

Company registration number: NI634605

Charity registration number: NIC104718

Hope365

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 October 2023

TB Millar & Co
Independent Examiner
6 Doagh Road
Ballyclare
Co Antrim
BT39 9BG

Hope365

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Hope365

Reference and Administrative Details

Trustees	Richard Crowe Stephen Hunter Christopher Jamison Stephen Hamill Alistair Bennett
Charity Registration Number	NIC104718
Company Registration Number	NI634605
	The charity is incorporated in Northern Ireland.
Registered Office	6 Doagh Road Ballyclare Co Antrim BT39 9BG
Principal Office	73-75 Main Street Ballyclare Co Antrim BT39 9AA
Independent Examiner	TB Millar & Co Independent Examiner 6 Doagh Road Ballyclare Co Antrim BT39 9BG

Hope365

Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 October 2023. The Trustees confirm that they comply with the requirements of the Charities Act (Northern Ireland) 2008, The Charities (Annual Return) Regulations (Northern Ireland) 2015, The Charities (Annual Return) Regulations (Northern Ireland) 2015 and Accounting and Reporting by Charities: Statement of Recommended Practice which applies 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 2015).

THANK YOU

As I look back over the previous 12 months, I am so thankful to God to see what has been accomplished. Without the wholehearted support of so many people we would not have been able to see such progress. Whether through volunteering in one of our shops, taking on fundraising activities, joining our "Shareholder" scheme, our "One to One" child sponsorship scheme or supporting in whatever way, the message is the same: THANK YOU!

I have again had the privilege of seeing first-hand the change in the lives of many of the children in Ethiopia and this year we were able to bring a team of 16 to see for themselves the challenges facing the vulnerable kids. This team gave the children an incredible week of new activities including sports, crafts, singing and Bible based activities. It was genuinely humbling to see how much all the children appreciated the visit from the team and also to see how the children from the very beginning of the project have now grown to be great role models for the younger children.

Michael Holmes, Chief Executive

STRUCTURE, GOVERNANCE & MANAGEMENT

Hope365 is a registered charity in Northern Ireland (NIC104718) and a fully licensed International NGO (Non-Government Organisation) in Federal Democratic Republic of Ethiopia (3730).

Hope365 is a company limited by guarantee.

Trustees who served during the year were as follows:

Alistair Bennett (appointed 17.01.24)
Richard Crowe
Stephen Hamill
Stephen Hunter
Chris Jamison

Chief Executive: Michael Holmes

Finance Officer: Diane Davidson

The trustees are responsible for the overall governance of the charity. The number of trustees shall not be less than three, nor more than seven.

TRUSTEE SELECTION, APPOINTMENT & COMPETENCE

When a Trustee vacancy exists, the current Trustees will appoint a replacement or additional Trustee.

EXTERNAL INDEPENDENT EXAMINERS

At the Trustees' Meeting on 17 January 2024, TB Millar were re-appointed as external independent examiners for the period 1 November 2023 to 31 October 2024.

Hope365

Trustees' Report

FINANCIAL REVIEW AND RESULTS FOR THE YEAR

The results for the year and the charity's financial position at the end of the year are shown in the attached financial statements.

RISK MANAGEMENT

Risk is an everyday part of the Charity's normal activity. The Trustees have considered and identified the major risks to which the charity is exposed and having taken appropriate professional advice have been assured that adequate systems and procedures are in place in order to mitigate or manage those risks.

RESERVES POLICY

The Charity does not have a reserves policy.

PENSIONS

The charity operates a defined contribution pension scheme (which meets the requirements of The Pension Regulator as a qualifying workplace pension scheme) for the benefit of its permanent staff and those who are eligible under Auto Enrolment. The assets are administered by insurance companies in personal pension plans and are held independently from those of the charity. Contributions are charged to the Statement of Financial Activities in the period to which they relate.

STATEMENT OF COMPLIANCE

In setting our activities and planning our activities for the year the trustees have given careful consideration to the Charity Commission for Northern Ireland's guidance on public benefit to ensure that the activities have helped to achieve the charity's purposes and provide a benefit to the beneficiaries.

