

Hope Projects (West Midlands) Limited

(A company limited by guarantee)

Annual Report and Financial Statements

For the year ended

31st March 2020

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 2020

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Hope Project (West Midlands) Limited
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**Reference and administrative details of the charity, its trustees and
advisors for the year ended 31st March 2020**

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 I Muhammad (appointed 20th August 2019)
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 2020

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

Rev. Neil Johnson served as chair of trustees for the whole of this year.

Hope Projects believes that it has the requisite skills and experience within its trustee body necessary to effectively manage the charity, but continues to seek additional trustees to further strengthen its governance. In 2019-2020 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 36 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. This is a slight reduction from 39 in 2018-19 resulting from a stricter application of HMO guidance.

Destitution Fund

Grants of €20 per week plus £5 per month are paid monthly through our network of partner charities. An increase of £5 per month on 2018-19. 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 2019-20 we enabled 63 people who were homeless and destitute to access housing and support, an increase from 52 on 2018-19.

Covid-19

As the year was ending, Britain was entering a period of 'lockdown' in response to the Covid-19 pandemic. Hope Projects has begun an urgent and fundamental review of its policies and procedures to ensure that we continue to offer public benefit in a way that maintains and promotes the health of our beneficiaries and of the general public.

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

The trustees have also considered the effect on financial performance and are confident that they will secure enough funding to deliver the current plans.

Financial Review

Income for the year amounted to £281,421 (2019: £272,905) whilst expenditure was £247,661 (2019: £226,577). This gave rise to a surplus of £33,760 (2019: £46,238) and increase in funds to £113,008 (2019: £79,249).

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 £81,564 at 31 March 2020 (being net assets of £113,008, less restricted funds of £31,444 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).

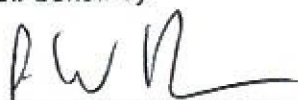
Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources 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 20th November 2020 and signed on their behalf by:


.....

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

**Independent Examiners Report to the Trustees of the
Hope Project (West Midlands Limited)**

I report on the financial statements of the Charity for the year ended 31st March 2020

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:

16/11/2020

David Chittenden
18 Cunningham Road
Peterborough
PE2 9RG

Hope Projects (West Midlands) Limited
Statement of Financial Activities, Balance Sheet and Notes
Year Ended 31st March 2020

	Note	Restricted	Unrestricted	Total Funds 2020	Total Funds 2019
Income and Endowments from:					
Donations and legacies	2	71,746	204,278	276,024	267,184
Charitable activities	3	0	5,000	5,000	5,525
Bank interest		0	397	397	197
		<u>71,746</u>	<u>209,674</u>	<u>281,421</u>	<u>272,905</u>
Expenditure on:					
Raising funds	4		17,212	17,212	9,079
Charitable activities	5/6	40,302	190,147	230,449	217,499
Total expenditure		<u>40,302</u>	<u>207,359</u>	<u>247,661</u>	<u>226,577</u>
Net income		31,444	2,316	33,760	46,328
Reconciliation of Funds					
Total Funds brought forward		0	79,249	79,249	32,921
Total Funds carried forward		31,444	81,564	113,008	79,249
Balance Sheet as at 31st March 2020					
Current Assets					
Debtors	10		1,861	1,861	2,915
Cash at bank and in hand	11		<u>118,727</u>	<u>120,587</u>	<u>81,713</u>
					<u>84,628</u>
Current Liabilities					
Liabilities falling due within one year	12		7,579	7,579	5,379
Net Assets			<u>113,008</u>	<u>113,008</u>	<u>79,249</u>
Represented by:-					
Unrestricted Funds	14		81,564	81,564	79,249
Restricted Funds	14		31,444	31,444	0
Total Funds			<u>113,008</u>	<u>113,008</u>	<u>79,249</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 2020:-

- 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.

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 20/11/2020 and signed on their behalf by:

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Statement of Financial Activities, Balance Sheet and Notes
Year Ended 31st March 2020

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 expense to which it relates.

2. Income from donations and legacies	Restricted	Unrestricted	2020	2019
Donations	11,786	24,397	36,183	28,963
Grants:				
A B Charitable Trust		15,000	15,000	
Barrow Cadbury	19,000		19,000	38,750
Edward C Oldham Charitable Trust		500	500	750
Handsworth Charity	4,160		4,160	
Lloyds Bank Foundation		50,000	50,000	
Midland Legal		4,250	4,250	2,000
Quaker Housing Trust	16,800		16,800	2,000
South Birmingham Friends Institute Trust		1,000	1,000	1,000
The Cole Charitable Trust		63,131	63,131	71,750
The Grimitt Trust		2,000	2,000	2,000
The Roughley Trust	20,000	39,000	59,000	68,811
The Saintbury Trust		5,000	5,000	5,000
Other			0	46,160
	<u>71,746</u>	<u>204,278</u>	<u>276,024</u>	<u>267,184</u>
3. Income from charitable activities				
Rental		5,000	5,000	5,000
Training			0	525
	<u>0</u>	<u>5,000</u>	<u>5,000</u>	<u>5,525</u>
4. Expenditure on generating donations and legacies				
Unrestricted funds				
<i>Raising funds</i>		17,212	17,212	9,079
5. Costs of charitable activities by fund type	Restricted	Unrestricted	2020	2019
Charitable activities	40,302	157,925	198,228	186,348
Support costs		32,221	32,221	31,151
	<u>40,302</u>	<u>190,147</u>	<u>230,449</u>	<u>217,499</u>

Statement of Financial Activities, Balance Sheet and Notes
Year Ended 31st March 2020

6. Analysis of support costs

Salaries	16,503	18,312
Communication costs	786	2,617
Office costs	977	944
Premises costs	7,136	4,295
Legal and professional	2,400	2,790
Other operating costs	2,419	2,193
	<u>32,221</u>	<u>31,151</u>

7. Independent examiner's remuneration

The Independent examiner provided services on a voluntary basis so no fee was charged (2019: Nil)

8. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits and no expenses were claimed (2019: Nil)

9. Staff costs and emoluments

Salaries and wages	95,024	81,074
Social security costs	3,936	3,206
Employers contribution to defined contribution pension scheme	<u>2,825</u>	<u>1,598</u>
	101,785	85,878

There were no employees (2019: 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	3.80	3.20
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10. Debtors

Prepaid Expenses	1,861	2,065
Other		<u>850</u>
	<u>1,861</u>	<u>2,915</u>

11. Bank and Cash Balances

Unity Trust Bank current account	13,140	16,558
Unity Trust Bank deposit account	105,471	65,050
Petty Cash	<u>117</u>	<u>105</u>
	118,727	81,713

12. Current Liabilities (payable within one year)

Accounts Payable	395	2,590
Accruals and deferred income	4,547	1,011
Payroll Liabilities	2,637	1,778
Prepaid Income		
	<u>7,579</u>	<u>5,379</u>

13. Related party transactions

There were no related party transactions in the year (2019: Nil)

14. Movements between Funds

	At 1st April 2019	Income	Expenditure	Transfers	At 1st April 2020
Unrestricted Funds	79,249	209,674	207,359		81,564
Restricted Funds		71,746	40,302		31,444
Total Funds	<u>79,249</u>	<u>281,421</u>	<u>247,661</u>	<u>0</u>	<u>113,008</u>

Prior year

	At 1st April 2018	Income	Expenditure	Transfers	At 1st April 2019
Unrestricted Funds	32,297	198,812	151,880		79,249
Restricted Funds	624	74,094	74,718		0
Total Funds	<u>32,921</u>	<u>272,905</u>	<u>226,577</u>	<u>0</u>	<u>79,249</u>