

Charity Registration No. 1141320

Company Registration No. 07141262 (England and Wales)

LIV (UK)
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2021

LIV (UK)

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	M Pilavachi A Smith J Smith C Strevens M McLean Dr H Crow (Appointed 1 July 2021)
Charlty number	1141320
Company number	07141262
Registered office	15 Clarendon Road Watford Hertfordshire WD17 1JR
Independent examiner	John Wilson FCA ATII Howard Wilson Chartered Accountants 36 Crown Rise Watford Hertfordshire WD25 0NE
Bankers	CAF Bank 25 Kings Hill Avenue West Malling Kent ME19 4JQ

LIV (UK)

CONTENTS

	Page
Trustees' report	1 - 3
Statement of trustees' responsibilities	4
Independent examiner's report	5
Statement of financial activities	6
Balance sheet	7
Notes to the financial statements	8 - 13

LIV (UK)

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 JANUARY 2021

The trustees presents its report and financial statements for the year ended 31 January 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's [governing document], the Companies Act 2006 and "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 2019)".

Objectives and activities

The Objects as set out in the Charity's memorandum of association, its governing document, being primarily undertaken in South Africa but not restricted to this area, are

- (i) The relief of sickness and the promotion of good health
- (ii) The advancement of education
- (iii) The relief or prevention of poverty and financial hardship
- (iv) The advancement of Christian faith

LIV exists to raise the next generation of leaders in our nation. It is our mission, our purpose and our passion. We place vulnerable, parentless children into a family environment where they receive unconditional love, spiritual discipleship, care and nurturing and where all their physical needs are met.

LIV is partnering with government, business and the church to provide urgently needed holistic residential care, on a large scale, for the thousands of vulnerable and parentless children, with the core vision to 'Rescue a child, Restore a life, Raise a leader and Release a star'.

The Charity has continued to raise funds and develop awareness amongst people in the UK, through links with churches and schools.

The trustees has paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

LIV (UK)

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2021

Achievements and performance

The COVID 19 Global Pandemic continues to impact LIV Durban. Whilst here in the UK we are beginning to see the benefit of our vaccination programme and the end of government restrictions, at the time of writing, South Africa has returned to Level Four restrictions and are at Stage One of their vaccine programme, continuing the impact to the South African companies, organisations, churches and individuals who donate to the charity.

The LIV Durban Annual Report 31st December 2020 records 189 learners in formalised education, with 72 children receiving therapy. 15,000 people from the local community received food parcels during the worst months of lockdown, packed by staff, moms and children, and 4981 patients were seen at the LIV Owethu Community Clinic. LIV Durban complies with all SA COVID 19 protocol and continues to manage the changing levels of restrictions well, making the safety of the children, foster mothers and workers paramount. The LIV Durban community was deeply saddened by the death of two of their longest serving foster mothers, along with a member of staff. Two children also very sadly died, both of whom had long term health issues. We are grateful to those who placed the children within the safety of the village so that their final months were spent within families who loved and cared for them; fulfilling LIV's objectives so beautifully.

No new UK volunteers were able to join the village and the LIV4Change Discipleship programme is on hold indefinitely. In the past LIV UK has benefitted greatly from volunteers and students fundraising upon their return – a lost income stream and lost momentum.

Despite a tough year for fundraising, our highlights include our Christmas Campaign, raising the annual salary for an Early Child Development teacher; LIV2Run coach salary sponsorship; Oakham School's annual sponsored event; and an amazing £21,000 fundraiser to supply food and supplies to the local community. We are also extremely grateful that we have continued to be supported by churches, individuals and schools whose faithful monthly donations ensure a regular income stream to the village that supports the funds needed for basic needs.

Financial review

During the year the charity returned a deficit of £33,782 (2020 - surplus of £35,916) At the balance sheet date reserves were £26,640 (2020: £60,422). This deficit appertains to the February 2020 grant made to LIV Durban which included £35,000 of donations received in the previous financial year end 31st January 2020.

During this financial period the Charity made grants totaling £190,500 to Lungisisa Indlela Village in Durban, South Africa.

LIV UK will continue to predominantly raise funds for LIV Durban. Any funds received for other LIV sites will be clearly marked as such when grant monies are transferred.

Reserves policy

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

LIV UK now has a volunteer fundraiser who is targeting grants and trusts to support the LIV Durban School, specifically teachers' and educational psychologists' salaries.

We have welcomed a new trustee, Dr Helen Crow, a teacher and former volunteer teacher at LIV Durban School. With her knowledge & insight we are looking to partner LIV Durban school with UK schools by way of linking curriculum led joint projects. This will include a commitment from the UK schools to engage in pupil based fundraising initiatives.

LIV (UK)

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2021

Structure, governance and management

The Charity was established by Memorandum and Articles of Association under company number 07141262 and was recognised as a charity on 8th April 2011.

The members of the trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

M Pilavachi

A Smith

J Smith

C Strevens

M McLean

Dr H Crow

(Appointed 1 July 2021)

None of the members of the trustees has any beneficial interest in the company. All of the members of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

It has been agreed that, as part of the induction process for new trustees, before anyone considers appointment as trustee, they should familiarize themselves with the responsibilities of directors and charity trustees, read the Charity commission booklet on this subject and carefully read the Charity's Memorandum and Articles of Association and its latest financial statements.

The trustees' report was approved by the Trustees.



C Strevens

Trustee

Dated: 28 September 2021

LIV (UK)

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 JANUARY 2021

The trustees, who are also the directors of LIV (UK) for the purpose of company law, is responsible for preparing the Trustees' 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 charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the trustees is required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

LIV (UK)

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF LIV (UK)

I report to the trustees on my examination of the financial statements of LIV (UK) (the charity) for the year ended 31 January 2021.