PURPOSES

Hope365's purpose is to rescue and care for Street kids in Ethiopia. Our aim is to provide for the physical, emotional, spiritual and educational needs of the children. Our intention is to help each child realise they are loved by God and achieve their potential, being well equipped for adult life and making a positive contribution to their local community and country.

There is no harm associated with the purposes.

BENEFICIARIES

The charity's beneficiaries are:

The poorest children and young people of Shashamene in Ethiopia who are homeless and sleeping on the streets of the city.

PRIVATE BENEFIT

The only private benefit arising in the period was the remuneration of those employed to manage and operate the charity both in Northern Ireland and in Ethiopia. This benefit is incidental to and does not outweigh the public benefit.

Hope365

Trustees' Report

PUBLIC BENEFIT AND REVIEW OF THE YEAR

During the period, the charity has continued to provide benefits from its activities as follows:

(i) - At Home

To achieve our objectives in Ethiopia we must generate financial support at home. Our range of finance generating schemes currently includes:

- Two large Charity Shops: one in Ballyclare and the other in The Junction in Antrim,
- Online pre-owned Furniture Base (Ballyclare)
- Monthly Direct Debit "Shareholder" scheme, (Project Sponsorship)
- "One to One" Child Sponsorship Scheme for reunified Street Kids
- Speaking engagements in schools and churches
- Fundraising activities,
- Trust Fund applications,
- Developing business relationships with local companies and partnering them with our projects
- Throughout the year all charity shops have performed very well
- The number of participants in our "Shareholders" regular giving scheme also remains encouraging,
- Our "One-to-One" child sponsorship scheme for reunited Street Kids has increased significantly during the year.
- We continue to develop new relationships with Primary & Secondary Schools and continue to use our specially developed resources (KS2).
- Income from fundraising activities has improved as slowly people have reverted to normal after the pandemic. Also, with more normal travelling options being available.
- We were able to have our first "Transform Team" visit Ethiopia. This team consisted of 16 people who paid for their flights and costs in addition to fundraising for our projects in Ethiopia. The trip was a great success.
- Finally, our "Trailer for Change" which is a portable clothes and bric-a-brac donations trailer visited many churches, businesses, and schools throughout the year. These additional donations contributed significantly to the profitability of shop sales.

HOW WE ACHIEVE OUR PURPOSE

(ii) - In Ethiopia

Using the funds generated at home we employ Ethiopian staff (currently 14 people in our original project of Transition Centre and Group Homes, along with 15 staff in our "Hope365 Academy" School) to outwork the objectives of our approved projects in Ethiopia. Our status as an International NGO status gives us the scope to consider additional strategic projects as we uncover the core needs. In addition, it allows us to ensure that all key staff who will be working closely with the children in our care should be followers of Jesus. Children are accepted into our care regardless of their faith or ethnicity; however, our projects will operate in accordance with the example and teaching of Jesus.

We have developed good relationships with local churches in the regions where we work, to maximize the chances of children continuing to grow in their faith.

The Hope365 Academy continued to operate from excellent rented facilities. This school project offers all important education as well as school dinners to vulnerable boys and girls in Shashemene including many former Street Kids. This year we have introduced the provision of breakfasts for the children to address the problem of children fainting with hunger in the mornings. This current school year (commencing Sep 2023) has seen 378 vulnerable children registered in the Hope365.

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Trustees' Report

OUR FIRST PROJECT: Transition Centre

“Tesfa Manoriya Bota” (Hope Home) is a great facility which has the capacity to sleep up to 20 boys at any one time. All children are referred to us by Shashemene Women’s & Children’s Affairs in conjunction with the local Police Force.

Tesfa Manoriya Bota is central to our project as it acts as the starting point in a journey of hope for street boys. There are two strands to our Project Proposal.

- (i) Long term care for Street Kids who have no one able to care for them.
- (ii) Reunification of Street Kids with extended family members.

The staff team have come together well throughout the year and have created a very loving environment for all the children, whether long term or shorter term. A variety of techniques including play therapy, drama, art therapy etc. are used by our staff to help unlock the backgrounds to the traumatic stories of each of these individual children. All children have full medical check-ups and enjoy a well-balanced diet, showering facilities and new clean clothes.

