

KAHAILA LTD

England & Wales · Charity number 1138653

Details

Other names	LIFE CAFE CHURCH, LIFE COMMUNITY MINISTRIES, KAHAILA
Status	Registered
Legal form	Charitable company
Company number	07356380
Registered	2010-10-28
Register	View on the Charity Commission register

Contact

Address	17 Dover Road London E12 5DZ
Phone	07779643160
Email	info@kahaila.com
Website	www.kahaila.com

Activities

Objects: THE OBJECTS OF THE CHURCH ARE, FOR THE BENEFIT OF THE PUBLIC,;-1.) TO ADVANCE THE CHRISTIAN FAITH (IN ACCORDANCE WITH THE STATEMENT OF BELIEFS) IN SUCH WAYS AND IN SUCH PARTS OF THE UNITED KINGDOM OR THE WORLD AS THE TRUSTEES FROM TIME TO TIME MAY THINK FIT;2.) TO RELIEVE SICKNESS AND FINANCIAL HARDSHIP AND TO PROMOTE AND PRESERVE GOOD HEALTH BY THE PROVISION OF FUNDS, GOODS OR SERVICES OF ANY KIND, INCLUDING THROUGH THE PROVISION OF COUNSELLING AND SUPPORT IN SUCH PARTS OF THE UNITED KINGDOM OR THE WORLD AS THE TRUSTEES FROM TIME TO TIME MAY THINK FIT; AND3.) TO ADVANCE EDUCATION IN SUCH WAYS AND IN SUCH PARTS OF THE UNITED KINGDOM OR THE WORLD AS THE TRUSTEES FROM TIME TO TIME MAY THINK FIT.THE TRUSTEES MUST USE THE INCOME AND MAY USE THE CAPITAL OF THE CHURCH IN PROMOTING THE OBJECTS.

Activities: Kahaila is a Christian charity, church & cafe on Brick Lane. Kahaila builds community, offering church services, supper clubs, arts events, and more. Kahaila is committed to making a positive social impact. Kahaila's Women's Projects provide accommodation for survivors of sex trafficking, training & employment and life skills courses in a woman's prison & the community.

Classification

- **How:** Provides Services
- **What:** Education/training, Accommodation/housing, Religious Activities
- **Who:** The General Public/mankind

Geography

- **Area of benefit:** THE UNITED KINGDOM OR THE WORLD
- City Of London
- Hackney
- Sutton
- Tower Hamlets

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£502,969	£475,127	£28,045	18
2023-12-31	£469,300	£463,651	-	-
2022-12-31	£397,582	£331,598	-	-
2021-12-31	£358,755	£397,331	-	-
2020-12-31	£580,107	£782,363	£-27,523	35

Trustees

Name	Role	Appointed
Heidy Doraisingh		2024-12-12
JOHN RICHARD WOOLLEY		2015-03-24
Rev Steve Rouse		2014-11-03
Ross Bradley		2022-02-28

KAHAILA LTD

England & Wales - Charity number 1138653

Accounts

Kahaila Limited

(A Charity Company Limited by Guarantee, company number 7356380)

Financial Statements

and

Trustees' Report

for the year ended 31 December 2024

Kahaila Limited

(A Charity Company Limited by Guarantee, company number 7356380)

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Kahaila Limited

(A Charity Company Limited by Guarantee, company number 7356380)

Charitable Company Information for the year ended 31 December 2024

Status: Kahaila Limited is a company limited by guarantee and a registered charity governed by its memorandum and articles of association. The directors of the charity are its trustees for the purposes of charity law and throughout this report are collectively referred to as the trustees.

Kahaila Limited

Company registration number: 7356380
England

Charity registration number: 1138653

Registered office: 135 Brick Lane
London E1 6SB

Operations address: 135 Brick Lane
London E1 6SB

Trustees who held office during the year:

John Woolley	- Resigned 30 June 2025
Colin Glen	- Appointed 1 July 2024
Heidy Eve	- Appointed 9 December 2024
Steve Rouse	
Ross Bradley	

Chairperson: Ross Bradley
Secretary: Paul Unsworth

Independent Examiner: **Anthony Armstrong FCA**
Armstrong & Co
Chartered Accountants & Statutory Auditor
4a Printing House Yard
Hackney Road
London E2 7PR

Bankers: **CAF Bank Ltd**
25 Kings Hill Avenue
Kings Hill, West Malling,
Kent ME19 4JQ

HSBC
465 Bethnal Green Road
London E2 9QW

Kahaila Limited

(A Charity Company Limited by Guarantee, company number 7356380)

Trustees' Report, incorporating the Directors' Report for the year ended 31 December 2024

The Trustees are pleased to present their report and financial statements for the year ended 31 December 2024. This report has been prepared in accordance with current statutory requirements, the charity's governing document, the Accounting and Reporting by Charities, Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the UK and Republic of Ireland (FRS 102), applicable accounting standards and Companies Act 2006.

Trustees

The directors of the charitable company are its trustees for the purposes of charity law. The trustees who have served during the year and since the year end were as follows:

John Woolley (stepped down 30 June 2025)

Colin Glen (appointed July 2024)

Heidy Eve (appointed December 2024)

Steve Rouse

Ross Bradley

STRUCTURE, GOVERNANCE AND MANAGEMENT

Kahaila Limited is a company limited by guarantee, incorporated on 25 August 2010 and registered as a charity on 28 October 2010. The company was established under a Memorandum of Association which established the objects and powers of the company and is governed under its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £1 each.

Public Benefit

In planning all the charity's activities the trustees take into account the Charity Commission guidance on public benefit and aim to meet its obligations both in spirit and in letter.

The charitable causes we are currently investing in are explained further in the report.

Board of Trustees

We have a minimum of three trustees and new trustees are appointed by agreement of the existing trustees. Potential trustees are provided with a detailed job description and invited to a board meeting. After completing the relevant paperwork, and approved, they are then voted on at the next Board meeting and must have the majority support of the Board.

Our trustees recognise that they have a duty to safeguard our assets and take steps to ensure that Kahaila Limited is being properly managed and that our funds are being spent appropriately.

The trustees ensure that major risks including; governance, operational, financial, external and compliance with legal requirements are identified and reviewed on a regular basis and that we have adequate systems in place to mitigate these risks

In addition, the trustees ensure that Kahaila Limited has access to professional legal and financial advice where appropriate.

Trustees receive a quarterly activity report as well as financial and budgetary reports. In 2024, the trustees met three times.

Management and Key Staff

Paul Unsworth is Kahaila Limited Director, and he communicates regularly with the Chair and members of the Board particularly in relation to major decisions on finance and strategy.

We have policies and procedures covering Health and Safety, Child Protection, Equal Opportunities, Finances and a staff handbook and volunteer handbook.

All our activities are well organised, risk assessed and supervised. A de-briefing takes place with staff and volunteers after each activity, results are written up and filed and any action to be taken is reported to the management.

Premises

A lease was signed for 5 years on 2nd April 2012 on 135 Brick Lane to provide premises from which the charity will operate in fulfilling its charitable objectives. This lease was renewed for an additional 6 years, on 2nd April 2017. On the 2nd April 2023 the lease was renewed for an additional 6 years.

Trustees' Report, incorporating the Directors' Report for the year ended 31 December 2024

AIMS OBJECTIVES AND ACTIVITIES

Principle Activities

Kahaila's objects are the advancement of Christianity; the advancement of education; the advancement of health and the preservation and protection of public health generally; the relief of persons who are in need, hardship or distress and the prevention and relief of poverty.

The Directors have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the aims and objectives and in planning future activities. In particular, the Directors consider how planned activities will contribute to the aims and objectives they have set. The main activities undertaken to further Kahaila's purposes for the public benefit are explained later in this report.

Objectives

Kahaila Limited aims to build communities that experience wholeness and life in all its fullness.

Therefore, we aim to

- Build healthy communities where all can have a sense of belonging regardless of their beliefs.
- Empower people to reach their God-given potential.
- Encourage people in their Christian faith and provide an environment that allows people to explore Christianity.
- Serve the poor by breaking the chains of injustice, getting rid of exploitation, setting free the oppressed.

Kahaila Limited fulfils its objectives through the following activities

A café that provides a forum for people to not only experience and build community in a fresh new way but also to allow them to explore faith in a non-threatening and comfortable place, where there is no pressure to be anything other than yourself. The café is also where we run the BREW programme, creating training and employment for asylum seekers and those at risk of homelessness.

A church community that gathers regularly in Brick Lane, modelling our values of belonging, community, serving, faith and generosity.

BREW (Barista & Roastery Employment Workshop) – A training and employability programme for members working with asylum seekers and those at risk of homelessness. We offer a barista training course and offer paid employment opportunities. With the aim to support people in London to leave lives of poverty and disadvantage. This work was funded by the City Bridge Trust for 3 years commencing in the summer of 2024.

Kahaila founded the following:

Luminary Bakery – Equips women with vocational, employability and life skills, employment placements and tailored one to one and group support. Based in Hackney & Camden, the Charity provides training and support programmes to women in London, enabling them to leave lives of poverty and disadvantage behind. (Luminary became an independent charity on 31st May 2019, Charity no 1181835)

Ella's Home – Providing relief for women and other victims affected by human trafficking and sexual exploitation including, but not limited to, the provision of safe and restorative accommodation, counselling, medical care, financial assistance, education and other services to support long term aftercare and recovery. (Ella's Home became an independent charity on 28th Aug 2019)

Kahaila Essence – A mentoring and education project for women in HMP Downview. In 2021, this project partnered with Imago Dei Prison Ministry charity no 1165176.

ACHIEVEMENTS AND PERFORMANCE

Our achievements against performance can be seen by comparing our objectives above against our activities.

FINANCIAL REVIEW

Results for the year

The results of the period and financial position of the charity are shown in the annexed financial statements.

The Statement of Financial Activities shows net income for the year of £27,842 and reserves of £28,045.

Reserves Policy

It is considered prudent that Kahaila Limited should aim to have a minimum level of general reserves of £27,000 to cover unforeseen circumstances and key salaries for three months. We are currently achieving this target.

Kahaila Limited, in line with its business plan and fundraising strategy, plans to maintain this level of reserves over the next three years through prudent management of income and expenditure.

Kahaila Limited

(A Charity Company Limited by Guarantee, company number 7356380)

Trustees' Report, incorporating the Directors' Report for the year ended 31 December 2024

Related Party Transactions

The Trustees confirm that Kahaila Limited had related party transactions during the year. Details are shown at note 23 to the accounts.

Guarantees

Members on the board of Trustees of the charitable company guarantee to contribute an amount not exceeding £1 to the assets of the charitable company in the event of winding up. The total number of such guarantees at the year end was 5. The Trustees have no beneficial interest in the charitable company.

Independent Examiner

The Independent Examiner, Anthony Armstrong FCA of Armstrong & Co, has indicated his willingness to be proposed for re-appointment.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the Board of Trustees on 14 October 2025 and signed on its behalf by:



Ross Bradley, Trustee

Statement of Trustees' Responsibilities
for the year ended 31 December 2024

The trustees (who are the directors of Kahaila Limited for the purpose of company law) are responsible for preparing the Trustees Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (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 charitable company and of its incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- a) Select suitable accounting policies and apply them consistently;
- b) Observe the methods and principles in the Charities SORP;
- c) Make judgements and estimates that are reasonable and prudent;
- d) Follow applicable accounting standards and statements of recommended practice, subject to any material departures disclosed and explained in the accounts;
- e) Prepare the financial statements on the going concern basis unless it is inappropriate to assume that the charitable company will continue in operation.

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

Independent Examiner's Report to the Trustees of Kahaila Limited

I report on the accounts of Kahaila Limited for the period from 1 January 2024 to 31 December 2024, which are set out on pages 9 to 17.

This report is made solely to the trustees as a body in accordance with section 145 of the Charities Act 2011 (the Charities Act) and regulations made under section 154 of that Act. My examination has been undertaken so that I might state to the trustees those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the company and the trustees as a body, for my examination, for this report, or for the opinions I have formed.

Respective responsibilities of trustees and examiner

As described on page 7, 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 charity's trustees consider that an audit is not required for this year under section 144 of the Charities Act and that an independent examination is needed. The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of the Institute of Chartered Accountants in England and Wales (ICAEW).

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:

- a) examine the accounts under section 145 of the Charities Act;
- b) 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
- c) to state whether particular matters have come to my attention.

Basis of independent examiner's statement

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 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 which gives me cause to believe that in, any material respect:

- accounting records were not kept in accordance with section 386 of the Companies Act 2006 Act, or
- the accounts do not accord with such records; or
- the accounts do not comply with relevant accounting requirements under section 396 of the Companies Act 2006 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
- the accounts have not been prepared in accordance with the Charities SORP (FRS102).

I 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 accounts to be reached.

Anthony Armstrong

**Anthony Armstrong FCA, Independent Examiner
of Armstrong & Co**
Chartered Accountants & Statutory Auditor

Dated: 14 October 2025

**4a Printing House Yard
Hackney Road
London E2 7PR**

Kahaila Limited

(A Charity Company Limited by Guarantee, company number 7356380)

Statement of Financial Activities

incorporating the income and expenditure account
for the year ended 31 December 2024

		2024			2023
		Unrestricted Funds	Restricted Funds	Total Funds	Total Funds
Notes		£	£	£	£
Income from:					
Donations and legacies	3	45,125	-	45,125	67,764
Charitable activities	4	457,597	-	457,597	401,164
Investments	5	247	-	247	372
Total income		502,969	-	502,969	469,300
Expenditure on:					
Raising funds	6	15,375	-	15,375	101
Charitable activities	7	459,752	-	459,752	463,550
Total expenditure		475,127	-	475,127	463,651
Net income/(expenditure) and movement in funds		27,842	-	27,842	5,649
Reconciliation of funds:					
Total funds brought forward	15	203	-	203	(5,446)
Total funds carried forward		28,045	-	28,045	203

All incoming resources and resources expended are derived from continuing activities.

The statement of financial activities incorporates an income and expenditure account.

The accompanying accounting policies and notes form an integral part of these financial statements.

Kahaila Limited

(A Charity Company Limited by Guarantee, company number 7356380)

Statement of Financial Position

as at 31 December 2024

		31 December 2024		31 December 2023	
	Notes	£	£	£	£
Fixed assets:					
Tangible assets	9		22,269		7,146
Total fixed assets			<u>22,269</u>		<u>7,146</u>
Current assets:					
Stocks	10	2,500		2,000	
Debtors	11	20,606		31,118	
Cash at bank and In hand	13	<u>28,338</u>		<u>16,749</u>	
Total current assets		<u>51,444</u>		<u>49,867</u>	
Creditors: amounts falling due within one year	12	<u>20,087</u>		<u>25,679</u>	
Net current assets/(liabilities)			31,357		24,188
Total assets less current liabilities			<u>53,626</u>		<u>31,334</u>
Creditors: amounts falling due after more than one year	13		25,581		31,131
Total net assets			<u>28,045</u>		<u>203</u>
The funds of the charity:					
Unrestricted funds	14		28,045		203
Total charity funds	17		<u>28,045</u>		<u>203</u>

The directors are satisfied that the company is entitled to exemption from audit under Section 477 of the Companies Act 2006 and that no member or members have requested an audit pursuant to section 476 of the Act.

The directors acknowledge their responsibilities for:

- (i) ensuring that the company keeps proper accounting records which comply with Section 386 of the Companies Act 2006; and
- (ii) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of the financial year and of its surplus or deficit for the financial year in accordance with the requirements of Section 394 and 395 of the Companies Act 2006, and which otherwise comply with the requirements of this act relating to accounts, so far as applicable to the charitable company.

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and with the Financial Reporting Standard 102.

The financial statements were approved by the Board of Trustees on 14 October 2025 and signed on its behalf by:



Ross Bradley
Trustee

The notes on pages 12 to 17 form part of these accounts.

Kahaila Limited

(A Charity Company Limited by Guarantee, company number 7356380)

Statement of Cash Flows

for the year ended 31 December 2024

	Notes	2024 £	2023 £
Cash flows from operating activities:			
Net cash provided by/(used in) operating activities	1	32,033	1,118
Cash flows from investing activities:			
Dividends, interest and rents from investments		247	372
Purchase of property, plant and equipment		(20,691)	(7,934)
Net cash provided by/(used in) investing activities		(20,444)	(7,562)
Change in cash and cash equivalents in the reporting period		11,589	(6,444)
Cash and cash equivalents at the beginning of the reporting period	2	16,749	23,193
Cash and cash equivalents at the end of the reporting period	2	28,338	16,749

Notes to the Cash Flow Statement

	2024 £	2023 £
1) Reconciliation of net income/(expenditure) to net cash flow from operating activities		
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	27,842	5,649
Adjustments for:		
Depreciation charges	5,568	1,786
Dividends, interest and rents from investments	(247)	(372)
(Increase)/decrease in stocks and work in progress	(500)	(750)
(Increase)/decrease in debtors	10,512	5,224
Increase/(decrease) in creditors	(11,142)	(10,419)
Net cash provided by/(used in) operating activities	32,033	1,118
2) Analysis of cash and cash equivalents		
Cash in hand	28,338	16,749
Total cash and cash equivalents	28,338	16,749

Accounting Policies

for the year ended 31 December 2024

Basis of preparation

The financial statements have been prepared in accordance with:

- a) Applicable UK accounting standards, including Financial Reporting Standard 102 *'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102)*.
- b) Accounting and Reporting by Charities: Statement of Recommended Practice (2019 Charities SORP FRS 102);
- c) the Companies Act 2006.
- d) the Charities Act 2011.

Public benefit entity

The charitable company constitutes a public benefit entity as defined by FRS 102..

Going concern

The charity's income is mainly derived from non self-generated sources, such as donations, grants, local authority funding and other governmental or NGO sources. The trustees consider that there are no material uncertainties about the likelihood that this support will continue, and accordingly, the accounts have been prepared on a going concern basis.

