

HARROGATE HOMELESS PROJECT LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025

HARROGATE HOMELESS PROJECT LIMITED
(A company limited by guarantee)

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HARROGATE HOMELESS PROJECT LIMITED**(A company limited by guarantee)**

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITABLE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2025**

Trustees	J D Thomas, Chair N Atkinson-Maury, Deputy Chair (resigned 31 October 2025) N Cull, Treasurer (resigned 23 January 2025) C Challenor-Chadwick (resigned 12 May 2025) S G Day J R Denning L Evans G Heseltine (resigned 2 February 2026) K Tyrell (appointed 16 September 2024) D L Stott (appointed 27 September 2024, resigned 15 March 2026) P McCann (appointed 10 January 2026) E Cook (appointed 10 January 2026)
Company registered number	02634724
Charity registered number	1011337
Registered office	Wesley House Oxford Street Harrogate HG1 1PP
Chief executive officer	R Cooper
Independent auditor	Sumer Auditco Limited New Chartford House Centurion Way Cleckheaton West Yorkshire BD19 3QB

HARROGATE HOMELESS PROJECT LIMITED**(A company limited by guarantee)**

TRUSTEES' REPORT*FOR THE YEAR ENDED 31 AUGUST 2025*

The Trustees present their annual report together with the audited financial statements of the charitable company for the period 1 September 2024 to 31 August 2025. The Annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the charitable company qualifies as small under section 382 of the Companies Act 2006, the Strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Objectives and activities**a. Policies and objectives**

The mission of Harrogate Homeless Project ("HHP") is to relieve the need of homeless persons and those at risk of homelessness within the administrative area known as York and North Yorkshire by provision of temporary accommodation, advice, and counselling.

Our vision is that nobody in our area must sleep rough, and people experiencing homelessness will have all the necessary support they need to build confidence and move towards independent living.

HHP was established in 1991 to help individuals who are vulnerably housed, or sleeping rough, recognising that rough sleeping is damaging to individuals and to society. The longer someone remains on the streets the greater the risk of being vulnerable to crime, substance misuse, physical and mental illness and of dying prematurely.

The Charity works with those experiencing homelessness to offer emergency accommodation, find longer term sustainable accommodation and work towards establishing everyday living and employment. We work with those at risk of homelessness to enable our clients to maintain a tenancy, manage their health and maintain relationships with family and friends.

HHP is committed to providing a multi-agency response to help our clients to receive the support they need, so that there is a clear pathway to employment and sustainable living.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

The Chief Executive Officer is responsible for the management of HHP. The staff work to develop and improve working relationships with other agencies and relevant organisations in the Harrogate area. We work closely with North Yorkshire Council and other organisations to achieve solutions for individual clients to maximise their chances of moving permanently away from homelessness. HHP employed an average of 17 staff in the year (full time and part-time) and these were supported by dedicated and trained volunteers.

HARROGATE HOMELESS PROJECT LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2025

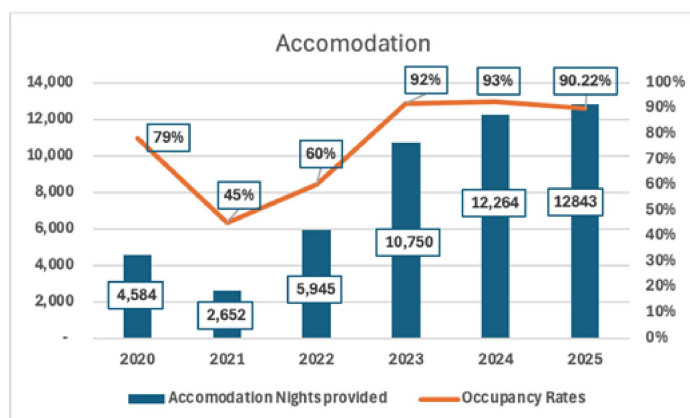
Achievements and performance

a. Main achievements of the charitable company

The year to 31 August 2025 has been one of change as we complete our three-year strategy focussed on meeting increased demand and supporting our clients to better lives. We have also taken the opportunity to upgrade our accommodation so that it can remain a welcoming refuge.