Strand 1: Long term care.

When children are referred to us by the local government we assess each individual case to determine the best possible long-term plan for the child. Our staff team includes a psychologist, social worker, counselling staff, nanny’s etc. as well as experienced project managers etc.

GROUP HOMES

Where there are no family links, or where reunification with extended family is not possible, we will form “Group Homes”. These replicate as closely as possible a traditional family environment with our specially trained live-in nanny’s and up to ten children. The children all attend school and church and essentially grow together as a family as part of the local community, thereby eliminating any stigma of “institutional care”. This year we opened a third Group Home and so we now care for a total of 30 orphaned children. Each Group Home provides care for 10 orphaned Street Kids.

The homes have been operating very successfully with all the boys having a very stable environment. We rented suitable homes and trained and employed house parents to live with, and care for the boys. In line with Ethiopian Government policies the “family” is well integrated into the local community. The boys are really enjoying this safe, stable environment and are thriving at school. They continue to have psycho-social input from our staff but are remarkably well adapted after having spent so long on the streets.

Outside in the garden the boys have been learning about growing various vegetables and how to rotate the planting to maximize yield.

- After detailed investigations throughout previous years we have established that 30 of the children in our care have no one to care for them and so reunification will be impossible.
- All have been enrolled in schools in Shashemene where they will receive an excellent education, including at the Hope365 Academy. The boys live in one of our “Group Homes” where they have settled extremely well and still receive e-psychological support from our staff team. All have been verified as being orphans by the relevant Government department (Women & Children’s Affairs).
- Given the boys’ circumstances the choice of school was crucial and so we ensure the boy’s carers meet weekly with the teachers to ensure their good progress continues.
- All the boys are all actively involved in doing chores around the house such as brushing floors, washing clothes, doing dishes etc. to help provide as normal an upbringing as possible. Even a simple request like asking permission to bring school friends home to play are a very healthy sign that the boys really do feel secure and that their lives are being normalised.

Hope365

Trustees' Report

Strand 2: Re-unification of kids to extended family

Where appropriate and where a biological family exists, we believe it would be in the child's best interest to reunite them with blood relatives. However, one major challenge relates to the family's ability to provide adequately for the child. Many kids are on the streets because families are simply too poor to care for them. One way of helping successfully reunite a child into a family long-term is to come alongside the family and help them. Our "One to One" Child sponsorship program for reunited children, as the name suggests, encourages sponsors to support one specific child and his family with a monthly Direct Debit of £20. This money is used to improve the quality of life not only for the child but also for the family. Typically, we use the funds to provide food and clothing. We also provide educational resources and medical support etc.

With no Social Services in Ethiopia, it is our responsibility to undertake home assessment visits before reuniting a child. We are also responsible for regular follow up visits to ensure the reunification is continuing to be successful. Given the geographical spread of the reunited children, this is a significant challenge.

- We are delighted to have reunited well over 250 children with members of their biological family. Once reunited we cover the associated educational costs of ensuring the child goes to school.
- Some of these children come from rural areas outside Shashemene while others live within the town limits.
- Approximately 30 families of reunited children have so far benefitted from the Income Generation Micro Finance Loan scheme and performances have been encouraging as have the repayment of loans in a timely manner.

HOPE ACADEMY

We are delighted with the progress of the Hope365 Academy. This school comprises 8 classrooms for grade students and 3 classrooms for the KG pupils plus a school office. All grade pupils have a distinctive school uniform which they proudly wear.

- 378 pupils (both boys and girls) aged between 5 and 14yrs are now receiving a good education as well a nutritious hot meal each day. Provision of breakfast has now also been introduced to help the children learn effectively. Reunited Street Kids who live close enough are admitted into the Hope Academy in line with the strict admission criteria developed in conjunction with the local government authorities.
- The staff team comprises 23 teachers and support staff.

Trustees and officers

The trustees and officers serving during the year and since the year end were as follows:

Trustees:	Richard Crowe
	Stephen Hunter
	Christopher Jamison
	Stephen Hamill
	Alistair Bennett (appointed 17 January 2024)

Hope365

Trustees' Report

Plans for the future

As we plan for the future we are committed to expanding the number of clothes donations points and shops. We also plan to grow our Child Sponsorship programme and other monthly subscriptions schemes.