Income recognition

Income is recognised when the charity has a contractual or other right to its receipt, it is probable that the income will be received and that the amount can be measured reliably. Income with conditions attached to its receipt is recognised when those conditions have been fulfilled.

Voluntary income received by way of donations and gifts is included in full when received. Donated services and facilities are recognised as an incoming resource where the provider of the service has incurred a financial cost. Volunteer time is not included in the financial statements.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

Expenditure recognition

Expenditure is accrued as soon as a liability is considered probable, and the amount of obligation can be measured reliably. The charity is registered for VAT and accordingly expenditure excludes VAT where appropriate.

Expenditure included in Raising Funds includes amounts incurred in obtaining grants and other donations.

Charitable expenditure includes those costs expended in fulfilling the charity's principal objects, as outlined in the Report of the Trustees. These include grants payable, governance costs and an apportionment of support costs.

- Grants payable are payments made to third parties in furtherance of the charity's objects. In the case of an unconditional grant offer this is accrued once the recipient has been notified of the grant award. The notification gives the recipient a reasonable expectation that they will receive the grant. Grants awards that are subject to the recipient fulfilling performance conditions are only accrued when the recipient has been notified of the grant and any remaining unfulfilled condition attaching to that grant is outside of the control of the charity.
- Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to the independent examination and legal fees.
- Rentals under operating leases are charged as incurred over the term of the lease.

Costs are allocated directly to projects where they can be identified as relating solely to that project. Other costs are allocated between the funds based on staff time spent on the fund activities or other appropriate criteria.

Unrestricted Funds

Unrestricted funds are funds received which have no restrictions placed on their use and are available as general funds.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

Kahaila Limited

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Accounting Policies for the year ended 31 December 2024

Pensions

The charity operates defined contribution schemes which are administered by outside independent pensions providers. Contributions payable for the year are charged to the Statement of Financial Activities.

Tangible Fixed Assets

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Premises Improvements	- 20% on NBV
Plant & machinery	- 20% on NBV
Furniture & fixtures	- 20% on NBV
Office equipment	- 20% on NBV

Items of equipment are only capitalised where the purchase price exceeds £500.

Stocks

Stock is valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Kahaila Limited

(A Charity Company Limited by Guarantee, company number 7356380)

Notes to the Accounts

for the year ended 31 December 2024

1 Incoming resources

The incoming resources and surplus are attributable to the principal activities of the charity.

2 Net incoming resources

Net incoming resources are stated after charging:

	2024	2023
	£	£
Independent Examiner's fees - reporting service	1,200	1,200
Independent Examiner's fees - other services	1,800	1,800
Depreciation - owned assets	5,568	1,786

Trustees' emoluments

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Emoluments include salaries, fees, bonuses, expense allowances and estimated non-cash benefits receivable. All trustees serve in a voluntary capacity and do not receive payment for their services.

3 Income from donations and legacies

	Unrestricted	Restricted	2024 Total	2023 Total
	£	£	£	£
Gift aid tax recovered	4,442	-	4,442	3,255
Gifts and donations	40,683	-	40,683	64,509
	<u>45,125</u>	<u>-</u>	<u>45,125</u>	<u>67,764</u>

4 Income from charitable activities

	Unrestricted	Restricted	2024 Total	2023 Total
	£	£	£	£
Cafe sales	429,592	-	429,592	401,164
Grant income	28,005	-	28,005	-
	<u>457,597</u>	<u>-</u>	<u>457,597</u>	<u>401,164</u>

5 Income from investments

	Unrestricted	Restricted	2024 Total	2023 Total
	£	£	£	£
Interest Income	247	-	247	372
	<u>247</u>	<u>-</u>	<u>247</u>	<u>372</u>

6 Expenditure on raising funds

	Unrestricted	Restricted	2024 Total	2023 Total
	£	£	£	£
Staff salaries	11,729	-	11,729	-
Advertising and promotion	3,646	-	3,646	101
	<u>15,375</u>	<u>-</u>	<u>15,375</u>	<u>101</u>

Kahaila Limited

(A Charity Company Limited by Guarantee, company number 7356380)

Notes to the Accounts

for the year ended 31 December 2024

7 Expenditure on charitable activities	Unrestricted	Restricted	2024 Total	2023 Total
	£	£	£	£
Staff salaries	160,057	-	160,057	157,942
Staff pensions	8,408	-	8,408	12,903
Café purchases	161,818	-	161,818	139,256
Café small equipment	8,574	-	8,574	6,728
Café rent, rates & maintenance	86,288	-	86,288	89,146
Café assets depreciation	5,567	-	5,567	1,786
Evangelism & ministry expenses	668	-	668	28
Gifts & donations	1,200	-	1,200	3,050
Conferences & training	-	-	-	369
Travel & meeting expenses	13,976	-	13,976	22,928
Office expenses	4,206	-	4,206	5,309
Miscellaneous expenses	1,307	-	1,307	13,282
Fees - GoCardless	(4)	-	(4)	-
Bank charges	386	-	386	479
Legal and professional fees	5,301	-	5,301	8,344
Bookkeeping	800	-	800	800
Independent examiner's fees	1,200	-	1,200	1,200
	<u>459,752</u>	<u>-</u>	<u>459,752</u>	<u>463,550</u>

8 Staff costs	2024	2023
	£	£
Staff salaries	160,057	157,942
Staff pensions	8,408	12,903
	<u>168,465</u>	<u>170,845</u>

Average number of employees during the year was:

16	22
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No remuneration was paid to any Trustee or their associates for services as a trustee during the year ended 31 December 2024 nor to 31 December 2023.

Employees paid in excess of £60,000 during the current year and previous year:

-	-
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9 Tangible fixed assets	Premises Improvements	Plant & machinery	Furniture & fixtures	Office equipment	Total
	£	£	£	£	£
Cost					
As at 1 January 2024	67,206	41,201	11,287	2,499	122,193
Additions		7,267	5,769	7,655	20,691
As at 31 December 2024	<u>67,206</u>	<u>48,468</u>	<u>17,056</u>	<u>10,154</u>	<u>142,884</u>
Depreciation					
As at 1 January 2024	67,206	34,055	11,287	2,499	115,047
Charge for the year		2,883	1,154	1,531	5,568
As at 31 December 2024	<u>67,206</u>	<u>36,938</u>	<u>12,441</u>	<u>4,030</u>	<u>120,615</u>
Net book value					
As at 31 December 2024	<u>-</u>	<u>11,530</u>	<u>4,615</u>	<u>6,124</u>	<u>22,269</u>
As at 31 December 2023	<u>-</u>	<u>7,146</u>	<u>-</u>	<u>-</u>	<u>7,146</u>

Kahaila Limited

(A Charity Company Limited by Guarantee, company number 7356380)

Notes to the Accounts

for the year ended 31 December 2024

10 Stocks		2024	2023		
		£	£		
Stock		2,500	2,000		
		<u>2,500</u>	<u>2,000</u>		
11 Debtors: amounts falling due within one year		2024	2023		
		£	£		
Other debtors		606	5,676		
Rent deposit		20,000	20,000		
Sales control		-	5,442		
		<u>20,606</u>	<u>31,118</u>		
12 Creditors: amounts falling due within one year		2024	2023		
		£	£		
Creditors		9,384	11,923		
Net wages		68	1,424		
VAT liability		316	3,018		
PAYE		1,578	577		
Pension liability		47	45		
Accruals		3,004	3,002		
Loans		5,690	5,690		
		<u>20,087</u>	<u>25,679</u>		
13 Creditors: amounts falling due after more than one year		2024	2023		
		£	£		
LBA loans		23,100	26,700		
BB loan		2,481	4,431		
		<u>25,581</u>	<u>31,131</u>		
14 Maturity of debt		2024	2023		
		£	£		
Amount falling due:					
In one year or less		5,690	5,690		
Between one and two years		5,690	5,690		
Between two and five years		19,891	25,441		
		<u>31,271</u>	<u>36,821</u>		
15 The funds of the charity: current year	Opening balance	Resources arising	Resources utilised	Other movements	Closing balance
	£	£	£	£	£
<u>Unrestricted funds</u>					
General funds	203	502,969	(475,127)	-	28,045
	<u>203</u>	<u>502,969</u>	<u>(475,127)</u>	<u>-</u>	<u>28,045</u>
16 The funds of the charity: prior year	Opening balance	Resources arising	Resources utilised	Other movements	Closing balance
	£	£	£	£	£
<u>Unrestricted funds</u>					
General funds	(5,446)	469,300	(463,651)	-	203
	<u>(5,446)</u>	<u>469,300</u>	<u>(463,651)</u>	<u>-</u>	<u>203</u>

Kahaila Limited

(A Charity Company Limited by Guarantee, company number 7356380)

Notes to the Accounts

for the year ended 31 December 2024

17 Net assets attributable to funds: current year	General funds	Designated funds	Restricted funds	Endowment funds	Total
		£	£	£	£
Tangible fixed assets	22,270	-	-	-	22,270
Current assets	51,443	-	-	-	51,443
Current liabilities	(20,087)	-	-	-	(20,087)
Long term liabilities	(25,581)	-	-	-	(25,581)
Net assets represented by funds	28,045	-	-	-	28,045

18 Net assets attributable to funds: prior year	General funds	Designated funds	Restricted funds	Endowment funds	Total
		£	£	£	£
Tangible fixed assets	7,146	-	-	-	7,146
Current assets	49,867	-	-	-	49,867
Current liabilities	(25,679)	-	-	-	(25,679)
Long term liabilities	(31,131)	-	-	-	(31,131)
Net assets represented by funds	203	-	-	-	203

19 Taxation

The company is a registered charity. Accordingly, it is exempt from taxation in respect of income and capital gains to the extent that these are applied to its charitable objects.

20 Pension commitments

The charitable company contributes to employee defined contribution (DC) stakeholder pension schemes. The assets of the schemes are held separately from those of the charitable company in independently administered funds.

21 Other financial commitments

Total operating lease commitments

At 31 December 2024, the charitable company had total commitments under non-cancellable operating leases over the remaining life of those leases of £260,000 (2023: £320,000).

22 Contingent liabilities

The charitable company had no material contingent liabilities at 31 December 2024 nor at 31 December 2023.

23 Related parties

Burning Tree Tea Limited and Three Cords Coffee supplies tea and coffee to Kahaila Limited.

The CEO of Kahaila Limited directly owns a fifty per cent share in both Burning Tree Tea Ltd and Three Cords Coffee Ltd. The decision to purchase goods from Burning Tree Tea and Three Cords Coffee was approved by the Kahaila Board of Trustees.

During the year Kahaila entered into the following transactions with Burning Tree Tea Ltd and Three Cords Coffee Ltd who are not a part of Kahaila Limited.

	Purchases
Burning Tree Tea	£486
Three Cords Coffee	£20,466

Sales of goods to Kahaila Limited were made based on Burning Tree Tea Limited's standard sales price list, less an average discount of ten per cent.

24 Gifts in kind and volunteers

During the year the charitable company benefited from unpaid work performed by volunteers.

25 Company status

The company is limited by guarantee and has no share capital. The guarantors liability in the event the company is wound up is restricted to a maximum of £1 each.

KAHAILA LTD

England & Wales - Charity number 1138653

Accounts

Company number: 7356380

Charity number: 1138653

Kahaila Limited

(A Charity Company Limited by Guarantee, company number 7356380)

Financial Statements

and

Trustees' Report

for the year ended 31 December 2023

Kahaila Limited

(A Charity Company Limited by Guarantee, company number 7356380)

Index to the Financial Statements for the year ended 31 December 2023

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Kahaila Limited

(A Charity Company Limited by Guarantee, company number 7356380)

Charitable Company Information for the year ended 31 December 2023

Status:	Kahaila Limited is a company limited by guarantee and a registered charity governed by its memorandum and articles of association. The directors of the charity are its trustees for the purposes of charity law and throughout this report are collectively referred to as the trustees.		
Charity name:	Kahaila Limited		
Company registration number:	7356380 England		
Charity registration number:	1138653		
Registered office:	135 Brick Lane London E1 6SB		
Operations address:	135 Brick Lane London E1 6SB		
Trustees who held office during the year:	Ross Bradley Sally Harman Natalie Robinson Steve Rouse John Woolley	- Resigned 15 February 2023	
Chairperson:	John Woolley		
Secretary:	Paul Unsworth		
Independent Examiner:	Anthony Armstrong FCA Armstrong & Co Chartered Accountants & Statutory Auditor 4a Printing House Yard Hackney Road London E2 7PR		
Bankers:	CAF Bank Ltd 25 Kings Hill Avenue Kings Hill, West Malling, Kent ME19 4JQ HSBC 465 Bethnal Green Road London E2 9QW		

Kahaila Limited

(A Charity Company Limited by Guarantee, company number 7356380)

Trustees' Report, incorporating the Directors' Report for the year ended 31 December 2023

The Trustees are pleased to present their report and financial statements for the year ending 31 August 2022. This report has been prepared in accordance with current statutory requirements, the charity's governing document, the Accounting and Reporting by Charities, Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the UK and Republic of Ireland (FRS 102), applicable accounting standards and Companies Act 2006.

Trustees

The directors of the charitable company are its trustees for the purposes of charity law. The trustees who have served during the year and since the year end were as follows:

John Woolley

Sally Harman

Natalie Robinson (resigned 15/02/2023)

Steve Rouse

Ross Bradley

STRUCTURE, GOVERNANCE AND MANAGEMENT

Kahaila Limited is a company limited by guarantee, incorporated on 25 August 2010 and registered as a charity on 28 October 2010. The company was established under a Memorandum of Association which established the objects and powers of the company and is governed under its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £1 each.

Public Benefit

In planning all the charity's activities the trustees take into account the Charity Commission guidance on public benefit and aim to meet its obligations both in spirit and in letter.

The charitable causes we are currently investing in are explained further in the report.

Board of Trustees

We have a minimum of three trustees and new trustees are appointed by agreement of the existing trustees. Potential trustees are provided with a detailed job description and invited to a board meeting. After completing the relevant paperwork, and approved, they are then voted on at the next Board meeting and must have the majority support of the Board.

Our trustees recognise that they have a duty to safeguard our assets and take steps to ensure that Kahaila Limited is being properly managed and that our funds are being spent appropriately.

The trustees ensure that major risks including; governance, operational, financial, external and compliance with legal requirements are identified and reviewed on a regular basis and that we have adequate systems in place to mitigate these risks.

In addition, the trustees ensure that Kahaila Limited has access to professional legal and financial advice where appropriate.

Meetings are held on average every three months. Trustees receive a quarterly activity report as well as financial and budgetary reports.

Management and Key Staff

Paul Unsworth is Kahaila Limited Director, and he communicates regularly with the Chair and members of the Board particularly in relation to major decisions on finance and strategy.

We have policies and procedures covering Health and Safety, Child Protection, Equal Opportunities, Finances and a staff handbook and volunteer handbook.

All our activities are well organised, risk assessed and supervised. A de-briefing takes place with staff and volunteers after each activity, results are written up and filed and any action to be taken is reported to the management.

Premises

A lease was signed for 5 years on 2nd April 2012 on 135 Brick Lane to provide premises from which the charity will operate in fulfilling its charitable objectives. This lease was renewed for an additional 6 years, on 2nd April 2017. On the 2nd April 2023 the lease was renewed for an additional 6 years.

Kahaila Limited

(A Charity Company Limited by Guarantee, company number 7356380)

Trustees' Report, incorporating the Directors' Report for the year ended 31 December 2023

AIMS OBJECTIVES AND ACTIVITIES

Principle Activities

Kahaila's objects are the advancement of Christianity; the advancement of education; the advancement of health and the preservation and protection of public health generally; the relief of persons who are in need, hardship or distress and the prevention and relief of poverty.

The Directors have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the aims and objectives and in planning future activities. In particular, the Directors consider how planned activities will contribute to the aims and objectives they have set. The main activities undertaken to further Kahaila's purposes for the public benefit are explained later in this report

Objectives

Kahaila Limited aims to build communities that experience wholeness and life in all its fullness.

Therefore, we aim to

- Build healthy communities where all can have a sense of belonging regardless of their beliefs.
- Empower people to reach their God-given potential.
- Encourage people in their Christian faith and provide an environment that allows people to explore Christianity.
- Serve the poor by breaking the chains of injustice, getting rid of exploitation, setting free the oppressed.

Kahaila Limited fulfils its objectives through the following activities

A café that provides a forum for people to not only experience and build community in a fresh new way but also to allow them to explore faith in a non-threatening and comfortable place, where there is no pressure to be anything other than yourself. The café is also where we run the BREW programme, creating training and employment for asylum seekers and those at risk of homelessness.

A church community that gathers regularly in Brick Lane, modelling our values of belonging, community, serving, faith and generosity.

Kahaila founded the following:

Luminary Bakery – Equips women with vocational, employability and life skills, employment placements and tailored one to one and group support. Based in Hackney & Camden, the Charity provides training and support programmes to women in London, enabling them to leave lives of poverty and disadvantage behind. (Luminary became an independent charity on 31st May 2019, Charity no 1181835)

Ella's Home – Providing relief for women and other victims affected by human trafficking and sexual exploitation including, but not limited to, the provision of safe and restorative accommodation, counselling, medical care, financial assistance, education and other services to support long term aftercare and recovery. (Ella's Home became an independent charity on 28th Aug 2019)

Kahaila Essence – A mentoring and education project for women in HMP Downview. In 2021, this project partnered with Imago Dei Prison Ministry charity no 1165176.

BREW (Barista & Roastery Employment Workshop) – A training and employability programme for members working with asylum seekers and those at risk of homelessness. We offer a barista training course and offer paid employment opportunities. With the aim to support people in London to leave lives of poverty and disadvantage.

ACHIEVEMENTS AND PERFORMANCE

Our achievements against performance can be seen by comparing our objectives above against our activities.

FINANCIAL REVIEW

Results for the year

The results of the period and financial position of the charity are shown in the annexed financial statements.

