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Hope Hub SCIO
Financial Statements
For the year ended
31 December 2019

I.A.STEWART & CO
Chartered Accountants
The Mechanics Workshop
New Lanark
ML11 9DB

Hope Hub SCIO

Financial Statements

Year ended 31 December 2019

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Hope Hub SCIO

Trustees' Annual Report

Year ended 31 December 2019

The trustees present their report and the unaudited financial statements of the charity for the year ended 31 December 2019.

Reference and administrative details

Registered charity name	Hope Hub SCIO
Charity registration number	SC046076
Principal office	183A Carlisle Road Blackwood South Lanarkshire ML11 9AT
The trustees	Peter Simpson John Scott Alan Crooks Gary Clough Sharon McPherson Claire Allan Maggie Roeves Rev Ian Watson
	(Appointed 31 March 2019) (Appointed 31 March 2019) (Retired 31 March 2019)

Key management personnel

Chairman	Sharon McPherson
Secretary	Peter Simpson
Treasurer	John Scott
Bankers	Royal Bank of Scotland 88 High Street Lanark ML11 7ET

Solicitors	Davidson & Shirley 11 Hope Street Lanark ML11 7ND
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Independent examiner	David Clarkson Member of the Institute of Chartered Accountants of Scotland I. A. Stewart & Co. Limited The Mechanics Workshop New Lanark ML11 9DB
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Structure, governance and management

Governing document

The charity is a Scottish Charitable Incorporated Organisation. It has adopted the SCVO model SCIO constitution as its governing document.

Hope Hub SCIO

Trustees' Annual Report *(continued)*

Year ended 31 December 2019

Structure, governance and management *(continued)*

Trustee recruitment and appointment

At each AGM all charity trustees elected/appointed under clauses 57, 58, 59 and 60 of the Constitution shall retire from office but can then be eligible for re-election unless they advise otherwise. Attending members may elect any attending member in compliance with these clauses.

Objectives and activities

Charitable purposes

The organisation's purposes are to advance religion and to build and manage a Christian Church with Community facilities and actively encourage statutory and third sector organisations and members of the community to use these facilities.

Objectives and activities to achieve objectives

- Advancement of citizenship or community development - to provide access to essential services to support the vulnerable, elderly, children, youth and families experiencing inequalities or discrimination.
- Relief of poverty - The Community Hub building now hosts the Clydesdale Food Bank with volunteers supporting families and individuals experiencing severe hardship.
- Advancement of religion - provision of new open space for public worship of local Hope Church (Blackwood and Kirkmuirhill) and access to meeting rooms for Church group activities.
- Provision or organisation of activities/facilities, with the object of improving life conditions for the wider community – the Breakfast Club has stopped as it is now run by Blackwood Primary School, prospects are still alive for a Mother and Toddlers Group in the future.

Youth and elderly meetings are to be developed as is liaison with statutory and third sector organisations to provide services and support groups to meet the community needs.

Hope Hub SCIO

Trustees' Annual Report *(continued)*

Year ended 31 December 2019

Achievements and performance

Finding and developing our property

In September 2016 the charity became the owner of the former care home at 183A Carlisle Road Blackwood.

Planning permission and a building warrant were obtained for change of use and building work commenced in September 2017.

Extensive work was carried out by both members of Hope Hub and contractors and the sanctuary was in use by Hope Church by December 2017. New entrance and rear entrances were fitted and double glazing has been renewed. The building was finished off to a high standard with new toilet facilities and meeting rooms and was completed in January 2018.

A new disabled car park was created in June 2018, complete with flood lighting, in line with the main car park.

The front and rear fascias of the building have been replaced with a composite product, which is maintenance free and has a life expectancy of at least twenty years. The colour chosen to match the rest of the building. A start was made in 2019 to paint the fascias, doors and windows graphite in line with the main fascias.

During the past year the Trustees have continued to give many hours of their own time to ensure the property remains at a high level of decor and repair. They have donated material aid estimated to be in excess of £5,000 to the project this year (2018: £1,500). The Trustees are very grateful for the assistance of all members who have helped in any capacity during the last year.

