

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 2022

LF Foundation (AKA LF Fountain of Grace)

16 BEECH ROAD, BIRMINGHAM B17 9TD

	Page
Corporate Information	3
Board of Trustee's Report	4
Independent Examiner's Report	7
Consolidated Statement of Financial Activities	8
Consolidated Balance Sheet	9
Consolidated Cash Flow Statement	10
Accounting Policies	11
Notes	12

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 2022. 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 £355,297. 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 £249,054 resulting in a surplus of £106,244.

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 20/02/2023 and signed on their behalf by:

Full Name: Mrs Theodora Adebanjo

Signature:

Position: Trustee

Date: 20/02/2023

Independent Examiner's Report

Report to the trustees/members of: LF Foundation
On accounts for the year ended: 31st August 2022
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:

20/02/2022

Name: Tobi Labeodan FCCA, for and on behalf of The Accounting Club 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 2022

	Notes	2022 Unrestricted Funds £	2022 Restricted Funds £	2022 Total Funds £	2021 Unrestricted Funds £	2021 Restricted Funds £	2021 Total Funds £
Income:							
Donations and legacies	1	275,171	-	275,171	172,506		172,506
Other income	1	80,127	-	80,127	52,237		52,237
Total Income		355,297	-	355,297	224,743	-	224,743
Total Income		355,297	-	355,297	224,743	-	224,743
Expenditures on:							
Charitable Activities	2	236,526	-	236,526	207,585		207,585
Other Charitable Activities	2	-	-	-	-		-
Other Costs	2	12,528	-	12,528	3,437		3,437
Total Expenditures		249,054	-	249,054	211,022		211,022
Net income/(expenditure)		106,244	-	106,244	13,720	-	13,720
Transfers between funds							
Other recognised gains/(losses):							
Gains/(losses) on revaluation of fixed assets				-			-
Gains/(losses) on investment assets				-			-
Net movement in funds		106,244	-	106,244	13,720	-	13,720
Reconciliation of funds:							
Total funds brought forward at 1 September		49,847		49,847	36,127		36,127
Total funds carried forward at 31 August		156,091		156,091	49,847		49,847

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 2022 was £106,244

Consolidated Statement of Financial Position: Year Ended 31st August 2022

	Notes	LF Foundation		LF Foundation Group	
		2022	2021	2022	2021
		£	£	£	£
Fixed Asset					
Tangible assets	3	29,776	4,287	68,791	27,194
Total Fixed Asset		29,776	4,287	68,791	27,194
Current Assets					
Loans & Advances		25,115	3,415	41,115	6,415
Accrued Income		39,177	26,657	39,177	26,657
Cash at bank and in hand		35,942	19,243	41,646	28,745
Other Debtors		82,649	22,061	28,587	27,974
Total Current Assets		182,882	71,375	150,524	89,791
Creditors: amounts falling due within one year					
Other Creditors		28,855	25,425	30,577	54,261
Other Current Liabilities		6,292	3,716	6,292	3,716
Total Creditors: amounts falling due within one year		35,148	29,141	36,869	57,977
Net current assets (liabilities)		147,735	42,234	113,656	31,814
Total assets less current liabilities		177,511	46,521	182,446	59,008
Creditors: amounts falling due after more than one year					
Other Non-Current Liabilities		26,205	1,459	26,355	9,161
Total Creditors: amounts falling due after more than one year		26,205	1,459	26,355	9,161
Total net assets (liabilities)		151,306	45,062	156,091	49,847
The funds of the charity:					
General reserves		45,062	31,491	49,847	36,127
Restricted reserves		-	-	-	-
Surplus / (Deficit) for the year		106,244	13,570	106,244	13,720
Total charity funds		151,306	45,062	156,091	49,847

Consolidated Cash Flow Statement: Year Ended 31st August 2022

	2022	2,021
	£	£
Operating Activities		
Net Income	106,244	13,720
Adjustments: Net Income to Net Cash provided by operations:		
Accrued Income	(12,520)	(20,170)
Prepayments & Debtors	(35,313)	(5,000)
Depreciation	17,966	7,950
Creditors	(20,508)	18,458
Accruals	(600)	600
Total Adjustments:	(50,976)	1,838
Net cash provided by operating activities	55,269	15,558
Investing activities		
Buildings (Capitalised Lease)	-	-
Furniture Fixtures & Fittings	(1,280)	88
Motor Vehicles	(37,304)	-
Machinery & Equipment	(19,409)	(17,472)
Sound & Musical Equips	(1,570)	(3,780)
Net cash provided by investing activities	(59,563)	(21,164)
Financing activities		
Hire Purchase	17,195	5,297
Reserves	-	-
Net cash provided by financing activities	17,195	5,297
 Net cash increase for period	 12,901	 (309)
Cash at beginning of period	28,745	29,054
Net cash increase for period	41,646	28,745

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

	2022	2021
	£	£
Income		
Donations and legacies	275,171	172,506
Total donations & legacies	275,171	172,506
Other income		
Gift Aid Receipts - HMRC	56,553	20,170
Interest Earned	2	0
Grants Received	1,290	32,067
Events and Conference Receipts	22,282	-
Total other income	80,127	52,237
Total Income	355,297	224,743

2. Expenditure

Resources Expended	2022	2021
Cost of Charitable Activities	£	£
Premises	43,318	48,837
Utilities	3,591	5,055
Travel	52,127	10,532
Motoring & transportation	5,126	5,703
Insurance	3,889	1,224
Administration	60,102	40,320
Professional fees and services	8,189	6,709
Advertising	4,297	5,006
Finance charges	2,117	1,402
Operations	19,288	18,662
Honorarium	8,627	20,708
Depreciation	12,570	10,015
Outreach	6,487	19,540
Levies & Dues	-	-
Welfare & Benevolence	1,615	5,468
Charitable Donations	5,182	8,405
Total Charitable Activities	236,526	207,585
Other Costs		
Legal fees	9,493	-
Accountancy fees	3,035	3,437
Total Other Costs	12,528	3,437

Notes

3. Tangible assets

	Property	Equipment	Motor Vehicle	Fixtures & Fittings	Total
Cost	£	£	£	£	£
At 1 September 2021	-	45,888	25,991	3,943	75,822
Additions		22,705	31,461		91,851
Disposals					-
Adjustments					-
At 31 August 2022	<u>-</u>	<u>68,593</u>	<u>57,452</u>	<u>3,943</u>	<u>129,988</u>
Depreciation					
At 1 September 2021	-	22,142	23,259	3,226	48,627
Charge for the year	-	5,279	11,196	1,490	17,965
Adjustments		1,727	(5,843)	(1,280)	(5,396)
At 31 August 2022	<u>-</u>	<u>29,148</u>	<u>28,613</u>	<u>3,436</u>	<u>61,197</u>
Net Book Value					
At 31 August 2021	-	23,746	2,732	717	27,195
At 31 August 2022	<u>-</u>	<u>39,445</u>	<u>28,839</u>	<u>507</u>	<u>68,791</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

	2022	2021
	£	£
Wages and salaries	41,457	35,594
Social security costs	6,600	2,932
Other emoluments	9,064	7,800
	57,212	38,525

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

Average number of staff

Pastoral	1	1
Admin	0	0
	1	1