

# **LF Foundation (AKA LF Fountain of Grace)**

**16 BEECH ROAD, BIRMINGHAM B17 9TD**



## **TRUSTEE'S ANNUAL REPORT AND ACCOUNTS**

**FOR THE YEAR ENDED 31ST AUGUST 2021**

# LF Foundation (AKA LF Fountain of Grace)

16 BEECH ROAD, BIRMINGHAM B17 9TD

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## Corporate Information

**Registered Charity Number:** 1136499

**Registered Company Number:** 06980686

**Registered Office:** 16 Beech Road  
Birmingham, B17 9TD

**Principal Office:** Graceland, Norton Street  
Hockley, Birmingham  
B18 5RE

**Board of Trustees:** Mr Joseph Adegbenro Olaiya  
Dr Sola Adeaga  
Mr Daniel Ihiabe  
Mrs Theodora Adebanjo  
Mr Segun Olatayo Moses  
Dr Robin Lawrence

**Bankers:** HSBC Bank Plc  
Barclays Bank Plc

# Board of Trustee's Report

## 1.0 Introduction

The Trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their annual report and financial statements of the charity for the year ended 31st August 2021. The Trustees have adopted the provisions of the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities (the FRSSE) (effective 1 January 2015) in preparing the report and financial statement of the charity.

## 1.1 Public Benefit Statement

The Trustees confirm that they have complied with the duty in section 4 of the Charities Act 2011 to have due regard to the Charity Commission's guidance on public benefit "Charities and Public Benefit".

## 1.2 Structure, Governance and Management

LF Foundation is a Charitable company limited by guarantee, incorporated on 4 August 2009 and commenced operations with effect from 1 September 2009.

The Charity is controlled by its governing document, memorandum and articles of association and is controlled by a board of trustees whose members are elected at the annual general meeting and are directors for the purposes of company law and trustee for the purposes of charity law.

New trustees are appointed on the basis of the contribution that they will make to the governance of the organization and the skills that they will contribute. They are provided with the copies of the charity commissions' guidance to trustees and given an introduction to the activities of the charity by the existing board. Existing trustees are provided with training as and when required.

## 1.3 Objectives and Activities

The objects for which the company is established, as set out in the Memorandum of Association, are:

*"The advancement of the Christian religion for the benefit of the public, mainly but not exclusively, by means of establishing churches, ministries, community centres, educational institutions, broadcasting Christian messages of an evangelistic and teaching nature as well as the provision of lectures and conferences to enlighten others about the Christian religion"*

## 1.4 Achievements and Performance

Every month we run an average of 25 diverse events, some targeted to different groups and others open to everyone. We are not only concerned about spiritual matters but are also involved in the day-to-day matters that affect our members and the communities around us. We are very focused on bringing positive transformation to people through teachings, preaching, prayer meetings, pastoral care, running holiday clubs for children, providing café services to the less privileged in our community, film shows, business conferences, seminars and talks, support for students through various types of sponsorships and assistance, skills acquisition programmes, financial empowerment activities, mentoring and coaching, etc. All these we offer to the community.

## **Board of Trustee's Report**

We provide free spiritual guidance and support, intercessory prayers, training and development (seminars, conferences, workshops, talks) etc on personal and professional development, leadership and management, skills acquisition, relationship management, higher living and lifestyle choices, café services, clubs, sponsorship support, and other programmes and events that contribute to the physical, mental, emotional and spiritual transformation and empowerment of people.

During the reporting period, we were able to achieve these objectives with several outreach programmes that were organised within the Harborne community and UK & Ireland.

These events were successful in increasing engagement with the community thereby enabling the charity to reach out to more individuals than anticipated.

### **1.5 Financial Review**

Total income received was £224,743. This income derives principally from the activities of advancing the Christian religion by way of donations from partners and individuals who attend the programmes held.

Total spending on charitable expenditure at year end was £211,172 resulting in a surplus of £13,571.

### **1.6 Reserve Policy**

The Trustees considers that there are sufficient and adequate reserves held at the year end to manage ongoing operations and are aware of the need to establish a reserves policy to maintain a balance on unrestricted funds.

