

Registered Number: 06552033 (England and Wales)

**HOPE THROUGH ACTION
(A Company Limited by Guarantee)**

REPORT AND UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 5 APRIL 2019



HOPE THROUGH ACTION
(A Company Limited by Guarantee)

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For the Year Ended 5 April 2019

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HOPE THROUGH ACTION
(A Company Limited by Guarantee)

Company Information
For the Year Ended 5 April 2019

TRUSTEES:

P J Bland
D A Fobian
P R Thompson
S Randall

SECRETARY:

Oakwood Corporate Secretary Limited

REGISTERED OFFICE:

15 Grassfield Way
Knutsford
Cheshire
WA16 9AF

CHARITY NUMBER:

1125698

REGISTERED NUMBER:

06552033

ACCOUNTANTS:

RSM UK Tax and Accounting Limited
One City Place
Queens Road
Chester
Cheshire
CH1 3BQ

BANKERS:

CAF Bank Limited
25 Kings Hill Avenue
Kings Hill
West Malling
Kent
ME19 4JQ

HOPE THROUGH ACTION
(A Company Limited by Guarantee)

Trustees' Report for the Year Ended 5 April 2019

The Trustees submit their report and unaudited financial statements for the year ended 5 April 2019.

Legal and administrative information set out on page 1 forms part of this report.

Trustees

The Trustees who served during the year and to the date of this report were:

P J Bland
D A Fobian
P R Thompson
S Randall (appointed on 17 December 2018)

Structure, Governance and Management

The organisation is a charitable company limited by guarantee (06552033), incorporated on 1 April 2008 and registered as a charity (1125698) on 3 September 2008. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. The day to day running of the charity is managed by the trustees.

Recruitment and Appointment

The directors of the company are also charity trustees for the purposes of charity law. Trustees are appointed by a resolution of the trustees passed at a special meeting. The minimum number of trustees is 3.

Principal Objectives and Activities of the Charity

The company's objects and principal activities are:

- Through advancing education, relieving poverty and sickness and preserving and protecting the good health of people in Africa (and in particular, but not exclusively, in South Africa).
- Advancing in life and relieving the needs of young people by:
 1. Providing an indoor stadium(s) and playing fields primarily (although not exclusively) to help enable young people in the area of benefit to break out of the cycle of poverty, ill health, crime, drug abuse and marginalisation.
 2. The provision of other recreational and leisure time activities provided in the interests of social welfare, designed to improve their conditions of life.
 3. Providing support and activities which develop their skills, capacities and capabilities to enable them to participate in society as mature and responsible individuals.

Public benefit

The trustees confirm that they have referred to the guidance contained in the charity commission's general guidance in public benefit when reviewing the trust's aims and objectives and in planning future activities and setting the grant making policy for the year.

Grant making policy

- Grants will only be made from the funds of Hope Through Action (HTA) to organisations whose objectives align with those of HTA;
- Occasionally it will be appropriate to make grants to individuals for specific project/activities. Any such grants will only be paid into recognised bank accounts and for defined purposes;
- Grants will not be made to political parties or to individuals for political purposes;
- Wherever possible feedback should be requested and provided from the recipient to demonstrate, evidentially, the outcomes achieved against those agreed prior to the grant being made.

HOPE THROUGH ACTION
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Trustees' Report for the Year Ended 5 April 2019

Achievements and Performance

In this period the charity has raised a total of £241,195 and made grants of £273,319 to the Hope Through Action Foundation (SA) a Section 21 company based in South Africa. A formal Memorandum of Understanding has been established between the charity and the foundation in South Africa. This South African based organisation is the legal owner of facilities built in order to achieve the objectives of the charity.

The grants made towards the work in South Africa have enabled significant progress to be made in bringing about positive change in the lives of young people and their community.

The two current centres continue to provide care, life skills training, sports coaching and personal development to over 7,000 children and young people per month. The communities in which the charity have the privilege of working are becoming increasingly violent and unsafe places for children and young people. The centres in Mbekweni and Franschhoek are safe havens for young people to develop and grow.

For several years the charity has been in discussion with Swartland Municipality regarding the opportunity to build a third centre in Malmesbury. In May 2019 the new centre was opened and is already impacting the lives of over 5,000 young people/ month:

The "Sponsor A Child" initiative, whereby donors can support the education and welfare of a specific child in the townships, is now funding the care of 12 children.

The charity is conscious of our responsibilities to protect the children and young people with whom the charity, and our partners, work. The charity has therefore continued to review its safeguarding policies and procedures.