Small companies provision statement

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.



.....
Stephen Hamill
Trustee

Hope365

Independent Examiner's Report to the trustees of Hope365 ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 October 2023.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act (Northern Ireland) 2008 ('the 2008 Act') and the Companies Act 2006 ('the 2006 Act'). You are satisfied that the accounts of the Company are not required by charity or company law to be audited and have chosen instead to have an independent examination.

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 65 of the 2008 Act and section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission for Northern Ireland under section 65(9)(b) of the 2008 act and the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

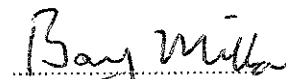
Independent examiner's statement

Since the Company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of Chartered Accountants Ireland, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of Hope365 as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Barry Milla
Independent Examiner
Chartered Accountants Ireland

6 Doagh Road
Ballyclare
Co Antrim
BT39 9BG

22 April 2024

Hope365

Statement of Financial Activities for the Year Ended 31 October 2023 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

Current Year 2023

	Note	Unrestricted funds £	Restricted funds £	Total 2023 £
Income and Endowments from:				
Donations and legacies	3	95,772	31,841	127,613
Charitable activities	4	-	10,320	10,320
Other trading activities	5	355,569	-	355,569
Total income		<u>451,341</u>	<u>42,161</u>	<u>493,502</u>
Expenditure on:				
Raising funds	6	(300,152)	-	(300,152)
Charitable activities	7	(174,017)	(27,778)	(201,795)
Total expenditure		<u>(474,169)</u>	<u>(27,778)</u>	<u>(501,947)</u>
Net (expenditure)/income		<u>(22,828)</u>	<u>14,383</u>	<u>(8,445)</u>
Net movement in funds		(22,828)	14,383	(8,445)
Reconciliation of funds				
Total funds brought forward		<u>39,499</u>	<u>21,416</u>	<u>60,915</u>
Total funds carried forward	17	<u>16,671</u>	<u>35,799</u>	<u>52,470</u>

The notes on pages 12 to 22 form an integral part of these financial statements.

Hope365

Statement of Financial Activities for the Year Ended 31 October 2023 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

Prior Year 2022

	Note	Unrestricted funds £	Restricted funds £	Total 2022 £
Income and Endowments from:				
Donations and legacies	3	81,452	12,677	94,129
Charitable activities	4	-	6,245	6,245
Other trading activities	5	262,310	-	262,310
Total income		<u>343,762</u>	<u>18,922</u>	<u>362,684</u>
Expenditure on:				
Raising funds	6	(266,658)	-	(266,658)
Charitable activities	7	(90,373)	(7,506)	(97,879)
Total expenditure		<u>(357,031)</u>	<u>(7,506)</u>	<u>(364,537)</u>
Net (expenditure)/income		<u>(13,269)</u>	<u>11,416</u>	<u>(1,853)</u>
Net movement in funds		(13,269)	11,416	(1,853)
Reconciliation of funds				
Total funds brought forward		<u>52,768</u>	<u>10,000</u>	<u>62,768</u>
Total funds carried forward	17	<u>39,499</u>	<u>21,416</u>	<u>60,915</u>

All of the charity's activities derive from continuing operations during the above two periods.
The funds breakdown for 2022 is shown in note 17.

Hope365

(Registration number: NI634605)
Balance Sheet as at 31 October 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	13	12,572	15,744
Current assets			
Debtors	14	11,705	17,250
Cash at bank and in hand	15	<u>34,853</u>	<u>33,775</u>
		46,558	51,025
Creditors: Amounts falling due within one year	16	<u>(6,660)</u>	<u>(5,854)</u>
Net current assets		<u>39,898</u>	<u>45,171</u>
Net assets		<u>52,470</u>	<u>60,915</u>
Funds of the charity:			
Restricted income funds			
Restricted funds		35,799	21,416
Unrestricted income funds			
Unrestricted funds		<u>16,671</u>	<u>39,499</u>
Total funds	17	<u>52,470</u>	<u>60,915</u>

For the financial year ending 31 October 2023 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

The financial statements on pages 9 to 22 were approved by the trustees, and authorised for issue on 22 April 2024 and signed on their behalf by:


.....
Stephen Hamill
Trustee

The notes on pages 12 to 22 form an integral part of these financial statements.