The trustees' policy is to have unrestricted and uncommitted funds (cash free reserves) of £22, 500 — £45,000 to cover 3 to 6 months of resources expended. They feel that this would enable the current activities to continue if there is a significant drop in funding. It would obviously be necessary to then consider how the funding would be replaced or activities changed.

### **1.7 Volunteers**

While it is impossible to place a specific financial value on the contribution of our volunteers, the work we do will simply not be possible without them. We remain indebted to the commitment of over 40 volunteers.

## Board of Trustee's Report

### 1.8 Trustees' Responsibilities

The trustees are responsible for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the net income or expenditure of the charity for the year. In preparing these financial statements the trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgments and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going-concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report was approved by the Board of Trustees on 28/06/2022 and signed on their behalf by:

**Full Name:** Mrs Theodora Adebanjo

**Signature:**

**Position:** Trustee

**Date:** 28/06/2021

## Independent Examiner's Report

**Report to the trustees/members of:** LF Foundation  
**On accounts for the year ended:** 31st August 2021  
**Charity No:** 1136499

### Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 (the Charities Act) and that an independent examination is needed.

It is my responsibility to:

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

### Basis of independent examiner's statement

My examination was carried out in accordance with 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 the 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 give me reasonable cause to believe that in, any material respect, the requirements:
  - to keep accounting records in accordance with section 130 of the Charities Act;
  - to prepare accounts which accord with the accounting records and comply with the accounting requirements of the Charities Act 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.

**Signed:**



**Date:**

28/06/2022

**Name:** Tobi Labeodan FCCA, for and on behalf of Chedders Ltd

**Relevant professional qualification(s) or body (if any):** ACCA

**Address:** Ground Floor, Synium House, r/o 94-96 High Street, Henley in Arden B95 5FY

## Consolidated Statement of Financial Activities: Year Ended 31st August 2021

	Notes	2021 Unrestricted Funds £	2021 Restricted Funds £	2021 Total Funds £	2020 Unrestricted Funds £	2020 Restricted Funds £	2020 Total Funds £
<b>Income:</b>							
Donations and legacies	1	172,506	-	172,506	138,382		138,382
Other income	1	52,237	-	52,237	29,900		29,900
<b>Total Income</b>		<b>224,743</b>	<b>-</b>	<b>224,743</b>	<b>168,282</b>	<b>-</b>	<b>168,282</b>
<b>Total Income</b>		<b>224,743</b>	<b>-</b>	<b>224,743</b>	<b>168,282</b>	<b>-</b>	<b>168,282</b>
<b>Expenditures on:</b>							
Charitable Activities	2	207,735	-	207,735	141,102		141,102
Other Charitable Activities	2	-	-	-	-		-
Other Costs	2	3,437	-	3,437	2,499		2,499
<b>Total Expenditures</b>		<b>211,172</b>	<b>-</b>	<b>211,172</b>	<b>143,601</b>		<b>143,601</b>
<b>Net income/(expenditure)</b>		<b>13,571</b>	<b>-</b>	<b>13,571</b>	<b>24,681</b>	<b>-</b>	<b>24,681</b>
<b>Transfers between funds</b>							
<b>Other recognised gains/(losses):</b>							
Gains/(losses) on revaluation of fixed assets				-			-
Gains/(losses) on investment assets				-			-
<b>Net movement in funds</b>		<b>13,571</b>	<b>-</b>	<b>13,571</b>	<b>24,681</b>	<b>-</b>	<b>24,681</b>
<b>Reconciliation of funds:</b>							
Total funds brought forward at 1 September		36,127		36,127	11,446		11,446
Total funds carried forward at 31 August		<b>49,697</b>		<b>49,697</b>	<b>36,127</b>		<b>36,127</b>

LF Foundation uses the exemption conferred by section 408 of the Companies Act 2006 in not preparing a separate Income and Expenditure Account for LF Foundation as a separate entity.