Responsibilities and basis of report

As the trustees of the charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

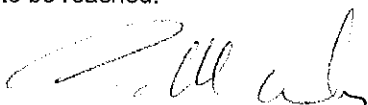
Having satisfied myself that the financial statements of the charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

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

- 1 accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act 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
- 4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.



John Wilson FCA ATII

Howard Wilson Chartered Accountants
36 Crown Rise
Watford
Hertfordshire
WD25 0NE

Dated: 28 September 2021

LIV (UK)

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 JANUARY 2021

	Notes	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
Income from:							
Donations and legacies	3	103,976	10,000	113,976	120,401	6,764	127,165
Charitable activities	4	46,119	-	46,119	62,780	-	62,780
Other trading activities	5	395	-	395	8,390	-	8,390
Total income		150,490	10,000	160,490	191,571	6,764	198,335
Expenditure on:							
Raising funds	6	5	-	5	282	-	282
Charitable activities	7	193,754	513	194,267	159,801	2,336	162,137
Total resources expended		193,759	513	194,272	160,083	2,336	162,419
Net (expenditure)/income for the year/							
Net movement in funds		(43,269)	9,487	(33,782)	31,488	4,428	35,916
Fund balances at 1 February 2020							
		55,994	4,428	60,422	24,506	-	24,506
Fund balances at 31 January 2021							
		12,725	13,915	26,640	55,994	4,428	60,422

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

LIV (UK)

BALANCE SHEET

AS AT 31 JANUARY 2021

	Notes	2021 £	£	2020 £	£
Current assets					
Cash at bank and in hand		27,390		61,172	
Creditors: amounts falling due within one year	11	(750)		(750)	
Net current assets			26,640		60,422
Income funds					
Restricted funds	12		13,915		4,428
Unrestricted funds			12,725		55,994
			26,640		60,422

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 January 2021.

The directors acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on 28 September 2021



C Stevens
Trustee

Company Registration No. 07141262

LIV (UK)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2021

1 Accounting policies

Charity information

LIV (UK) is a private company limited by guarantee incorporated in England and Wales. The registered office is 15 Clarendon Road, Watford, Hertfordshire, WD17 1JR.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's [governing document], the Companies Act 2006 and "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 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

At the time of approving the financial statements, despite the ongoing and potential effects of COVID-19, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. The trustees continue to adopt the going concern basis of accounting in preparing the financial statements and no adjustments to the results or the carrying values declared in these financial statements are required, and none have been made.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

1.5 Expenditure

Resources expended are included in the Statement of Financial Activities on an accruals basis inclusive of VAT.

LIV (UK)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2021

1 Accounting policies

(Continued)

1.6 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2021 £	2021 £	2021 £	2020 £	2020 £	2020 £
Donations and gifts	103,976	10,000	113,976	120,401	6,764	127,165

LIV (UK)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2021

4 Charitable activities

	2021 £	2020 £
Fundraising activities	46,119	18,780
Discipleship Programme	-	44,000
	<u>46,119</u>	<u>62,780</u>

5 Other trading activities

	2021 £	2020 £
Clothing and Craft Sales	<u>395</u>	<u>8,390</u>

6 Raising funds

	Unrestricted funds 2021 £	Unrestricted funds 2020 £
<u>Fundraising and publicity</u>		
Advertising	<u>5</u>	<u>282</u>
	<u>5</u>	<u>282</u>

LIV (UK)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2021

7 Charitable activities

	2021 £	2020 £
Premises costs	-	400
Insurance costs	443	676
Office costs	428	314
Travel costs	-	613
Moving expenses	-	750
General expenses	973	829
LIV Student Hosting	-	2,336
Events and festival costs	145	2,916
Bank charges and other finance costs	1,028	1,553
Governance costs	750	750
	<u>3,767</u>	<u>11,137</u>
Grant funding of activities (see note 8)	<u>190,500</u>	<u>151,000</u>
	<u>194,267</u>	<u>162,137</u>
Analysis by fund		
Unrestricted funds	193,754	
Restricted funds	513	
	<u>194,267</u>	
For the year ended 31 January 2020		
Unrestricted funds		159,801
Restricted funds		2,336
		<u>162,137</u>

Governance costs comprise independent examiner's fees of £750 (2020 - £750).

8 Grants payable

	2021 £	2020 £
Grants to institutions:		
LIV South Africa	<u>190,500</u>	<u>151,000</u>

9 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

LIV (UK)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2021

10 Employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
Directors / Trustees	5	5

There were no employees whose annual remuneration was £60,000 or more.

11 Creditors: amounts falling due within one year

	2021 £	2020 £
Accruals and deferred income	750	750

12 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds			Movement in funds		
	Incoming resources	Resources expended	Balance at 1 February 2020	Incoming resources	Resources expended	Balance at 31 January 2021
	£	£	£	£	£	£
LIV Durban Fund	6,764	(2,336)	4,428	-	(513)	3,915
Boltini Trust	-	-	-	10,000	-	10,000
	<u>6,764</u>	<u>(2,336)</u>	<u>4,428</u>	<u>10,000</u>	<u>(513)</u>	<u>13,915</u>

The LIV Durban fund is for living expenses for two LIV Durban students whilst in the UK and for their further education.

The Boltini Trust donation is for the purchase of containers and the drawing up of plans for the Early Child Development centre for LIV Cape Town.

LIV (UK)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2021

13 Analysis of net assets between funds

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
Fund balances at 31 January 2021 are represented by:						
Current assets/ (liabilities)	12,725	13,915	26,640	55,994	4,428	60,422
	<u>12,725</u>	<u>13,915</u>	<u>26,640</u>	<u>55,994</u>	<u>4,428</u>	<u>60,422</u>

14 Related party transactions

There were no disclosable related party transactions during the year (2020 - none).