

London Accountancy Practice

ANNUAL REPORT AND ACCOUNTS

2022/2023



"37 Years Serving the Voluntary Sector"



Charity Registration No. 1114755
Company Registration No. 4018585



LONDON ACCOUNTANCY PRACTICE ANNUAL REVIEW 2022-2023

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LONDON ACCOUNTANCY PRACTICE Annual Review 2022-2023

Directors/Trustees

Abraham Teclé
William Anang
Dr. Henry Akinyeye
Alfred Syl- Turay

Chairperson
Treasurer
Member
Member

Staff Members

Ade Adebambo

Director/ Company Secretary

Sandra Koleosho
Paul Banda

Finance/ Payroll Manager
Administrator

Volunteers

Victoria Nwachukwu
Sayad Sina Mousavi
Evbu Joy Faluyi
Samuel Ikotun
Evbo Joyce Faluyi
Louise Havercroft
Hinsenne Ararsso

Student Placement

Seyed Sina Mousavi

Address:

161 Sumner Road
London
SE15 6JL

Independent Examiner

JJ Dolan & Co
Accountants & Tax consultants
10, Gerard Court
Hitherfield Lane
Harpenden
AL5 4JA

LAP would like to welcome its latest recruit of volunteers for **2022-2023**, MS Victoria Nwachukwu and thank everyone for their hard work and contributions over the years. LAP is grateful for the unstinting efforts and support of its volunteers. Our hearty congratulations those of you that were able to secure employment due to the practical experience and support you have received from LAP. Our sincere apologies to those we have not been able to provide opportunities for due to high demand. It is estimated that over two thousand volunteer hours were provided by our volunteers during the year and if this is conservatively valued at £15.00 an hour, the volunteer efforts amounted to over £22,500.00.

A special thank you goes out to all our members and service users for their custom and support.

CHAIRPERSON'S REPORT FOR THE YEAR ENDED 31ST MARCH 2023

I am pleased to report that LAP has continued to survive against all odds as many organisations in the sector continue to struggle due to lack of funding and the current challenging economic environment. The cost of living crisis has played its own part which has meant that more organisations continue to approach us for advice and support as they are not able to meet the cost and charges of private and commercial accountants.

Furthermore, the current economic situation has also meant that there is an increase in level of demand by voluntary and community sector organisations as they endeavor to meet the new requirements of their funders as well as to continue delivering the much needed services and support to their beneficiaries. In spite of all these, they still need to meet the legal compliance requirements of both the Companies House and the Charity Commission. All this means that LAP has to work with organisations that are relatively new and this has been very challenging because of our own limited resources.

During the year we work with other organizations both inside and outside the borough to provide training activities as joint venture.

Our one 2 one activities increased during the year as many organizations demand advice and support with their finances, planning and budgeting to determine how long they might be able to survive or pay their staff redundancy.

Furthermore, there are also a wave of organizations and individuals wanting advice on Community Interest Companies (CICs) and Charity Interest Organisations (CIOs) In addition to the above, there are also organizations new organisations requesting assistance in the areas of financial management.

In light of the above, it is therefore no coincidence that it is always the smaller and the disadvantaged groups that seek help, assistance, and support a lot more and yet they are the ones that could not afford what medium and larger organisations take for granted.

Finally, in our formal and informal conversations and feedback from our client groups, we are made to understand that many of them may not be able to survive or even meet normal basic statutory and funding requirements without the help and assistance they receive from the London Accountancy Practice that understands the sector a lot. Our assistance and support have also helped many organizations to secure more funding.

Abraham Tecla



**LONDON ACCOUNTANCY PRACTICE
DIRECTORS' AND TRUSTEES' REPORT
FOR THE YEAR ENDED 31ST MARCH 2023.**

The trustees, who also act as directors of LONDON ACCOUNTANCY PRACTICE for the purpose of Company Law, are pleased to present their report and the independently examined financial statements for the year ended 31st March 2023.

