

THE LIBERTY ARMY
a Charitable Incorporated Organisation

**TRUSTEES' REPORT
AND
FINANCIAL STATEMENTS**

**FOR THE YEAR END
30 September 2023**

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**The Liberty Army
Trustees Annual Report**

The trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the unaudited financial statements of the charity for the year ended 30 September 2023.

REFERENCE AND ADMINISTRATIVE DETAILS

Company No. 06358355

Charity No. 1127094

Registered Office

Kingsley House Balmoral Road
Suite 318 (3rd Floor)
37-45 Balmoral Road
Gillingham, Kent
ME7 4NT

Directors and Trustees

The Directors of the charitable company are its Trustees for the purposes of charity law. The following Directors and Trustees served during the year:

C. Kwakpovwe
B. Ikini
J.O. Ikini
B.Ojo

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Companies Act 2006. The Trustees are also responsible for safeguarding the assets of the charity and hence taking reasonable steps for the prevention and detection of fraud and other irregularities. The above report has been prepared in accordance with the provisions applicable to companies subject to the small companies regime as set out in Part 15 of the Companies Act 2006 and in accordance with the Charities SORP (FRS 102)

Signed on behalf of the board

B. Ikini
Trustee
19 April 2024

The Liberty Army
Independent Examiners Report
Independent Examiner's Report to the trustees of The Liberty Army

I report to the charity trustees on my examination of the financial statements of The Liberty Army for the year ended 30 September 2023 which comprise the Statement of Financial Activities, the Summary Income and Expenditure Account, the Balance Sheet, and the related notes.

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

Independent examiner's statement

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

- accounting records were not kept in accordance with section 386 of the 2006 Act ; or
- the financial statements do not accord with those records; or
- the financial statements do not comply with the accounting requirements under section 396 of the 2006 Act other than any requirement that the financial statements give a 'true and fair' view which is not a matter considered as part of an independent examination; or
- the financial statements have not been prepared in accordance with the Charities SORP (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.

Naeem Iqbal

Director

MAAT,MIPA,AFA,ATA,BSc(OBU)

NMC Accountants & Tax Advisors

37 High Street, Chatham

ME4 4EN

19 April 2024

Recommended categories by activity	Notes	Unrestricted funds £	Total Funds 2023 £	Total Funds 2022 £
Incoming resources				
Income and endowments from:				
Donations and legacies	2	45,366.43	45,366.43	1,824.00
Total		45,366.43	45,366.43	1,824.00
Resources expended				
Expenditure on:				
Raising funds	3	6,182.40	6,182.40	3,024.00
Charitable activities	4	33,764.09	33,764.09	34,710.00
Other	6	1,567.21	1,567.21	1,315.25
Total		41,513.70	41,513.70	39,049.25
Net income/(expenditure) before investment gains/(losses)		3,852.73	3,852.73	(37,225.25)
Net income/(expenditure)		3,852.73	3,852.73	(37,225.25)
Net movement in funds		3,852.73	3,852.73	(37,225.25)
Reconciliation of funds:				
Total funds brought forward		(37,225.25)	(37,225.25)	-
Total funds carried forward		(33,372.52)	(33,372.52)	(37,225.25)

Recommended categories by activity	Notes	Unrestricted funds £	Total Funds 2023 £	Total Funds 2022 £
Fixed assets				
Tangible assets	7	305.86	305.86	925.11
Total fixed assets		305.86	305.86	925.11
Current assets				
Cash at bank and in hand	8	27,206.97	27,206.97	3,493.00
Total current assets		27,206.97	27,206.97	3,493.00
Creditors: amounts falling due within one year	9	79,102.99	79,102.99	59,861.00
Net current assets/(liabilities)		(51,896.02)	(51,896.02)	(56,368.00)
Total assets less current liabilities		(51,590.16)	(51,590.16)	(55,442.89)
Total net assets or liabilities		(51,590.16)	(51,590.16)	(55,442.89)
Funds of the Charity				
Unrestricted funds	10	(33,372.52)	(33,372.52)	(37,225.25)
Restricted income funds	10	-	-	-
Endowment funds	10	-	-	-
Revaluation reserve		(18,217.64)	(18,217.64)	(18,217.64)
Total funds		(51,590.16)	(51,590.16)	(55,442.89)

The financial statements were approved by the Board on 18-Apr-2024 and signed on its behalf by:

B. Ikini
Trustee

1 Accounting Policies

1.1 Accounting Policies

The principal accounting policies adopted by the Charity, which is a public benefit entity, in the preparation of the accounts are as follows.

There has been no change to the accounting policies (valuation rules and method of accounting) since last year and no changes have been made to accounts for previous years.

1.2 Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)- (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

1.3 Going concern

The Trustees have prepared financial projections, taking into consideration the current economic conditions and have, at the time of approving these accounts, a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the accounts.

1.4 Change of accounting policy

There has been no change to the accounting policies (valuation rules and method of accounting) since last year and no changes have been made to accounts for previous years.