The Statement of Financial Activities shows net income for the year of £5,649 and reserves of £203.

Reserves Policy

It is considered prudent that Kahaila Limited should aim to have a minimum level of general reserves of £27,000 to cover unforeseen circumstances and key salaries for three months. We are not currently achieving this target.

Kahaila Limited, in line with its business plan and fundraising strategy, plans to maintain this level of reserves over the next three years through prudent management of income and expenditure.

Kahaila Limited

(A Charity Company Limited by Guarantee, company number 7356380)

Trustees' Report, incorporating the Directors' Report for the year ended 31 December 2023

Related Party Transactions

The Trustees confirm that Kahaila Limited did have related party transactions during the year. Details are shown at note 25 to the accounts.

Guarantees

Members on the board of Trustees of the charitable company guarantee to contribute an amount not exceeding £1 to the assets of the charitable company in the event of winding up. The total number of such guarantees at 31 December 2023 was 5. The Trustees have no beneficial interest in the charitable company.

Independent Examiner

The Independent Examiner, Anthony Armstrong FCA of Armstrong & Co, has indicated his willingness to be proposed for re-appointment.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by the trustees on

2024, and signed on their behalf by:

John Woolley, Trustee

Kahaila Limited

(A Charity Company Limited by Guarantee, company number 7356380)

Statement of Trustees' Responsibilities for the year ended 31 December 2023

The trustees (who are the directors of Kahaila Limited for the purpose of company law) are responsible for preparing the Trustees Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (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 charitable company and of its incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- a) Select suitable accounting policies and apply them consistently;
- b) Observe the methods and principles in the Charities SORP;
- c) Make judgements and estimates that are reasonable and prudent;
- d) Follow applicable accounting standards and statements of recommended practice, subject to any material departures disclosed and explained in the accounts;
- e) Prepare the financial statements on the going concern basis unless it is inappropriate to assume that the charitable company will continue in operation.

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

Kahaila Limited

(A Charity Company Limited by Guarantee, company number 7356380)

Independent Examiner's Report to the Trustees of Kahaila Limited

I report on the accounts of Kahaila Limited for the period from 1 January 2023 to 31 December 2023, which are set out on pages 9 to 18.

This report is made solely to the trustees as a body in accordance with section 145 of the Charities Act 2011 (the Charities Act) and regulations made under section 154 of that Act. My examination has been undertaken so that I might state to the trustees those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the company and the trustees as a body, for my examination, for this report, or for the opinions I have formed.

Respective responsibilities of trustees and examiner

As described on page 7, 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 charity's trustees consider that an audit is not required for this year under section 144 of the Charities Act and that an independent examination is needed. The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of the Institute of Chartered Accountants in England and Wales (ICAEW).

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:

- a) examine the accounts under section 145 of the Charities Act;
- b) 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
- c) to state whether particular matters have come to my attention.

Basis of independent examiner's statement

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 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 which gives me cause to believe that in, any material respect:

- accounting records were not kept in accordance with section 386 of the Companies Act 2006 Act, or
- the accounts do not accord with such records; or
- the accounts do not comply with relevant accounting requirements under section 396 of the Companies Act 2006 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
- the accounts have not been prepared in accordance with the Charities SORP (FRS102).

I 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 accounts to be reached.

**Anthony Armstrong FCA, Independent Examiner
of Armstrong & Co**
Chartered Accountants & Statutory Auditor

Dated: 0 January 1900

**4a Printing House Yard
Hackney Road
London E2 7PR**

Kahaila Limited

(A Charity Company Limited by Guarantee, company number 7356380)

Statement of Financial Activities

incorporating the income and expenditure account
for the year ended 31 December 2023

	Notes	2023			2022
		Unrestricted Funds	Restricted Funds	Total Funds	Total Funds
		£	£	£	£
Income from:					
Donations and legacies	3	67,764	-	67,764	27,604
Charitable activities	4	401,164	-	401,164	369,958
Investments	5	372	-	372	20
Total income		469,300	-	469,300	397,582
Expenditure on:					
Raising funds	6	101	-	101	85
Charitable activities	7	463,550	-	463,550	336,846
Total expenditure		463,651	-	463,651	336,931
Net income/(expenditure) and movement in funds		5,649	-	5,649	60,651
Reconciliation of funds:					
Total funds brought forward	15	(5,446)	-	(5,446)	(66,097)
Total funds carried forward	15	203	-	203	(5,446)

All incoming resources and resources expended are derived from continuing activities.

The statement of financial activities incorporates an income and expenditure account.

The accompanying accounting policies and notes form an integral part of these financial statements.

Kahaila Limited

(A Charity Company Limited by Guarantee, company number 7356380)

Statement of Financial Position

as at 31 December 2023

	Notes	31 December 2023		31 December 2022	
		£	£	£	£
Fixed assets:					
Tangible assets	9		7,146		998
Total fixed assets			<u>7,146</u>		<u>998</u>
Current assets:					
Stocks	10	2,000		1,250	
Debtors	11	31,118		36,342	
Cash at bank and In hand	13	<u>16,749</u>		<u>23,195</u>	
Total current assets		<u>49,867</u>		<u>60,787</u>	
Creditors: amounts falling due within one year	12	<u>25,679</u>		<u>28,703</u>	
Net current assets/(liabilities)			24,188		32,084
Total assets less current liabilities			<u>31,334</u>		<u>33,082</u>
Creditors: amounts falling due after more than one year	13		31,131		38,528
Total net assets			<u>203</u>		<u>(5,446)</u>
The funds of the charity:					
Unrestricted funds	14		203		(5,446)
Total charity funds	18		<u>203</u>		<u>(5,446)</u>

The directors are satisfied that the company is entitled to exemption from audit under Section 477 of the Companies Act 2006 and that no member or members have requested an audit pursuant to section 476 of the Act.

The directors acknowledge their responsibilities for:

- (i) ensuring that the company keeps proper accounting records which comply with Section 386 of the Companies Act 2006; and
- (ii) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of the financial year and of its surplus or deficit for the financial year in accordance with the requirements of Section 394 and 395 of the Companies Act 2006, and which otherwise comply with the requirements of this act relating to accounts, so far as applicable to the charitable company.

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and with the Financial Reporting Standard 102.

Approved by the trustees on

2024, and signed on their behalf by:

John Woolley
Trustee

The notes on pages 12 to 18 form part of these accounts.

Kahaila Limited

(A Charity Company Limited by Guarantee, company number 7356380)

Statement of Cash Flows

for the year ended 31 December 2023

	Notes	2023 £	2022 £
Cash flows from operating activities:			
Net cash provided by/(used in) operating activities	1	1,116	(10,722)
Cash flows from investing activities:			
Dividends, interest and rents from investments		372	20
Purchase of property, plant and equipment		(7,934)	(524)
Net cash provided by/(used in) investing activities		(7,562)	(504)
Change in cash and cash equivalents in the reporting period		(6,446)	(11,226)
Cash and cash equivalents at the beginning of the reporting period	2	23,196	34,422
Cash and cash equivalents at the end of the reporting period	2	16,750	23,196

Notes to the Cash Flow Statement

	2023 £	2022 £
1) Reconciliation of net income/(expenditure) to net cash flow from operating activities		
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	5,649	60,651
Adjustments for:		
Depreciation charges	1,786	285
Dividends, interest and rents from investments	(372)	(20)
(Increase)/decrease in stocks and work in progress	(750)	1,250
(Increase)/decrease in debtors	5,224	(15,061)
Increase/(decrease) in creditors	(10,421)	(57,826)
Net cash provided by/(used in) operating activities	1,116	(10,722)
	2023 £	2022 £
2) Analysis of cash and cash equivalents		
Cash in hand	16,750	23,196
Total cash and cash equivalents	16,750	23,196

Kahaila Limited

(A Charity Company Limited by Guarantee, company number 7356380)

Accounting Policies

for the year ended 31 December 2023

Basis of preparation

The financial statements have been prepared in accordance with:

- a) Applicable UK accounting standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)'.
- b) 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);
- c) the Companies Act 2006.
- d) the Charities Act 2011.

Public benefit entity

The charitable company meets the definition of a public benefit entity under FRS 102.

Going concern

The Kahaila Board of Trustees confirms their assumption that Kahaila Limited is a going concern and no significant uncertainty exists in this respect. The assumption is based on professional and legal advice from Weil, Gotshel and Manges LLP and insolvency specialist Phil Reynolds of FRP Advisory. As well as carrying out a cash flow forecast based on sales forecast and government support cash grants. The trustees have been monitoring the financial position on a regular basis, the minutes give an accurate account of the meetings and the decisions made.

Income recognition

Income is recognised when the charity has a contractual or other right to its receipt, it is probable that the income will be received and that the amount can be measured reliably. Income with conditions attached to its receipt is recognised when those conditions have been fulfilled.

Voluntary income received by way of donations and gifts is included in full when received. Donated services and facilities are recognised as an incoming resource where the provider of the service has incurred a financial cost. Volunteer time is not included in the financial statements.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

Expenditure recognition

Expenditure is accrued as soon as a liability is considered probable, and the amount of obligation can be measured reliably. The charity is registered for VAT and accordingly expenditure excludes VAT where appropriate.

Expenditure included in Raising Funds includes amounts incurred in obtaining grants and other donations.

Charitable expenditure includes those costs expended in fulfilling the charity's principal objects, as outlined in the Report of the Trustees. These include grants payable, governance costs and an apportionment of support costs.

- Grants payable are payments made to third parties in furtherance of the charity's objects. In the case of an unconditional grant offer this is accrued once the recipient has been notified of the grant award. The notification gives the recipient a reasonable expectation that they will receive the grant. Grants awards that are subject to the recipient fulfilling performance conditions are only accrued when the recipient has been notified of the grant and any remaining unfulfilled condition attaching to that grant is outside of the control of the charity.
- Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to the independent examination and legal fees.
- Rentals under operating leases are charged as incurred over the term of the lease.

Costs are allocated directly to projects where they can be identified as relating solely to that project. Other costs are allocated between the funds based on staff time spent on the fund activities or other appropriate criteria.

Unrestricted Funds

Unrestricted funds are funds received which have no restrictions placed on their use and are available as general funds.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

Kahaila Limited

(A Charity Company Limited by Guarantee, company number 7356380)

Accounting Policies

for the year ended 31 December 2023

Pensions

The charity operates defined contribution schemes which are administered by outside independent pensions providers. Contributions payable for the year are charged to the Statement of Financial Activities.

Tangible Fixed Assets

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Premises Improvements	- 20% on NBV
Plant & machinery	- 20% on NBV
Furniture & fixtures	- 20% on NBV
Office equipment	- 20% on NBV

Items of equipment are only capitalised where the purchase price exceeds £500.

Stocks

Stock is valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Kahaila Limited

(A Charity Company Limited by Guarantee, company number 7356380)

Notes to the Accounts

for the year ended 31 December 2023

1 Incoming resources

The incoming resources and surplus are attributable to the principal activities of the charity.

2 Net incoming resources

Net incoming resources are stated after charging:

Independent Examiner's fees - reporting service

Independent Examiner's fees - other services

Depreciation - owned assets

2023

2022

£

£

1,200

1,200

1,800

4,961

1,786

285

Trustees' emoluments

-

-

Emoluments include salaries, fees, bonuses, expense allowances and estimated non-cash benefits receivable. All trustees serve in a voluntary capacity and do not receive payment for their services.

3 Income from donations and legacies

	Unrestricted	Restricted	2023 Total	2022 Total
	£	£	£	£
Gift aid tax recovered	3,255	-	3,255	4,040
Gifts and donations	64,509	-	64,509	23,564
	<u>67,764</u>	<u>-</u>	<u>67,764</u>	<u>27,604</u>

4 Income from charitable activities

	Unrestricted	Restricted	2023 Total	2022 Total
	£	£	£	£
Cafe sales	401,164	-	401,164	361,958
Grant income	-	-	-	8,000
	<u>401,164</u>	<u>-</u>	<u>401,164</u>	<u>369,958</u>

5 Income from investments

	Unrestricted	Restricted	2023 Total	2022 Total
	£	£	£	£
Interest Income	372	-	372	20
	<u>372</u>	<u>-</u>	<u>372</u>	<u>20</u>

6 Expenditure on raising funds

	Unrestricted	Restricted	2023 Total	2022 Total
	£	£	£	£
Advertising and promotion	101	-	101	85
	<u>101</u>	<u>-</u>	<u>101</u>	<u>85</u>

Kahaila Limited

(A Charity Company Limited by Guarantee, company number 7356380)

Notes to the Accounts

for the year ended 31 December 2023

7 Expenditure on charitable activities	Unrestricted	Restricted	2023 Total	2022 Total
	£	£	£	£
Staff salaries	157,942	-	157,942	133,098
Staff pensions	12,903	-	12,903	7,635
Café purchases	139,256	-	139,256	109,036
Café small equipment	6,728	-	6,728	4,826
Direct costs of sales (Merch fees, etc)	-	-	-	3,097
Café rent, rates & maintenance	89,146	-	89,146	56,865
Café assets depreciation	1,786	-	1,786	285
Evangelism & ministry expenses	28	-	28	57
Gifts & donations	3,050	-	3,050	-
Conferences & training	369	-	369	260
Travel & meeting expenses	22,928	-	22,928	7,631
Office expenses	5,309	-	5,309	2,526
Miscellaneous expenses	13,282	-	13,282	3,794
Bank charges	479	-	479	401
Legal and professional fees	8,344	-	8,344	-
Bookkeeping	800	-	800	5,961
Independent examiner's fees	1,200	-	1,200	1,200
Interest payable	-	-	-	174
	<u>463,550</u>	<u>-</u>	<u>463,550</u>	<u>336,846</u>

8 Staff costs	2023	2022
	£	£
Staff salaries	157,942	133,098
Staff pensions	12,903	7,635
	<u>170,845</u>	<u>140,733</u>

Average number of employees during the year was:	<u>22</u>	<u>14</u>
--	-----------	-----------

No remuneration was paid to any Trustee or their associates for services as a trustee during the year ended 31 December 2023 nor to 31 December 2022.

Employees paid in excess of £60,000 during the current year and previous year:	<u>-</u>	<u>-</u>
--	----------	----------

9 Tangible fixed assets	Premises Improvements	Plant & machinery	Furniture & fixtures	Office equipment	Total
	£	£	£	£	£
Cost					
As at 1 January 2023	67,206	33,267	11,287	2,499	114,259
Additions		7,934	-	-	7,934
As at 31 December 2023	<u>67,206</u>	<u>41,201</u>	<u>11,287</u>	<u>2,499</u>	<u>122,193</u>
Depreciation					
As at 1 January 2023	67,206	32,269	11,287	2,499	113,261
Charge for the year		1,786	-	-	1,786
As at 31 December 2023	<u>67,206</u>	<u>34,055</u>	<u>11,287</u>	<u>2,499</u>	<u>115,047</u>
Net book value					
As at 31 December 2023	<u>-</u>	<u>7,146</u>	<u>-</u>	<u>-</u>	<u>7,146</u>
As at 31 December 2022	<u>-</u>	<u>998</u>	<u>-</u>	<u>-</u>	<u>998</u>

Kahaila Limited

(A Charity Company Limited by Guarantee, company number 7356380)

Notes to the Accounts

for the year ended 31 December 2023

10 Stocks					
			2023	2022	
			£	£	
Stock			2,000	1,250	
			<u>2,000</u>	<u>1,250</u>	
11 Debtors: amounts falling due within one year			2023	2022	
			£	£	
Other debtors			5,676	14,012	
Rent deposit			20,000	20,000	
Sales control			5,442	2,330	
			<u>31,118</u>	<u>36,342</u>	
12 Creditors: amounts falling due within one year			2023	2022	
			£	£	
Creditors			11,923	7,974	
Net wages			1,424	2,268	
VAT liability			3,018	7,934	
PAYE			577	830	
Pension liability			45	45	
Accruals			3,002	4,156	
Loans			5,690	5,496	
			<u>25,679</u>	<u>28,703</u>	
13 Creditors: amounts falling due after more than one year			2023	2022	
			£	£	
LBA loans			26,700	32,000	
BB loan			4,431	6,528	
			<u>31,131</u>	<u>38,528</u>	
14 Maturity of debt			2023	2022	
			£	£	
Amount falling due:					
In one year or less			5,690	5,496	
Between one and two years			5,690	5,496	
Between two and five years			25,441	33,032	
			<u>36,821</u>	<u>44,024</u>	
15 The funds of the charity: current year	Opening balance	Resources arising	Resources utilised	Other movements	Closing balance
	£	£	£	£	£
<u>Unrestricted funds</u>					
General funds	(5,446)	469,300	(463,651)	-	203
	<u>(5,446)</u>	<u>469,300</u>	<u>(463,651)</u>	<u>-</u>	<u>203</u>
16 The funds of the charity: prior year	Opening balance	Resources arising	Resources utilised	Other movements	Closing balance
	£	£	£	£	£
<u>Restricted funds</u>					
Restricted funds	5,333	-	(5,333)	-	-
<u>Unrestricted funds</u>					
General funds	(71,430)	397,582	(331,598)	-	(5,446)
	<u>(66,097)</u>	<u>397,582</u>	<u>(336,931)</u>	<u>-</u>	<u>(5,446)</u>

Kahaila Limited

(A Charity Company Limited by Guarantee, company number 7356380)

Notes to the Accounts

for the year ended 31 December 2023

	Opening balance	Incoming resources	Resources expended	Transfers & gains/(losses)	Closing balance
17 Restricted funds: prior year	£	£	£	£	£
Comic Relief	5,333	-	5,333	-	-
	<u>5,333</u>	<u>-</u>	<u>5,333</u>	<u>-</u>	<u>-</u>

	General funds	Designated funds	Restricted funds	Endowment funds	Total
18 Net assets attributable to funds: current year		£	£	£	£
Tangible fixed assets	7,146	-	-	-	7,146
Current assets	49,867	-	-	-	49,867
Current liabilities	(25,679)	-	-	-	(25,679)
Long term liabilities	(31,131)	-	-	-	(31,131)
Net assets represented by funds	<u>203</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>203</u>

	General funds	Designated funds	Restricted funds	Endowment funds	Total
19 Net assets attributable to funds: prior year		£	£	£	£
Tangible fixed assets	998	-	-	-	998
Current assets	60,787	-	-	-	60,787
Current liabilities	(28,907)	-	-	-	(28,907)
Long term liabilities	(38,324)	-	-	-	(38,324)
Net assets represented by funds	<u>(5,446)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(5,446)</u>

20 Taxation

The company is a registered charity. Accordingly, it is exempt from taxation in respect of income and capital gains to the extent that these are applied to its charitable objects.