Hope365

Notes to the Financial Statements for the Year Ended 31 October 2023

1 Charity status

The charity is limited by guarantee, incorporated in Northern Ireland, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

The address of its registered office is:

6 Doagh Road
Ballyclare
Co Antrim
BT39 9BG

The principal place of business is:

73-75 Main Street
Ballyclare
Co Antrim
BT39 9AA

These financial statements were authorised for issue by the trustees on 22 April 2024.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

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

Basis of preparation

Hope365 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 notes.

Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

Income and endowments

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

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Notes to the Financial Statements for the Year Ended 31 October 2023

Donations and legacies

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Raising funds

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees meetings and reimbursed expenses.

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Hope365

Notes to the Financial Statements for the Year Ended 31 October 2023

Tangible fixed assets

Individual fixed assets costing £0.00 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Fixtures & Fittings	25% Reducing Balance
Office Equipment	20% Reducing Balance
Motor Vehicles	25% Reducing Balance

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

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Notes to the Financial Statements for the Year Ended 31 October 2023

Foreign exchange

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date.

The results of overseas operations are translated at the average rates of exchange during the period and their balance sheets at the rates ruling at the balance sheet date. Exchange differences arising on translation of the opening net assets and results of overseas operations are reported in other comprehensive income and accumulated in equity (attributed to non-controlling interests as appropriate).

Other exchange differences are recognised in the Statement of Financial Activities in the period in which they arise except for:

- 1) exchange differences on transactions entered into to hedge certain foreign currency risks (see above);
- 2) exchange differences arising on gains or losses on non-monetary items which are recognised in other comprehensive income; and
- 3) in the case of the consolidated financial statements, exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised in other comprehensive income and reported under equity.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees discretion in furtherance of the objectives of the charity.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

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Notes to the Financial Statements for the Year Ended 31 October 2023

3 Income from donations and legacies

	Unrestricted funds General £	Restricted funds £	Total 2023 £	Total 2022 £
Donations and legacies;				
Donations from individuals	76,346	31,841	108,187	72,200
Gift aid reclaimed	19,426	-	19,426	21,929
	95,772	31,841	127,613	94,129

4 Income from charitable activities

	Restricted funds £	Total funds £
Child Sponsorship	10,320	10,320
Total for 2023	10,320	10,320
Total for 2022	6,245	6,245

5 Income from other trading activities

	Unrestricted funds General £	Total 2023 £	Total 2022 £
Trading income;			
Shop income from sale of donated goods and services	355,569	355,569	262,310
	355,569	355,569	262,310

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Notes to the Financial Statements for the Year Ended 31 October 2023

6 Expenditure on raising funds

a) Costs of generating donations and legacies

	Note	Unrestricted funds General £	Total 2023 £	Total 2022 £
Other direct costs of generating voluntary income		1,711	1,711	197
Allocated support costs	8	23,245	23,245	20,211
		<u>24,956</u>	<u>24,956</u>	<u>20,408</u>

b) Costs of trading activities

	Note	Unrestricted funds General £	Total 2023 £	Total 2022 £
Legal fees		2,935	2,935	1,875
Marketing and publicity		5,490	5,490	5,132
Depreciation, amortisation and other similar costs		3,838	3,838	4,809
Other direct costs of activities for generating funds		68,893	68,893	65,774
Allocated support costs	8	194,040	194,040	168,660
		<u>275,196</u>	<u>275,196</u>	<u>246,250</u>

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Notes to the Financial Statements for the Year Ended 31 October 2023

7 Expenditure on charitable activities

	Unrestricted funds General £	Restricted funds £	Total 2023 £	Total 2022 £
TMB Centre, Hope Academy and Group Homes	172,652	27,778	200,430	96,629
Governance costs	1,365	-	1,365	1,250
	174,017	27,778	201,795	97,879

£172,652 (2022 - £89,123) of the above expenditure was attributable to unrestricted funds and £27,778 (2022 - £7,506) to restricted funds.