The Charity updates its website on a regular basis with fundraising news and how we are journeying on.

Using our property

The premises are now being used by various groups:

After School Club

Hope Church for worship, bible study, church activities and committee meetings

Velocity Dance School

Come Paint with us: afternoon and evening

Alcoholics Anonymous

Blackwood and Kirkmuirhill playparks group

First Responders for team meetings and community training

Music Bus

Lanark Carers Group

School in-service day club.

Ladies Cameo

Liber8

Professional counselling

Coalburn Silver Band for community social events

Clydesdale Food Bank

Gardening Club

Bible Wonderland

We look forward to continuing our relationship with these groups and to growing use by the community.

Hope Hub SCIO

Trustees' Annual Report *(continued)*

Year ended 31 December 2019

Financial review

Total income for the year amounted to £21,496 (2018: £30,164). Expenditure for the year amounted to £23,493 (2018: £23,559). The deficit of £1,997 (2018: surplus £6,605) was added to the balance of funds brought forward with the result that the year end funds balance stands at £529,602 (2018: £531,599).

£2,546 (2018: £14,585) has been paid for fixed assets in the year and transferred into the Fixed Asset designated fund in order to separate funds tied up in fixed assets from those available for the running of the charity. The Fixed Asset fund stands at £525,204 (2018: £529,319) at the year end.

Restricted grant funding of £2,500 (included in the figures above) was received and spent in the year. There are no restricted funds remaining at the year-end (2018: £nil).

Reserves policy

As mentioned above, funds have been transferred to designated funds to help identify the remaining funds available for the general running of the charity. At 31 December 2019, the Fixed Asset fund has £525,204 (2018: £529,319) and the General fund shows a surplus of £4,398 at 31 December 2019 (2018: £2,280).

The Trustees manage the cash balances carefully to ensure there are sufficient funds in place for planned expenditure. The Trustees anticipate building reserves to cover a certain period of normal running costs in the future, but will concentrate on finding sufficient funds to meet the ongoing redevelopment costs at present.

Plans for future periods

The organisation of In-service day clubs in February and May 2020 has been carried out. Planning has also taken place for film mornings; the first was in January 2020.

Coffee mornings are also being organised for many good causes, these being scheduled throughout 2020.

Trustees authorised a Facilities Management Group chaired by a Trustee and a sub-committee formed by members of Hope Hub and chaired by the Hope Hub Chairman. This facilitates open governance and transparent decision making.

Fundraising is taking place to raise funds for phase 3 which will be for a community café, crèche and further meeting rooms. Updated drawings have been prepared, the structural engineers report completed, and we are now awaiting a full electrical survey.

Trustees will continue to engage with people and organisations wishing to use the premises throughout 2020.

Hope Hub SCIO

Trustees' Annual Report *(continued)*

Year ended 31 December 2019

Statement of responsibilities of the trustees

The trustees are responsible for preparing the Trustees Annual Report and the financial statements in accordance with applicable law and regulations and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in Scotland 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 charity and of the income and expenditure of the charity 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 judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

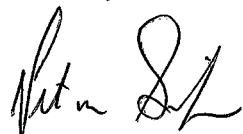
The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Accounts (Scotland) Regulations 2006 (as amended) and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charity, and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent examiner

David Clarkson, a member of the Institute of Chartered Accountants of Scotland, I.A. Stewart & Co. Limited has been re-appointed as independent examiner for the ensuing year.

The trustees' annual report was approved on 20 February 2020 and signed on behalf of the board of trustees by:

Peter Simpson
Secretary



Hope Hub SCIO

Independent Examiner's Report to the Trustees of Hope Hub SCIO

Year ended 31 December 2019

I report to the trustees on my examination of the financial statements of Hope Hub SCIO ('the charity') for the year ended 31 December 2019.

