

Report of the Trustees and Directors

and Financial Statements for the

year ended 31 March 2017

for

Hope International Development Agency

Hope International Development Agency

Index to the Financial Statements
for the year ended 31 March 2017

	<u>Page</u>
Company Information	1
Report of the Trustees and Directors	2 - 4
Independent Examiner's Report	5
Statement of Financial Activities	6
Balance Sheet	7
Notes to the Financial Statements	8 - 12

Hope International Development Agency

Company Information
for the year ended 31 March 2017

Directors and Trustees:	Mrs R S Armstrong C H Dick C J Haywood Mrs C M Poulson
Secretary:	Mrs C M Poulson
Registered Office:	125 West Hill Road Wandsworth London SW18 5HN
Registered Company Number:	4346286
Registered Charity Number:	1094573
Bankers:	NatWest 225 High Street Lincoln LN2 1AZ
Independent Examiner:	J Howard FCA Wilkins Kennedy LLP Bridge House London Bridge London SE1 9QR

Hope International Development Agency
Report of the Trustees
for the year ended 31 March 2017

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2016. The trustees have adopted the provisions of 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).

OBJECTIVES AND ACTIVITIES FOR THE PUBLIC BENEFIT

Objectives and aims

The objectives of the charity are as follows:

1. To relieve poverty by:
 - a. assisting poor people in developing countries to help themselves;
 - b. motivating people in the UK to action in support of the developing world; and
 - c. facilitating and providing a mechanism for active participation between the people of the UK and the developing world.
2. To inform and educate people in the UK regarding issues relating to the developing world.

Significant activities

In 2016/17, Hope UK sent a fantastic £90,000 to Hope Ethiopia to support water and sanitation projects with marginalised communities in the Bonke region of Ethiopia where Hope has been working since 2009. £30,000 of this was our third contribution to the project in Kalebo Laka which was jointly funded with Hope Canada. The Kalebo Laka project has encompassed both the community-based water and sanitation work which Hope implements using tried and tested approaches, and the establishment of ten self-help groups for 200 women in the village. The construction of the water project ended in December 2016 with an official hand-over ceremony and has provided 1,729 men, women and children with access to safe water less than 15 minutes from their home. The health education and investment in 200 women in self-help groups began in 2016/17 and will continue until August 2018 to ensure that all learning has been firmly embedded. £60,000 was sent to Hope Ethiopia for the project in Mela Gagula to provide water to the community, local school and health station. This project is co-funded by Hope Canada and Hope New Zealand and scheduled to start in May 2017. Hope UK additionally sent to Hope Cambodia a £3,000 donation made specifically for the work there.

£90,000 is a significant increase on the £26,000 raised and sent to projects in Ethiopia in 2015/16. A major donor gave a wonderful £50,000 for the Mela Gagula project. We were delighted to be awarded a grant of £10,600 from the Waterloo Foundation (with a further £6,000 to follow in 2017/18) for the Kalebo Laka project; and a grant of £11,109 through the GlobalGiving community grant scheme for the self-help group element of the work in Kalebo Laka. We raised £4,981 through the GlobalGiving platform and are benefitting from our easy to use and fee-free Stewardship platform (give.net) for online donations (both regular and one-off donations, and for events). Our committed regular donors gave nearly £7,000 (a similar sum to last year) whilst church congregations and a school gave nearly £3,000. These long-standing partners are a great encouragement. Vitality, regular donors account for most of the vital unrestricted funding which Hope receives which enable it to cover its running costs. (In 2016/17, 91% of our expenditure was on grants to Ethiopia whilst 9% was on our fund-raising and running costs in the UK.)

As well as running campaigns and meeting supporters, our fund-raiser organised successful concerts and gigs which were attended by existing donors and attracted new supporters. These events raised £1,500 whilst just over £2,000 was additionally generated through sales of hand-made glass earrings and coasters with a water theme designed and made in Bristol; 'knitvity' sets and other knitted Christmas items made by members of a supporting church in Bristol; and Ethiopian scarves and jewellery.