The Trustees of the foundation continue to work with SCORE as a local partner to run the centres and deliver the six key programmes i.e. health, welfare, education, leadership, business development and sports excellence. The centres have maintained high utilisation rates. Programmes in the centres are aimed at helping young people develop physically, emotionally, intellectually and spiritually.

The grants made from Hope Through Action have ensured that the objectives of the charity continue to be met.

There are both common and independent trustees in these two organisations to ensure appropriate governance and risk management.

The Trustees wish to recognise the contribution made by volunteers in helping to achieve the charities objectives.

Financial Review

There were net outgoing resources for the year of £35,149 with retained funds of £13,017 at the year end. The net expenditure is due to grants payable being higher than the donations for the current year.

Risk Management

The trustees have assessed the major risks to which the charity is exposed and are satisfied that systems are in place to mitigate exposure to the major risks. The main risk to the charity would be a reduction in donations received.

HOPE THROUGH ACTION
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Trustees' Report for the Year Ended 5 April 2019

Reserves Policy

The trustees consider that the most appropriate level of free reserves in the long term is £5,000. The reserves held at the balance sheet date are sufficient at present to enable the charity to achieve its objectives.

Trustees' Responsibilities

The trustees (who are also directors of Hope Through Action 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 which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for 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 estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

These accounts are prepared in accordance with the provisions applicable to companies' subject to the small companies' regime.

ON BEHALF OF THE BOARD

P J Bland

Date: 16/12/19

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF HOPE THROUGH ACTION

I report to the trustees on my examination of the financial statements of Hope Through Action ('the company') for the year ended 5 April 2019, which are set out on pages 6 to 13.

Responsibilities and basis of report

As the 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 Companies Act 2006 ('the 2006 Act').

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 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145 (5)(b) of the 2011 Act.

An independent examination does not involve gathering all the evidence that would be required in an audit and consequently does not cover all the matters that an auditor considers in giving their opinion on the accounts. The planning and conduct of an audit goes beyond the limited assurance that an independent examination can provide. Consequently, I express no opinion as to whether the accounts present a 'true and fair view' and my report is limited to those specific matters set out in the independent examiner's statement.

Independent examiner's statement

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

1. accounting records were not kept in respect of the company 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: Accounting and Reporting by Charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and 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.

Rsm UK Tax and Accounting Limited

Name: **John Guest**

Name of applicable listed body: **The Institute of Chartered Accountants in England and Wales**

Relevant professional qualification or body: **Chartered Accountant**

ON BEHALF OF RSM UK TAX AND ACCOUNTING LIMITED

Chartered Accountants

One City Place

Queens Street

Chester

CH1 3BQ

Date: *20 December 2019*

HOPE THROUGH ACTION
(A Company Limited by Guarantee)

Statement of Financial Activities (including Income and Expenditure Account)
For the Year Ended 5 April 2019

	Notes	Unrestricted Funds 2019 £	Restricted Funds 2019 £	Total Funds 2019 £	Total Funds 2018 £
INCOME AND ENDOWMENTS:					
Donations and legacies	3	25,423	215,771	241,194	77,644
Investment Income		1	-	1	1
TOTAL INCOME		<u>25,424</u>	<u>215,771</u>	<u>241,195</u>	<u>77,645</u>
EXPENDITURE					
Expenditure on Charitable Activities					
Grants for the Provision of Sports Facilities	4	6,663	269,681	276,344	41,462
TOTAL EXPENDITURE		<u>6,663</u>	<u>269,681</u>	<u>276,344</u>	<u>41,462</u>
INCOME BEFORE TRANSFERS/ NET (EXPENDITURE)		<u>18,761</u>	<u>(53,910)</u>	<u>(35,149)</u>	<u>36,183</u>
TRANSFERS		<u>(10,571)</u>	<u>10,571</u>	<u>-</u>	<u>-</u>
INCOME NET MOVEMENT IN FUNDS FOR THE YEAR/ NET (EXPENDITURE)		<u>8,190</u>	<u>(43,339)</u>	<u>(35,149)</u>	<u>36,183</u>
TOTAL FUNDS BROUGHT FORWARD		<u>4,827</u>	<u>43,339</u>	<u>48,166</u>	<u>11,983</u>
TOTAL FUNDS CARRIED FORWARD	10	<u>13,017</u>	<u>-</u>	<u>13,017</u>	<u>48,166</u>
		=====	=====	=====	=====

The company has no recognised gains or losses other than as stated in the Statement of Financial Activities.