Over the last few years, we have seen demand for our services increase significantly. Over the last few years the HHP team have delivered a doubling in accommodation provision, and a significant increase in the depth and breadth of the services provided through Springboard.

HHP will shortly produce its annual impact report showing the difference it makes to clients through real life stories and data. For the financial year to 31 August 2025, we provided 12,843 nights of accommodation up c5% from the previous financial year. Occupancy rates are slightly down at 90.2% as a direct result of the rolling refurbishment programme in the core hostel and emergency room provision. Attendance at our Springboard centre totalled an equivalent of over 6,000 people over the year, and HHP are currently providing c400 meals per month.



We are deeply grateful to all those individuals, companies and grant giving trusts without whom we would have been unable to function effectively. Financial support and practical support have been generous and heart-warming. The support from Liz and Terry Bramall foundation amongst many others has been both generous and pragmatic. We cannot thank them enough.

We would also like to thank North Yorkshire County for their practical and operational partnership, and their financial support. This partnership, with its shared objectives and values, is helping to secure much enhanced client outcomes. We recognise that local authorities are having to make difficult spending choices, and we are therefore especially grateful for the support being provided. This year we continued to receive funding in support of our accommodation from the Ministry of Housing, Communities and Local Government for which we are also extremely grateful.

The people of Harrogate, Knaresborough and Ripon have continued to be generous with both their time and their donations. We have been humbled and overwhelmed by the response to our summer appeal from so many residents, showing their compassion and generosity. It is heart-warming in the current economic conditions, that many individuals go that extra mile in support of others.

We are especially grateful to our band of volunteers who give their time and compassion generously. They really are special people.

HARROGATE HOMELESS PROJECT LIMITED
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2025

Achievements and performance (continued)

We would also like to put on record our huge thanks and appreciation for everything that our staff have contributed. Their skills and dedication make a meaningful difference to people's lives, and they should be very proud of their achievements.

b. Review of activities

The activities of the charity are the provision of accommodation to relieve homelessness, and access to support and services to help our clients build more sustainable lives.

Our accommodation is varied from short term emergency accommodation to properties that help prepare clients for independent living. We have the capacity to provide over 14,000 nights' accommodation annually. The accommodation provided is:

- In Bower Street, HHP operates a 16 bed hostel, rented from North Yorkshire Council ("NYC") for a peppercorn rent. 8 beds are fully dedicated to emergency accommodation.
- In Bower Street, Harrogate, HHP operates 9 follow-on flats in a property owned by NYC.
- In Sykes Grove, Harrogate, HHP owns and operates a 4 bedroomed move-on house.
- In Strawberry Dale, Harrogate, HHP owns and operates a 5 bedroomed move-on house.
- In Starbeck, Harrogate, HHP owns and operates a 4-bedroomed move-on house.
- Since 2012 HHP has operated the area's emergency accommodation for up to 5 people, under the No Second Night Out (NSNO) initiative partnering with NYC.

Demand for accommodation has continued from the spike we saw post-pandemic with our available accommodation being nearly 100% occupied most of the time. We do not see any reason why demand will fall in the short to medium term.

Access to support and services is centred around our Springboard Day Centre. Springboard is a critical part of HHP's operations, providing amongst other things, medical attention including a GP service, counselling, laundry facilities, showers, food and access to other agencies. The centre and our own support staff provide a conduit to many other public and third sector organisations to ensure that we give our clients a bespoke pathway to sustainable living.

Financial review

a. Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

HARROGATE HOMELESS PROJECT LIMITED

(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

b. Reserves policy

The reserves policy is based on two months' expected expenditure, which is considered appropriate because of the predictability of a significant portion of our income. The policy in place for the year 24/25 was a minimum reserve of £180,000.

Free reserves of £337,626 (2024: £515,388) have seen a significant reduction in the year as a result of the purchase of the Starbeck move-on property. In 2025/6 a further reduction in free reserves is anticipated as investment in client support continues to increase, however we anticipate remaining well within our reserves policy, which is reviewed annually.

c. Performance review

At the 31 August 2025 there was an operating surplus of £116,957. It is a quirk of charity accounting that grants to support capital expenditure are recorded as revenue, whilst the related expenditure is shown as a capital item. Whilst there is a significant surplus in fact the cash balances have reduced by over £200K as we have invested in a new property in Starbeck, alongside our planned programme of property improvements. There was also an increase in Housing Benefit mainly because of there being a full year of occupation of the Strawberry Dale property, and a cost driven increase in the rates paid to HHP.