21 Post balance sheet events

On 26 September 2023 the charity entered into a new six lease for the Brick Lane Property at an initial rent of £60,000 a year.

22 Pension commitments

The charitable company contributes to employee defined contribution (DC) stakeholder pension schemes. The assets of the schemes are held separately from those of the charitable company in independently administered funds.

23 Other financial commitments

Total operating lease commitments

At 31 December 2023, the charitable company had total commitments under non-cancellable operating leases over the remaining life of those leases of £320,000 (2022: £41,625).

24 Contingent liabilities

The charitable company had no material contingent liabilities at 31 December 2023 nor at 31 December 2022.

Kahaila Limited

(A Charity Company Limited by Guarantee, company number 7356380)

Notes to the Accounts

for the year ended 31 December 2023

25 Related parties

Burning Tree Tea Limited and Three Cords Coffee supplies tea and coffee to Kahaila Limited.

The CEO of Kahaila Limited directly owns a fifty per cent share in both Burning Tree Tea Ltd and Three Cords Coffee Ltd. The decision to purchase goods from Burning Tree Tea and Three Cords Coffee was approved by the Kahaila Board of Trustees.

During the year Kahaila entered into the following transactions with Burning Tree Tea Ltd and Three Cords Coffee Ltd who are not a part of Kahaila Limited.

	Purchases
Burning Tree Tea	£36
Three Cords Coffee	£21,515

Sales of goods to Kahaila Limited were made at Burning Tree Tea Limited usual cost list price, less an average discount of ten per cent. Purchases were made at market price discounted to reflect the relationship between the parties.

26 Gifts in kind and volunteers

During the year the charitable company benefited from unpaid work performed by volunteers.

27 Company status

The company is limited by guarantee and has no share capital. The guarantors liability in the event the company is wound up is restricted to a maximum of £1 each.

KAHAILA LTD

England & Wales - Charity number 1138653

Accounts

Kahaila Limited

(A Charity Company Limited by Guarantee, company number 7356380)

Financial Statements

and

Trustees' Report

for the year ended 31 December 2022

Kahaila Limited

(A Charity Company Limited by Guarantee, company number 7356380)

Index to the Financial Statements for the year ended 31 December 2022

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Kahaila Limited

(A Charity Company Limited by Guarantee, company number 7356380)

Charitable Company Information for the year ended 31 December 2022

Status:	Kahaila Limited is a company limited by guarantee and a registered charity governed by its memorandum and articles of association. The directors of the charity are its trustees for the purposes of charity law and throughout this report are collectively referred to as the trustees.	
Charity name:	Kahaila Limited	
Company registration number:	7356380 England	
Charity registration number:	1138653	
Registered office:	135 Brick Lane London E1 6SB	
Operations address:	135 Brick Lane London E1 6SB	
Trustees who held office during the year:	Ross Bradley (29 Nov 2021) Sally Harman Natalie Robinson Steve Rouse John Woolley	- Appointed 22 February 2022 - Resigned 15 February 2023
Chairperson:	John Woolley	
Secretary:	Paul Unsworth	
Independent Examiner:	Anthony Armstrong FCA Armstrong & Co <i>Chartered Accountants & Statutory Auditor</i> 4a Printing House Yard Hackney Road London E2 7PR	
Bankers:	CAF Bank Ltd 25 Kings Hill Avenue Kings Hill, West Malling, Kent ME19 4JQ HSBC 465 Bethnal Green Road London E2 9QW	

Trustees' Report, incorporating the Directors' Report for the year ended 31 December 2022

The Trustees are pleased to present their report and financial statements for the year ending 31 August 2022. This report has been prepared in accordance with current statutory requirements, the charity's governing document, the Accounting and Reporting by Charities, Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the UK and Republic of Ireland (FRS 102), applicable accounting standards and Companies Act 2006.

Trustees

The directors of the charitable company are its trustees for the purposes of charity law. The trustees who have served during the year and since the year end were as follows:

John Wolley

Sally Harman

Steve Rouse

Ross Bradley (appointed 22 Feb 2022)

Natalie Robinson (resigned 15 Feb 2023)

STRUCTURE, GOVERNANCE AND MANAGEMENT

Kahaila Limited is a company limited by guarantee, incorporated on 25 August 2010 and registered as a charity on 28 October 2010. The company was established under a Memorandum of Association which established the objects and powers of the company and is governed under its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £1 each.

Public Benefit

In planning all the charity's activities the trustees take into account the Charity Commission guidance on public benefit and aim to meet its obligations both in spirit and in letter.

The charitable causes we are currently investing in are explained further in the report.

Board of Trustees

We have a minimum of three trustees and new trustees are appointed by agreement of the existing trustees. Potential trustees are provided with a detailed job description and invited to a board meeting. After completing the relevant paperwork, and approved, they are then voted on at the next Board meeting and must have the majority support of the Board.

Our trustees recognise that they have a duty to safeguard our assets and take steps to ensure that Kahaila Limited is being properly managed and that our funds are being spent appropriately.

The trustees ensure that major risks including; governance, operational, financial, external and compliance with legal requirements are identified and reviewed on a regular basis and that we have adequate systems in place to mitigate these risks.

In addition, the trustees ensure that Kahaila Limited has access to professional legal and financial advice where appropriate.

Meetings are held on average every three months. Trustees receive a quarterly activity report as well as financial and budgetary reports.

Management and Key Staff

Paul Unsworth is Kahaila Limited Director, and he communicates regularly with the Chair and members of the Board particularly in relation to major decisions on finance and strategy.

We have policies and procedures covering Health and Safety, Child Protection, Equal Opportunities, Finances and a staff handbook and volunteer handbook.

All our activities are well organised, risk assessed and supervised. A de-briefing takes place with staff and volunteers after each activity, results are written up and filed and any action to be taken is reported to the management.

Premises

A lease was signed for 5 years on 2nd April 2012 on 135 Brick Lane to provide premises from which the charity will operate in fulfilling its charitable objectives. This lease was renewed for an additional 6 years, on 2nd April 2017.

Trustees' Report, incorporating the Directors' Report for the year ended 31 December 2022

AIMS OBJECTIVES AND ACTIVITIES

Principle Activities

Kahaila's objects are the advancement of Christianity; the advancement of education; the advancement of health and the preservation and protection of public health generally; the relief of persons who are in need, hardship or distress and the prevention and relief of poverty.

The Directors have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the aims and objectives and in planning future activities. In particular, the Directors consider how planned activities will contribute to the aims and objectives they have set. The main activities undertaken to further Kahaila's purposes for the public benefit are explained later in this report

Objectives

Kahaila Limited aims to build community that brings life in all its fullness.

Therefore, we aim to

- Build healthy communities where all can have a sense of belonging regardless of their beliefs.
- Empower people to reach their God-given potential.
- Encourage people in their Christian faith and provide an environment that allows people to explore Christianity.
- Serve the poor by breaking the chains of injustice, getting rid of exploitation, setting free the oppressed.

Kahaila Limited fulfils its objectives through the following activities

A café that provides a forum for people to not only experience and build community in a fresh new way but also to allow them to explore faith in a non-threatening and comfortable place, where there is no pressure to be anything other than yourself. The café is also where we run the BREW programme, creating training and employment for asylum seekers and those at risk of homelessness.

A church community that gathers regularly in Brick Lane and Forest Gate, modelling our values of belonging, community, serving, faith and generosity.

Kahaila founded the following:

Luminary Bakery – Equips women with vocational, employability and life skills, employment placements and tailored one to one and group support. Based in Hackney & Camden, the Charity provides training and support programmes to women in London, enabling them to leave lives of poverty and disadvantage behind. (Luminary became an independent charity on 31st May 2019, Charity no 1181835)

Ella's Home – Providing relief for women and other victims affected by human trafficking and sexual exploitation including, but not limited to, the provision of safe and restorative accommodation, counselling, medical care, financial assistance, education and other services to support long term aftercare and recovery. (Ella's Home became an independent charity on 28th Aug 2019)

Kahaila Essence – A mentoring and education project for women in HMP Downview. In 2021, this project partnered with Imago Dei Prison Ministry charity no 1165176.

BREW (Barista & Roastery Employment Workshop) – A training and employability programme for members working with asylum seekers and those at of homelessness. We offer a barista training course and offer paid employment opportunities. With the aim to support people in London to leave lives of poverty and disadvantage.

ACHIEVEMENTS AND PERFORMANCE

Our achievements against performance can be seen by comparing our objectives above against our activities.

FINANCIAL REVIEW

Results for the year

The results of the period and financial position of the charity are shown in the annexed financial statements.

The Statement of Financial Activities shows net income for the year of £60,651 and reserves of £(5,446).

Reserves Policy

It is considered prudent that Kahaila Limited should aim to have a minimum level of general reserves of £27,000 to cover unforeseen circumstances and key salaries for three months. We are not currently achieving this target.

Kahaila Limited, in line with its business plan and fundraising strategy, plans to maintain this level of reserves over the next three years through prudent management of income and expenditure.

Kahaila Limited

(A Charity Company Limited by Guarantee, company number 7356380)

Trustees' Report, incorporating the Directors' Report for the year ended 31 December 2022

Related Party Transactions

The Trustees confirm that Kahaila Limited did have related party transactions during the year. Details are shown at note 27 to the accounts.

Guarantees

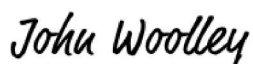
Members on the board of Trustees of the charitable company guarantee to contribute an amount not exceeding £1 to the assets of the charitable company in the event of winding up. The total number of such guarantees at 31 December 2022 was 5. The Trustees have no beneficial interest in the charitable company.

Independent Examiner

The Independent Examiner, Anthony Armstrong FCA of Armstrong & Co, has indicated his willingness to be proposed for re-appointment.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the Board of Trustees on 20 October 2023 and signed on its behalf by:



John Woolley, Trustee

Statement of Trustees' Responsibilities
for the year ended 31 December 2022

The trustees (who are the directors of Kahaila Limited for the purpose of company law) are responsible for preparing the Trustees Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (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 charitable company and of its incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- a) Select suitable accounting policies and apply them consistently;
- b) Observe the methods and principles in the Charities SORP;
- c) Make judgements and estimates that are reasonable and prudent;
- d) Follow applicable accounting standards and statements of recommended practice, subject to any material departures disclosed and explained in the accounts;
- e) Prepare the financial statements on the going concern basis unless it is inappropriate to assume that the charitable company will continue in operation.

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

Independent Examiner's Report to the Trustees of Kahaila Limited

I report on the accounts of Kahaila Limited for the period from 1 January 2022 to 31 December 2022, which are set out on pages 9 to 18.

This report is made solely to the trustees as a body in accordance with section 145 of the Charities Act 2011 (the Charities Act) and regulations made under section 154 of that Act. My examination has been undertaken so that I might state to the trustees those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the company and the trustees as a body, for my examination, for this report, or for the opinions I have formed.

Respective responsibilities of trustees and examiner

As described on page 7, 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 charity's trustees consider that an audit is not required for this year under section 144 of the Charities Act and that an independent examination is needed. The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of the Institute of Chartered Accountants in England and Wales (ICAEW).

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:

- a) examine the accounts under section 145 of the Charities Act;
- b) 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
- c) to state whether particular matters have come to my attention.

Basis of independent examiner's statement

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 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 which gives me cause to believe that in, any material respect:

- accounting records were not kept in accordance with section 386 of the Companies Act 2006 Act, or
- the accounts do not accord with such records; or
- the accounts do not comply with relevant accounting requirements under section 396 of the Companies Act 2006 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
- the accounts have not been prepared in accordance with the Charities SORP (FRS102).

I 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 accounts to be reached.



**Anthony Armstrong FCA, Independent Examiner
of Armstrong & Co**
Chartered Accountants & Statutory Auditor

Dated: 20 October 2023

**4a Printing House Yard
Hackney Road
London E2 7PR**

Kahaila Limited

(A Charity Company Limited by Guarantee, company number 7356380)

Statement of Financial Activities

incorporating the income and expenditure account
for the year ended 31 December 2022

		2022			2021
		Unrestricted Funds	Restricted Funds	Total Funds	Total Funds
Notes		£	£	£	£
Income from:					
Donations and legacies	3	27,604	-	27,604	48,962
Charitable activities	4	369,958	-	369,958	307,766
Investments	5	20	-	20	3
Other income	6	-	-	-	2,024
Total income		397,582	-	397,582	358,755
Expenditure on:					
Raising funds	7	85	-	85	887
Charitable activities	8	331,513	5,333	336,846	396,444
Total expenditure		331,598	5,333	336,931	397,331
Net income/(expenditure) and movement in funds		65,984	(5,333)	60,651	(38,576)
Reconciliation of funds:					
Total funds brought forward	16	(71,430)	5,333	(66,097)	(27,521)
Total funds carried forward		(5,446)	-	(5,446)	(66,097)

All incoming resources and resources expended are derived from continuing activities.

The statement of financial activities incorporates an income and expenditure account.

The accompanying accounting policies and notes form an integral part of these financial statements.

Kahaila Limited

(A Charity Company Limited by Guarantee, company number 7356380)

Statement of Financial Position

as at 31 December 2022

		31 December 2022		31 December 2021	
	Notes	£	£	£	£
Fixed assets:					
Tangible assets	10		998		759
Total fixed assets			<u>998</u>		<u>759</u>
Current assets:					
Stocks	11	1,250		2,500	
Debtors	12	36,342		21,281	
Cash at bank and In hand	13	<u>23,195</u>		<u>34,421</u>	
Total current assets			<u>60,787</u>		<u>58,202</u>
Creditors: amounts falling due within one year	13	<u>28,703</u>		<u>72,758</u>	
Net current assets/(liabilities)			32,084		(14,556)
Total assets less current liabilities			<u>33,082</u>		<u>(13,797)</u>
Creditors: amounts falling due after more than one year	14		38,528		52,300
Total net assets			<u>(5,446)</u>		<u>(66,097)</u>
The funds of the charity:					
Restricted funds	18		-		5,333
Unrestricted funds	14		<u>(5,446)</u>		<u>(71,430)</u>
Total charity funds	20		<u>(5,446)</u>		<u>(66,097)</u>

The directors are satisfied that the company is entitled to exemption from audit under Section 477 of the Companies Act 2006 and that no member or members have requested an audit pursuant to section 476 of the Act.

The directors acknowledge their responsibilities for:

- (i) ensuring that the company keeps proper accounting records which comply with Section 386 of the Companies Act 2006; and
- (ii) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of the financial year and of its surplus or deficit for the financial year in accordance with the requirements of Section 394 and 395 of the Companies Act 2006, and which otherwise comply with the requirements of this act relating to accounts, so far as applicable to the charitable company.

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and with the Financial Reporting Standard 102.

The financial statements were approved by the Board of Trustees on 20 October 2023 and signed on its behalf by:

John Woolley

John Woolley
Trustee

The notes on pages 12 to 18 form part of these accounts.

Kahaila Limited

(A Charity Company Limited by Guarantee, company number 7356380)

Statement of Cash Flows

for the year ended 31 December 2022

	Notes	2022 £	2021 £
Cash flows from operating activities:			
Net cash provided by/(used in) operating activities	1	(10,722)	2,657
Cash flows from investing activities:			
Dividends, interest and rents from investments		20	3
Purchase of property, plant and equipment		(524)	-
Net cash provided by/(used in) investing activities		(504)	3
Change in cash and cash equivalents in the reporting period		(11,226)	2,660
Cash and cash equivalents at the beginning of the reporting period	2	34,422	31,762
Cash and cash equivalents at the end of the reporting period	2	23,196	34,422

Notes to the Cash Flow Statement

	2022 £	2021 £
1) Reconciliation of net income/(expenditure) to net cash flow from operating activities		
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	60,651	(38,576)
Adjustments for:		
Depreciation charges	285	741
Dividends, interest and rents from investments	(20)	(3)
(Increase)/decrease in stocks and work in progress	1,250	-
(Increase)/decrease in debtors	(15,061)	13,688
Increase/(decrease) in creditors	(57,827)	26,806
Net cash provided by/(used in) operating activities	(10,722)	2,657
2) Analysis of cash and cash equivalents		
Cash in hand	23,196	34,422
Total cash and cash equivalents	23,196	34,422

Kahaila Limited

(A Charity Company Limited by Guarantee, company number 7356380)

Accounting Policies

for the year ended 31 December 2022

Basis of preparation

The financial statements have been prepared in accordance with:

- a) Applicable UK accounting standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)'.
- b) 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);
- c) the Companies Act 2006.
- d) the Charities Act 2011.

Public benefit entity

The charitable company meets the definition of a public benefit entity under FRS 102.

Going concern

The Kahaila Board of Trustees confirms their assumption that Kahaila Limited is a going concern and no significant uncertainty exists in this respect. The assumption is based on professional and legal advice from Weil, Gotshel and Manges LLP and insolvency specialist Phil Reynolds of FRP Advisory. As well as carrying out a cash flow forecast based on sales forecast and government support cash grants. The trustees have been monitoring the financial position on a regular basis, the minutes give an accurate account of the meetings and the decisions made.

