

Charity registration number 1107029

Company registration number 5283980 (England and Wales)

LOVE AND JOY MINISTRIES LTD
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

LOVE AND JOY MINISTRIES LTD

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Pastor A O Olaoye Ms A C Hawley Mrs H J Hawley Dr T Omideyi Professor D Jeyaraj Rev R I Sutton Rev D O Shosanya	(Appointed 23 September 2021)
Secretary	Mrs H J Hawley	
Charity number	1107029	
Company number	5283980	
Registered office	Oakfield Road Anfield Liverpool Merseyside L4 0UE	
Independent examiner	Champion TLL Limited 7-9 Station Road Hesketh Bank Preston Lancashire PR4 6SN	

LOVE AND JOY MINISTRIES LTD

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LOVE AND JOY MINISTRIES LTD

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2022

The trustees present their annual report and financial statements for the year ended 31 March 2022.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's [governing document], the Companies Act 2006 and "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 2019).

Objectives and activities

The objects of the charity are to advance the Christian religion across the world (in accordance with the Articles of Faith set out in the schedule to the Memorandum) and the propagation of the Christian Gospel particularly (but without prejudice to the generality of foregoing) through the medium of music, dance and drama and also by demonstrating the Christian faith through practical help to the most vulnerable in the community including homeless children, young people, the sick and elderly and in particular by:-

Holding meetings for worship and evangelism;

Supporting other Christian organisations with similar objectives;

Supporting the homeless and providing information, technical help, counselling and accommodation;

Supporting young people through the provision of Youth Clubs, holiday time play schemes, skills workshops and educational support programmes;

Supporting the sick and elderly through organised visits and the distribution of gifts donated by the more fortunate members of the community;

Supporting Churches and other community groups through the provision of choirs, drama groups, dance groups, recording facilities, concerts and evangelical events;

Providing pastoral support to churches and ministries across the world, and

To further such other charitable purposes as the trustees in their absolute discretion determine from time to time.

The company was set up in order to take over the assets, liabilities and activities of Love & Joy Ministries Trust and is currently supporting some of the above objectives and activities through its role of providing grants, advice and other services to Liverpool Lighthouse Limited and Bright Park Trust, both Associated organisations it works closely with. LJM stopped providing HR and Payroll services to Liverpool Lighthouse in 2021.

Public benefit

The Trustees have considered the Charity Commission guidelines regarding public benefit and are satisfied that the Charity's activities meet these criteria.

LOVE AND JOY MINISTRIES LTD

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

Achievements and performance

Charitable activities and public benefit

LJM has a primary mandate of the Great Commission in Matthew 28, ¹⁹ *Therefore go and make disciples of all nations, baptising them in the name of the Father and of the Son and of the Holy Spirit,* ²⁰ *and teaching them to obey everything I have commanded you. And surely I am with you always, to the very end of the age.'*

In that sense LJM's mission is transformational, engaging with individuals, across communities, cities and nations.

This report covers achievements and performances at the end of the fifth year of a 5-Year Strategic Plan agreed by the trustees to achieve these five main objectives:

1. Grow church congregations in the UK and beyond.
2. Show God's love through offering practical life changing support to the vulnerable.
3. Set up other charities and work with them to carry out transformational activities.
4. Work with and support other churches and Christian organisations to spread the gospel.
5. Maximize our assets to deliver our mission.

Our charitable activities are strongly linked to these objectives and have this year began the process of coming out of the extensive restrictions caused by the pandemic that began in March 2020.

Major developments

- A new trustee, Rev David Shosanya joined the LJM board in September 2021. Our treasurer Mr. Afam Sadiku's tenure as a trustee was extended in September 2021. He later changed his mind and expressed a desire to resign at the next AGM in September 2022.
- LJM appointed its first Director of Missions Evangelist Alfie Jean Levene to coordinate the activities across the wide spectrum of the charity, from carrying out evangelistic missions in the UK to building relationships with Covenant Church leaders and organizing mission teams to other countries.
- In October as part of the Annual Convention celebrations, LJM organized a very successful hybrid International Conference, hosting the event in our Liverpool Lighthouse venue with main contributors and a small number of guests attending. It was then live streamed to 100 participants from across the world.
- Small team from LJM continued their secondment to help develop Bright Park landscape and its vision. They have been very productive in the process.
- The senior pastor and LJM chair completed a five-year role as chair of Evangelical Alliance board so he could focus more on regional and LJM matters. He is staying on for the next two years as a Council member for the EA.
- The lease held on two of the three masts on the Liverpool Lighthouse building was sold to a third party in February 2022
- LJM has continued to support the two associations it established towards achieving some of its objectives (Association of Covenant Churches (ACC) and Association of Independent Charities (AIC)).
- A new LJM website was designed and commissioned and has been very well received, giving the organisation a new profile