As we indicated in last year's annual report and accounts the cost base has seen a budgeted increase as we recruited to fill vacancies, and the impact of a more inflationary environment including above inflationary increases to the Living wage. We are now seeing a more normal run rate in employment costs. Most of the charity's costs relate to staffing, and as a responsible employer we wish to provide sustainable jobs for our employees. In practice this means that, except in rare circumstances, our employees are permanent rather than on fixed term contracts. We believe this to be important for staff engagement and team stability. We also recognise that this approach gives us a less flexible cost base.

As at 31 August 2025, cash and bank balances totalled £346,386. HHP also own three unencumbered properties with a net book value of £827,582. The total charity funds were £1,287,706, this represents an increase of 10.0% over the financial year.

The trustees confirm that in their view, the assets of the charitable company are adequate to fulfil its current obligations.

Structure, governance and management**a. Constitution**

Harrogate Homeless Project Limited is registered as a charitable company limited by guarantee and was incorporated on 2 August 1991. The Memorandum and Articles of Association were updated on 5 May 2024.

b. Methods of appointment or election of Trustees

The management of the charitable company is the responsibility of the Trustees who are elected and co-opted under the terms of the Trust deed.

HARROGATE HOMELESS PROJECT LIMITED**(A company limited by guarantee)**

TRUSTEES' REPORT (CONTINUED)*FOR THE YEAR ENDED 31 AUGUST 2025*

Structure, governance and management (continued)**The Future**

The efforts that have been made to ensure that the charitable company is robust and sustainable have meant that HHP has been able to respond quickly to the economic environment, and its impact on the most vulnerable in our society. In formulating the next three years strategy we have focussed on the transition to employment and the transition to non-HHP supported accommodation. We recognise that employment is central to maintaining a more mainstream life. We want to ensure that our support extends into the transition phase as clients move on from HHP. This transition period can be daunting and precarious with real risks of clients not making it past this phase. We believe that with additional targeted support we can give our clients the best chance to change their lives.

In order to help facilitate this transition phase we are designating £100K of our funds to support employment initiatives over the course of the next five years.

We remain focussed on the challenge of eradicating homelessness.

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the charitable 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 its incoming resources and application of resources, including its income and expenditure, 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 of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 charitable company will continue in business.

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.

HARROGATE HOMELESS PROJECT LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2025

Statement of Trustees' responsibilities (CONTINUED)

Disclosure of information to auditor

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditor is unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

Auditor

The auditor, Sumer Auditco Limited, has indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditor at a meeting of the Trustees.

Approved by order of the members of the board of Trustees and signed on their behalf by:

David Thomas

Signer ID: 6QBMFVZDBM...

J D Thomas

(Chair of Trustees)

Date: 17/03/2026 GMT

HARROGATE HOMELESS PROJECT LIMITED
(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HARROGATE HOMELESS PROJECT LIMITED

Opinion

We have audited the financial statements of Harrogate Homeless Project Limited (the 'charitable company') for the year ended 31 August 2025 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2025 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

HARROGATE HOMELESS PROJECT LIMITED

(A company limited by guarantee)

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HARROGATE HOMELESS PROJECT LIMITED
(CONTINUED)**

Other information

The other information comprises the information included in the Annual report other than the financial statements and our Auditor's report thereon. The Trustees are responsible for the other information contained within the Annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustees' report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

HARROGATE HOMELESS PROJECT LIMITED
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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HARROGATE HOMELESS PROJECT LIMITED
(CONTINUED)

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 145 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We gained an understanding of the legal and regulatory framework applicable to the group and the sector in which it operates and considered the risk of acts by the group that were contrary to applicable laws and regulations, including fraud. We designed audit procedures to respond to the risk, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

We focused on laws and regulations, relevant to the group, which could give rise to a material misstatement in the financial statements. Our tests included agreeing the financial statement disclosures to underlying supporting documentation, enquiries with management, review of operation of controls within the year, and review of expenses, such as legal costs. There are inherent limitations in the audit procedures described and, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it.