Income recognition

Income is recognised when the charity has a contractual or other right to its receipt, it is probable that the income will be received and that the amount can be measured reliably. Income with conditions attached to its receipt is recognised when those conditions have been fulfilled.

Voluntary income received by way of donations and gifts is included in full when received. Donated services and facilities are recognised as an incoming resource where the provider of the service has incurred a financial cost. Volunteer time is not included in the financial statements.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

Expenditure recognition

Expenditure is accrued as soon as a liability is considered probable, and the amount of obligation can be measured reliably. The charity is registered for VAT and accordingly expenditure excludes VAT where appropriate.

Expenditure included in Raising Funds includes amounts incurred in obtaining grants and other donations.

Charitable expenditure includes those costs expended in fulfilling the charity's principal objects, as outlined in the Report of the Trustees. These include grants payable, governance costs and an apportionment of support costs.

- Grants payable are payments made to third parties in furtherance of the charity's objects. In the case of an unconditional grant offer this is accrued once the recipient has been notified of the grant award. The notification gives the recipient a reasonable expectation that they will receive the grant. Grants awards that are subject to the recipient fulfilling performance conditions are only accrued when the recipient has been notified of the grant and any remaining unfulfilled condition attaching to that grant is outside of the control of the charity.
- Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to the independent examination and legal fees.
- Rentals under operating leases are charged as incurred over the term of the lease.

Costs are allocated directly to projects where they can be identified as relating solely to that project. Other costs are allocated between the funds based on staff time spent on the fund activities or other appropriate criteria.

Restricted Funds

Restricted funds are to be used for specified purposes as laid down by the funder. Direct and support expenditure which meets these criteria are identified to the fund together with a fair allocation of other costs.

Unrestricted Funds

Unrestricted funds are funds received which have no restrictions placed on their use and are available as general funds.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

Kahaila Limited

(A Charity Company Limited by Guarantee, company number 7356380)

Accounting Policies

for the year ended 31 December 2022

Pensions

The charity operates defined contribution schemes which are administered by outside independent pensions providers. Contributions payable for the year are charged to the Statement of Financial Activities.

Tangible Fixed Assets

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Premises Improvements	- 25% on cost
Plant & machinery	- 25% on cost
Furniture & fixtures	- 25% on cost
Office equipment	- 25% on cost

Items of equipment are only capitalised where the purchase price exceeds £500.

Stocks

Stock is valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Kahaila Limited

(A Charity Company Limited by Guarantee, company number 7356380)

Notes to the Accounts

for the year ended 31 December 2022

1 Incoming resources

The incoming resources and surplus are attributable to the principal activities of the charity.

2 Net incoming resources

Net incoming resources are stated after charging:

Independent Examiner's fees - reporting service

Independent Examiner's fees - other services

Depreciation - owned assets

	2022	2021
	£	£
Independent Examiner's fees - reporting service	1,200	1,200
Independent Examiner's fees - other services	4,961	6,454
Depreciation - owned assets	285	741
	<u>-</u>	<u>-</u>

Trustees' emoluments

Emoluments include salaries, fees, bonuses, expense allowances and estimated non-cash benefits receivable. All trustees serve in a voluntary capacity and do not receive payment for their services.

3 Income from donations and legacies

Gift aid tax recovered

Gifts and donations

	Unrestricted	Restricted	2022 Total	2021 Total
	£	£	£	£
Gift aid tax recovered	4,040	-	4,040	5,780
Gifts and donations	23,564	-	23,564	43,182
	<u>27,604</u>	<u>-</u>	<u>27,604</u>	<u>48,962</u>

4 Income from charitable activities

Cafe sales

Ella

Grant income

	Unrestricted	Restricted	2022 Total	2021 Total
	£	£	£	£
Cafe sales	361,958	-	361,958	204,866
Ella	-	-	-	2,527
Grant income	8,000	-	8,000	100,373
	<u>369,958</u>	<u>-</u>	<u>369,958</u>	<u>307,766</u>

5 Income from investments

Interest Income

	Unrestricted	Restricted	2022 Total	2021 Total
	£	£	£	£
Interest Income	20	-	20	3
	<u>20</u>	<u>-</u>	<u>20</u>	<u>3</u>

6 Other income

Other

	Unrestricted	Restricted	2022 Total	2021 Total
	£	£	£	£
Other	-	-	-	2,024
	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,024</u>

7 Expenditure on raising funds

Advertising and promotion

	Unrestricted	Restricted	2022 Total	2021 Total
	£	£	£	£
Advertising and promotion	85	-	85	887
	<u>85</u>	<u>-</u>	<u>85</u>	<u>887</u>

Kahaila Limited

(A Charity Company Limited by Guarantee, company number 7356380)

Notes to the Accounts

for the year ended 31 December 2022

8 Expenditure on charitable activities	Unrestricted	Restricted	2022 Total	2021 Total
	£	£	£	£
Staff salaries	127,765	5,333	133,098	170,895
Staff pensions	7,635	-	7,635	14,033
Café purchases	109,036	-	109,036	74,245
Café small equipment	4,826	-	4,826	1,928
Direct costs of sales (Merch fees, etc)	3,097	-	3,097	-
Café rent, rates & maintenance	56,865	-	56,865	110,189
Café assets depreciation	285	-	285	740
Evangelism & ministry expenses	57	-	57	221
Gifts & donations	-	-	-	5,696
Conferences & training	260	-	260	10
Travel & meeting expenses	7,631	-	7,631	2,130
Office expenses	2,526	-	2,526	2,339
Miscellaneous expenses	3,794	-	3,794	5,281
Bank charges	401	-	401	841
Bookkeeping	5,961	-	5,961	6,696
Independent examiner's fees	1,200	-	1,200	1,200
Interest payable	174	-	174	-
	<u>331,513</u>	<u>5,333</u>	<u>336,846</u>	<u>396,444</u>

9 Staff costs	2022	2021
	£	£
Staff salaries	133,098	170,895
Staff pensions	7,635	14,033
	<u>140,733</u>	<u>184,928</u>

Average number of employees during the year was:

14	14
----	----

No remuneration was paid to any Trustee or their associates for services as a trustee during the year ended 31 December 2022 nor to 31 December 2021.

Employees paid in excess of £60,000 during the current year and previous year:

-	-
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10 Tangible fixed assets	Premises Improvements	Plant & machinery	Furniture & fixtures	Office equipment	Total
	£	£	£	£	£
Cost					
As at 1 January 2022	67,206	32,743	11,287	2,499	113,735
Additions		524	-	-	524
As at 31 December 2022	<u>67,206</u>	<u>33,267</u>	<u>11,287</u>	<u>2,499</u>	<u>114,259</u>
Depreciation					
As at 1 January 2022	67,206	31,984	11,287	2,499	112,976
Charge for the year		285	-	-	285
As at 31 December 2022	<u>67,206</u>	<u>32,269</u>	<u>11,287</u>	<u>2,499</u>	<u>113,261</u>
Net book value					
As at 31 December 2022	<u>-</u>	<u>998</u>	<u>-</u>	<u>-</u>	<u>998</u>
As at 31 December 2021	<u>-</u>	<u>759</u>	<u>-</u>	<u>-</u>	<u>759</u>

Kahaila Limited

(A Charity Company Limited by Guarantee, company number 7356380)

Notes to the Accounts

for the year ended 31 December 2022

11 Stocks		2022	2021		
		£	£		
Stock		1,250	2,500		
		<u>1,250</u>	<u>2,500</u>		
12 Debtors: amounts falling due within one year		2022	2021		
		£	£		
Other debtors		14,012	-		
Rent deposit		20,000	20,000		
Card sales control		2,330	1,281		
		<u>36,342</u>	<u>21,281</u>		
13 Creditors: amounts falling due within one year		2022	2021		
		£	£		
Creditors		7,974	22,780		
Net wages		2,268	-		
VAT liability		7,934	8,371		
PAYE		830	1,518		
Pension liability		45	-		
Accruals		4,156	33,489		
Loans		5,496	6,600		
		<u>28,703</u>	<u>72,758</u>		
14 Creditors: amounts falling due after more than one year		2022	2021		
		£	£		
LBA loans		32,000	32,300		
BB loan		6,528	20,000		
		<u>38,528</u>	<u>52,300</u>		
15 Maturity of debt		2022	2021		
		£	£		
Amount falling due:					
In one year or less		5,496	6,600		
Between one and two years		5,496	6,600		
Between two and five years		33,032	45,700		
		<u>44,024</u>	<u>58,900</u>		
16 The funds of the charity: current year	Opening balance	Resources arising	Resources utilised	Other movements	Closing balance
	£	£	£	£	£
<u>Restricted funds</u>					
Restricted funds	5,333	-	(5,333)	-	-
<u>Unrestricted funds</u>					
General funds	(71,430)	397,582	(331,598)	-	(5,446)
	<u>(66,097)</u>	<u>397,582</u>	<u>(336,931)</u>	<u>-</u>	<u>(5,446)</u>
17 The funds of the charity: prior year	Opening balance	Resources arising	Resources utilised	Other movements	Closing balance
	£	£	£	£	£
<u>Restricted funds</u>					
Restricted funds	5,333	51,170	(51,170)	-	5,333
<u>Unrestricted funds</u>					
General funds	(32,856)	307,585	(346,161)	-	(71,432)
	<u>(27,523)</u>	<u>358,755</u>	<u>(397,331)</u>	<u>-</u>	<u>(66,099)</u>

Kahaila Limited

(A Charity Company Limited by Guarantee, company number 7356380)

Notes to the Accounts

for the year ended 31 December 2022

	Opening balance	Incoming resources	Resources expended	Transfers & gains/(losses)	Closing balance
	£	£	£	£	£
18 Restricted funds: current year					
Comic Relief	5,333	-	5,333	-	-
	<u>5,333</u>	<u>-</u>	<u>5,333</u>	<u>-</u>	<u>-</u>

	Opening balance	Incoming resources	Resources expended	Transfers & gains/(losses)	Closing balance
	£	£	£	£	£
19 Restricted funds: prior year					
Coronavirus Job Retention Scheme (CJRS)	-	51,170	51,170	-	-
Comic Relief	5,333	-	-	-	5,333
	<u>5,333</u>	<u>51,170</u>	<u>51,170</u>	<u>-</u>	<u>5,333</u>

Restricted funds (continued)

Projects financed by restricted funds are supported by unrestricted funding where necessary. This occurs where the funding is in arrears or the incidence of expenditure on the project occurs disproportionately at the beginning of the project compared to the income flows. Where restricted projects end the year with a deficit, this is met by after year-end restricted income or transfers from unrestricted funds.

Comic Relief	Grant for salaries for full time project manager/support worker (Luminary) and part time support worker for the victims of trafficking.
---------------------	---

	General funds	Designated funds	Restricted funds	Endowment funds	Total
		£	£	£	£
20 Net assets attributable to funds: current year					
Tangible fixed assets	998	-	-	-	998
Current assets	60,787	-	-	-	60,787
Current liabilities	(28,907)	-	-	-	(28,907)
Long term liabilities	(38,324)	-	-	-	(38,324)
Net assets represented by funds	<u>(5,446)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(5,446)</u>

	General funds	Designated funds	Restricted funds	Endowment funds	Total
		£	£	£	£
21 Net assets attributable to funds: prior year					
Tangible fixed assets	759	-	-	-	759
Current assets	52,869	-	5,333	-	58,202
Current liabilities	(72,758)	-	-	-	(72,758)
Long term liabilities	(52,300)	-	-	-	(52,300)
Net assets represented by funds	<u>(71,430)</u>	<u>-</u>	<u>5,333</u>	<u>-</u>	<u>(66,097)</u>

22 Taxation

The company is a registered charity. Accordingly, it is exempt from taxation in respect of income and capital gains to the extent that these are applied to its charitable objects.

23 Post balance sheet events

On 26 September 2023 the charity entered into a new six lease for the Brick Lane Property at an initial rent of £60,000 a year.

24 Pension commitments

The charitable company contributes to employee defined contribution (DC) stakeholder pension schemes. The assets of the schemes are held separately from those of the charitable company in independently administered funds.

25 Other financial commitments

Total operating lease commitments

At 31 December 2022, the charitable company had total commitments under non-cancellable operating leases over the remaining life of those leases of £41,625 (2021: £76,500).

Kahaila Limited

(A Charity Company Limited by Guarantee, company number 7356380)

Notes to the Accounts

for the year ended 31 December 2022

26 Contingent liabilities

The charitable company had no material contingent liabilities at 31 December 2022 nor at 31 December 2021.

27 Related parties

Burning Tree Tea Limited and Three Cords Coffee supplies tea and coffee to Kahaila Limited.

The CEO of Kahaila Limited directly owns a fifty per cent share in both Burning Tree Tea Ltd and Three Cords Coffee Ltd. The decision to purchase goods from Burning Tree Tea and Three Cords Coffee was approved by the Kahaila Board of Trustees.

During the year 2022 Kahaila entered into the following transactions with Burning Tree Tea Ltd and Three Cords Coffee Ltd who are not a part of Kahaila Limited.

	Purchases
Burning Tree Tea	£1,750
Three Cords Coffee	£17,893

Sales of goods to Kahaila Limited were made at Burning Tree Tea Limited usual cost list price, less an average discount of ten per cent. Purchases were made at market price discounted to reflect the relationship between the parties.

28 Gifts in kind and volunteers

During the year the charitable company benefited from unpaid work performed by volunteers.

29 Company status

The company is limited by guarantee and has no share capital. The guarantors liability in the event the company is wound up is restricted to a maximum of £1 each.

KAHAILA LTD

England & Wales - Charity number 1138653

Accounts

Kahaila Limited

(A Charity Company Limited by Guarantee, company number 7356380)

Financial Statements

and

Trustees' Report

for the year ended 31 December 2021

Kahaila Limited

(A Charity Company Limited by Guarantee, company number 7356380)

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Kahaila Limited

(A Charity Company Limited by Guarantee, company number 7356380)

Charitable Company Information for the year ended 31 December 2021

Status:	Kahaila Limited is a company limited by guarantee and a registered charity governed by its memorandum and articles of association. The directors of the charity are its trustees for the purposes of charity law and throughout this report are collectively referred to as the trustees.
Charity name:	Kahaila Limited
Company registration number:	7356380 England
Charity registration number:	1138653
Registered office:	135 Brick Lane London E1 6SB
Operations address:	135 Brick Lane London E1 6SB
Trustees who held office during the year:	William Garwood Steve Rouse Michael Stickland John Woolley Natalie Robinson Sally Harman
Chairperson:	John Woolley
Treasurer:	Michael Stickland
Secretary:	Paul Unsworth
Independent Examiner:	Anthony Armstrong FCA Armstrong & Co <i>Chartered Accountants & Statutory Auditor</i> 4a Printing House Yard Hackney Road London E2 7PR
Bankers:	CAF Bank Ltd 25 Kings Hill Avenue Kings Hill, West Malling, Kent ME19 4JQ HSBC 465 Bethnal Green Road London E2 9QW

Kahaila Limited

(A Charity Company Limited by Guarantee, company number 7356380)

Trustees' Report, incorporating the Directors' Report for the year ended 31 December 2021

The Trustees of Kahaila Limited present their report together with the financial statements for the year ended 31 December 2021.

Trustees

The Trustees of the charity who held office during the year are disclosed on page 3.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Kahaila Limited is a company limited by guarantee, incorporated on 25 August 2010 and registered as a charity on 28 October 2010. The company was established under a Memorandum of Association which established the objects and powers of the company and is governed under its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £1 each.

Public Benefit

In planning all the charity's activities the trustees take into account the Charity Commission guidance on public benefit and aim to meet its obligations both in spirit and in letter.

The charitable causes we are currently investing in are explained further in the report.

Board of Trustees

We have a minimum of three trustees and new trustees are appointed by agreement of the existing trustees. Potential trustees are provided with a detailed job description and invited to a board meeting. After completing the relevant paperwork, and approved, they are then voted on at the next Board meeting and must have the majority support of the Board.

Our trustees recognise that they have a duty to safeguard our assets and take steps to ensure that Kahaila Limited is being properly managed and that our funds are being spent appropriately.

The trustees ensure that major risks including; governance, operational, financial, external and compliance with legal requirements are identified and reviewed on a regular basis and that we have adequate systems in place to mitigate these risks.

In addition, the trustees ensure that Kahaila Limited has access to professional legal and financial advice where appropriate.

Meetings are held on average every three months. Trustees receive a quarterly activity report as well as financial and budgetary reports.

Management and Key Staff

Paul Unsworth is Kahaila Limited Director, and he communicates regularly with the Chair and members of the Board particularly in relation to major decisions on finance and strategy.

We have policies and procedures covering Health and Safety, Child Protection, Equal Opportunities, Finances and a staff handbook and volunteer handbook.

All our activities are well organised, risk assessed and supervised. A de-briefing takes place with staff and volunteers after each activity, results are written up and filed and any action to be taken is reported to the management.

Premises

A lease was signed for 5 years on 2nd April 2012 on 135 Brick Lane to provide premises from which the charity will operate in fulfilling its charitable objectives. This lease was renewed for an additional 6 years, on 2nd April 2017.

A lease was signed for 5 year on 16th April 2018 on Portsoken Pavilion, 1 Aldgate, London EC3N 1AF to provide premises for a second community café. On the 18th May 2021 we activated the break clause and ended the lease, due to the devastating impact of Covid-19.

AIMS OBJECTIVES AND ACTIVITIES

Aims

As per our Governing Document, Kahaila Limited was established for; the advancement of the Christian faith; the advancement of health and the preservation and protection of public health generally; the relief of persons who are in need, hardship of or distress and the prevention and relief of poverty; the advancement of education.

The Directors have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the aims and objectives and in planning future activities. In particular, the Directors consider how planned activities will contribute to the aims and objectives they have set. The main activities undertaken to further Kahaila's purposes for the public benefit are explained later in this report.

Kahaila Limited

(A Charity Company Limited by Guarantee, company number 7356380)

Trustees' Report, incorporating the Directors' Report for the year ended 31 December 2021

Objectives

Kahaila Limited aims to build community that brings life in all its fullness.