Responsibilities and basis of report

The charity's trustees are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. The charity trustees consider that the audit requirement of Regulation 10(1)(a) to (c) of the 2006 Accounts Regulations does not apply. It is my responsibility to examine the accounts as required under section 44(1)(c) of the Act and to state whether particular matters have come to my attention. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's members as a body, for my work, for this report, or for the opinions I have formed.

Independent examiner's statement

Since the charity has prepared its accounts on an accruals basis your examiner must be a member of a body listed in Regulation 11(2) of the Charities Accounts (Scotland) Regulations 2006 (as amended). I can confirm that I am qualified to undertake the examination because I am a registered member of ICAS which is one of the listed bodies.

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

1. accounting records were not kept as required by section 44(1)(a) of the 2005 Act and Regulation 4 of the Charities Accounts (Scotland) Regulations 2006 (as amended); or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the accounting requirements of Regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

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.



David Clarkson
Member of the Institute of Chartered Accountants of Scotland
Independent Examiner

I. A. Stewart & Co. Limited
The Mechanics Workshop
New Lanark
ML11 9DB

25 February 2020

Hope Hub SCIO

Statement of Financial Activities

Year ended 31 December 2019

		Unrestricted funds	2019 Restricted funds	Total funds	2018 Total funds
	Note	£	£	£	£
Income and endowments					
Donations and legacies	4	25	2,500	2,525	13,333
Charitable activities	5	12,000	—	12,000	12,000
Other trading activities	6	6,964	—	6,964	4,828
Investment income	7	7	—	7	3
Total income		<u>18,996</u>	<u>2,500</u>	<u>21,496</u>	<u>30,164</u>
Expenditure					
Expenditure on charitable activities	8,9	20,993	2,500	23,493	23,559
Total expenditure		<u>20,993</u>	<u>2,500</u>	<u>23,493</u>	<u>23,559</u>
Net (expenditure)/income and net movement in funds		<u>(1,997)</u>	<u>—</u>	<u>(1,997)</u>	<u>6,605</u>
Reconciliation of funds					
Total funds brought forward		531,599	—	531,599	524,994
Total funds carried forward		<u>529,602</u>	<u>—</u>	<u>529,602</u>	<u>531,599</u>

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes on pages 9 to 15 form part of these financial statements.

Hope Hub SCIO

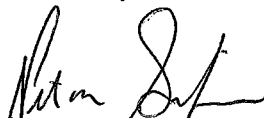
Statement of Financial Position

31 December 2019

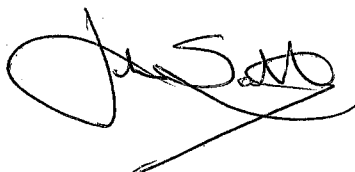
	Note	2019 £	2018 £
Fixed assets			
Tangible fixed assets	13	525,204	529,319
Current assets			
Debtors	14	473	155
Cash at bank and in hand		6,957	4,501
		<u>7,430</u>	<u>4,656</u>
Creditors: amounts falling due within one year	15	<u>3,032</u>	<u>2,376</u>
Net current assets		<u>4,398</u>	<u>2,280</u>
Total assets less current liabilities		<u>529,602</u>	<u>531,599</u>
Net assets		<u>529,602</u>	<u>531,599</u>
Funds of the charity			
Unrestricted funds		529,602	531,599
Total charity funds	16	<u>529,602</u>	<u>531,599</u>

These financial statements were approved by the board of trustees and authorised for issue on 20 February 2020, and are signed on behalf of the board by:

Peter Simpson
Secretary



John Scott
Treasurer



The notes on pages 9 to 15 form part of these financial statements.

Hope Hub SCIO

Notes to the Financial Statements

Year ended 31 December 2019

1. General information

The charity is a public benefit entity and a registered charity in Scotland and is unincorporated. The address of the principal office is 183A Carlisle Road, Blackwood, South Lanarkshire, ML11 9AT.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Charities and Trustee Investment (Scotland) Act 2005 and the Charity Accounts (Scotland) Regulations 2006 (as amended).

