

Hope Hub SCIO
Unaudited Financial Statements
For the year ended
31 December 2021

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

Hope Hub SCIO

Financial Statements

Year ended 31 December 2021

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Hope Hub SCIO

Trustees' Annual Report

Year ended 31 December 2021

The trustees present their report and the unaudited financial statements of the charity for the year ended 31 December 2021.

Reference and administrative details

Registered charity name Hope Hub SCIO
Charity registration number SC046076
Principal office 183A Carlisle Road
Blackwood
ML11 9AT
South Lanarkshire

The trustees Peter Simpson
John Scott
Alan Crooks
Gary Clough
Claire Allan
Maggie Reeves
Sharon McPherson

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

Independent examiner Louise Watson
Member of the Institute of Chartered Accountants of Scotland
I A Stewart & Co
The Mechanics Workshop
New Lanark
ML11 9DB

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 2021

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 – work with the Clydesdale Food Bank whose volunteers support 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 - prospects are still alive for a Mother and Toddlers Group in the future.

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

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. This has now been completed.

Hope Hub SCIO

Trustees' Annual Report *(continued)*

Year ended 31 December 2021

Achievements and performance *(continued)*

In March 2021 a start was made on the phase three alterations to our building. A new kitchen facility and meeting place were planned and work took place throughout 2021.

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 £12,000 to the project this year (2020: £6,000). The Trustees are very grateful for the assistance of all members who have helped in any capacity.

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, and craft class in the afternoons
- Alcoholics Anonymous
- First Responders for team meetings and community training
- Street Connect Drop-in
- Blackwood & Kirkmuirhill Horticultural society
- Lanark Carers Group
- School in-service day club
- Ladies Cameo
- Professional counselling
- Coalburn Silver Band for community social events
- Hope Drop-in for relations of addicts
- Gardening Club
- Friendship Circle

We look forward to continuing our relationship with these groups and to growing use by the community once a more normal level of activity resumes following the restrictions of the last two years.

Financial review

Total income for the year amounted to £127,238 (2020: £36,527). Expenditure for the year amounted to £27,378 (2020: £18,496). The surplus of £99,860 (2020: £18,031) was added to the balance of funds brought forward with the result that the year-end unrestricted funds balance stands at £647,493 (2020: £547,633).

£193,763 (2020: £1,001) 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 £707,349 (2020: £519,904) at the year end. Hope Church (Kirkmuirhill & Blackwood) has advanced £94,500 to support the phase three work on the building.

There are no restricted funds at the year-end (2020: £nil).

Hope Hub SCIO

Trustees' Annual Report *(continued)*

Year ended 31 December 2021

Financial review *(continued)*

Reserves policy

The General fund shows a deficit of £59,856 at 31 December 2021 (2020: surplus of £27,729). The deficit reflects the loan advanced from Hope Church (Kirkmuirhill & Blackwood). There are no terms or conditions attached to this loan.

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

Many of our activities have been curtailed due to some of the pandemic restrictions continuing into 2021.

Coffee mornings normally organised for many good causes will be scheduled when the opportunity arises again.

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.

Phase three is well underway. We have been given access to loans of some £94,500 from Church members. This will allow us to continue work on the final part of our building due for completion in 2022.

Plans are also on track for the sensory and community garden. Funds were obtained through grants and donations for this project and work commenced in October 2021. This work is due for completion in 2022.

Trustees will continue to engage with people and organisations wishing to use the premises throughout 2022 and beyond.

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 company and of the incoming resources and application of resources of the 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 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 company will continue in operation.

Hope Hub SCIO

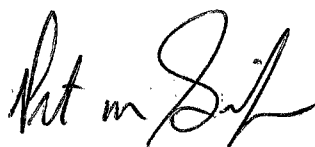
Trustees' Annual Report *(continued)*

Year ended 31 December 2021

Statement of responsibilities of the trustees *(continued)*

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

The trustees' annual report was approved on 24 February 2022 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 2021

I report to the trustees on my examination of the financial statements of Hope Hub SCIO ('the charity') for the year ended 31 December 2021.

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.



Louise Watson
Member of the Institute of Chartered Accountants of Scotland
Independent Examiner

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

24 February 2022

Hope Hub SCIO

Statement of Financial Activities

Year ended 31 December 2021

		2021		2020
	Note	Unrestricted funds £	Total funds £	Total funds £
Income and endowments				
Donations and legacies	4	110,076	110,076	20,204
Charitable activities	5	12,000	12,000	12,000
Other trading activities	6	5,159	5,159	4,321
Investment income	7	3	3	2
Total income		<u>127,238</u>	<u>127,238</u>	<u>36,527</u>
Expenditure				
Expenditure on charitable activities	8,9	27,378	27,378	18,496
Total expenditure		<u>27,378</u>	<u>27,378</u>	<u>18,496</u>
Net income and net movement in funds		<u>99,860</u>	<u>99,860</u>	<u>18,031</u>
Reconciliation of funds				
Total funds brought forward		547,633	547,633	529,602
Total funds carried forward		<u>647,493</u>	<u>647,493</u>	<u>547,633</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 14 form part of these financial statements.

Hope Hub SCIO

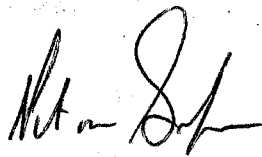
Statement of Financial Position

31 December 2021

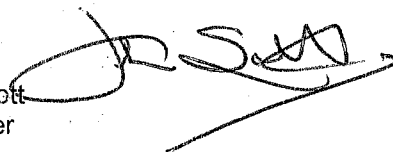
	Note	2021 £	£	2020 £
Fixed assets				
Tangible fixed assets	13		707,349	519,904
Current assets				
Debtors	14	667		495
Cash at bank and in hand		57,534		29,448
		58,201		29,943
Creditors: amounts falling due within one year	15	118,057		2,214
Net current (liabilities)/ assets			(59,856)	27,729
Total assets less current liabilities			647,493	547,633
Net assets			647,493	547,633
Funds of the charity				
Unrestricted funds			647,493	547,633
Total charity funds	16		647,493	547,633

These financial statements were approved by the board of trustees and authorised for issue on 24 February 2022, and are signed on behalf of the board by:

Peter Simpson
Secretary



John Scott
Treasurer



The notes on pages 9 to 14 form part of these financial statements.