HOPE THROUGH ACTION
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Balance Sheet as at 5 April 2019

Registered Number: 06552033 (England and Wales)

	Notes	2019 £	2018 £
Current Assets			
Cash at bank and in hand		15,612	50,726
Total current assets		15,612	50,726
Creditors: Amounts falling due within one year	9	(2,595)	(2,560)
Net Current Assets		13,017	48,166
Total Assets Less Current Liabilities		13,017	48,166
CHARITABLE FUNDS			
Restricted Funds	10	-	43,339
Unrestricted Funds	10	13,017	4,827
TOTAL FUNDS		13,017	48,166

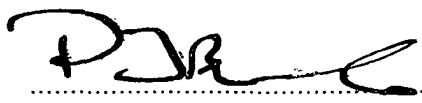
For the year ended 5 April 2019 the company was entitled to exemption from audit under Section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit of its financial statements for the year ended 5 April 2019 in accordance with Section 476.

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

These accounts are prepared in accordance with the provisions applicable to companies' subject to the small companies' regime.

The financial statements were approved by the Trustees and authorised for issue on 18/12/19 and were signed on their behalf by:


P J Bland
Director

HOPE THROUGH ACTION
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Notes to the Financial Statements
For the Year Ended 5 April 2019

1. Accounting Policies

The following accounting policies have been applied consistently regarding items considered material to the accounts.

a) Company information

Hope Through Action is a private company limited by guarantee incorporated in England and Wales. The registered office is 15 Grassfield Way, Knutsford, Cheshire, WA16 9AF.

b) Accounting convention

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) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Hope Through Action meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

The Charity has taken advantage of the provisions in the SORP for Charities applying FRS102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

c) Going concern basis of preparation

The Trustees have considered transactions that are anticipated to take place in the foreseeable future and have concluded that no additional financial resources will be required. On this basis the Trustees have concluded that adopting the going concern basis of accounting in preparing the annual financial statements is appropriate.

d) Incoming resources

Donations

Donations are credited to the statement of financial activities once the charity has entitlement to the resources, it is certain that the resources will be received, and the monetary value can be measured with sufficient reliability. Income from events are credited to the statement of financial activities at the time the event takes place and income is certain.

Interest receivable

Interest received is credited to the statement of financial activities when received.

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Notes to the Financial Statements
For the Year Ended 5 April 2019

1. Accounting Policies – continued

e) Resources expended

Resources expended are included in the statement of financial activities on an accruals basis, inclusive of any VAT which cannot be recovered.

Expenditure on charitable activities includes grants made and a proportion of overhead and support costs.

Grants payable are payments made to third parties in the furtherance of the charitable objectives of the Charity. Grants are accounted for when either the recipient has a reasonable expectation that they will receive a grant and the trustees have agreed to pay the grant without condition, or the recipient has a reasonable expectation that they will receive a grant and any condition attaching to the grant is outside of the control of the Charity.

Governance costs are related to the governance of the charity, such as trustees' expenses.

f) Fund accounting

Funds held by the charity are either:

- Unrestricted funds which can be used in accordance with the charitable objectives at the discretion of the trustees;
- Restricted funds which can only be used for a particular restricted purpose within the charitable objectives. The nature and purpose of each restricted fund is included in note 11 to the financial statements.

g) Foreign currencies

Assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to the statement of financial activities.

h) Donations in Kind

The charity received support from many organisations throughout the year. The trustees believe that the value of this support is not quantifiable and measurable or material to disclose within the accounts.

i) Financial instruments

The Charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102, in full, to all of its financial instruments.

Financial assets and financial liabilities are recognised when the Charity becomes a party to the contractual provisions of the instrument and are offset only when the Charity currently has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

j) Financial assets

Other debtors which are receivable within one year and which do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled and any impairment losses.

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Notes to the Financial Statements
For the Year Ended 5 April 2019

k) Financial liabilities

Financial instruments are classified as liabilities according to the substance of the contractual arrangements entered into.

Other creditors (including accruals) payable within one year that do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled.

2. Critical accounting estimates and judgements

The trustees believe that estimates and assumptions do not have a significant risk of causing a material difference to the carrying amounts of assets and liabilities within the next financial year.

3. Donations

	Unrestricted Funds £	Restricted Funds £	Total 2019 £	Total 2018 £
Donations	20,246	201,850	222,096	74,496
Gift aid	5,177	13,921	19,098	3,148
	<u>25,423</u>	<u>235,771</u>	<u>241,194</u>	<u>77,644</u>

Of the £77,644 received in 2018 £74,295 was restricted and £3,349 was unrestricted.