As part of our audit, we addressed the risk of management override of internal controls, including testing of journals and review of nominal ledger. We evaluated whether there was evidence of bias by the trustees that represented a risk of material misstatement due to fraud.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's report.

HARROGATE HOMELESS PROJECT LIMITED
(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HARROGATE HOMELESS PROJECT LIMITED
(CONTINUED)

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.


Signer ID: LO0G8ECPQB...

Neil Baldwin (Senior Statutory Auditor)

for and on behalf of

Sumer Auditco Limited

New Chartford House

Centurion Way

Cleckheaton

West Yorkshire

BD19 3QB

Date: 17/03/2026 GMT

Sumer Auditco Limited are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

HARROGATE HOMELESS PROJECT LIMITED
(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2025

	Note	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Income from:					
Donations and legacies	2	142,201	-	142,201	143,162
Charitable activities	3	828,257	205,642	1,033,899	1,004,180
Investments	4	5,679	-	5,679	6,441
Total income		976,137	205,642	1,181,779	1,153,783
Expenditure on:					
Raising funds		15,109	-	15,109	13,142
Charitable activities	5	892,499	157,214	1,049,713	849,335
Total expenditure		907,608	157,214	1,064,822	862,477
Net income		68,529	48,428	116,957	291,306
Transfers between funds	13	53,935	(53,935)	-	-
Net movement in funds		122,464	(5,507)	116,957	291,306
Reconciliation of funds:					
Total funds brought forward		1,062,101	108,648	1,170,749	879,443
Net movement in funds		122,464	(5,507)	116,957	291,306
Total funds carried forward		1,184,565	103,141	1,287,706	1,170,749

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 16 to 29 form part of these financial statements.

HARROGATE HOMELESS PROJECT LIMITED**(A company limited by guarantee)**REGISTERED NUMBER: 02634724

BALANCE SHEET*AS AT 31 AUGUST 2025*

	Note	2025 £	2024 £
Fixed assets			
Tangible assets	9	846,939	546,713
		<hr/>	<hr/>
		846,939	546,713
Current assets			
Debtors	10	144,196	97,117
Cash at bank and in hand		346,386	561,835
		<hr/>	<hr/>
		490,582	658,952
Current liabilities			
Creditors: amounts falling due within one year	11	(49,815)	(34,916)
		<hr/>	<hr/>
Net current assets		440,767	624,036
		<hr/>	<hr/>
Total net assets		1,287,706	1,170,749
		<hr/> <hr/>	<hr/> <hr/>
Charity funds			
Restricted funds	13	103,141	108,648
Unrestricted funds:			
Designated funds	13	100,000	252,327
General funds	13	1,084,565	809,774
		<hr/>	<hr/>
Total unrestricted funds	13	1,184,565	1,062,101
		<hr/>	<hr/>
Total funds		1,287,706	1,170,749
		<hr/> <hr/>	<hr/> <hr/>

HARROGATE HOMELESS PROJECT LIMITED

(A company limited by guarantee)

REGISTERED NUMBER: 02634724

BALANCE SHEET (CONTINUED)

AS AT 31 AUGUST 2025

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

David Thomas

Signer ID: 6QBMFVZDBM...

J D Thomas

(Chair of Trustees)

Date: 17/03/2026 GMT

The notes on pages 16 to 29 form part of these financial statements.

HARROGATE HOMELESS PROJECT LIMITED
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STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2025

	2025 £	2024 £
Cash flows from operating activities		
Net cash used in operating activities	96,031	323,261
	<hr/>	<hr/>
Cash flows from investing activities		
Interest income	5,679	6,441
Purchase of tangible fixed assets	(317,159)	(36,251)
	<hr/>	<hr/>
Net cash used in investing activities	(311,480)	(29,810)
	<hr/>	<hr/>
Net cash (outflow)/inflow brought forward	(215,449)	293,451
	<hr/>	<hr/>
Change in cash and cash equivalents in the year	(215,449)	293,451
Cash and cash equivalents at the beginning of the year	561,835	268,384
	<hr/>	<hr/>
Cash and cash equivalents at the end of the year	346,386	561,835
	<hr/> <hr/>	<hr/> <hr/>

The notes on pages 16 to 29 form part of these financial statements

HARROGATE HOMELESS PROJECT LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Harrogate Homeless Project Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

1.2 Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

1.3 Income

All income is recognised once the charitable company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the charitable company has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the charitable company, can be reliably measured.

