019 (being net assets of £79,249, less restricted funds of £0 and tangible fixed assets of £0).

Trustees' responsibilities statement

The Trustees (who are also directors of the company for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

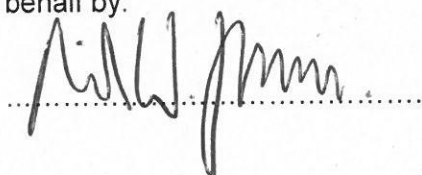
Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- 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 are sufficient to show and explain the charitable company's transactions and 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.

In preparing this report, the Trustees have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the Trustees, on 22nd November 2019 and signed on their behalf by:

A handwritten signature in black ink, appearing to be 'A. H. Mann', is written over a horizontal dotted line.

Hope Projects (West Midlands) Ltd - Charity No 1138402

**Independent Examiners Report to the Trustees of the
Hope Projects (West Midlands) Ltd**

I report on the financial statements of the Charity for the year ended 31st March 2018

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of 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. The charity has prepared accrued accounts and I am qualified to undertake the examination.

It is my responsibility to:

- examine the accounts under Section 43 (3) (a) of the 1993 Act
- follow the procedures laid down in the General Directions given by the Charity Commissioners made under section 43 (7) (b) of the 1993 Act.
- state whether particular matters have come to my attention

Basis of Independent Examiner's Statement

My examination was carried out in accordance with the General Directions given by the Charity Commissioners and with Regulation 11 of the 2006 Regulations. An examination includes a review of the accounting records kept by the church, 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 I do not express an audit opinion on the view given by the accounts.

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 41 of the 1993 Act and Regulation 4 of the 2006 Regulations; and to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 1993 Act and Regulation 8 of the 2006 Regulations; and which are consistent with the methods 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 to enable a proper understanding of the accounts to be reached.

Signed:



Date:

19th November 2019

David Chittenden
18 Cunningham Road
Peterborough
PE2 9RG

Statement of Financial Activities
Year Ended 31st March 2019

	Note	Restricted	Unrestricted	Total Funds 2019	Total Funds 2018
Income and Endowments from:					
Donations and legacies	2	74,094	193,090	267,184	210,030
Charitable activities	3	0	5,525	5,525	7,133
Bank interest		0	197	197	42
		<u>74,094</u>	<u>198,812</u>	<u>272,905</u>	<u>217,205</u>
Expenditure on:					
Raising funds	4		9,079	9,079	
Charitable activities	5/6	74,718	142,781	217,499	191,719
Total expenditure		<u>74,718</u>	<u>151,860</u>	<u>226,577</u>	<u>191,719</u>
Net income	7	-624	46,952	46,328	25,486
Reconciliation of Funds					
Total Funds brought forward		624	32,297	32,921	7,435
Total Funds carried forward		0	79,249	79,249	32,921
Balance Sheet as at 31st March 2019					
Current Assets					
Debtors	9			2,915	0
Cash at bank and in hand	10			<u>81,713</u>	<u>81,905</u>
				<u>84,628</u>	<u>81,905</u>
Current Liabilities					
Liabilities falling due within one year	11			5,379	48,984
Net Assets					
				<u>79,249</u>	<u>32,921</u>
Represented by:-					
Unrestricted Funds	12			79,249	32,297
Restricted Funds	12			0	624
Total Funds				<u>79,249</u>	<u>32,921</u>

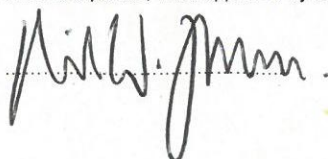
The trustees (who are also the directors of the company for the purposes of company law) confirm that for the period ended 31 March 2019:-

- the company was entitled to exemption from audit under section 477 of the Companies Act 2006 ("the Act"), and
- members have not required the company to obtain an audit of its accounts for the period in question in accordance with section 476 of the Act. However, in accordance with section 145 of the Charities Act 2011 and section 44 of the Charities and Trustee Investment (Scotland) Act 2005, the accounts have been examined by an independent examiner.

The trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

The notes form an integral part of these accounts. A revised classification and presentation has been used for some of the notes compared to 2017 and some of the comparative figures are unavailable.

These accounts, which have been prepared in accordance with the provisions in the Companies Act 2006 relating to small companies, were approved by the trustees on 22/11/2019 and signed on their behalf by:



Statement of Financial Activities
Year Ended 31st March 2019

Notes:

1. Accounting Policies

(a) Basis of Preparation

These accounts have been prepared on the basis of historic cost in accordance with the Accounting Regulations set out under the Charities Act 1993 and with the Charities Statement of Recommended Practice (SORP) 2005 - Second Edition

(b) Form of Financial Statements

- (i) Unrestricted funds are those that may be used at the discretion of the trustees in furtherance of the objects of the charity
- (ii) Restricted funds may only be used by specific purposes. Restrictions arise when specified by the donor or when funds are raised for specific purposes.