Chris Haywood, Chair of Trustees for 5 years now, spent 6 weeks in Ethiopia in summer 2016 on placement at the Anglican church in Addis Ababa as part of his ordination training. He was able to spend time with Frehiwot Alebachew, Hope's Director in Ethiopia, and to visit Hope's projects in Tsayte, Wabe Shore, Kalebo Laka. This was a great opportunity to see the impact of Hope's fund-raising efforts here in the UK and appreciate the challenges and benefits of such work.

Hope International Development Agency
Report of the Trustees
for the year ended 31 March 2017

FINANCIAL REVIEW

Reserves policy

The Trustees have reviewed the reserves of the charity. The trustees' policy is to maintain reserves at the minimum level needed to meet known expenditure commitments in the next month, in order to maximise the grants made to HOPE overseas (typically made twice a year). The trustees consider that the current level of reserves in the unrestricted and restricted funds is adequate for this purpose.

All other funds raised by the organisation are transferred to HOPE partners overseas on several occasions in the year as funds allow.

Principal funding sources

The sole source of funding during the period was donations from individuals and organisations.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Recruitment and appointment of new trustees

No new trustees were appointed in 2016/17 (or 2015/16).

Related parties

The objectives of the charity are consistent with those of its partner organisation, Hope International Development Agency (Canada), and there is a considerable degree of interdependence between the two charities. Much of the liaison with the projects in developing countries takes place from Canada.

Also Hope International is separately registered with the Ethiopian government as an official non-government organisation in Ethiopia. All the projects in Ethiopia are undertaken by Hope International Development Agency (Ethiopia).

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

Hope International Development Agency
Report of the Trustees
for the year ended 31 March 2017

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number
4346286 (England and Wales)

Registered Charity number
1094573

Registered office
125 West Hill Road
Wandsworth
London
SW18 5HN

Trustees
Mrs R S Armstrong
C H Dick
C J Haywood
Mrs C M Poulson

Company Secretary
Mrs C M Poulson

Statement of trustees' responsibilities

The trustees (who are also 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, 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 the year. In preparing these financial statements, the trustees are required to:

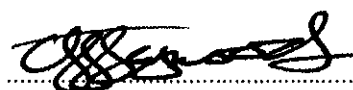
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping adequate accounting records that 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.

This report has been prepared in accordance with the Statement of Recommended Practice: 'Accounting and Reporting by Charities' and in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to smaller entities.

Approved by the Board and signed on its behalf:

ON BEHALF OF THE BOARD:


.....
C J Haywood – Trustee and Chair
Date: 14th December 2017

**Independent Examiner's Report to the Trustees of
Hope International Development Agency**

I report of the charity trustees on my examination of the accounts of the Company for the year ended 31 March 2017.

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 requirement of the Companies Act 2016 ('the 2016 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2016 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.

Independent examiner's statement

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 the Company as required by section 386 of the 2016 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 2016 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 Report Standard applicable in the UK and Republic of Ireland (FRS 102)].

I have no concerns and have come across no 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.



John Howard FCA
Chartered Accountant
Wilkins Kennedy LLP
Bridge House
London Bridge
London
SE1 9QR

Date: 19 December 2017

Hope International Development Agency
Statement of Financial Activities (Including Income and Expenditure Account)
for the year ended 31 March 2017

	Note	Unrestricted Funds	Restricted Funds	Total 2017	Total 2016
		£	£	£	£
Incoming Resources					
Voluntary income:	2				
Donations and legacies		9,115	88,100	97,215	26,556
Events and initiatives		2,018	1,575	3,593	5,151
Gift aid		1,152	627	1,779	2,241
		-----	-----	-----	-----
Total incoming resources		12,285	90,302	102,587	33,948
		=====	=====	=====	=====
Resources Expended					
Raising Fund	3	8,156	663	8,819	7,664
Charitable activities:					
Grants to HOPE projects	4	-	93,101	93,101	26,069
Governance costs	6	13	-	13	13
		-----	-----	-----	-----
Total resources expended		8,169	93,764	101,933	33,746
		=====	=====	=====	=====
Net (outgoing)/incoming resources before transfers		4,116	(3,462)	654	202
Transfers		(3,554)	3,554	-	-
		-----	-----	-----	-----
Net (outgoing)/incoming resources after transfers		562	92	654	202
Total funds brought forward		2,491	-	2,491	2,289
		-----	-----	-----	-----
Total funds carried forward		3,053	92	3,145	2,491
		=====	=====	=====	=====