When planning our activities for the year, the trustees have considered the Charity Commission's guidance on public benefit and, in particular, the specific guidance on charities for the advancement of religion.

Report on the 5 areas are as follows:

1. Grow church congregations in the UK and beyond

Temple of Praise, Liverpool UK

In May, a pathway for returning the church activities to Liverpool Lighthouse building was drawn up, recognising lessons we had learnt during the lockdown and determined to retain the positive lessons.

Process to gradually return to the building began to accelerate from May 2021 and by the Summer, a pattern began to emerge of having three Sunday celebrations in the building a month out of every four.

It has proved more challenging than anticipated to get church members back to regular attendance of church events after the 18 months of the pandemic.

LOVE AND JOY MINISTRIES LTD

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

We have made progress in live streaming our Sunday celebrations with purchase of new video equipment and creating a new online platform exclusively for Temple of Praise which would not require use of Facebook or viewing YouTube. Challenge in mastering the use of the new system and frequent internet problems continue to slow down progress. Building up a strong enough team to handle the demands of running a fully hybrid church is still a challenge we are working to address. Lack of strength in dept of the technical team has also hindered the attempt to develop multiple content for the new online church platform. This would include teaching resource for discipleship of adults, both for internal and external use.

As the year was concluding, a new Executive Leadership Team was commissioned to take on the running of TOP Liverpool under the guidance of a seven strong Council of Elders led by the Senior Pastor and Chair of LJM.

Highlights In TOP for the year included the following

- Two celebrations were held outdoors in Bright Park in the Summer of 2021 as part of the process of getting folks back out again.
- A Consecration Service was held in March for new leaders
- The under 25s were restructured and given a new identity called the New Gen group. New leaders were identified and appointed for the group. Five of them were sent on The Brighter Leadership course.
- Focused teaching and resources were developed to support JIMH groups – number in groups increased to 90
- A new Liverpool Lighthouse music director was appointed, relocating to Liverpool initially for up to 12months. She gradually committed to worshipping at TOP, bringing her considerable skills in leading worship, playing the keyboard and most importantly taking up the reviving of the LJGC that had virtually died over the two years of the pandemic

With poor attendance and some who have left the church, it has been difficult to reverse the reduction in church income recorded in the March 2021 report. The church income remained at 10% of what it was before the pandemic.

Association of Covenant Churches worldwide

As part of our mission to grow congregations around the world, our Association of Covenant Churches has grown in relationship this year with the leaders of the ten Association churches regularly praying together and participating in online workshops and the annual LJM Conference 2021.

The ten churches are:

- i. Word of Grace Church, Leeds UK,
6. Living Grace Assembly, Dublin, Ireland
7. Shaback Ministries, South Africa
8. Fellowship Bible School Ministries, Myanmar
9. City Revival Church, London UK
10. Shalom Assembly, Manila, Philippines
11. Christian Living Church, India
12. Salvation Mission Fellowship, Gambia
13. House Of Rest, Lagos, Nigeria
14. Temple Of Praise Congregation, Karachi, Pakistan

Some of the churches relayed the live streaming from the conference to their own congregations.

2. Show God's love through practical life changing support to the vulnerable

Much of this objective is achieved through the AIC's that LJM has established - Liverpool Lighthouse, Bright Park and Lighthouse Harmonize Education Trust (Harmonize Academy). The impact of the pandemic on disadvantaged communities across the UK has continued, with foodbanks expanding and mental health challenges particularly among young people rising to new levels. In responding to this LJM has began a new initiative called Loved Café within the Liverpool Lighthouse building. Once a week, a small team sets up a drop-in café space open to all for for tea and a chat. Numbers responding so far have been low but the experiences from them really encouraging with those that attend going away feeling encouraged sometimes after requesting to be prayed for. Its effectiveness will continue to be monitored.