(c) Incoming Resources

- (i) Incoming Resources are recognised and included in the Statement of Financial Activities (SOFA) when the Charity becomes entitled to the resources; the trustees are virtually certain they will receive the resources; and the monetary value can be measured with sufficient reliability.
- (ii) Where incoming resources have related expenditure (as with fundraising), the incoming resources and related expenditure are reported gross in the SOFA.
- (iii) Donations are accounted for gross when received.
- (iv) Bank interest is recognised when it is credited to the account.

(d) Expenditure and Liabilities

- (i) Expenditure is accounted for on an accruals basis.
- (ii) Liabilities are recognised as soon as there is a legal or constructive obligation to pay out resources.

(e) Assets

Tangible fixed assets are capitalised if they cost more than £1,000 and can be used for more than one year. They are valued at cost or, if gifted, at value on receipt. The charity does not currently have any capitalised fixed assets.

(f) Taxation

The charity is not liable for income or capital gains tax on its charitable activities. Irrecoverable VAT is included in the asset cost or or expense to which it relates.

2. Income from donations and legacies

	Restricted	Unrestricted	2,019	2,018
Donations	10,638	18,325	28,963	
Grants:				
Barrow Cadbury	38,750		38,750	
Edward C Oldham Charitable Trust		750	750	
Midland Legal		2,000	2,000	
NACCOM	10,000		10,000	
Quaker Housing Trust	2,000		2,000	
South Birmingham Friends Institute Trust		1,000	1,000	
The Allen Lane Foundation		3,264	3,264	
The Church Urban Fund		3,200	3,200	
The Cole Charitable Trust		71,750	71,750	
The Eveson Charitable Trust		5,000	5,000	
The Grimmitt Trust		2,000	2,000	
The Roughley Trust	5,000	63,811	68,811	
The Saintbury Trust		5,000	5,000	
The Sheldon Trust	7,621		7,621	
William A Cadbury Charitable Trust		15,000	15,000	
Women For Refugee Women	85		85	
Other		1,990	1,990	
	74,094	193,090	267,184	210,030

A review of the way the charity has recognised income has been undertaken during the year, following the guidance in the Charity SORP. In 2018 £47,565 of grants were treated as 'prepaid income' which have been taken in the year. All grants in 2019 meet the criteria for being recognised in the year. The effect of this is to increase the surplus for the year.

3. Income from charitable activities

Rental		5,000	5,000	7,133
Training		525	525	
	0	5,525	5,525	7,133

Statement of Financial Activities
Year Ended 31st March 2019

4. Expenditure on generating donations and legacies

Unrestricted funds

Raising funds 9,079 9,079

5. Costs of charitable activities by fund type

	Restricted	Unrestricted	2,019	2,018
Charitable activities	74,718	111,630	186,348	
Support costs		31,151	31,151	
	74,718	142,781	217,499	191,719

6. Analysis of support costs

Salaries		18,312	
Communication costs		2,617	
Office costs		944	
Premises costs		4,295	
Legal and professional		2,790	
Other operating costs		2,193	
		31,151	0

7. Net income / (expenditure) for the period

This is stated after charging (crediting) :

Staff pension contributions	1,598	654
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8. Staff costs and emoluments

Salaries and wages	81,074	65,449
Social security costs	3,206	2,371
Employers contribution to defined contribution pension scheme	1,598	654
	85,878	68,474

There were no employees (2018: Nil) whose emoluments (salaries, wages, benefits in kind) fell in a band in excess of £60,000

The average number of persons employed by the Charity, including part time staff, calculated on a full time equivalent basis was:

Core staff	3.20	2.80
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9. Debtors

Prepaid Expenses	2,065	
Other	850	
	2,915	0

10. Bank and Cash Balances

Unity Trust Bank current account	16,558	
Unity Trust Bank deposit account	65,050	
Petty Cash	105	
	81,713	81,905

11. Current Liabilities (payable within one year)

Accounts Payable	2,590	
Accruals and deferred income	1,011	110
Payroll Liabilities	1,778	1,309
Prepaid Income		47,565
	5,379	48,984

A review of the way the charity has recognised income has been undertaken during the year, following the guidance in the Charity SORP. Consequently, a number of grants that were treated as 'deferred income' in 2017 have now been recognised entirely in the year.

12. Movements between Funds	At 1st April 2018	Income	Expenditure	Transfers	At 1st April 2019
Unrestricted Funds	32,297	198,812	151,860		79,249
Restricted Funds	624	74,094	74,718		0
Total Funds	32,921	272,905	226,577	0	79,249