Hope Hub SCIO

Notes to the Financial Statements

Year ended 31 December 2021

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

Hope Hub SCIO enjoys the support of its members and those of Hope Church (Kirkmuirhill & Blackwood). The trustees have no reason to suspect that this support will not continue for the foreseeable future therefore these accounts have been prepared on the going concern basis.

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 2021

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 2021

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 £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Donations				
Hope Church donations	85,500	85,500	–	–
Member donations	76	76	204	204
Grants				
Grants receivable	24,500	24,500	20,000	20,000
	<u>110,076</u>	<u>110,076</u>	<u>20,204</u>	<u>20,204</u>

5. Charitable activities

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Income from charitable activities	<u>12,000</u>	<u>12,000</u>	<u>12,000</u>	<u>12,000</u>

6. Other trading activities

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Income from fundraising	122	122	161	161
Other income from use of premises	5,037	5,037	4,160	4,160
	<u>5,159</u>	<u>5,159</u>	<u>4,321</u>	<u>4,321</u>

7. Investment income

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Bank interest receivable	<u>3</u>	<u>3</u>	<u>2</u>	<u>2</u>

Hope Hub SCIO

Notes to the Financial Statements *(continued)*

Year ended 31 December 2021

8. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Hope Hub activities	25,778	25,778	16,876	16,876
Support costs	1,600	1,600	1,620	1,620
	<u>27,378</u>	<u>27,378</u>	<u>18,496</u>	<u>18,496</u>

9. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Support costs £	Total funds 2021 £	Total fund 2020 £
Hope Hub activities	25,778	–	25,778	16,876
Governance costs	–	1,600	1,600	1,620
	<u>25,778</u>	<u>1,600</u>	<u>27,378</u>	<u>18,496</u>

Costs are analysed as follows:

	2021	2020
	£	£
Light and heat	2,861	2,620
Repairs and maintenance	8,340	2,879
Insurance	2,379	1,911
Cleaning	3,780	2,110
Telephone	690	656
Computer	250	283
Depreciation	6,279	6,205
Subscriptions	35	35
Sundry	1,125	82
(Profit)/Loss on disposal of fixed assets	39	95
Independent examination fee	1,600	1,620
	<u>27,378</u>	<u>18,496</u>

10. Employees

The average head count of employees during the year was Nil (2020: Nil).

No employee received employee benefits of more than £60,000 during the year (2020: 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 2021

13. Tangible fixed assets

	Land and buildings £	Fixtures and fittings £	Equipment £	Total £
Cost				
At 1 Jan 2021	527,458	9,638	4,730	541,826
Additions	156,690	11,588	25,485	193,763
Disposals	—	—	(564)	(564)
At 31 Dec 2021	684,148	21,226	29,651	735,025
Depreciation				
At 1 Jan 2021	14,143	4,856	2,923	21,922
Charge for the year	4,331	1,435	513	6,279
Disposals	—	—	(525)	(525)
At 31 Dec 2021	18,474	6,291	2,911	27,676
Carrying amount				
At 31 Dec 2021	665,674	14,935	26,740	707,349
At 31 Dec 2020	513,315	4,782	1,807	519,904

14. Debtors

	2021 £	2020 £
Prepayments	82	166
Other debtors	585	329
	667	495

15. Creditors: amounts falling due within one year

	2021 £	2020 £
Amounts owed to group undertakings	94,500	—
Accruals	23,557	2,214
	118,057	2,214

Hope Hub SCIO

Notes to the Financial Statements *(continued)*

Year ended 31 December 2021

16. Analysis of charitable funds

Unrestricted funds

	At 1 Jan 2021	Income	Expenditure	Transfers	At 31 Dec 2021
	£	£	£	£	£
General funds	27,729	127,238	(21,060)	(193,763)	(59,856)
Fixed Asset fund	519,904	—	(6,318)	193,763	707,349
	<u>547,633</u>	<u>127,238</u>	<u>(27,378)</u>	<u>—</u>	<u>647,493</u>

	At 1 Jan 2020	Income	Expenditure	Transfers	At 31 Dec 2020
	£	£	£	£	£
General funds	4,398	36,527	(12,195)	(1,001)	27,729
Fixed Asset fund	525,204	—	(6,301)	1,001	519,904
	<u>529,602</u>	<u>36,527</u>	<u>(18,496)</u>	<u>—</u>	<u>547,633</u>

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.

Although the General funds show a net deficit of £59,856, £94,500 relates to a loan from Hope Church which will be repaid when sufficient funds are available. Thus £34,644 is available in the General fund to meet day to day expenditure.

17. Analysis of net assets between funds

Net assets are held in unrestricted funds at the year end, and the comparative year, as set out in the Statement of Financial Position.

18. Related parties

The members of Hope Church (Kirkmuirhill & Blackwood) (the Church) formed Hope Hub SCIO to run the church based community centre. The Church has given £12,000 (2020: £12,000) for the use of the premises in the year. The Church donated £85,500 (2020: £nil) to Hope Hub SCIO in the year. The Church also advanced £94,500 (2020: £nil) included in creditors, being the amount repayable to the Church at the year end. There are no terms or conditions attached to this loan.

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.