LOVE AND JOY MINISTRIES LTD

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

2. Set up and work with other charities to carry out transformational activities

LJM turned 40 during 2020 with no opportunity to mark it in any way. The new Missions Director took on the challenge to produce an 'LJM @ 40' Timeline design to capture the LJM journey over the four decades. The draft has now been produced and set to go to print. The second production is of a 5-minute video that looks at LJM in 2020, celebrating its achievements and looking forward to its future in Christ. This is also underway and should be concluded next year.

The LJM Transform Internship programme proposal was reviewed this year in view of the new opportunities of technology that has emerged during the pandemic. With continuing restrictions on travelling worldwide, the board decided to explore a shorter programme such as a 10week online course as an alternative to the previous residential proposal for a 6months to 12 months course. Unfortunately, not much progress was made beyond that as it was felt a clearer curriculum was needed.

LJM has continued to serve its associated charities, Liverpool Lighthouse, Bright Park and Harmonize Academy as needed. Prayer and advice and encouragement have been regularly provided. Both Liverpool Lighthouse and Bright Park have also received grants from LJM during the year. LJM staff continue their secondment to Bright Park in senior management roles.

One of the LJM trustees, Rev Roger Sutton runs a national network called Gather Movement that brings together churches from across the UK that are committed to bringing transformation to their towns and cities. Through Gather Movement, Unity Movements across the UK are being emboldened and equipped to develop strategies for responding to the needs and challenges in their towns and cities. LJM Chair has been involved in the Gather Movement initiatives for the last 10 years. Since stepping down from his role as EA Chair in October 2021, he has begun to focus his attention on how the Gather Movement can inspired our regional Unity Movement, Together for Harvest to develop a strategy to bring transformation to our Liverpool City Region.

3. Work with other churches and Christian organisations to spread the gospel

Temple of Praise remains a committed member of both the regional evangelical partnership called Together For Harvest (TFH) and the national Evangelical Alliance (EA-UK). Tani Omidoyi, resigned as chair of EA board in October 2021. He remains a member of the EA Council for the next two years, committed to supporting the newly appointed Head of England who is the first EA officer to have an office in North England.

4. Maximize our assets to deliver our mission

The trustees made good progress in managing all LJM building assets in a way as to maximize benefits to the Charity and our communities.

Financial matters

A £400,000 bank loan taken out in 2001 towards the initial refurbishment of Liverpool Lighthouse building was finally paid off this year.

Attempts to complete the payment for and subsequent transfer of the Liverpool Lighthouse Car Park to LJM have been stalled because of developments within the Liverpool City Council department responsible for capital procurement. With the involvement of the Central government in supervising the department, it is unclear how soon this will be resolved.

For the last 20 years, LJM has received annual income of over £20,000 from a leasehold agreement with three Mast Operators based on the roof of the Liverpool Lighthouse building. Five years ago, a third-party company bought 25% of the lease for two of the Masts for 25 years. Income from the sale was much needed at the time. This year, the national media began to report changes to the Government's agreement with Mast operators which would now give them the powers to decide how much they would pay for their tenancy on buildings and lands. An adviser we had used for the previous sale approached us to warn us that old contracts were being torn up by Mast operators, forcing landlords to accept as little as 5% of their previous rents. The company that had bought the 25% was willing to purchase the remaining 75% if we would sell. The board decided to sell the remaining 75% for £154,000, concluding the sale in February 2022. This income would be restricted and used to purchase an asset as investment.

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TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

Another initiative being led by the new Missions Director is setting up a long overdue Legacy Scheme for LJM and associated charities. This is now progressing well and should be completed in the first quarter of next year. When completed, both the LJM@40 Timeline Design and the LJM@40 video will be used as part of the promotional materials to hopefully attract more long-term major donors and partners.

Building repairs

We took advantage of the Government's loan support scheme and took out a £30,000 loan towards refurbishment works in 4 Hampstead Road property. Repayment terms are very generous.