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

There are no material uncertainties about the charity's ability to continue.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

The trustees are of the opinion that there are no matters of significant judgements, estimates or assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities in the next financial year.

Taxation

The SCIO is recognised as a charity for the purposes of applicable taxation legislation and is therefore not subject to taxation on its charitable activities. The charity is not registered for VAT.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the purposes of the charity.

Designated funds are unrestricted funds earmarked by the trustees for specific purposes.

Restricted funds are subjected to restrictions on their expenditure imposed by the donor.

Hope Hub SCIO

Notes to the Financial Statements *(continued)*

Year ended 31 December 2019

3. Accounting policies *(continued)*

Income

All income is included in the statement of financial activities when the charity is entitled to the income, any performance related conditions attached have been met or are fully within the control of the charity, the income is considered probable and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

- Donations and legacy income is received by way of donations, legacies, grants and gifts and is included in full in the Statement of Financial Activities when receivable. Where legacies have been notified to the charity but the criteria for income recognition have not been met, the legacy is treated as a contingent asset and disclosed if material. Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.
- Donated services and facilities are included at the value to the charity, being the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market.
- Investment income is included when receivable.
- Income from charitable trading activity is accounted for when earned.

Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates:

- Costs of raising funds comprise the costs associated with attracting donations, grants and legacies and the costs of trading for fundraising purposes.
- 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.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Freehold property	- 3% reducing balance
Fixtures and fittings	- 20% reducing balance
Equipment	- 25 to 40% reducing balance

Hope Hub SCIO

Notes to the Financial Statements *(continued)*

Year ended 31 December 2019

3. Accounting policies *(continued)*

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

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.

4. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £
Donations			
Hope Church donations	—	—	—
Member donations	25	—	25
General Donations	—	—	—
Grants			
Grants Receivable	—	2,500	2,500
	<u>25</u>	<u>2,500</u>	<u>2,525</u>
	Unrestricted Funds £	Restricted Funds £	Total Funds 2018 £
Donations			
Hope Church donations	11,678	—	11,678
Member donations	25	—	25
General Donations	1,630	—	1,630
Grants			
Grants Receivable	—	—	—
	<u>13,333</u>	<u>—</u>	<u>13,333</u>

5. Charitable activities

	Unrestricted Funds £	Total Funds 2019 £	Unrestricted Funds £	Total Funds 2018 £
Income from charitable activities	<u>12,000</u>	<u>12,000</u>	<u>12,000</u>	<u>12,000</u>

Hope Hub SCIO

Notes to the Financial Statements *(continued)*

Year ended 31 December 2019

6. Other trading activities

	Unrestricted Funds	Total Funds 2019	Unrestricted Funds	Total Funds 2018
	£	£	£	£
Income from fundraising	278	278	396	396
Other income from use of premises	6,686	6,686	4,432	4,432
	<u>6,964</u>	<u>6,964</u>	<u>4,828</u>	<u>4,828</u>

7. Investment income

	Unrestricted Funds	Total Funds 2019	Unrestricted Funds	Total Funds 2018
	£	£	£	£
Bank interest receivable	7	7	3	3

8. Expenditure on charitable activities by fund type

	Unrestricted Funds	Restricted Funds	Total Funds 2019
	£	£	£
Hope Hub activities	19,373	2,500	21,873
Support costs	1,620	—	1,620
	<u>20,993</u>	<u>2,500</u>	<u>23,493</u>

	Unrestricted Funds	Restricted Funds	Total Funds 2018
	£	£	£
Hope Hub activities	21,927	—	21,927
Support costs	1,632	—	1,632
	<u>23,559</u>	<u>—</u>	<u>23,559</u>

Hope Hub SCIO

Notes to the Financial Statements *(continued)*

Year ended 31 December 2019

9. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Support costs £	Total funds 2019 £	Total fund 2018 £
Hope Hub activities	21,873	—	21,873	21,927
Governance costs	—	1,620	1,620	1,632
	<u>21,873</u>	<u>1,620</u>	<u>23,493</u>	<u>23,559</u>

Costs are analysed as follows:

	2019 £	2018 £
Water rates	578	2,389
Light and heat	3,227	2,866
Repairs and maintenance	1,990	2,044
Insurance	1,886	2,708
Cleaning	3,712	3,432
Telephone	938	809
Computer	187	366
Depreciation	6,661	7,200
Subscriptions	60	60
Donations	2,500	—
Sundry	134	53
Independent examination fee	1,620	1,632
	<u>23,493</u>	<u>23,559</u>

10. Employees

The average head count of employees during the year was Nil (2018: Nil).