Therefore, we aim to

- Build healthy communities where all can have a sense of belonging regardless of their beliefs.
- Empower people to reach their God-given potential.
- Encourage people in their Christian faith and provide an environment that allows people to explore Christianity.
- Serve the poor by breaking the chains of injustice, getting rid of exploitation, setting free the oppressed.

Kahaila Limited fulfils its objectives through the following activities

A café that provides a forum for people to not only experience and build community in a fresh new way but also to allow them to explore faith in a non-threatening and comfortable place, where there is no pressure to be anything other than yourself.

A church community that gathers regularly in Brick Lane and Forest Gate, modelling our values of belonging, community, serving, faith and generosity.

The development of Kahaila's projects which are:

Essence - Based in a women's prison delivering non-formal education through accredited and innovative Life Skills courses, outreach, mentoring, and pastoral support to women in prison and as they resettle back into the community upon their release. We aim to empower women to break free from the destructive cycles they are caught in - equipping them with new skills, aiding successful resettlement and reduce re-offending.

On the 28th February 2021, the trustees approved that Essence and all its assets were transferred to registered charity Imago Dei Prison Ministry (Charity no 1165176).

BREW – An employability programme for members of the homeless community. We offer a barista training course and offer paid employment within our community café's. Through training and employment, we aim to create a sustainable solution for homeless people to rebuild their lives.

ACHIEVEMENTS AND PERFORMANCE

Our achievements against performance can be seen by comparing our objectives above against our activities.

FINANCIAL REVIEW

Results for the year

The results of the period and financial position of the charity are shown in the annexed financial statements.

The Statement of Financial Activities shows net expenditure for the year of £38,576 and reserves of £(66,099).

Reserves Policy

It is considered prudent that Kahaila Limited should aim to have a minimum level of general reserves of £27,000 to cover unforeseen circumstances and key salaries for three months. We are not currently achieving this target.

Kahaila Limited, in line with its business plan and fundraising strategy, plans to maintain this level of reserves over the next three years through prudent management of income and expenditure.

Related Party Transactions

The Trustees confirm that Kahaila Limited did have related party transactions during the year. Details are shown at note 28 to the accounts.

Kahaila Limited

(A Charity Company Limited by Guarantee, company number 7356380)

Trustees' Report, incorporating the Directors' Report for the year ended 31 December 2021

Guarantees

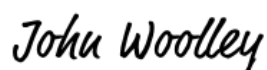
Members on the board of Trustees of the charitable company guarantee to contribute an amount not exceeding £1 to the assets of the charitable company in the event of winding up. The total number of such guarantees at 31 December 2021 was 6. The Trustees have no beneficial interest in the charitable company.

Independent Examiner

The Independent Examiner, Anthony Armstrong FCA of Armstrong & Co, has indicated his willingness to be proposed for re-appointment.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the Board of Trustees on 25 October 2022 and signed on its behalf by:



John Woolley, Trustee

Statement of Trustees' Responsibilities
for the year ended 31 December 2021

The trustees (who are the directors of Kahaila Limited for the purpose of company law) are responsible for preparing the Trustees Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (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 charitable company and of its incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- a) Select suitable accounting policies and apply them consistently;
- b) Observe the methods and principles in the Charities SORP;
- c) Make judgements and estimates that are reasonable and prudent;
- d) Follow applicable accounting standards and statements of recommended practice, subject to any material departures disclosed and explained in the accounts;
- e) Prepare the financial statements on the going concern basis unless it is inappropriate to assume that the charitable company will continue in operation.

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

Kahaila Limited

(A Charity Company Limited by Guarantee, company number 7356380)

Independent Examiner's Report to the Trustees of Kahaila Limited

I report on the accounts of Kahaila Limited for the period from 1 January 2021 to 31 December 2021, which are set out on pages 9 to 18.

This report is made solely to the trustees as a body in accordance with section 145 of the Charities Act 2011 (the Charities Act) and regulations made under section 154 of that Act. My examination has been undertaken so that I might state to the trustees those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the company and the trustees as a body, for my examination, for this report, or for the opinions I have formed.

Respective responsibilities of trustees and examiner

As described on page 7, 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 charity's trustees consider that an audit is not required for this year under section 144 of the Charities Act and that an independent examination is needed. The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of the Institute of Chartered Accountants in England and Wales (ICAEW).

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:

- a) examine the accounts under section 145 of the Charities Act;
- b) 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
- c) to state whether particular matters have come to my attention.

Basis of independent examiner's statement

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 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 which gives me cause to believe that in, any material respect:

- accounting records were not kept in accordance with section 386 of the Companies Act 2006 Act, or
- the accounts do not accord with such records; or
- the accounts do not comply with relevant accounting requirements under section 396 of the Companies Act 2006 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
- the accounts have not been prepared in accordance with the Charities SORP (FRS102).

I 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 accounts to be reached.



**Anthony Armstrong FCA, Independent Examiner
of Armstrong & Co**
Chartered Accountants & Statutory Auditor

Dated: 25 October 2022

**4a Printing House Yard
Hackney Road
London E2 7PR**

Kahaila Limited

(A Charity Company Limited by Guarantee, company number 7356380)

Statement of Financial Activities

incorporating the income and expenditure account
for the year ended 31 December 2021

	Notes	2021			2020
		Unrestricted Funds	Restricted Funds	Total Funds	Total Funds
		£	£	£	£
Income from:					
Donations and legacies	3	48,962	-	48,962	174,307
Charitable activities	4	256,596	51,170	307,766	404,018
Trading activities	5	-	-	-	1,773
Investments	6	3	-	3	9
Other income	7	2,024	-	2,024	-
Total income		307,585	51,170	358,755	580,107
Expenditure on:					
Raising funds	8	887	-	887	7,799
Charitable activities	9	345,274	51,170	396,444	774,564
Total expenditure		346,161	51,170	397,331	782,363
Net income/(expenditure) and movement in funds		(38,576)	-	(38,576)	(202,256)
Reconciliation of funds:					
Total funds brought forward	17	(32,856)	5,333	(27,523)	174,733
Total funds carried forward	17	(71,432)	5,333	(66,099)	(27,523)

All incoming resources and resources expended are derived from continuing activities.

The statement of financial activities incorporates an income and expenditure account.

The accompanying accounting policies and notes form an integral part of these financial statements.

Kahaila Limited

(A Charity Company Limited by Guarantee, company number 7356380)

Statement of Financial Position

as at 31 December 2021

	Notes	31 December 2021		31 December 2020	
		£	£	£	£
Fixed assets:					
Tangible assets	11		759		1,500
Total fixed assets			<u>759</u>		<u>1,500</u>
Current assets:					
Stocks	12	2,500		2,500	
Debtors	13	21,281		34,969	
Cash at bank and In hand	13	<u>34,421</u>		<u>31,761</u>	
Total current assets		<u>58,202</u>		<u>69,230</u>	
Creditors: amounts falling due within one year	14	<u>72,760</u>		<u>59,953</u>	
Net current assets/(liabilities)			(14,558)		9,277
Total assets less current liabilities			<u>(13,799)</u>		<u>10,777</u>
Creditors: amounts falling due after more than one year	15		52,300		38,300
Total net assets			<u>(66,099)</u>		<u>(27,523)</u>
The funds of the charity:					
Restricted funds	19		5,333		5,333
Unrestricted funds	14		(71,432)		(32,856)
Total charity funds	21		<u>(66,099)</u>		<u>(27,523)</u>

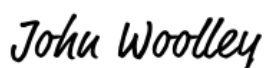
The directors are satisfied that the company is entitled to exemption from audit under Section 477 of the Companies Act 2006 and that no member or members have requested an audit pursuant to section 476 of the Act.

The directors acknowledge their responsibilities for:

- (i) ensuring that the company keeps proper accounting records which comply with Section 386 of the Companies Act 2006; and
- (ii) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of the financial year and of its surplus or deficit for the financial year in accordance with the requirements of Section 394 and 395 of the Companies Act 2006, and which otherwise comply with the requirements of this act relating to accounts, so far as applicable to the charitable company.

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and with the Financial Reporting Standard 102.

The financial statements were approved by the Board of Trustees on 25 October 2022 and signed on its behalf by:



John Woolley
Trustee

The notes on pages 12 to 18 form part of these accounts.

Kahaila Limited

(A Charity Company Limited by Guarantee, company number 7356380)

Statement of Cash Flows

for the year ended 31 December 2021

	Notes	2021 £	2020 £
Cash flows from operating activities:			
Net cash provided by/(used in) operating activities	1	2,657	(216,268)
Cash flows from investing activities:			
Dividends, interest and rents from investments		3	9
Purchase of property, plant and equipment		-	(1,519)
Net cash provided by/(used in) investing activities		3	(1,510)
Change in cash and cash equivalents in the reporting period		2,660	(217,778)
Cash and cash equivalents at the beginning of the reporting period	2	31,762	249,540
Cash and cash equivalents at the end of the reporting period	2	34,422	31,762

Notes to the Cash Flow Statement

	2021 £	2020 £
1) Reconciliation of net income/(expenditure) to net cash flow from operating activities		
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	(38,576)	(202,256)
Adjustments for:		
Depreciation charges	741	740
Dividends, interest and rents from investments	(3)	(9)
(Increase)/decrease in debtors	13,688	9,031
Increase/(decrease) in creditors	26,807	(23,774)
Net cash provided by/(used in) operating activities	2,657	(216,268)
2) Analysis of cash and cash equivalents		
Cash in hand	34,422	31,762
Total cash and cash equivalents	34,422	31,762

Accounting Policies

for the year ended 31 December 2021

Basis of preparation

The financial statements have been prepared in accordance with:

- a) Applicable UK accounting standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)'.
- b) 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);
- c) the Companies Act 2006.
- d) the Charities Act 2011.

Public benefit entity

The charitable company meets the definition of a public benefit entity under FRS 102.

Going concern

The Kahaila Board of Trustees confirms their assumption that Kahaila Limited is a going concern and no significant uncertainty exists in this respect. The assumption is based on professional and legal advice from Weil, Gotshel and Manges LLP and insolvency specialist Phil Reynolds of FRP Advisory. As well as carrying out a cash flow forecast based on sales forecast and government support cash grants. The trustees have been monitoring the financial position on a regular basis, the minutes give an accurate account of the meetings and the decisions made.

Income recognition

Income is recognised when the charity has a contractual or other right to its receipt, it is probable that the income will be received and that the amount can be measured reliably. Income with conditions attached to its receipt is recognised when those conditions have been fulfilled.

Voluntary income received by way of donations and gifts is included in full when received. Donated services and facilities are recognised as an incoming resource where the provider of the service has incurred a financial cost. Volunteer time is not included in the financial statements.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

Expenditure recognition

Expenditure is accrued as soon as a liability is considered probable, and the amount of obligation can be measured reliably. The charity is registered for VAT and accordingly expenditure excludes VAT where appropriate.

Expenditure included in Raising Funds includes amounts incurred in obtaining grants and other donations.

Charitable expenditure includes those costs expended in fulfilling the charity's principal objects, as outlined in the Report of the Trustees. These include grants payable, governance costs and an apportionment of support costs.

- Grants payable are payments made to third parties in furtherance of the charity's objects. In the case of an unconditional grant offer this is accrued once the recipient has been notified of the grant award. The notification gives the recipient a reasonable expectation that they will receive the grant. Grants awards that are subject to the recipient fulfilling performance conditions are only accrued when the recipient has been notified of the grant and any remaining unfulfilled condition attaching to that grant is outside of the control of the charity.
- Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to the independent examination and legal fees.
- Rentals under operating leases are charged as incurred over the term of the lease.

Costs are allocated directly to projects where they can be identified as relating solely to that project. Other costs are allocated between the funds based on staff time spent on the fund activities or other appropriate criteria.

Restricted Funds

Restricted funds are to be used for specified purposes as laid down by the funder. Direct and support expenditure which meets these criteria are identified to the fund together with a fair allocation of other costs.

Unrestricted Funds

Unrestricted funds are funds received which have no restrictions placed on their use and are available as general funds.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

Kahaila Limited

(A Charity Company Limited by Guarantee, company number 7356380)

Accounting Policies

for the year ended 31 December 2021

Pensions

The charity operates defined contribution schemes which are administered by outside independent pensions providers. Contributions payable for the year are charged to the Statement of Financial Activities.

Tangible Fixed Assets

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Premises Improvements	- 25% on cost
Plant & machinery	- 25% on cost
Furniture & fixtures	- 25% on cost
Office equipment	- 25% on cost

Items of equipment are only capitalised where the purchase price exceeds £500.

Stocks

Stock is valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Kahaila Limited

(A Charity Company Limited by Guarantee, company number 7356380)

Notes to the Accounts

for the year ended 31 December 2021

1 Incoming resources

The incoming resources and surplus are attributable to the principal activities of the charity.

2 Net outgoing resources

Net outgoing resources are stated after charging:

Independent Examiner's fees - reporting service

Independent Examiner's fees - other services

Depreciation - owned assets

2021

2020

£

£

1,200

1,200

6,454

500

741

740

Trustees' emoluments

-

-

Emoluments include salaries, fees, bonuses, expense allowances and estimated non-cash benefits receivable. All trustees serve in a voluntary capacity and do not receive payment for their services.

3 Income from donations and legacies

Unrestricted

Restricted

2021
Total

2020
Total

£

£

£

£

Gift aid tax recovered

5,780

-

5,780

7,584

Gifts and donations

43,182

-

43,182

166,723

48,962

-

48,962

174,307

4 Income from charitable activities

Unrestricted

Restricted

2021
Total

2020
Total

£

£

£

£

Cafe sales

204,866

-

204,866

194,619

Ella

2,527

-

2,527

64,128

Grant income

49,203

51,170

100,373

145,271

256,596

51,170

307,766

404,018

5 Income from trading activities

Unrestricted

Restricted

2021
Total

2020
Total

£

£

£

£

BEAM income

-

-

-

300

Venue hire

-

-

-

1,473

-

-

-

1,773

6 Income from investments

Unrestricted

Restricted

2021
Total

2020
Total

£

£

£

£

Interest Income

3

-

3

9

3

-

3

9

7 Other income

Unrestricted

Restricted

2021
Total

2020
Total

£

£

£

£

Other

2,024

-

2,024

-

2,024

-

2,024

-

8 Expenditure on raising funds

Unrestricted

Restricted

2021
Total

2020
Total

£

£

£

£

Advertising and promotion

887

-

887

7,002

Website

-

-

-

797

887

-

887

7,799

Kahaila Limited

(A Charity Company Limited by Guarantee, company number 7356380)

Notes to the Accounts

for the year ended 31 December 2021

9 Expenditure on charitable activities	Unrestricted	Restricted	2021 Total	2020 Total
	£	£	£	£
Staff salaries	119,725	51,170	170,895	475,435
Staff pensions	14,033	-	14,033	10,175
Café purchases	74,245	-	74,245	81,662
Café small equipment	1,928	-	1,928	10,286
Café rent, rates & maintenance	110,189	-	110,189	147,997
Café assets depreciation	740	-	740	740
Evangelism & ministry expenses	221	-	221	263
Gifts & donations	5,696	-	5,696	9,600
Conferences & training	10	-	10	1,857
Travel & meeting expenses	2,130	-	2,130	1,675
Office expenses	2,339	-	2,339	12,477
Miscellaneous expenses	5,281	-	5,281	9,654
Bank charges	841	-	841	720
Legal and professional fees	6,696	-	6,696	7,822
Payroll costs	-	-	-	2,501
Independent examiner's fees	1,200	-	1,200	1,700
	<u>345,274</u>	<u>51,170</u>	<u>396,444</u>	<u>774,564</u>

10 Staff costs	2021	2020
	£	£
Staff salaries	170,895	475,435
Staff pensions	14,033	10,175
	<u>184,928</u>	<u>485,610</u>

Average number of employees during the year was:

14	34
----	----

No remuneration was paid to any Trustee or their associates for services as a trustee during the year ended 31 December 2021 nor to 31 December 2020.