The net surplus / (deficit) for LF Foundation for the year ended 31 August 2021 was £13,571



## Consolidated Statement of Financial Position: Year Ended 31st August 2021

	Notes	LF Foundation		LF Foundation Group	
		2021	2020	2021	2020
		£	£	£	£
<b>Fixed Asset</b>					
Tangible assets	3	15,547	11,032	27,194	13,980
<b>Total Fixed Asset</b>		<b>15,547</b>	<b>11,032</b>	<b>27,194</b>	<b>13,980</b>
<b>Current Assets</b>					
Loans & Advances		3,415	415	6,415	1,415
Accrued Income		26,657	6,487	26,657	6,487
Cash at bank and in hand		12,729	19,305	28,595	29,054
Other Debtors		28,574	28,574	27,974	27,974
<b>Total Current Assets</b>		<b>71,375</b>	<b>54,782</b>	<b>89,641</b>	<b>64,930</b>
<b>Creditors: amounts falling due within one year</b>					
Other Creditors		25,425	24,363	54,261	34,123
Other Current Liabilities		3,716	4,798	3,716	4,798
<b>Total Creditors: amounts falling due within one year</b>		<b>29,141</b>	<b>29,161</b>	<b>57,977</b>	<b>38,921</b>
<b>Net current assets (liabilities)</b>		<b>42,234</b>	<b>25,621</b>	<b>31,664</b>	<b>26,010</b>
<b>Total assets less current liabilities</b>		<b>57,781</b>	<b>36,653</b>	<b>58,858</b>	<b>39,990</b>
<b>Creditors: amounts falling due after more than one year</b>					
Other Non-Current Liabilities		12,720	5,162	9,161	3,863
<b>Total Creditors: amounts falling due after more than one year</b>		<b>12,720</b>	<b>5,162</b>	<b>9,161</b>	<b>3,863</b>
<b>Total net assets (liabilities)</b>		<b>45,061</b>	<b>31,490</b>	<b>49,697</b>	<b>36,127</b>
<b>The funds of the charity:</b>					
General reserves		31,490	6,810	36,127	11,446
Restricted reserves		-	-	-	-
Surplus / (Deficit) for the year		13,570	24,681	13,571	24,681
<b>Total charity funds</b>		<b>45,061</b>	<b>31,490</b>	<b>49,697</b>	<b>36,127</b>

## Consolidated Cash Flow Statement: Year Ended 31st August 2021

	2021	2,020
	£	£
<b>Operating Activities</b>		
<b>Net Income</b>	13,570	24,681
<b>Adjustments: Net Income to Net Cash provided by operations:</b>		
Accrued Income	(20,170)	3,940
Prepayments & Debtors	(5,000)	1,292
Depreciation	7,950	122
Creditors	18,456	(10,607)
Accruals	600	7,565
<b>Total Adjustments:</b>	<b>1,836</b>	<b>2,312</b>
<b>Net cash provided by operating activities</b>	<b>15,406</b>	<b>26,993</b>
<b>Investing activities</b>		
Buildings (Capitalised Lease)	-	-
Furniture Fixtures & Fittings	88	(349)
Motor Vehicles	-	5,598
Machinery & Equipment	(17,472)	28
Sound & Musical Equips	(3,780)	-
<b>Net cash provided by investing activities</b>	<b>(21,164)</b>	<b>5,277</b>
<b>Financing activities</b>		
Hire Purchase	5,297	(5,104)
Reserves	-	(1,292)
<b>Net cash provided by financing activities</b>	<b>5,297</b>	<b>(6,396)</b>
 Net cash increase for period	 <b>(461)</b>	 <b>25,874</b>
Cash at beginning of period	29,054	3,180
<b>Net cash increase for period</b>	<b>28,593</b>	<b>29,054</b>

## Accounting Policies

### Accounting conventions

The financial statements are prepared in compliance with Companies Act 2006, the Charities Act 2011, the Charities Statement of Recommended Practice (FRSSE) (effective 1 January 2015).

### Basis of consolidation

The financial statements of LF Foundation's subsidiary, Living Faith Foundation, are consolidated with the financial statements of LF Foundation on a line-by-line basis.

Living Faith Foundation, a company limited by guarantee, is considered a subsidiary of LF Foundation, since LF Foundation controls the company through its 100% membership of the board of directors.

### Income

Revenue is recognised in the period in which the charity is entitled to receipt once the amount can be measured with reasonable certainty.