No employee received employee benefits of more than £60,000 during the year (2018: Nil).

11. Trustee remuneration and expenses

No remuneration or other benefits from employment with the charity or a related entity were received by the trustees in the year.

No trustee expenses have been incurred in the year.

12. Contributions made by volunteers

Hope Hub SCIO benefits greatly from the involvement and enthusiastic support of its volunteers who give their time and talents willingly for the benefit of the charity. In accordance with accounting standards, the economic contribution of general volunteers is not measured in the accounts.

Hope Hub SCIO

Notes to the Financial Statements *(continued)*

Year ended 31 December 2019

13. Tangible fixed assets

	Land and buildings £	Fixtures and fittings £	Equipment £	Total £
Cost				
At 1 Jan 2019	524,938	9,638	4,175	538,751
Additions	2,300	—	246	2,546
At 31 Dec 2019	527,238	9,638	4,421	541,297
Depreciation				
At 1 Jan 2019	5,242	2,166	2,024	9,432
Charge for the year	4,491	1,494	676	6,661
At 31 Dec 2019	9,733	3,660	2,700	16,093
Carrying amount				
At 31 Dec 2019	517,505	5,978	1,721	525,204
At 31 Dec 2018	519,696	7,472	2,151	529,319

14. Debtors

	2019 £	2018 £
Prepayments and accrued income	166	155
Other debtors	307	—
	473	155

15. Creditors: amounts falling due within one year

	2019 £	2018 £
Trade creditors	601	93
Accruals	2,431	2,283
	3,032	2,376

16. Analysis of charitable funds

Unrestricted funds

	At 1 Jan 2019 £	Income £	Expenditure £	Transfers £	At 31 Dec 2019 £
General funds	2,280	18,996	(14,332)	(2,546)	4,398
Fixed Asset fund	529,319	—	(6,661)	2,546	525,204
	531,599	18,996	(20,993)	—	529,602

Fixed assets costs have been transferred to the designated Fixed Asset fund. Depreciation is charged to this fund. The balance on the fund allows the charity to identify funds tied up in fixed assets.

Hope Hub SCIO

Notes to the Financial Statements *(continued)*

Year ended 31 December 2019

16. Analysis of charitable funds *(continued)*

Restricted funds

	At 1 Jan 2019	Income	Expenditure	Transfers	At 31 Dec 2019
	£	£	£	£	£
Hugh Fraser Trust Grant	—	2,500	(2,500)	—	—

The Hugh Fraser Trust Grant was received to fund the purchase of chairs and has been used for this purpose in the year.

17. Analysis of net assets between funds

	Unrestricted Funds	Total Funds 2019	Total Funds 2018
	£	£	£
Tangible fixed assets	525,204	525,204	529,319
Current assets	7,430	7,430	4,656
Creditors less than 1 year	(3,032)	(3,032)	(2,376)
Net assets	529,602	529,602	531,599

18. Related parties

The members of Hope Church (Kirkmuirhill & Blackwood) (the Church) formed Hope Hub SCIO to run the church based community centre.

During the year Hope Hub SCIO paid £2,500 to the Church towards the purchase of new chairs. The Church donated £nil to Hope Hub SCIO in the year (2018: £11,678). In addition the Church has given £12,000 (2018: £12,000) for the use of the premises in the year.

The Church's and Hope Hub's Membership have agreed that a quarter of the building would be used for the new manse. No charge is made for this arrangement.