The notes form part of these financial statements

Hope International Development Agency
Balance Sheet as at 31 March 2017
(Company number – 4346286)

	<u>Notes</u>	At 31 March <u>2017</u> £	At 31 March <u>2016</u> £
Current assets			
Stock	7	127	119
Debtors	8	2,828	2,017
Cash at bank		1,350	1,202
		<u>4,305</u>	<u>3,338</u>
Current liabilities			
Other creditors	9	1,160	847
		<u>3,145</u>	<u>2,491</u>
Net Current assets and Net assets			
		<u>3,145</u>	<u>2,491</u>
Income Funds			
Restricted funds	12	92	-
Unrestricted funds	12	3,053	2,491
		<u>3,145</u>	<u>2,491</u>

The company is entitled to exemption from audit under section 477 of the Companies Act 2006 for the year ended 31 March 2017.

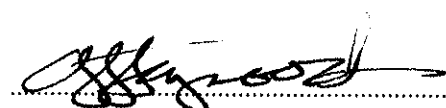
The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2017 in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- a) Ensuring that the company keeps accounting records which comply with section 386 and 387 of the companies Act 2006 and
- b) Preparing financial statements which give a true and fair view of the statement of affairs of the company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

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

The financial statements were approved by the Boards of Trustees on 14 December 2017 and were signed on its behalf on its behalf by:



 C J Haywood - Trustee

The notes form part of these financial statements

Hope International Development Agency
Notes to the Financial Statements
for the year ended 31 March 2017

1. **Accounting Policies**

(a) General information and basis of preparation

Hope International Development Agency is a company limited by guarantee in the United Kingdom. The address of the registered office is given in the charity information on page 1 of these financial statements. The nature of the charity's operations and principal activities are set out on page 2.

The charitable company constitutes a public benefit entity as defined by FRS 102. 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 on 16 July 2014, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102). The Charities Act 2011, the Companies Act 2016 and UK Generally Accepted Practice as it applies from 1 January 2015.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in sterling which is the functional currency of the charity.

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

There has been no change to the accounting policies (valuation rules and methods of accounting) since last year.

(b) 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 charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost 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.

(c) Incoming resources

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

Donations and legacies are recognised in the financial statements when the charity is convinced that there is entitlement to the income, there is certainty of receipt and the amount in question is measurable.

Donated facilities are included at the value to the charity where this can be quantified and a third party is bearing the cost. No amounts are included in the financial statements for services donated by volunteers.

Hope international Development Agency
Notes to the Financial Statements
for the year ended 31 March 2017

1. **Accounting Policies - continued**

(d) Resources expended

Expenditure is recognised when a liability is incurred. Grant payments are recognised when a constructive obligation arises that result in the payment being unavoidable.

- Costs of generating funds are those costs incurred in attracting voluntary income.
- Charitable activities include expenditure associated with the projects supported by the charity and include both the direct costs and support costs relating to these activities.
- Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.

(e) Stock

Stocks are stated at the lower of cost and net realisable value.

(f) Debtors

Other debtors are recognised at the settlement amount due.

(g) Cash at bank and in hand

Cash at bank and cash 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.

(h) Creditors

Creditors are recognised when there is a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably.

Other creditors and accruals are recognised at their settlement amount

(i) Financial instruments

The charity 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.

(j) Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction.

(j) Judgements and key sources of estimation uncertainty

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period or in the period of the revision and future periods where the revision affects both current and future periods.

Hope International Development Agency
Notes to the Financial Statements
for the year ended 31 March 2017

2. Voluntary income

	Unrestricted <u>Funds</u>	Restricted <u>Funds</u>	<u>2017</u> <u>Total</u>	<u>2016</u> <u>Total</u>
	£	£	£	£
Committed (regular) giving	5,890	1,071	6,961	6,761
Donations & legacies	3,225	87,029	90,254	19,795
Events and initiatives:				
Decorations and gifts	2,018	-	2,018	1,908
Party with a Purpose	-	667	667	-
Coffee mornings	-	-	-	400
Sundry evening events	-	423	423	-
Neolithic marathon	-	-	-	900
Bristol Events	-	485	485	1,511
Winetasting	-	-	-	432
Gift aid	1,152	627	1,779	2,241
	<hr/>	<hr/>	<hr/>	<hr/>
	12,285	90,302	102,587	33,948
	<hr/>	<hr/>	<hr/>	<hr/>

In 2016, £10,597 of voluntary income was attributable to the unrestricted fund, with the remaining £23,351 being attributable to the restricted fund.