OBJECTS, ORGANISATION AND ACTIVITIES

LAP's objects continue to be:

- The promotion of efficiency and effectiveness of charities and voluntary and community organisations by the provision of a comprehensive financial advisory service and the training of their employees in relevant financial skills.
- Helping individual organisation (whether incorporated or unincorporated) that for whatever reasons have some form of financial difficulty or crisis.
- Advising and helping such individual organisations to set up appropriate books of accounts and keep them up to date.
- Promotion of methods of bookkeeping.
- Advising on information flows between the relevant members and management committee of individual organisation and giving advice on structures to ensure accountability.
- Giving advice on budgets, funding, local authority, central government and other grants, salaries and national insurance, local government pay scales and cash flow.
- Enabling individual organisations to have a clearer understanding of local authority finance in so far as this affects the organisation's decision making;
- Provision of training (group and in-house) to achieve efficiency and effectiveness.

DEVELOPMENTS, ACTIVITIES AND ACHIEVEMENTS

In our everyday work with other infrastructure organisations within and around London we see evidence of a very wide range of organisational and financial management needs, including many needs around developing sound financial systems about financial accountability, auditing/ independent examination and preparing annual accounts. As this is a specialist area requiring expert, accurate advice, LAP has been a key resource for local voluntary groups as well as being a very useful referral point for other infrastructure agencies. By offering local voluntary and community organisations expert advice and support on a range of financial issues, LAP is able to provide a highly specialised, much needed service. We currently take referrals from Way Forward, an organisation set up to help small and medium sized businesses cope with various challenges.

LAPs work stretches much further than simply helping groups to develop sound financial controls, or providing a payroll service, although these are in themselves very useful. The longer term outcomes of our work however, have much more sustainable benefits: organisations, who are encouraged to implement good financial practices today are far more likely to be successful and capable in their future initiatives eg in fundraising, in running efficient projects, in managing funds appropriately, in being accountable and open, in providing good value for money, and in meeting the requirements of funders, the Charity Commission, Companies House, HMRC and other statutory bodies. The impact of all the above allows the organisations we work with to make successful applications to potential funders and as a result being able to lever in more money into the borough.

LAP continues to provide particular support to smaller and medium-sized voluntary and community organisations and those representing disadvantaged sections of the community including the BAMERs (Black, Asian and Minority Ethnic Refugee groups) to increase their

capacity and help comply with the requirements of funders, Companies House, Charity Commission and both local and central governments. The current economic and funding climate continue to make it difficult if not impossible for many organisations to survive and the continuing complexity in charity financial reporting despite lack of proper funding has resulted in heavy reliance on our service provision. As a result, we have to work smarter to find ways of saving money and at the same time endeavour to provide good, quality services. Our areas of activities remain as follows:

INDEPENDENT EXAMINATION

LAP continues to provide affordable alternatives to commercial services. We carried out 65 independent examinations during the year. This service has helped to develop and sustain most of the organisations we work with as they have been able to comply with both Charity law and the 2006 Companies Act. We have therefore saved organisations hundreds of pounds in penalties and fines.

IMPACT

As a result of this service, we have been able to increase the ability of small and medium-sized voluntary and community sector organisations to meet the reporting requirements of funders and other stake holders including Companies House and HMRC.

In addition, disadvantage groups that would not have been able to access/ pay for the Services of main stream/ private sector accountancy firms were able to access our financial management support and are being assisted and supported to meet their statutory obligations. Furthermore, our clients have been able to lever in more funding to their organisations and the borough including new funding sources, making them more sustainable and allowing them to be able to concentrate more on their core activities.

PAYROLL ADMINISTRATION

During the year, over 250 employees from over 55 organisations benefited from our efficient and cost-effective payroll administration and advice. The Welfare Reforms has meant more enquiries from employers and employees alike seeking advice.

IMPACT

By providing a high quality and reliable payroll service along with advice and support for Over 55 payroll client groups, we have released them to concentrate on their core activities. We deal with all aspects of payroll query from both the organisations and the HMRC and liaise between them whenever possible when any problems arise. By making the organisations aware of their responsibilities as employers, keeping them up to date with changing legislation and making them aware of their legal responsibilities, deadlines, etc., we have saved them a lot of money in penalties and surcharges. All companies are now legally responsible for filing all forms etc online which we now do for them. This has allowed many groups to make savings and cut back on back office costs.

APPEALS WITH HMRC

Where organisations have been issued a penalty notice for late payments or late filing for reasons beyond our control we have stepped in on behalf of the organisation and helped with appeal letters. To date 99% of all appeals have been successful. Our client groups have been able to save a considerable amount of money through this process.