1.5 Income from donations or grants

Income from donations and grants is recognised when the charity is entitled to the funds, the receipt is probable and the amount can be measured reliably. For donations, this is usually on receipt. For grants, this is usually when a formal offer is made in writing. If a donation or grant contains terms and conditions outside of the charity's control which must be met before the charity is entitled to the funds, or if the donor specifies that the funds must be used in future time periods, then the income is deferred.

1.6 Legacies

Legacies are included in the SOFA when receipt is probable, that is, when there has been grant of probate, the executors have established that there are sufficient assets in the estate and any conditions attached to the legacy are either within the control of the charity or have been met.

1.7 Expenditure

Expenditure is recognised when a present legal or constructive obligation exists at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefits will be required to settle the obligation, and the amount can be estimated reliably. It is inclusive of VAT which cannot be recovered.

Direct costs are those costs which directly attribute to its activities. Wages and salaries are allocated to direct costs based on an estimate of time spent on charitable activities by staff members.

Support costs include staff costs and are those which do not produce a direct output. Staff costs relate to specific activities and this is reflected in the allocation of payroll costs based on the percentage of time spent.

All costs, including governance costs, are allocated between the expenditure categories of the charity on a basis designed to reflect the use of the resource. Costs relating to a particular activity are charged directly; others are apportioned on an appropriate basis.

Support costs and overheads have been calculated by allocating staff time to the level of involvement in the various activities of the Charity.

1.8 Pensions

The Charity makes contributions to defined contribution pension schemes through auto enrolment. These contributions are charged to the income and expenditure account in the year in which they become payable.

1.9 Taxation

The charity is exempt from corporation tax on its charitable activities.

1.10 Investment properties

Freehold investment property

Investment properties are measured initially at cost and subsequently at fair value at each balance sheet date and are not depreciated. All gains or losses are taken to the Statement of Financial Activities as they arise.

1.11 Stocks and work in progress

Stock is included at the lower cost or net realisable value. Donated items of stock are recognised at fair value which is the amount the charity would have been willing to pay for the items on the open market.

1.12 Debtors

Debtors (including trade debtors and loans receivable) are measured on initial recognition at settlement amount after any trade discounts or amount advanced by the charity. Subsequently, they are measured at the cash or other consideration expected to be received.

2 Income from Donations and Legacies

	Unrestricted funds	Restricted income funds	Endowment funds	Total funds 2023	Total funds 2022
Analysis	£	£	£	£	£
Donation and gifts	45,366.43	-	-	45,366.43	1,824.00
	45,366.43	-	-	45,366.43	1,824.00

Unrestricted funds

These are available for use at the discretion of the trustees in furtherance of the general objects of the charity.

Designated funds

These are unrestricted funds earmarked by the trustees for particular purposes.

Revaluation funds

These are unrestricted funds which include a revaluation reserve representing the restatement of investment assets at their market values.

Restricted funds

These are available for use subject to restrictions imposed by the donor or through terms of an appeal

Income

Recognition of income

Income is included in the Statement of Financial Activities (SoFA) when the charity becomes entitled to, and virtually certain to receive, the income and the amount of the income can be measured with sufficient reliability.

Income with related expenditure

Where income has related expenditure the income and related expenditure is reported gross in the SoFA.

Donations and legacies

Voluntary income received by way of grants, donations and gifts is included in the the SoFA when receivable and only when the Charity has unconditional entitlement to the income.

**Tax reclaims on donations and gifts
Donated services and facilities**

Income from tax reclaims is included in the SoFA at the same time as the gift/donation to which it relates. These are only included in income (with an equivalent amount in expenditure) where the benefit to the Charity is reasonably quantifiable, measurable and material.

**Volunteer help Investment income.
Gains/(losses) on revaluation of fixed assets**

The value of any volunteer help received is not included in the accounts.
This is included in the accounts when receivable.
This includes any gain or loss resulting from revaluing investments to market value at the end of the year.

Gains/(losses) on investment assets

This includes any gain or loss on the sale of investments.

3 Expenditure on Raising Funds

	Total funds 2023	Total funds 2022
Analysis	£	£
Rent collection, property repairs and maintenance charges	6,182.40	3,024.00
	6,182.40	3,024.00

The Liberty Army
Notes to the Accounts

**Recognition of
Expenditure**

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

**Expenditure on
raising funds**

These comprise the costs associated with attracting voluntary income, fundraising trading costs and investment management costs.

4 Expenditure on Charitable Activities

	Total funds 2023	Total funds 2022
Analysis	£	£
Employee costs	5,616.11	8,254.00
Printing and stationery	311.90	23.00
Bank charges	95.30	82.00
Legal/professional fees	12.00	-
Wages and salaries	26,288.78	25,751.00
Support Costs	1,440.00	600.00
	33,764.09	34,710.00

**Expenditure on
charitable activities**

These comprise the costs incurred by the Charity in the delivery of its activities and services in the furtherance of its objects, including the making of grants and governance cost

No employee received emoluments in excess of £60,000.