Employees paid in excess of £60,000 during the current year and previous year:

-	-
---	---

11 Tangible fixed assets	Premises Improvements	Plant & machinery	Furniture & fixtures	Office equipment	Total
	£	£	£	£	£
Cost					
As at 1 January 2021	67,206	32,743	11,287	2,499	113,735
As at 31 December 2021	<u>67,206</u>	<u>32,743</u>	<u>11,287</u>	<u>2,499</u>	<u>113,735</u>
Depreciation					
As at 1 January 2021	67,206	31,604	10,926	2,499	112,235
Charge for the year		380	361	-	741
As at 31 December 2021	<u>67,206</u>	<u>31,984</u>	<u>11,287</u>	<u>2,499</u>	<u>112,976</u>
Net book value					
As at 31 December 2021	<u>-</u>	<u>759</u>	<u>-</u>	<u>-</u>	<u>759</u>
As at 31 December 2020	<u>-</u>	<u>1,139</u>	<u>361</u>	<u>-</u>	<u>1,500</u>

Kahaila Limited

(A Charity Company Limited by Guarantee, company number 7356380)

Notes to the Accounts

for the year ended 31 December 2021

12 Stocks					
		2021	2020		
		£	£		
Stock		2,500	2,500		
		<u>2,500</u>	<u>2,500</u>		
13 Debtors: amounts falling due within one year		2021	2020		
		£	£		
Rent deposit		20,000	34,400		
Prepayments		-	569		
Card sales control		1,281	-		
		<u>21,281</u>	<u>34,969</u>		
14 Creditors: amounts falling due within one year		2021	2020		
		£	£		
Creditors		22,780	14,639		
VAT liability		8,371	3,145		
PAYE		1,518	3,430		
Accruals		33,491	35,737		
Loan 1 < 12 mths		6,600	3,002		
		<u>72,760</u>	<u>59,953</u>		
15 Creditors: amounts falling due after more than one year		2021	2020		
		£	£		
Loan 1 > 12 mths		32,300	38,300		
Loan 2 > 12 mths		20,000	-		
		<u>52,300</u>	<u>38,300</u>		
16 Maturity of debt		2021	2020		
		£	£		
Amount falling due:					
In one year or less		6,600	3,002		
Between one and two years		7,600	3,002		
Between two and five years		44,700	35,298		
		<u>58,900</u>	<u>41,302</u>		
17 The funds of the charity: current year	Opening balance	Resources arising	Resources utilised	Other movements	Closing balance
	£	£	£	£	£
<u>Restricted funds</u>					
Restricted funds	5,333	51,170	(51,170)	-	5,333
<u>Unrestricted funds</u>					
General funds	(32,856)	307,585	(346,161)	-	(71,432)
	<u>(27,523)</u>	<u>358,755</u>	<u>(397,331)</u>	<u>-</u>	<u>(66,099)</u>
18 The funds of the charity: prior year	Opening balance	Resources arising	Resources utilised	Other movements	Closing balance
	£	£	£	£	£
<u>Restricted funds</u>					
Restricted funds	91,634	80,271	(166,572)	-	5,333
<u>Unrestricted funds</u>					
General funds	83,099	499,836	(615,791)	-	(32,856)
	<u>174,733</u>	<u>580,107</u>	<u>(782,363)</u>	<u>-</u>	<u>(27,523)</u>

Kahaila Limited

(A Charity Company Limited by Guarantee, company number 7356380)

Notes to the Accounts

for the year ended 31 December 2021

19 Restricted funds: current year	Opening balance	Incoming resources	Resources expended	Transfers & gains/(losses)	Closing balance
	£	£	£	£	£
Coronavirus Job Retention Scheme (CJRS)	-	51,170	51,170	-	-
Comic Relief	5,333	-	-	-	5,333
	<u>5,333</u>	<u>51,170</u>	<u>51,170</u>	<u>-</u>	<u>5,333</u>

20 Restricted funds: prior year	Opening balance	Incoming resources	Resources expended	Transfers & gains/(losses)	Closing balance
	£	£	£	£	£
Coronavirus Job Retention Scheme (CJRS)	-	80,271	80,271	-	-
Comic Relief	5,333	-	-	-	5,333
Merton Refuge	70,801	-	70,801	-	-
Reflex (Essence)	15,500	-	15,500	-	-
	<u>91,634</u>	<u>80,271</u>	<u>166,572</u>	<u>-</u>	<u>5,333</u>

Restricted funds (continued)

Projects financed by restricted funds are supported by unrestricted funding where necessary. This occurs where the funding is in arrears or the incidence of expenditure on the project occurs disproportionately at the beginning of the project compared to the income flows. Where restricted projects end the year with a deficit, this is met by after year-end restricted income or transfers from unrestricted funds.

Coronavirus Job Retention Scheme (CJRS)	The CJRS was introduced to help employers who cannot maintain their current workforce because their operations are affected by the COVID-19 outbreak. The amount relates to the furlough claims made to HMRC during the year. All the amounts received from the claims have been paid to the employees who the claims relate to.
Comic Relief	Grant for salaries for full time project manager/support worker (Luminary) and part time support worker for the victims of trafficking.

21 Net assets attributable to funds: current year	General funds	Designated funds	Restricted funds	Endowment funds	Total
		£	£	£	£
Tangible fixed assets	759	-	-	-	759
Current assets	52,869	-	5,333	-	58,202
Current liabilities	(72,760)	-	-	-	(72,760)
Long term liabilities	(52,300)	-	-	-	(52,300)
Net assets represented by funds	<u>(71,432)</u>	<u>-</u>	<u>5,333</u>	<u>-</u>	<u>(66,099)</u>

22 Net assets attributable to funds: prior year	General funds	Designated funds	Restricted funds	Endowment funds	Total
		£	£	£	£
Tangible fixed assets	1,500	-	-	-	1,500
Current assets	63,898	-	5,333	-	69,231
Current liabilities	(59,954)	-	-	-	(59,954)
Long term liabilities	(38,300)	-	-	-	(38,300)
Net assets represented by funds	<u>(32,856)</u>	<u>-</u>	<u>5,333</u>	<u>-</u>	<u>(27,523)</u>

23 Taxation

The company is a registered charity. Accordingly, it is exempt from taxation in respect of income and capital gains to the extent that these are applied to its charitable objects.

24 Post balance sheet events

There were no significant post balance sheet events.

Kahaila Limited

(A Charity Company Limited by Guarantee, company number 7356380)

Notes to the Accounts

for the year ended 31 December 2021

25 Pension commitments

The charitable company contributes to employee defined contribution (DC) stakeholder pension schemes. The assets of the schemes are held separately from those of the charitable company in independently administered funds.

26 Other financial commitments

At 31 December 2021, the charitable company had total commitments under non-cancellable operating leases over the remaining life of those leases of £76,500 (2020: £193,500).

27 Contingent liabilities

The charitable company had no material contingent liabilities at 31 December 2021 nor at 31 December 2020.

28 Related parties

Burning Tree Tea Limited and Three Cords Coffee supplies tea and coffee to Kahaila Limited.

The CEO of Kahaila Limited directly owns a fifty per cent share in both Burning Tree Tea Ltd and Three Cords Coffee Ltd. The decision to purchase goods from Burning Tree Tea and Three Cords Coffee was approved by the Kahaila Board of Trustees.

During the year 2021 Kahaila entered into the following transactions with Burning Tree Tea Ltd and Three Cords Coffee Ltd who are not a part of Kahaila Limited.

	Purchases
Burning Tree Tea	£45
Three Cords Coffee	£13,584

Sales of goods to Kahaila Limited were made at Burning Tree Tea Limited usual cost list price, less an average discount of ten per cent. Purchases were made at market price discounted to reflect the relationship between the parties.

29 Gifts in kind and volunteers

During the year the charitable company benefited from unpaid work performed by volunteers.

30 Company status

The company is limited by guarantee and has no share capital. The guarantors liability in the event the company is wound up is restricted to a maximum of £1 each.

KAHAILA LTD

England & Wales - Charity number 1138653

Accounts

Company number: 7356380

Charity number: 1138653

Kahaila Limited

(A Charity Company Limited by Guarantee, company number 7356380)

Financial Statements

and

Trustees' Report

for the year ended 31 December 2020

Kahaila Limited

(A Charity Company Limited by Guarantee, company number 7356380)

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Kahaila Limited

(A Charity Company Limited by Guarantee, company number 7356380)

Charitable Company Information for the year ended 31 December 2020

Status:	Kahaila Limited is a company limited by guarantee and a registered charity governed by its memorandum and articles of association. The directors of the charity are its trustees for the purposes of charity law and throughout this report are collectively referred to as the trustees.
Charity name:	Kahaila Limited
Company registration number:	7356380 England
Charity registration number:	1138653
Registered office:	135 Brick Lane London E1 6SB
Operations address:	135 Brick Lane London E1 6SB
Trustees who held office during the year:	William Garwood Steve Rouse Michael Stickland John Woolley Natalie Robinson Sally Harman
Chairperson:	John Woolley
Treasurer:	Michael Stickland
Secretary:	Paul Unsworth
Independent Examiner:	Anthony Armstrong FCA Armstrong & Co <i>Chartered Accountants & Statutory Auditor</i> 4a Printing House Yard Hackney Road London E2 7PR
Bankers:	CAF Bank Ltd 25 Kings Hill Avenue Kings Hill, West Malling, Kent ME19 4JQ HSBC 465 Bethnal Green Road London E2 9QW

Kahaila Limited

(A Charity Company Limited by Guarantee, company number 7356380)

Trustees' Report, incorporating the Directors' Report for the year ended 31 December 2020

The Trustees of Kahaila Limited present their report together with the financial statements for the year ended 31 December 2020.

Trustees

The Trustees of the charity who held office during the year are disclosed on page 3.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Kahaila Limited is a company limited by guarantee, incorporated on 25 August 2010 and registered as a charity on 28 October 2010. The company was established under a Memorandum of Association which established the objects and powers of the company and is governed under its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £1 each.

Public Benefit

In planning all the charity's activities the trustees take into account the Charity Commission guidance on public benefit and aim to meet its obligations both in spirit and in letter.

The charitable causes we are currently investing in are explained further in the report.

Board of Trustees

We have a minimum of three trustees and new trustees are appointed by agreement of the existing trustees. Potential trustees are provided with a detailed job description and invited to a board meeting. After completing the relevant paperwork, and approved, they are then voted on at the next Board meeting and must have the majority support of the Board.

Our trustees recognise that they have a duty to safeguard our assets and take steps to ensure that Kahaila Limited is being properly managed and that our funds are being spent appropriately.

The trustees ensure that major risks including; governance, operational, financial, external and compliance with legal requirements are identified and reviewed on a regular basis and that we have adequate systems in place to mitigate these risks.

In addition, the trustees ensure that Kahaila Limited has access to professional legal and financial advice where appropriate.

Meetings are held on average every three months. Trustees receive a quarterly activity report as well as financial and budgetary reports.

Management and Key Staff

Paul Unsworth is Kahaila Limited Director, and he communicates regularly with the Chair and members of the Board particularly in relation to major decisions on finance and strategy.

We have policies and procedures covering Health and Safety, Child Protection, Equal Opportunities, Finances and a staff handbook and volunteer handbook.

All our activities are well organised, risk assessed and supervised. A de-briefing takes place with staff and volunteers after each activity, results are written up and filed and any action to be taken is reported to the management.

Premises

A lease was signed for 5 years on 2nd April 2012 on 135 Brick Lane to provide premises from which the charity will operate in fulfilling its charitable objectives. This lease was renewed for an additional 6 years, on 2nd April 2017.

A lease was signed for 5 year on 16th April 2018 on Portsoken Pavilion, 1 Aldgate, London EC3N 1AF to provide premises for a second community café.

A rental agreement on a property owned by Frampton Park Road Baptist Church began on the 1st January 2017 for Ella's Home. This rental agreement was transferred to the new charity Ella's Home (1187529) on the 31st August 2020.

AIMS OBJECTIVES AND ACTIVITIES

Aims

As per our Governing Document, Kahaila Limited was established for; the advancement of the Christianity; the advancement of health and the preservation and protection of public health generally; the relief of persons who are in need, hardship of or distress and the prevention and relief of poverty; the advancement of education.

Kahaila Limited

(A Charity Company Limited by Guarantee, company number 7356380)

Trustees' Report, incorporating the Directors' Report for the year ended 31 December 2020

The Directors have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the aims and objectives and in planning future activities. In particular, the Directors consider how planned activities will contribute to the aims and objectives they have set. The main activities undertaken to further Kahaila's purposes for the public benefit are explained later in this report.

Objectives

Kahaila Limited aims to build community that brings life in all its fullness.

Therefore, we aim to

- Build healthy communities where all can have a sense of belonging regardless of their beliefs.
- Empower people to reach their God-given potential.
- Encourage people in their Christian faith and provide an environment that allows people to explore Christianity.
- Serve the poor by breaking the chains of injustice, getting rid of exploitation, setting free the oppressed.

Kahaila Limited fulfils its objectives through the following activities

A café that provides a forum for people to not only experience and build community in a fresh new way but also to allow them to explore faith in a non-threatening and comfortable place, where there is no pressure to be anything other than yourself.

A church community that gathers regularly in Brick Lane and Forest Gate, modelling our values of belonging, community, serving, faith and generosity.

The development of Kahaila's projects which are:

Ella's Home – A safe house providing a supportive place of recovery for women who have suffered from sexual exploitation and trafficking. Ella's Home offers an appropriate time frame and holistic plan for recovery and supports them back into life, community and freedom. Ella's Home also offers comprehensive support and advocate for women in accessing healthcare, immigration support, social services, pastoral and spiritual care, counseling, life skills development, English language teaching and employability training.

On the 31st August 2020, Kahaila's project Ella's Home was established as an independent charity named Ella's Home (charity no.1187529).

Essence - Based in a women's prison delivering non-formal education through accredited and innovative Life Skills courses, outreach, mentoring, and pastoral support to women in prison and as they resettle back into the community upon their release. We aim to empower women to break free from the destructive cycles they are caught in - equipping them with new skills, aiding successful resettlement and reduce re-offending.

BREW – An employability programme for members of the homeless community. We offer a barista training course and offer paid employment within our community café's. Through training and employment, we aim to create a sustainable solution for homeless people to rebuild their lives.

ACHIEVEMENTS AND PERFORMANCE

Our achievements against performance can be seen by comparing our objectives above against our activities.

FINANCIAL REVIEW

Results for the year

The results of the period and financial position of the charity are shown in the annexed financial statements.

The Statement of Financial Activities shows net expenditure for the year of £202,256 and reserves of £(27,523).

Reserves Policy

It is considered prudent that Kahaila Limited should aim to have a minimum level of general reserves of £27,000 to cover unforeseen circumstances and key salaries for three months and we are currently achieving this target.

Kahaila Limited, in line with its business plan and fundraising strategy, plans to maintain this level of reserves over the next three years through prudent management of income and expenditure.

Related Party Transactions

The Trustees confirm that Kahaila Limited had no related party transactions during the year.

Kahaila Limited

(A Charity Company Limited by Guarantee, company number 7356380)

Trustees' Report, incorporating the Directors' Report for the year ended 31 December 2020

Guarantees

Members on the board of Trustees of the charitable company guarantee to contribute an amount not exceeding £1 to the assets of the charitable company in the event of winding up. The total number of such guarantees at 31 December 2020 was 6. The Trustees have no beneficial interest in the charitable company.

Independent Examiner

The Independent Examiner, Anthony Armstrong FCA of Armstrong & Co, has indicated his willingness to be proposed for re-appointment.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the Board of Trustees on 26 August 2021 and signed on its behalf by:

John Woolley, Trustee

Kahaila Limited

(A Charity Company Limited by Guarantee, company number 7356380)

Statement of Trustees' Responsibilities for the year ended 31 December 2020

The trustees (who are the directors of Kahaila Limited for the purpose of company law) are responsible for preparing the Trustees Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (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 charitable company and of its incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- a) Select suitable accounting policies and apply them consistently;
- b) Observe the methods and principles in the Charities SORP;
- c) Make judgements and estimates that are reasonable and prudent;
- d) Follow applicable accounting standards and statements of recommended practice, subject to any material departures disclosed and explained in the accounts;
- e) Prepare the financial statements on the going concern basis unless it is inappropriate to assume that the charitable company will continue in operation.

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

Kahaila Limited

(A Charity Company Limited by Guarantee, company number 7356380)

Independent Examiner's Report to the Trustees of Kahaila Limited

I report on the accounts of Kahaila Limited for the period from 1 January 2020 to 31 December 2020, which are set out on pages 9 to 18.

This report is made solely to the trustees as a body in accordance with section 145 of the Charities Act 2011 (the Charities Act) and regulations made under section 154 of that Act. My examination has been undertaken so that I might state to the trustees those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the company and the trustees as a body, for my examination, for this report, or for the opinions I have formed.

Respective responsibilities of trustees and examiner

As described on page 7, 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 charity's trustees consider that an audit is not required for this year under section 144 of the Charities Act and that an independent examination is needed. The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of the Institute of Chartered Accountants in England and Wales (ICAEW).

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:

- a) examine the accounts under section 145 of the Charities Act;
- b) 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
- c) to state whether particular matters have come to my attention.

Basis of independent examiner's statement

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 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 which gives me cause to believe that in, any material respect:

- accounting records were not kept in accordance with section 386 of the Companies Act 2006 Act, or
- the accounts do not accord with such records; or
- the accounts do not comply with relevant accounting requirements under section 396 of the Companies Act 2006 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
- the accounts have not been prepared in accordance with the Charities SORP (FRS102).

I 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 accounts to be reached.

**Anthony Armstrong FCA, Independent Examiner
of Armstrong & Co**
Chartered Accountants & Statutory Auditor

Dated: 26 August 2021

**4a Printing House Yard
Hackney Road
London E2 7PR**

Kahaila Limited

(A Charity Company Limited by Guarantee, company number 7356380)

Statement of Financial Activities

incorporating the income and expenditure account
for the year ended 31 December 2020

		2020			2019
		Unrestricted Funds	Restricted Funds	Total Funds	Total Funds
Notes		£	£	£	£
Income from:					
Donations and legacies	3	174,307	-	174,307	315,063
Charitable activities	4	323,747	80,271	404,018	832,245
Trading activities	5	1,773	-	1,773	11,531
Investments	6	9	-	9	18
Total income		499,836	80,271	580,107	1,158,857
Expenditure on:					
Raising funds	7	7,799	-	7,799	26,993
Charitable activities	8	607,992	166,572	774,564	1,260,678
Total expenditure		615,791	166,572	782,363	1,287,671
Net income/(expenditure) and movement in funds		(115,955)	(86,301)	(202,256)	(128,814)
Reconciliation of funds:					
Total funds brought forward	16	83,099	91,634	174,733	303,547
Total funds carried forward		(32,856)	5,333	(27,523)	174,733

All incoming resources and resources expended are derived from continuing activities.

The statement of financial activities incorporates an income and expenditure account.

The accompanying accounting policies and notes form an integral part of these financial statements.

Kahaila Limited

(A Charity Company Limited by Guarantee, company number 7356380)

Statement of Financial Position

as at 31 December 2020

		31 December 2020		31 December 2019	
	Notes	£	£	£	£
Fixed assets:					
Tangible assets	10		1,500		721
Total fixed assets			<u>1,500</u>		<u>721</u>
Current assets:					
Stocks	11	2,500		2,500	
Debtors	12	34,969		44,000	
Cash at bank and In hand	13	<u>31,762</u>		<u>249,540</u>	
Total current assets		69,231		296,040	
Creditors: amounts falling due within one year	13	<u>59,954</u>		<u>85,305</u>	
Net current assets/(liabilities)			9,277		210,735
Total assets less current liabilities			<u>10,777</u>		<u>211,456</u>
Creditors: amounts falling due after more than one year	14		38,300		36,723
Total net assets			<u>(27,523)</u>		<u>174,733</u>
The funds of the charity:					
Restricted funds	18		5,333		91,634
Unrestricted funds	14		(32,856)		83,099
Total charity funds	20		<u>(27,523)</u>		<u>174,733</u>

The directors are satisfied that the company is entitled to exemption from audit under Section 477 of the Companies Act 2006 and that no member or members have requested an audit pursuant to section 476 of the Act.