VOLUNTEERING, TRAINING AND WORK PLACEMENT

LAP carried out a series of in-house training sessions during the year covering topics from Introduction to bookkeeping to Advance budgeting and the preparation of end of year accounts. These graduate trainees / volunteers were then sent to work with other groups work place and the organisation valuable financial help at no cost to them.

IMPACT

The effectiveness of these training sessions could be seen in the quality of work produced by the trainees at their respective organisations after the training. Our cost-effective training meant that organisations continue to have better understanding of their financial position. This also led to an increase in the capacity of small and medium sized voluntary and community sector organisations to manage their financial resources more effectively and efficiently: Our adaptable financial control procedures have helped many organisations to be able to write their own in-house financial policy and procedures. This service has improved the social, financial and economic well being of these volunteers as they continue secure paid employment. 3 got paid jobs this year.

ONE 2 ONE ADVICE

Our free one to one advice and consultancy services continue to be popular with both old and emerging groups especially due to various changes and legislations relating to organisations being set up as social enterprises, Community Interest Organisations. 70% of registered charities in Southwark are also incorporated and we provided them with relevant advice.

IMPACT

This service has tremendously benefited a lot of our client groups during the year. We were able to provide much needed assistance and support for organisations putting in funding applications and to advise on company and charity registration. This service has helped many organisations to avoid an initial pitfall.

COLLABORATIVE WORK

LAP continues to work with other second tier organisations within the London Borough of Southwark and across other London boroughs including Volunteer Southwark (VS), Southwark Refugee Project, (SRP) and Southwark Refugee Communities Forum (SRCF) and we continue to foster relationship with other second tier organisations.

OTHER

Some groups faced particular challenges with the HMRC because they are not registered charity. Even though they carry out charitable activities, they needed help them with their corporation tax and other matters to do with the HMRC.

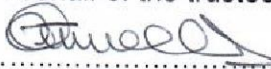
RESERVE POLICY

The Charity Commission requires charities to determine and explain their policy for free reserves. The trustees have reviewed its free reserves policy and have turned its entire unrestricted fund into an emergency reserve, and have set a target of £49,968.00 this year to enable LAP to meet its obligations for a period of 9 months in the event of a shortfall in income or sudden upturn in expenditure.

RISK MANAGEMENT

The trustees have examined the major risk that LAP faces and believe that by maintaining our free reserves at a reasonable level, combined with our annual review of the controls over key financial systems, this will provide sufficient resources in the event of adverse conditions. The trustees have also examined other operational and business risks that we face and confirm that they have established systems to mitigate the significant risks.

Signed on behalf of the trustees

Director.......... William Anang (Treasurer)
Dated 28th December 2023

**LONDON ACCOUNTANCY PRACTICE
(A Company Limited by Guarantee)
INDEPENDENT EXAMINER'S REPORT
FOR THE YEAR ENDED 31 MARCH 2023**

INDEPENDENT EXAMINER'S REPORT

I report on the accounts of the company for the year ended 31 March 2023, which are set out on pages 8 to 9.

Respective responsibilities of trustees and examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act; and
- to state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

(1) which gives me reasonable cause to believe that in any material respect the requirements:

- to keep accounting records in accordance with section 386 of the Companies Act 2006; and
- to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities

have not been met; or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Sign  Dated 28th December 2023

John Joseph Dolan FAAT, FAIA
JJ Dolan & co
10 Gerard Court
Hitherfield Lane
Harpenden, Herts
AL5 4JA

**LONDON ACCOUNTANCY PRACTICE
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST MARCH 2023**

INCOMING RESOURCES		2023 Unrestricted Fund £	2023 Restricted Fund £	2023 Total Fund £	2022 Total Fund £
	Notes				
Incoming Resources From Generated Funds					
Grants, donations and legacies	2	0	0	0	0
Activities For Generating Funds	3	63130		63130	58221
Investment Income		1	0	1	1
Total Incoming Resources		63131	0	63131	58222
RESOURCES EXPENDED					
Charitable Activities		66624	0	66624	65073
Total Resources Expended		66624	0	66624	65073
NET INCOMING RESOURCES		-3493	0	-3493	-6851
Fund Balances Brought Forward at 1st April 2022		31409	0	31409	38260
Fund Balances Carried Forward at 1st April 2023		27916	0	27916	31409