5 Support Costs

Analysis	Total funds 2023 £	Total funds 2022 £
Governance Costs		
Accountants' fees	1,440.00	600.00
	1,440.00	600.00

Governance costs

These include those costs associated with meeting the constitutional and statutory requirements of the Charity, including any audit/independent examination fees, costs linked to the strategic management of the Charity, together with a share of other administration costs.

Other expenditure

These are support costs not allocated to a particular activity.

6 Other Expenditure

Analysis	Unrestricted funds £	Restricted income funds £	Endowment funds £	Total funds 2023 £	Total funds 2022 £
Other Expenditure	947.96	-	-	947.96	696.00
Depreciation Charge for the Year - Fixtures & Fittings	43.70	-	-	43.70	43.70
Depreciation Charge for the Year - Computer Equipment	575.55	-	-	575.55	575.55
	1,567.21	-	-	1,567.21	1,315.25

7 Tangible Fixed Assets

7.1 Cost or valuation

	Fixtures & Fittings £	Computer Equipment £
At 01 October 2022	349.56	575.55
Additions	-	-
Disposals	-	-
Revaluations	-	-
Transfers	-	-
At 30 September 2023	349.56	575.55

7.2 Amortisation and impairments

	Fixtures & Fittings £	Computer Equipment £
At 01 October 2022	-	-
Additions	43.70	575.55
Disposals	-	-
Revaluations	-	-
Transfers	-	-
At 30 September 2023	43.70	575.55

7.3 Net book value

	Fixtures & Fittings £	Computer Equipment £
At 01 October 2022	349.56	575.55
At 30 September 2023	305.86	-

8 Cash at bank and in hand

	Total funds 2023	Total funds 2022
	£	£
HSBC	27,206.97	3,493.00
	27,206.97	3,493.00

Cash and cash equivalents.

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. In the statement of financial position, bank overdrafts are shown within borrowings or current liabilities. In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the company's cash management.

9 Creditors: Amounts falling due within one year

	Total funds 2023	Total funds 2022
	£	£
Loans from trustees	294.00	294.00
Amounts owed to group undertakings	77,908.39	49,150.00
Accruals and deferred income	-	600.00
Taxation and social security	900.60	-
Other creditors	-	9,817.00
	79,102.99	59,861.00

Trade and other creditors

Short-term creditors are measured at the transaction price. Other creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Research and development

Expenditure on research and development is written off in the year in which it is incurred.

Foreign currencies

Monetary assets and liabilities denominated in currencies other than the functional currency of the charity are translated at the rates of exchange prevailing at the end of the reporting period. Transactions in currencies other than the functional currency of the charity are recorded at the rate of exchange on the date that the transaction occurred.

All exchange differences are taken into account in arriving at net income/expenditure

Leased assets

Where the charity enters into a lease which entails taking substantially all the risks and rewards of ownership of an asset, the lease is treated as a finance lease.

Leases which do not transfer substantially all the risks and rewards of ownership to charity are classified as operating leases.

Assets held under finance leases are initially recognised as assets of the charity at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments.

The corresponding liability to the lessor is included in the balance sheet date as a finance lease obligation.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognized immediately, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the charity's policy on borrowing costs.

Assets held under finance leases are depreciated in the same way as owned assets.

Operating lease payments are recognised as an expense on a straight-line basis over the lease term.

In the event that lease incentives are received to enter into operating leases, such incentives are recognized as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis.

Pension costs

The charity operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payments obligations. The contributions are recognised as expenses when they fall due. Amounts not paid are shown in accruals in the balance sheet. The assets of the plan are held separately from the company in independently administered funds.

Receipt of donated goods, facilities and services

All donated goods, facilities and services received are recognised within incoming resources and expenditure at an estimate of the value to the charity.

Company status

The company is a private company limited by guarantee and consequently does not have share capital.

10 Charity funds

10.1 Details of material funds held and movements during the CURRENT reporting period

Fund names	Fund balances brought forward	Income	Expenditure	Transfers	Gains and losses	Fund balances carried forward
	£	£	£	£	£	£
Unrestricted funds						
General Fund	(37,225.25)	45,366.43	(53,306.86)	-	-	(45,165.68)
Total	(37,225.25)	45,366.43	(53,306.86)	-	-	(45,165.68)

10.2 Details of material funds held and movements during the PREVIOUS reporting period

Fund names	Fund balances brought forward	Income	Expenditure	Transfers	Gains and losses	Fund balances carried forward
	£	£	£	£	£	£
Unrestricted funds						
General Fund	-	1,824.00	(39,049.25)	-	-	(37,225.25)
Total	-	1,824.00	(39,049.25)	-	-	(37,225.25)

10.3 Transfers between funds

This Year

	Amount £
Between unrestricted and restricted funds	-
Between endowment and restricted funds	-
Between endowment and unrestricted funds	-

Last Year

	Amount £
Between unrestricted and restricted funds	-
Between endowment and restricted funds	-
Between endowment and unrestricted funds	-

10.4 Designated funds

11 Transactions with trustees and related parties

11.1 Trustee remuneration and benefits

11.2 Trustees' expenses

11.3 Transaction(s) with related parties

The company is limited by guarantee and has no share capital; thus, no single party controls the company.