The directors acknowledge their responsibilities for:

- (i) ensuring that the company keeps proper accounting records which comply with Section 386 of the Companies Act 2006; and
- (ii) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of the financial year and of its surplus or deficit for the financial year in accordance with the requirements of Section 394 and 395 of the Companies Act 2006, and which otherwise comply with the requirements of this act relating to accounts, so far as applicable to the charitable company.

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and with the Financial Reporting Standard 102.

The financial statements were approved by the Board of Trustees on 26 August 2021 and signed on its behalf by:

John Woolley
Trustee

The notes on pages 12 to 18 form part of these accounts.

Kahaila Limited

(A Charity Company Limited by Guarantee, company number 7356380)

Statement of Cash Flows

for the year ended 31 December 2020

	Notes	2020 £	2019 £
Cash flows from operating activities:			
Net cash provided by/(used in) operating activities	1	(216,268)	(128,386)
Cash flows from investing activities:			
Dividends, interest and rents from investments		9	18
Purchase of property, plant and equipment		(1,519)	-
Net cash provided by/(used in) investing activities		(1,510)	18
Change in cash and cash equivalents in the reporting period		(217,778)	(128,368)
Cash and cash equivalents at the beginning of the reporting period	2	249,540	377,908
Cash and cash equivalents at the end of the reporting period	2	31,762	249,540

Notes to the Cash Flow Statement

	2020 £	2019 £
1) Reconciliation of net income/(expenditure) to net cash flow from operating activities		
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	(202,256)	(128,814)
Adjustments for:		
Depreciation charges	740	360
Dividends, interest and rents from investments	(9)	(18)
(Increase)/decrease in debtors	9,031	12,634
Increase/(decrease) in creditors	(23,774)	(12,547)
Net cash provided by/(used in) operating activities	(216,268)	(128,386)
2) Analysis of cash and cash equivalents		
Cash in hand	31,762	249,540
Total cash and cash equivalents	31,762	249,540

Kahaila Limited

(A Charity Company Limited by Guarantee, company number 7356380)

Accounting Policies

for the year ended 31 December 2020

Basis of preparation

The financial statements have been prepared in accordance with:

- a) Applicable UK accounting standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)'.
- b) 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);
- c) the Companies Act 2006.
- d) the Charities Act 2011.

Public benefit entity

The charitable company meets the definition of a public benefit entity under FRS 102.

Going concern

The Kahaila Board of Trustees confirms their assumption that Kahaila Limited is a going concern and no significant uncertainty exists in this respect. The assumption is based on professional and legal advice from Weil, Gotshel and Manges LLP and insolvency specialist Phil Reynolds of FRP Advisory. As well as carrying out a cash flow forecast based on sales forecast and government support cash grants. The trustees have been monitoring the financial position on a regular basis, the minutes give an accurate account of the meetings and the decisions made.

Income recognition

Income is recognised when the charity has a contractual or other right to its receipt, it is probable that the income will be received and that the amount can be measured reliably. Income with conditions attached to its receipt is recognised when those conditions have been fulfilled.

Voluntary income received by way of donations and gifts is included in full when received. Donated services and facilities are recognised as an incoming resource where the provider of the service has incurred a financial cost. Volunteer time is not included in the financial statements.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

Expenditure recognition

Expenditure is accrued as soon as a liability is considered probable, and the amount of obligation can be measured reliably. The charity is registered for VAT and accordingly expenditure excludes VAT where appropriate.

Expenditure included in Raising Funds includes amounts incurred in obtaining grants and other donations.

Charitable expenditure includes those costs expended in fulfilling the charity's principal objects, as outlined in the Report of the Trustees. These include grants payable, governance costs and an apportionment of support costs.

- Grants payable are payments made to third parties in furtherance of the charity's objects. In the case of an unconditional grant offer this is accrued once the recipient has been notified of the grant award. The notification gives the recipient a reasonable expectation that they will receive the grant. Grants awards that are subject to the recipient fulfilling performance conditions are only accrued when the recipient has been notified of the grant and any remaining unfulfilled condition attaching to that grant is outside of the control of the charity.
- Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to the independent examination and legal fees.
- Rentals under operating leases are charged as incurred over the term of the lease.

Costs are allocated directly to projects where they can be identified as relating solely to that project. Other costs are allocated between the funds based on staff time spent on the fund activities or other appropriate criteria.

Restricted Funds

Restricted funds are to be used for specified purposes as laid down by the funder. Direct and support expenditure which meets these criteria are identified to the fund together with a fair allocation of other costs.

Unrestricted Funds

Unrestricted funds are funds received which have no restrictions placed on their use and are available as general funds.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

Kahaila Limited

(A Charity Company Limited by Guarantee, company number 7356380)

Accounting Policies

for the year ended 31 December 2020

Pensions

The charity operates defined contribution schemes which are administered by outside independent pensions providers. Contributions payable for the year are charged to the Statement of Financial Activities.

Tangible Fixed Assets

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Premises Improvements	- 25% on cost
Plant & machinery	- 25% on cost
Furniture & fixtures	- 25% on cost
Office equipment	- 25% on cost

Items of equipment are only capitalised where the purchase price exceeds £500.

Stocks

Stock is valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Kahaila Limited

(A Charity Company Limited by Guarantee, company number 7356380)

Notes to the Accounts

for the year ended 31 December 2020

1 Incoming resources

The incoming resources and surplus are attributable to the principal activities of the charity.

2 Net outgoing resources

Net outgoing resources are stated after charging:

	2020	2019
	£	£
Auditors fees - statutory audit services	-	2,500
Auditors fees - other services	-	1,000
Independent Examiner's fees - reporting service	1,200	-
Independent Examiner's fees - other services	500	-
Depreciation - owned assets	740	360
	<u>740</u>	<u>360</u>

Trustees' emoluments

	-	-
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Emoluments include salaries, fees, bonuses, expense allowances and estimated non-cash benefits receivable. All trustees serve in a voluntary capacity and do not receive payment for their services.

	Unrestricted	Restricted	2020 Total	2019 Total
	£	£	£	£
Gift aid tax recovered	7,584	-	7,584	17,052
Gifts and donations	166,723	-	166,723	298,011
	<u>174,307</u>	<u>-</u>	<u>174,307</u>	<u>315,063</u>

	Unrestricted	Restricted	2020 Total	2019 Total
	£	£	£	£
Cafe sales	194,619	-	194,619	806,867
Ella	64,128	-	64,128	25,378
Grant income	65,000	80,271	145,271	-
	<u>323,747</u>	<u>80,271</u>	<u>404,018</u>	<u>832,245</u>

	Unrestricted	Restricted	2020 Total	2019 Total
	£	£	£	£
BEAM income	300	-	300	500
Venue hire	1,473	-	1,473	11,031
	<u>1,773</u>	<u>-</u>	<u>1,773</u>	<u>11,531</u>

	Unrestricted	Restricted	2020 Total	2019 Total
	£	£	£	£
Interest Income	9	-	9	18
	<u>9</u>	<u>-</u>	<u>9</u>	<u>18</u>

	Unrestricted	Restricted	2020 Total	2019 Total
	£	£	£	£
Advertising and promotion	7,002	-	7,002	26,233
Website	797	-	797	760
	<u>7,799</u>	<u>-</u>	<u>7,799</u>	<u>26,993</u>

Kahaila Limited

(A Charity Company Limited by Guarantee, company number 7356380)

Notes to the Accounts

for the year ended 31 December 2020

8 Expenditure on charitable activities	Unrestricted	Restricted	2020 Total	2019 Total
	£	£	£	£
Staff salaries	308,863	166,572	475,435	647,446
Staff pensions	10,175	-	10,175	18,941
Café purchases	81,662	-	81,662	275,268
Café small equipment	10,286	-	10,286	26,052
Café rent, rates & maintenance	147,997	-	147,997	193,163
Café other costs	-	-	-	763
Café assets depreciation	740	-	740	360
Evangelism & ministry expenses	263	-	263	1,187
Gifts & donations	9,600	-	9,600	22,204
Conferences & training	1,857	-	1,857	7,562
Travel & meeting expenses	1,675	-	1,675	7,085
Office expenses	12,477	-	12,477	18,576
Miscellaneous expenses	9,654	-	9,654	17,256
Bank charges	720	-	720	1,521
Legal and professional fees	7,822	-	7,822	16,460
Payroll costs	2,501	-	2,501	3,334
Independent examiner's fees	1,700	-	1,700	-
Audit fees	-	-	-	3,500
	<u>607,992</u>	<u>166,572</u>	<u>774,564</u>	<u>1,260,678</u>

9 Staff costs	2020	2019
	£	£
Staff salaries	475,435	647,446
Staff pensions	10,175	18,940
	<u>485,610</u>	<u>666,386</u>
Average number of employees during the year was:	<u>34</u>	<u>44</u>

No remuneration was paid to any Trustee or their associates for services as a trustee during the year ended 31 December 2020 nor to 31 December 2019.

Employees paid in excess of £60,000 during the current year and previous year:	<u>-</u>	<u>-</u>
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10 Tangible fixed assets	Premises Improvements	Plant & machinery	Furniture & fixtures	Office equipment	Total
	£	£	£	£	£
Cost					
As at 1 January 2020	67,206	31,224	11,287	2,499	112,216
Additions		1,519	-	-	1,519
As at 31 December 2020	<u>67,206</u>	<u>32,743</u>	<u>11,287</u>	<u>2,499</u>	<u>113,735</u>
Depreciation					
As at 1 January 2020	67,206	31,224	10,566	2,499	111,495
Charge for the year		380	360	-	740
As at 31 December 2020	<u>67,206</u>	<u>31,604</u>	<u>10,926</u>	<u>2,499</u>	<u>112,235</u>
Net book value					
As at 31 December 2020	<u>-</u>	<u>1,139</u>	<u>361</u>	<u>-</u>	<u>1,500</u>
As at 31 December 2019	<u>-</u>	<u>-</u>	<u>721</u>	<u>-</u>	<u>721</u>

Kahaila Limited

(A Charity Company Limited by Guarantee, company number 7356380)

Notes to the Accounts

for the year ended 31 December 2020

11 Stocks	2020	2019			
	£	£			
Stock	2,500	2,500			
	<u>2,500</u>	<u>2,500</u>			
12 Debtors: amounts falling due within one year	2020	2019			
	£	£			
Rent deposit	34,400	44,000			
Prepayments	569	-			
	<u>34,969</u>	<u>44,000</u>			
13 Creditors: amounts falling due within one year	2020	2019			
	£	£			
Creditors	14,639	25,732			
VAT liability	3,145	7,274			
PAYE	3,430	9,652			
Accruals	35,738	26,151			
Loans < 12 mths	3,002	16,496			
	<u>59,954</u>	<u>85,305</u>			
14 Creditors: amounts falling due after more than one year	2020	2019			
	£	£			
Loans > 12 mths	38,300	36,723			
	<u>38,300</u>	<u>36,723</u>			
15 Maturity of debt	2020	2019			
	£	£			
Amount falling due:					
In one year or less	3,000	16,496			
Between one and two years	7,200	16,496			
Between two and five years	31,100	20,227			
	<u>41,300</u>	<u>53,219</u>			
16 The funds of the charity: current year	Opening balance	Resources arising	Resources utilised	Other movements	Closing balance
	£	£	£	£	£
<u>Restricted funds</u>					
Restricted funds	91,634	80,271	(166,572)	-	5,333
<u>Unrestricted funds</u>					
General funds	83,099	499,836	(615,791)	-	(32,856)
	<u>174,733</u>	<u>580,107</u>	<u>(782,363)</u>	<u>-</u>	<u>(27,523)</u>
17 The funds of the charity: prior year	Opening balance	Resources arising	Resources utilised	Other movements	Closing balance
	£	£	£	£	£
<u>Restricted funds</u>					
Restricted funds	325,023	34,266	(267,655)	-	91,634
<u>Unrestricted funds</u>					
General funds	(21,476)	1,124,591	(1,020,016)	-	83,099
	<u>303,547</u>	<u>1,158,857</u>	<u>(1,287,671)</u>	<u>-</u>	<u>174,733</u>

Kahaila Limited

(A Charity Company Limited by Guarantee, company number 7356380)

Notes to the Accounts

for the year ended 31 December 2020

18 Restricted funds: current year	Opening balance	Incoming resources	Resources expended	Transfers & gains/(losses)	Closing balance
	£	£	£	£	£
Coronavirus Job Retention Scheme (CJRS)	-	80,271	80,271	-	-
Comic Relief	5,333	-	-	-	5,333
Merton Refuge	70,801	-	70,801	-	-
Reflex (Essence)	15,500	-	15,500	-	-
	<u>91,634</u>	<u>80,271</u>	<u>166,572</u>	<u>-</u>	<u>5,333</u>

19 Restricted funds: prior year	Opening balance	Incoming resources	Resources expended	Transfers & gains/(losses)	Closing balance
	£	£	£	£	£
BWB Foundation	8,164	-	8,164	-	-
Comic Relief	54,397	4,900	53,964	-	5,333
East End Community Foundation	-	8,826	8,826	-	-
Lent appeal	-	5,040	5,040	-	-
Merton Refuge	259,194	-	188,394	-	70,801
Newby Trust	3,267	-	3,267	-	-
Reflex (Essence)	-	15,500	-	-	15,500
	<u>325,022</u>	<u>34,266</u>	<u>267,655</u>	<u>-</u>	<u>91,634</u>

Restricted funds (continued)

Projects financed by restricted funds are supported by unrestricted funding where necessary. This occurs where the funding is in arrears or the incidence of expenditure on the project occurs disproportionately at the beginning of the project compared to the income flows. Where restricted projects end the year with a deficit, this is met by after year-end restricted income or transfers from unrestricted funds.

BWB Foundation	Grant towards general costs of Ellas Home.
Coronavirus Job Retention Scheme (CJRS)	The CJRS was introduced to help employers who cannot maintain their current workforce because their operations are affected by the COVID-19 outbreak. The amount relates to the furlough claims made to HMRC during the year. All the amounts received from the claims have been paid to the employees who the claims relate to.
Comic Relief	Grant for salaries for full time project manager/support worker (Luminary) and part time support worker for the victims of trafficking.
East End Community	Grant towards costs of Luminary Bakery - Employability Training Programme.
Lent appeal	Grant towards general costs of Ellas Home.
Merton Refuge	Grant of £300,000 to provide temporary housing for female survivors of trafficking and sexual exploitation. £34,864 is restricted to the work of Ella's Home.
Newby Trust	Cost towards sponsoring apprentices.
Reflex (Essence)	Grant to cover salary costs of Community Development worker in 2020.

20 Net assets attributable to funds: current year	General funds	Designated funds	Restricted funds	Endowment funds	Total
		£	£	£	£
Tangible fixed assets	1,500	-	-	-	1,500
Current assets	63,898	-	5,333	-	69,231
Current liabilities	(59,954)	-	-	-	(59,954)
Long term liabilities	(38,300)	-	-	-	(38,300)
Net assets represented by funds	<u>(32,856)</u>	<u>-</u>	<u>5,333</u>	<u>-</u>	<u>(27,523)</u>

21 Net assets attributable to funds: prior year	General funds	Designated funds	Restricted funds	Endowment funds	Total
		£	£	£	£
Tangible fixed assets	721	-	-	-	721
Current assets	204,406	-	91,634	-	296,040
Current liabilities	(85,305)	-	-	-	(85,305)
Long term liabilities	(36,723)	-	-	-	(36,723)
Net assets represented by funds	<u>83,099</u>	<u>-</u>	<u>91,634</u>	<u>-</u>	<u>174,733</u>

Kahaila Limited

(A Charity Company Limited by Guarantee, company number 7356380)

Notes to the Accounts

for the year ended 31 December 2020

22 Taxation

The company is a registered charity. Accordingly, it is exempt from taxation in respect of income and capital gains to the extent that these are applied to its charitable objects.

23 Post balance sheet events

There were no significant post balance sheet events.

24 Pension commitments

The charitable company contributes to employee defined contribution (DC) stakeholder pension schemes. The assets of the schemes are held separately from those of the charitable company in independently administered funds.

25 Other financial commitments

At 31 December 2020, the charitable company had total commitments under non-cancellable operating leases over the remaining life of those leases of £193,500 (2019: £313,995).

26 Contingent liabilities

The charitable company had no material contingent liabilities at 31 December 2020 nor at 31 December 2019.

27 Related parties

Burning Tree Tea Limited supplies tea and coffee to Kahaila Limited (Three Cords Coffee is the trading name of the coffee business under Burning Tree Tea Ltd.) The CEO of Kahaila Limited directly owns a fifty per cent share in Burning Tree Tea Ltd. The decision to purchase goods from Burning Tree Tea and Three Cords coffee was approved by the Kahaila Board of Trustees.

During the year 2020 Kahaila entered into the following transactions with Burning Tree Ltd who are not a part of Kahaila Limited.

	Sale of goods in 2020
Burning Tree Tea	£364
Three Cords Coffee	£661

Sales of goods to Kahaila Limited were made at Burning Tree Limited usual cost list price, less an average discount of twenty per cent. Purchases were made at market price discounted to reflect the relationship between the parties.

28 Gifts in kind and volunteers

During the year the charitable company benefited from unpaid work performed by volunteers.

29 Company status

The company is limited by guarantee and has no share capital. The guarantors liability in the event the company is wound up is restricted to a maximum of £1 each.