After two years of investigations, we finally got a structural engineer who recommended using wall straps as an interim device to keep the wall up for the next 5 to 10 years but no longer. He has provided us with technical drawings for the works. Over the next 12 months, we will contract a builder to carry out the repairs. Once this is done, we will move on to fully refurbish the building, leasing it out so we can begin to receive good income from this investment.

Music assets

Twelve months on and with the efforts of our Missions Director, we have now fully recovered control over all our recorded and released published songs. They had been pirated and were being sold by others on online music platforms such as Spotify, iTunes, Apple Music and Amazon Music. The next step is for us to set up our own outlets to monetise them online.

Thank you

LJM's most precious assets continue to be its amazing team of trustees, staff, leaders of congregation in TOP Liverpool and across the world through its Covenant Association. We thank God for our friends who trust us enough to continue to support us with their prayers, grants and donations and much needed advice and encouragement.

The organisation is very thankful to our long-term patrons, John & Rose Lancaster of The Lancaster Foundation who continue to stand with us financially and in many other ways.

Financial review

The financial result for the year under review is a surplus of £129,992.

The budget for 2022/23 anticipates that, with a realistically achievable programme, a further surplus will be achievable.

Cash resources are held in the bank's current and deposit accounts and the Directors consider their level to be no more than adequate in view of future developments.

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

Reserves policy

The trustees have examined the requirements for free reserves, which are those unrestricted funds not invested in fixed assets, designated for specific purposes or otherwise committed. The Trustees consider that currently, given the nature of our work, this should be approximately enough to cover 6 months worth of expenditure which in 2022 was in effect £128,000, which gives flexibility to cover short term timing differences for grant claims and adequate working capital for our core costs. However the Trustees keep this under regular review as circumstances change. The unrestricted reserves at 31 March 2022 consist of the general reserves of £730,093. However, these reserves are represented mainly by fixed assets. Cash reserves at 31 March 2022 were £174,787.

Investment policy and objectives

The Trustees have the power to invest in such assets as they see fit. Surplus funds are invested with The Royal Bank of Scotland plc.

LOVE AND JOY MINISTRIES LTD

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

Plans for future periods

In the next twelve months we will need to recruit two new trustees, one of them a treasurer.

Temple of Praise and Association of Covenant Churches

We will work hard to build a strong technical multimedia team that can handle the demands of running a fully hybrid church, one half handling the live programme while the second half concentrates on the online streaming.

The Elders will support the newly Installed Executive Leadership Team of pastors to fully take on the complex duties of running Temple of Praise Liverpool. This will leave the Council of Elders with time to focus on prayer and developing resources for the online platform.

There will be a new drive to establish new teams to lead the different age groups that make up what we call 'The New Gen' (6-11yrs, 11-16yrs, 16-24yrs)

Work will continue on teaching and producing new resources to develop the JIMH groups. Numbers have risen to over 90 people participating in the JIMH group meetings.

All activities in TOP will be driven by a commitment to grow the TOP congregation in Liverpool in size and depth of relationship with God and each other. This should begin to reverse the declining state of the church income.

We intend to open up 'The Association of Covenant Churches' to new membership in the next twelve months. There is a short waiting list to prayerfully select from.

Working with others

LJM@40 Timeline Design will be completed, and a small number printed as a resource to give away. Further distribution will be online as needed. The production of a 5-minute video that looks at LJM in 2020, celebrating its achievements and looking forward to its future will be completed next year.

The Loved Café initiative if successful will be expanded to respond to the needs of our Anfield community in light of the escalating national cost of living crisis.

As needed LJM will continue to support both Liverpool Lighthouse and Bright Park with grants, encouragement, skills, and prayers. LJM staff will continue their secondment to Bright Park in senior management roles.

LJM Chair will step up his efforts to bring together a unity of churches from all denominations to engage with the Liverpool City Region at the highest level and to jointly respond to aspects of the cost-of-living crisis. He will also engage with the Evangelical Alliance to encourage them to bring initiatives to Liverpool and other northern cities.

Capital Assets

We will continue the conversation with the Liverpool City Council to expediate the concluding of the contract to transfer the completed Lighthouse Car Park to LJM.