Grants are included in the Statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Gifts in kind donated for distribution are included at valuation and recognised as income when they are distributed to the projects. Gifts donated for resale are included as income when they are sold.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

HARROGATE HOMELESS PROJECT LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025

1. Accounting policies (continued)

1.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Repairs and improvements to the short-term leasehold property are written off to the Statement of Financial Activities when incurred.

Expenditure on raising funds includes all expenditure incurred by the charitable company to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the charitable company's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

1.5 Tangible fixed assets and depreciation

Tangible fixed assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives.

Depreciation is provided on the following basis:

Freehold property	-	2%	Straight line
Fixtures and fittings	-	25%	Reducing balance

1.6 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1. Accounting policies (continued)

1.7 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.8 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the charitable company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of financial activities as a finance cost.

1.9 Financial instruments

The charitable company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

1.10 Pensions

The charitable company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the charitable company to the fund in respect of the year.

1.11 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charitable company and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charitable company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

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NOTES TO THE FINANCIAL STATEMENTS
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2. Income from donations and legacies

	Unrestricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Donations & Legacies	142,201	142,201	143,162
Total 2024	143,162	143,162	

3. Income from charitable activities

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Housing Benefit Income	675,738	-	675,738	518,028
Service Charge Income	45,321	-	45,321	22,285
Grant Income	103,750	205,642	309,392	463,867
Other charitable activity income	3,448	-	3,448	-
	828,257	205,642	1,033,899	1,004,180
Total 2024	545,956	458,224	1,004,180	

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4. Investment income

	Unrestricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Interest Receivable	5,679	5,679	6,441
Total 2024	<u>6,441</u>	<u>6,441</u>	

5. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Total 2024 £
Staff Costs	577,353	142,746	720,099	591,072
Household & Support Costs	97,476	14,468	111,944	59,296
Property & Occupancy Costs	166,592	-	166,592	166,073
Legal & Professional Costs	9,495	-	9,495	3,049
Depreciation	16,479	-	16,479	14,348
Governance Costs	3,417	-	3,417	7,997
Audit Fees	12,500	-	12,500	7,500
Bad & Doubtful Debts	8,734	-	8,734	-
Loss on Disposal of Fixed Assets	453	-	453	-
	<u>892,499</u>	<u>157,214</u>	<u>1,049,713</u>	<u>849,335</u>
Total 2024	<u>595,726</u>	<u>253,609</u>	<u>849,335</u>	

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025

6. Auditor's remuneration

	2025	2024
	£	£
Fees payable to the charitable company's auditor for the audit of the charitable company's annual accounts	12,500	7,500
Fees payable to the charitable company's auditor in respect of: All non-audit services not included above	2,250	1,537
	<u><u> </u></u>	<u><u> </u></u>

7. Staff costs

	2025	2024
	£	£
Wages and salaries	663,319	550,308
Social security costs	45,009	31,142
Contribution to defined contribution pension schemes	11,771	9,622
	<u><u> </u></u>	<u><u> </u></u>
	720,099	591,072
	<u><u> </u></u>	<u><u> </u></u>

The average number of persons employed by the charitable company during the year was as follows:

	2025	2024
	No.	No.
Direct	9	13
Management	5	4
Admin	3	1
	<u><u> </u></u>	<u><u> </u></u>
	17	18
	<u><u> </u></u>	<u><u> </u></u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2025	2024
	No.	No.
In the band £70,001 - £80,000	-	1
In the band £80,001 - £90,000	1	-

The key management personnel comprise the Trustees, the Chief Executive and four Service Managers. The total employee benefits of the key management personnel of the company were £123,809 (2024: £176,090)

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025

8. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2024 - £NIL).

During the year ended 31 August 2025, expenses totalling £186 were reimbursed or paid directly to 1 Trustee (2024 - £NIL.)