In addition to the expenditure analysed above, there are also governance costs of £1,365 (2022 - £1,250) which relate directly to charitable activities. See note 8 for further details.

8 Analysis of governance and support costs

Support costs allocated to raising funds

	Basis of allocation	Finance costs £	Information technology £	Staff costs £	Administration costs £	Total 2023 £	Total 2022 £
Costs of generating donations and legacies	A	649	443	21,355	798	23,245	20,211
Costs of trading activities	A	5,416	3,709	178,221	6,694	194,040	168,660
		6,065	4,152	199,576	7,492	217,285	188,871

Basis of allocation

Reference	Method of allocation
A	Percentage of staff costs

Hope365

Notes to the Financial Statements for the Year Ended 31 October 2023

Governance costs

	Unrestricted funds General £	Total 2023 £	Total 2022 £
Independent examiner fees			
Examination of the financial statements	1,365	1,365	1,250
	<u>1,365</u>	<u>1,365</u>	<u>1,250</u>

9 Net incoming/outgoing resources

Net outgoing resources for the year include:

	2023 £	2022 £
Depreciation of fixed assets	<u>4,054</u>	<u>4,808</u>

10 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

11 Independent examiner's remuneration

	2023 £	2022 £
Examination of the financial statements	<u>1,365</u>	<u>1,250</u>

Hope365

Notes to the Financial Statements for the Year Ended 31 October 2023

12 Taxation

The charity is a registered charity and is therefore exempt from taxation.

13 Tangible fixed assets

	Furniture and equipment £	Motor vehicles £	Total £
Cost			
At 1 November 2022	18,174	17,745	35,919
Additions	666	-	666
At 31 October 2023	18,840	17,745	36,585
Depreciation			
At 1 November 2022	10,787	9,388	20,175
Charge for the year	1,749	2,089	3,838
At 31 October 2023	12,536	11,477	24,013
Net book value			
At 31 October 2023	6,304	6,268	12,572
At 31 October 2022	7,387	8,357	15,744

14 Debtors

	2023 £	2022 £
Prepayments	11,705	17,250

15 Cash and cash equivalents

	2023 £	2022 £
Cash on hand	7,171	4,303
Cash at bank	27,682	29,472
	34,853	33,775

Hope365

Notes to the Financial Statements for the Year Ended 31 October 2023

16 Creditors: amounts falling due within one year

	2023 £	2022 £
Trade creditors	2,615	2,621
Other taxation and social security	2,198	2,286
VAT	(1,905)	(969)
Other creditors	2,387	395
Accruals	1,365	1,521
	6,660	5,854

17 Funds

	Balance at 1 November 2022 £	Incoming resources £	Resources expended £	Balance at 31 October 2023 £
Unrestricted funds				
General	39,499	451,341	(474,169)	16,671
Restricted funds	21,416	42,161	(27,778)	35,799
Total funds	60,915	493,502	(501,947)	52,470
	Balance at 1 November 2021 £	Incoming resources £	Resources expended £	Balance at 31 October 2022 £
Unrestricted funds				
General	52,768	343,762	(357,031)	39,499
Restricted funds	10,000	18,922	(7,506)	21,416
Total funds	62,768	362,684	(364,537)	60,915

Hope365

Notes to the Financial Statements for the Year Ended 31 October 2023

18 Analysis of net assets between funds

	Unrestricted funds General £	Restricted funds £	Total funds at 31 October 2023 £
Tangible fixed assets	12,572	-	12,572
Current assets	10,759	35,799	46,558
Current liabilities	(6,660)	-	(6,660)
Total net assets	<u>16,671</u>	<u>35,799</u>	<u>52,470</u>

	Unrestricted funds General £	Restricted funds £	Total funds at 31 October 2022 £
Tangible fixed assets	15,744	-	15,744
Current assets	29,609	21,416	51,025
Current liabilities	(5,854)	-	(5,854)
Total net assets	<u>39,499</u>	<u>21,416</u>	<u>60,915</u>