Over the next 12 months, we will contract a builder to carry out the structural repairs to the Hampstead Road property. Once this is done, we will move on to fully refurbish the building and lease it out so we can begin to receive good income from this investment.

A board sub-committee will be set up to research how best to invest the income from sale of telephone mast leases. The board will proceed with the decision arrived at.

The Legacy Scheme will be fully promoted through the 4 charities.

When completed, both the LJM@40 Timeline Design and the LJM@40 video will be used as part of the promotional materials to hopefully attract more long-term major donors and partners.

LJM will continue to provide services and spiritual leadership to other charities and churches within both LJM Associations (AIC and ACC). It will continue to develop support for its covenant partners worldwide, along with improved systems of accountability.

Structure, governance and management

The charity is a company limited by guarantee.

LOVE AND JOY MINISTRIES LTD

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Pastor A O Olaoye

Ms A C Hawley

Mrs H J Hawley

Dr T Omidoyi

Professor D Jeyaraj

Mr A I Sadiku

(Resigned 29 September 2022)

Rev R I Sutton

Rev D O Shosanya

(Appointed 23 September 2021)

The trustees' report was approved by the Board of Trustees.



Dr T Omidoyi

Trustee

Date: 14th December 2022.

LOVE AND JOY MINISTRIES LTD

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF LOVE AND JOY MINISTRIES LTD

I report to the trustees on my examination of the financial statements of Love and Joy Ministries Ltd (the charity) for the year ended 31 March 2022.

Responsibilities and basis of report

As the trustees of the charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the charity 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 the charity's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

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

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

- 1 accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements 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 financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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



Champion TLL Limited

P Buck FCA, DChA

7-9 Station Road

Hesketh Bank

Preston

Lancashire

PR4 6SN

Dated: 14/12/22

LOVE AND JOY MINISTRIES LTD

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2022

	Notes	Unrestricted funds 2022 £	Unrestricted funds 2021 £
<u>Income and endowments from:</u>			
Donations and legacies	3	193,918	165,013
Other trading activities	4	52,016	50,071
Other income	5	141,203	-
Total income		387,137	215,084
<u>Expenditure on:</u>			
Charitable activities	6	257,145	138,350
Net income for the year/ Net movement in funds		129,992	76,734
Fund balances at 1 April 2021		600,101	517,692
Fund balances at 31 March 2022		730,093	594,426

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

LOVE AND JOY MINISTRIES LTD

BALANCE SHEET

AS AT 31 MARCH 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	10		650,187		663,227
Current assets					
Debtors	11	12,919		22,682	
Cash at bank and in hand		174,787		45,263	
		<u>187,706</u>		<u>67,945</u>	
Creditors: amounts falling due within one year	13	<u>(72,559)</u>		<u>(61,588)</u>	
Net current assets			115,147		6,357
Total assets less current liabilities			765,334		669,584
Creditors: amounts falling due after more than one year	14		(35,241)		(75,158)
Net assets			<u>730,093</u>		<u>594,426</u>
Income funds					
Unrestricted funds			730,093		594,426
			<u>730,093</u>		<u>594,426</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2022.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on 29/09/22



Dr T Omidoyi
Trustee

Company registration number 5283980

LOVE AND JOY MINISTRIES LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

Charity Information

Love and Joy Ministries Ltd is a private company limited by guarantee incorporated in England and Wales. The registered office is Oakfield Road, Anfield, Liverpool, Merseyside, L4 0UE.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's [governing document], the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities not to prepare a Statement of Cash Flows.

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

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

LOVE AND JOY MINISTRIES LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold property	Over useful economic life of 50 years
Leasehold improvements	Over useful economic life of 50 years
Plant and machinery	25% on reducing balance
Fixtures and fittings	25% on reducing balance
Computer equipment	25% on reducing balance
Motor vehicles	25% on reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 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 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

LOVE AND JOY MINISTRIES LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Critical accounting estimates and judgements

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.

LOVE AND JOY MINISTRIES LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

3 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Donations and gifts	104,513	78,974
Grants received	89,405	86,039
	<u>193,918</u>	<u>165,013</u>

Included in the Grants received figure is £72,000 received from Lancaster Foundation.