### Expenses

Expenditure is included in the Statement of Financial Activities (SoFA) on an accruals basis and is recognised at the point when a legal or constructive obligation arises. The majority of costs are directly attributable to specific activities. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

### Fixed assets

Fixed assets with an individual purchase of £250 or more are capitalised and stated at cost less depreciation which is provided at rates calculated to write off the cost of each asset over its expected useful life as follows:

Fixtures and fittings	20%
Equipment	20%
Vehicles	20%
Building	2%

## Notes

### 1. Income

	2021	2020
<b>Income</b>		
Donations and legacies	172,506	138,382
<b>Total donations &amp; legacies</b>	<b>172,506</b>	<b>138,382</b>
<b>Other income</b>		
Gift Aid Receipts - HMRC	20,170	6,491
Interest Earned	0	1
Grants Received	32,067	7,024
Events and Conference Receipts	-	16,385
<b>Total other income</b>	<b>52,237</b>	<b>29,900</b>
<b>Total Income</b>	<b>224,743</b>	<b>168,282</b>

### 2. Expenditure

Resources Expended	2021	2020
<b>Cost of Charitable Activities</b>		
Premises	48,837	51,685
Utilities	5,055	3,129
Travel	10,532	14,314
Motoring & transportation	5,703	2,763
Insurance	1,224	1,101
Administration	40,320	28,065
Professional fees and services	6,709	2,885
Advertising	5,006	3,488
Finance charges	1,402	1,596
Operations	18,812	9,739
Honorarium	20,708	9,450
Depreciation	10,015	8,073
Outreach	19,540	2,010
Levies & Dues	-	-
Welfare & Benevolence	5,468	2,300
Charitable Donations	8,405	504
<b>Total Charitable Activities</b>	<b>207,735</b>	<b>141,102</b>
<b>Other Costs</b>		
Legal fees	-	-
Accountancy fees	3,437	2,499
<b>Total Other Costs</b>	<b>3,437</b>	<b>2,499</b>

## Notes

### 3. Tangible assets

	Property	Equipment	Motor Vehicle	Fixtures & Fittings	Total
Cost	£	£	£	£	£
At 1 September 2020	-	21,036	25,991	3,943	<b>52,593</b>
Additions	-	21,606	-	-	<b>23,229</b>
Disposals	-	-	-	-	-
Revaluations	-	-	-	-	-
At 31 August 2021	<u>-</u>	<u><b>42,642</b></u>	<u><b>25,991</b></u>	<u><b>3,943</b></u>	<u><b>75,821</b></u>
<b>Depreciation</b>					
At 1 September 2020	-	18,514	17,661	2,437	<b>38,612</b>
Charge for the year	-	3,628	5,598	789	<b>10,015</b>
Adjustments	-	-	-	-	-
At 31 August 2021	<u>-</u>	<u><b>22,142</b></u>	<u><b>23,259</b></u>	<u><b>3,226</b></u>	<u><b>48,627</b></u>
<b>Net Book Value</b>					
At 31 August 2020	<u>-</u>	<u><b>2,522</b></u>	<u><b>8,330</b></u>	<u><b>1,506</b></u>	<u><b>13,980</b></u>
At 31 August 2021	<u><u>-</u></u>	<u><u><b>20,500</b></u></u>	<u><u><b>2,732</b></u></u>	<u><u><b>717</b></u></u>	<u><u><b>27,194</b></u></u>

### 4. Related party transactions

LF Foundation is currently in an operating lease with Immanuel Childcare Ltd where Mrs Theodora Adebajo, a trustee, is a director of the company.

### 5. Trustee remuneration & expenses

None of the trustees have been paid any remuneration or received any other benefits from an employment with the charity or a related entity

## Notes

### 6. Staff cost and numbers

	2021	2020
	£	£
Wages and salaries	35,594	25,800
Social security costs	2,932	852
Other emoluments	7,800	7,800
	<b>38,525</b>	<b>34,452</b>

No employee received remuneration amounting to more than £60,000 in the year

#### Average number of staff

Pastoral	1	1
Admin	0	0
	<b>1</b>	<b>1</b>