9. Tangible fixed assets

	Freehold property £	Fixtures and fittings £	Total £
<i>Cost or valuation</i>			
At 1 September 2024	550,252	51,425	601,677
Additions	313,222	3,937	317,159
Disposals	-	(1,199)	(1,199)
At 31 August 2025	<u>863,474</u>	<u>54,163</u>	<u>917,637</u>
<i>Depreciation</i>			
At 1 September 2024	24,408	30,557	54,965
Charge for the year	11,484	4,995	16,479
On disposals	-	(746)	(746)
At 31 August 2025	<u>35,892</u>	<u>34,806</u>	<u>70,698</u>
<i>Net book value</i>			
At 31 August 2025	<u><u>827,582</u></u>	<u><u>19,357</u></u>	<u><u>846,939</u></u>
At 31 August 2024	<u><u>525,844</u></u>	<u><u>20,868</u></u>	<u><u>546,712</u></u>

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NOTES TO THE FINANCIAL STATEMENTS
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10. Debtors

	2025	As restated
	£	2024
		£
<i>Due within one year</i>		
Trade debtors	123,432	62,505
Other debtors	18,468	26,951
Prepayments and accrued income	2,296	7,661
	<hr/> 144,196 <hr/>	<hr/> 97,117 <hr/>

11. Creditors: Amounts falling due within one year

	2025	As restated
	£	2024
		£
Trade creditors	22,062	7,330
Other taxation and social security	-	9,961
Other creditors	9,270	4,658
Accruals and deferred income	18,483	12,967
	<hr/> 49,815 <hr/>	<hr/> 34,916 <hr/>

12. Prior year adjustments

During the preparation of the financial statements for the year ended 31 August 2025, the trustees identified that grant income had been incorrectly deferred in prior financial years. The grants in question were not subject to any performance related conditions under the terms of the funding agreements and therefore full compliance with the SORP's performance criteria model had not been applied.

As a result, a prior year adjustment has been recognised which has increased the opening funds at 1 September 2023 by £77,374. Furthermore, £101,057 has also been correctly recognised as income within the year to 31 August 2024. The combined effect of both of these adjustments is an increase to the opening funds as at 1 September 2024 of £178,431.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025

13. Statement of funds

Statement of funds - current year

	As restated balance at 1 September 2024 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 August 2025 £
Unrestricted funds					
Designated funds					
Designated Funds	<u>252,327</u>	-	-	(152,327)	<u>100,000</u>
General funds					
General Funds	<u>809,774</u>	<u>976,137</u>	<u>(907,608)</u>	<u>206,262</u>	<u>1,084,565</u>
Total Unrestricted funds	<u>1,062,101</u>	<u>976,137</u>	<u>(907,608)</u>	<u>53,935</u>	<u>1,184,565</u>
Restricted funds					
Client Support Grant	54,697	59,670	(59,670)	-	54,697
DLUHC	48,458	83,062	(83,076)	-	48,444
Starbeck Renovation Grant	-	50,000	-	(50,000)	-
Restricted grants < £10k	5,493	12,910	(14,468)	(3,935)	-
	<u>108,648</u>	<u>205,642</u>	<u>(157,214)</u>	<u>(53,935)</u>	<u>103,141</u>
Total of funds	<u><u>1,170,749</u></u>	<u><u>1,181,779</u></u>	<u><u>(1,064,822)</u></u>	<u><u>-</u></u>	<u><u>1,287,706</u></u>

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NOTES TO THE FINANCIAL STATEMENTS
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13. Statement of funds (continued)

The 'Client Support Grant' has been kindly provided by a local foundation. This grant is for the funding of two case workers and their associated costs. These case workers work directly with clients, supporting them with their housing needs as well as enabling them to engage with support services that will ultimately facilitate them to live independently.

The 'DLUHC' grant was originally from the Department for Levelling Up, Housing and Communities (DLUHC) now renamed the Ministry for Housing, Communities and Local Government (MHCLG) as part of their Night Shelter Transformation Fund. This grant is for staffing costs and other operational costs to deliver support to reduce the number of people sleeping rough and requiring emergency shelter.

The 'Starbeck Renovation Grant' was generously provided by a local foundation. This funded the renovation of the Starbeck property purchased in the year. As this expenditure was all capital expenditure it is listed as a transfer in the year and has enabled the property to be occupied by clients from September 2025.

The remaining smaller grants have all been spent according to the restrictions placed on them when received, any transfers relate to capital expenditure. There were 8 of these smaller grants received in 2025 versus 3 received in 2024.