**LONDON ACCOUNTANCY PRACTICE
BALANCE SHEET
AS AT 31 MARCH 2023**

	Notes	£	2023 £	£	2022 £
CURRENT ASSETS					
Debtors and prepayments	4	26123		24887	
Cash at Bank and in Hand		5192		6772	
		<u>31315</u>		<u>31659</u>	
CURRENT LIABILITIES					
Creditors And Accruals					
Amount falling due within one year	5	3399		250	
Net Current Assets			<u>27916</u>		<u>31409</u>
RESERVES					
Restricted Funds			0		0
Unrestricted Funds			2916		6409
Designated Funds	6		25000		25000
			<u>27916</u>		<u>31409</u>

For the period ended 31 March 2023 the Company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

the members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476,

- the directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of the accounts
- these accounts have been prepared in accordance with the provision applicable to companies subject to the small companies' regime.

The financial statements on pages 8 to 10 were approved by the board of directors on

28TH DECEMBER 2023 and signed on its behalf by

Sign.....
Abraham Teclé

Abraham Teclé
Director

LONDON ACCOUNTANCY PRACTICE
(A Company Limited by Guarantee)
NOTES TO THE ACCOUNTS
YEAR ENDED 31 MARCH 2023

1. ACCOUNTING POLICIES

1.1 Basis of preparation of Financial Statements

The financial statements are prepared under the historic cost convention and include the results of the company's operations which are described in the Board of trustees' Report and all of which are continuing.

The accounts have been prepared in accordance with the Statements of Recommended Practice for company accounts.

The company has taken advantage of the exemption of Financial Reporting Standard No 1 from the requirements to produce a cash flow statement on the grounds that it qualifies as a small company.

1.2 Incoming Resources

1.2.1 Revenue grants are credited to the Statement of Financial Activities on the earlier date of when they are received or when they are receivable, unless they relate to a specific future period, in which case they are included on the Balance Sheet as deferred income to be recognised in the future accounting period.

1.2.2 Grants received for specific purposes are accounted for as restricted funds in the Statement of Financial Activities.

1.3 Restricted Funds

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is identified to the fund, together with a fair allocation of management and support costs.

1.4 Unrestricted Funds

Unrestricted funds are donations and other incomes received or generated for the objects of the organisation without further specified purpose and are available for general funds.

1.5 Designated Funds

Designated funds are unrestricted funds earmarked by the board of trustees for particular purposes.

1.6 Tangible Fixed Assets

All expenditure that related to equipment has been charged to the Statement of Financial Activities in the year of acquisition because they were of low value. A register of assets is maintained.

4. DEBTORS**Due within one year**

Trade Debtors

2023	2022
£	£
26123	24887
26123	24887

5. CREDITORS**Sundry Creditors and Accruals**

Independent Examination

Rent and service charge

2023	2022
£	£
250	250
250	250

LONDON ACCOUNTANCY PRACTICE**NOTES TO THE ACCOUNTS****FOR THE YEAR ENDED 31ST MARCH 2023****6. DESIGNATED FUNDS**

The income funds of the Charity include the following designated funds, which have been set aside out of unrestricted funds by the trustees for specific purposes.

	Balance at 1st April 2022	Movement in Funds		Balance at 31st March 2023
	£	Incoming	Outgoing	£
Salary /Contingency Fund	25000	0	0	25000
	25000	0	0	25000

The trustees have designated funds for redundancy payment to current staff and for any other obligatory payment due as per contract of employment.

7. TRUSTEES REMUNERATION AND EXPENSES

No remuneration expenses or benefits was paid to the Trustees during the year.

8. STAFF COSTS

Employees average number during the year

2023	2022
4	5

No member of staff is paid more than £60000.00

Staff Salaries and employers NI

£	£
35000	35003

35000	35003
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Providing services in:

- *Independent examination*
- *Payroll Administration*
- *Consultancy / Advice*
- *Bookkeeping*
- *Training*
- *Work Experience/ Placement*
- *Volunteering*

LONDON ACCOUNTANCY PRACTICE
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