4. Analysis of expenditure on charitable activities

	Grant funded Activities		Support Costs (Note 5)		Total 2019	Total 2018
	Unrestricted £	Restricted £	Unrestricted £	Restricted £	£	£
Charitable Activities:						
Grants for the Provision of Sporting Facilities	-	269,681	3,639	-	273,320	39,123
Governance costs	-	-	3,024	-	3,024	2,339
	<u>-</u>	<u>269,681</u>	<u>6,663</u>	<u>-</u>	<u>276,344</u>	<u>41,462</u>

The charity undertakes its charitable activities through making all grants to Hope Through Action Foundation, a Section 21 charitable company registered in South Africa.

Of the £41,462 expensed in 2018 £34,158 was restricted and £7,304 was unrestricted.

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Notes to the Financial Statements
For the Year Ended 5 April 2019

5. Support Cost Breakdown by Activity

	Charitable Activities		Governance	Total 2019	Total 2018
	Unrestricted	Restricted			
	£	£	£	£	£
Website design and evaluation	627	-	-	627	446
Management	1,754	-	1,207	2,961	3,786
Finance	1,258	-	1,817	3,075	3,072
	<u>3,639</u>	<u>-</u>	<u>3,024</u>	<u>6,663</u>	<u>7,304</u>

6. Net income/(expenditure) for the year is stated after charging:

	Total 2019	Total 2018
	£	£
Independent examiners fee	1,817	1,834
Accountancy	738	680
	<u>2,555</u>	<u>2,514</u>

The Trustees received no remuneration in the period.

Included within charitable activity expenses is an amount of £2,063 relating to travel costs (2018: £3,017) which were incurred by trustees as part of the project work in South Africa. Included within support costs, is an amount of £2,274 (2018: £3,366) relating to £1,647 (2018: £3,098) on travel expenses, £254 (2018: £156) on subscriptions and £373 (2018: £112) on website charges, which were incurred by trustees as part of their role as charity trustees.

7. Staff Numbers and Costs

The charity has no employees and no staff costs were incurred during the year (2018: £nil).

8. Taxation

The charity is exempt from tax on income and gains falling within Part 11 of the Corporation Taxes Act 2010 or section 256 of the Taxation of Charitable Gains Act 1992 to the extent that these are applied to its charitable objects.

HOPE THROUGH ACTION
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Notes to the Financial Statements
For the Year Ended 5 April 2019

9. Creditors amounts falling due within one year

	2019 £	2018 £
Accruals	2,595	2,560
	<u>2,595</u>	<u>2,560</u>

10. Analysis of Charitable Funds

	Balance at 05.04.18 £	Income £	Expenditure £	Transfers £	Balance at 05.04.19 £
Restricted Funds	43,339	215,71	(269,681)	10,571	-
Unrestricted Funds	4,827	25,424	(6,663)	(10,571)	13,017
	<u>48,166</u>	<u>241,195</u>	<u>(276,344)</u>	<u>-</u>	<u>13,017</u>

Restricted Funds relate to donations held in respect of the Nompumelelo, Junior cricket programme, Sponsor a child, Malmesbury Centre and other small projects.

11. Financial Instruments

	2019 £	2018 £
Carrying amount of financial assets		
Debt instruments measured at amortised cost	-	-
	<u>-</u>	<u>-</u>
Carrying amount of financial liabilities		
Measured at amortised cost	2,595	2,560
	<u>2,595</u>	<u>2,560</u>

HOPE THROUGH ACTION
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Notes to the Financial Statements
For the Year Ended 5 April 2019

12. Analysis of Assets Between Funds

	Unrestricted Funds £	Restricted Funds £	Total £
At 5 April 2019			
Current Assets	15,612	-	15,612
Current Liabilities	(2,596)	-	(2,596)
	<hr/>	<hr/>	<hr/>
Total Net Assets	13,017	-	13,017
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
At 5 April 2018			
Current Assets	7,387	43,339	50,726
Current Liabilities	(2,560)	-	(2,560)
	<hr/>	<hr/>	<hr/>
Total Net Assets	4,827	43,339	48,166
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

13. Guarantee Company and Liability of Members

Hope Through Action is a company limited by guarantee and therefore does not have any share capital.

The liability of members is limited. In the event of the company being wound up during a member's period of membership or within 12 months afterwards, an amount not exceeding £1 will be required towards the costs of dissolution and the liabilities incurred by the Charity before the membership ceased. There were 4 members at the balance sheet date.

14. Financial Period

These financial statements cover the year ended 5 April 2019. The Trustees have selected 5 April as the most appropriate date for preparing financial statements.

15. Related Party Transactions

Hope Through Action Foundation, a charitable company registered in South Africa, is related to the Charity through Mr P J Bland, who is a Trustees of both charities. During the year the Charity made grants to Hope Through Action Foundation of £267,363 (2018: £31,065). No balances remain outstanding at 5 April 2019 (2018: £nil).