3. Raising Funds

	<u>2017</u>	<u>2016</u>
	£	£
Fundraising costs (including JustGiving charges)	599	372
Decorations and gifts	474	619
Events (all restricted)	90	266
Administration	6,889	5,763
Posting, printing and reproduction	209	268
Travel and subsistence costs	499	210
Training	59	166
	<hr/>	<hr/>
	8,819	7,664
	<hr/>	<hr/>
Restricted costs included in the above	663	266
	<hr/>	<hr/>

Hope International Development Agency
Notes to the Financial Statements
for the year ended 31 March 2017

4. Details of Charitable Activities

	<u>2017</u>	<u>2016</u>
	£	£
Grant funding		
HOPE Ethiopia	93,000	26,000
Bank charges	101	69
	93,101	26,069
	93,101	26,069

In 2016 and 2017, of the grant funding expenditure related to restricted expenditure.

5. Grant payable

The charitable activities are undertaken on behalf of the charity by partner organisations. The grants sent to Hope International Ethiopia were used to fund clean water supplies and their management, as well as to promote safe sanitation and hygienic practice; and to establish and support women's self-help groups amongst communities in Bonke, Southern Ethiopia. All Hope's activities in Ethiopia are done in full consultation and partnership with the district authorities on the basis of a signed Memorandum of Understanding.

6. Governance Costs

	<u>2017</u>	<u>2016</u>
	£	£
Companies House fees	13	13
	13	13
	13	13

Wilkins Kennedy very kindly provide their services without charge.

In 2016 and 2017, of the governance costs related to unrestricted expenditure.

7. Stock

	<u>2017</u>	<u>2016</u>
	£	£
Goods for resale	127	119
	127	119
	127	119

8. Debtors

	<u>2017</u>	<u>2016</u>
	£	£
Other debtors	2,828	2,017
	2,828	2,017
	2,828	2,017

Hope International Development Agency
Notes to the Financial Statements
for the year ended 31 March 2017

9. Creditors due within one year

	<u>2017</u>	<u>2016</u>
	£	£
Other creditors	1,160	847
	1,160	847

10. Trustees' remuneration and expenses

No Trustees received nor waived any remuneration during the year (2016: £nil). They are paid expenses for attending meetings and duties directly related to their duties as trustee.

In 2016/17, £250 (2015/16 £69) was claimed by trustees in relation to travel expenses.

11. Related Party

There are no related party transactions during the period (2016: £nil)

12. Movement in funds for the year

	<u>Opening Balance</u>	<u>Incoming Resources</u>	<u>Resources Expended</u>	<u>Transfer</u>	<u>Closing Balance</u>
	£	£	£	£	£
Hope Int'l - Cambodia	-	3,000	(3,031)	31	-
Hope Int'l - Ethiopia	-	87,302	(90,733)	3,523	92
	-	90,302	(93,764)	3,554	92
Total Restricted Funds	-	90,302	(93,764)	3,554	92
Unrestricted funds	2,491	12,285	(8,169)	(3,554)	3,053
	2,491	102,587	(101,933)	-	3,145
Total Funds	2,491	102,587	(101,933)	-	3,145

12.1 Movement in funds for the prior year

	<u>Opening Balance</u>	<u>Incoming Resources</u>	<u>Resources Expended</u>	<u>Transfer</u>	<u>Closing Balance</u>
	£	£	£	£	£
Hope Int'l - Ethiopia	322	23,351	(26,335)	2,662	-
	322	23,351	(26,335)	2,662	-
Total Restricted Funds	322	23,351	(26,335)	2,662	-
Unrestricted funds	1,967	10,597	(7,411)	(2,662)	2,491
	2,289	33,948	(33,746)	-	2,491
Total Funds	2,289	33,948	(33,746)	-	2,491