Designated funds transferred in the year relate to monies designated towards the renovation of the Starbeck property. The carried forward designated fund have been designated towards future client support costs.

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13. Statement of funds (continued)

Statement of funds - prior year

	As restated balance at 1 September 2023 £	As restated Income £	As restated Expenditure £	Transfers in/out £	Balance at 31 August 2024 £
Unrestricted funds					
Designated funds					
Designated Funds	242,327	10,000	-	-	252,327
General funds					
General Funds	526,331	685,559	(635,216)	233,100	809,774
Total Unrestricted funds	768,658	695,559	(635,216)	233,100	1,062,101
Restricted funds					
No Second Night Out Project	10,285	-	(10,285)	-	-
Client Support Grant	-	59,670	(4,973)	-	54,697
DLUHC	-	215,261	(66,803)	(100,000)	48,458
Move on House Purchase Grant	100,000	-	-	(100,000)	-
Move on House Renovation Grant	-	33,100	-	(33,100)	-
HBC Springboard 1	-	66,250	(66,250)	-	-
Lloyds	-	18,750	(18,750)	-	-
Restricted Grants < £10k	500	65,193	(60,200)	-	5,493
	110,785	458,224	(227,261)	(233,100)	108,648
Total of funds	879,443	1,153,783	(862,477)	-	1,170,749

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NOTES TO THE FINANCIAL STATEMENTS
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14. Summary of funds

Summary of funds - current year

	Balance at 1 September 2024 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 August 2025 £
Designated funds	252,327	-	-	(152,327)	100,000
General funds	809,774	976,137	(907,608)	206,262	1,084,565
Restricted funds	108,648	205,642	(157,214)	(53,935)	103,141
	1,170,749	1,181,779	(1,064,822)	-	1,287,706

Summary of funds - prior year

	Balance at 1 September 2023 £	As restated Income £	As restated Expenditure £	Transfers in/out £	Balance at 31 August 2024 £
Designated funds	242,327	10,000	-	-	252,327
General funds	526,331	685,559	(635,216)	233,100	809,774
Restricted funds	110,785	458,224	(227,261)	(233,100)	108,648
	879,443	1,153,783	(862,477)	-	1,170,749

15. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £
Tangible fixed assets	846,939	-	846,939
Current assets	387,441	103,141	490,582
Creditors due within one year	(49,815)	-	(49,815)
Total	1,184,565	103,141	1,287,706

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15. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	As restated Unrestricted funds 2024 £	As restated Restricted funds 2024 £	Total funds 2024 £
Tangible fixed assets	546,713	-	546,713
Current assets	550,304	108,648	658,952
Creditors due within one year	(34,916)	-	(34,916)
Total	1,062,101	108,648	1,170,749

16. Reconciliation of net movement in funds to net cash flow from operating activities

	2025 £	2024 £
Net income for the year (as per Statement of Financial Activities)	116,957	291,306
Adjustments for:		
Depreciation charges	16,479	14,349
Interest receivable	(5,679)	(6,441)
Loss on the sale of fixed assets	453	-
Decrease/(increase) in debtors	(47,079)	18,199
Increase in creditors	14,900	5,848
Net cash provided by operating activities	96,031	323,261

17. Analysis of cash and cash equivalents

	2025 £	2024 £
Cash in hand	346,386	561,835
Total cash and cash equivalents	346,386	561,835

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NOTES TO THE FINANCIAL STATEMENTS
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18. Analysis of changes in net debt

	At 1 September 2024	Cash flows	At 31 August 2025
	£	£	£
Cash at bank and in hand	561,835	(215,449)	346,386
	561,835	(215,449)	346,386

19. Operating lease commitments

At 31 August 2025 the charitable company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2025	2024
	£	£
Not later than 1 year	75,200	69,439
Later than 1 year and not later than 5 years	78,566	150,219
Later than 5 years	-	3,547
	153,766	223,205

In addition to the above operating lease commitments, the charitable company also rents a 16 bed hostel from North Yorkshire Council for a peppercorn rent.

20. Related party transactions

The charitable company has not entered into any related party transaction during the year, nor are there any outstanding balances owing between related parties and the charitable company at 31 August 2025.