4 Other trading activities

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Non-charitable trading activities	<u>52,016</u>	<u>50,071</u>

5 Other income

	Unrestricted funds	Total
	2022	2021
	£	£
Other income	<u>141,203</u>	<u>-</u>

LOVE AND JOY MINISTRIES LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

6 Charitable activities

	Christian support 2022 £	Christian support 2021 £
Staff costs	100,393	68,288
Depreciation and impairment	17,997	16,816
Christian support	136,355	50,246
	<u>254,745</u>	<u>135,350</u>
Share of governance costs (see note 7)	2,400	3,000
	<u>257,145</u>	<u>138,350</u>

7 Support costs

	Support costs £	Governance costs £	2022 Support costs £	Governance costs £	2021 £
Accountancy	-	2,400	2,400	-	3,000
	<u>-</u>	<u>2,400</u>	<u>2,400</u>	<u>-</u>	<u>3,000</u>
Analysed between Charitable activities	-	2,400	2,400	-	3,000
	<u>-</u>	<u>2,400</u>	<u>2,400</u>	<u>-</u>	<u>3,000</u>

8 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

9 Employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
Administration	<u>6</u>	<u>5</u>

LOVE AND JOY MINISTRIES LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

9	Employees	(Continued)	
	Employment costs	2022 £	2021 £
	Wages and salaries	100,393	59,073
	Social security costs	-	4,000
	Other pension costs	-	5,215
		<u>100,393</u>	<u>68,288</u>

There were no employees whose annual remuneration was more than £60,000.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

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LOVE AND JOY MINISTRIES LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

11 Debtors

	2022	2021
	£	£
Amounts falling due within one year:		
Amounts owed by fellow group undertakings	12,574	22,344
Prepayments and accrued income	345	338
	<u>12,919</u>	<u>22,682</u>

12 Loans and overdrafts

	2022	2021
	£	£
Bank loans	<u>46,336</u>	<u>66,856</u>
Payable within one year	11,095	20,536
Payable after one year	<u>35,241</u>	<u>46,320</u>

13 Creditors: amounts falling due within one year

	Notes	2022	2021
		£	£
Bank loans	12	11,095	20,536
Other taxation and social security		1,172	4,407
Trade creditors		4,155	8,960
Amounts owed to fellow group undertakings		47,380	-
Other creditors		5,757	24,685
Accruals and deferred income		3,000	3,000
		<u>72,559</u>	<u>61,588</u>

14 Creditors: amounts falling due after more than one year

	Notes	2022	2021
		£	£
Bank loans	12	35,241	46,320
Amounts owed to fellow group undertakings		-	28,838
		<u>35,241</u>	<u>75,158</u>

15 Related party transactions

LOVE AND JOY MINISTRIES LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

15 Related party transactions

(Continued)

Related Charities

Love and Joy Ministries Limited is closely associated with Liverpool Lighthouse Limited, a Charitable Company Limited by Guarantee.

The activities of Liverpool Lighthouse Limited are as follows:

1. Advance education and training including education through the medium of music, dance and drama.
2. Demonstrating the Christian faith through practical help to those most vulnerable in the community including those who are homeless, children, young people, the sick and elderly.
3. Assisting people who are unemployed by the provision of training, support and assistance with the object of enabling such people to obtain gainful employment and improve the condition of their lives.

Liverpool Lighthouse Limited is the sole trustee of Bright Park (Charity No.526085).The activities of Bright Park are as follows:

- 1.The provision of items, services and facilities for any schools for children with special educational needs in the area of benefit;
- 2.The promotion of the education of persons who are in need of financial assistance and who are attending or who have at anytime attended a school for children with special educational needs in the area of benefit;
- 3.To advance the education of persons resident in the area of benefit, particularly those who have special educational needs, in the subjects of the arts, heritage, culture and the environment;
- 4.To provide or assist in the provision of facilities ie interests of social welfare for recreation or other leisure time occupation of persons resident in the area of benefit who have need of such facilities by reason of their youth, age, infirmity or disability, financial hardship or social circumstances with the object of improving their conditions of life.

During the year the Charity paid donations of £20,000 (2021:£20,000) to Bright Park, a charity which is closely associated with Love and Joy Ministries, and of which Dr T Omideyi is also a Trustee.