

Charity registration number 1141320

Company registration number 07141262 (England and Wales)

**LIV (UK)**  
**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JANUARY 2022**

## LIV (UK)

### LEGAL AND ADMINISTRATIVE INFORMATION

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

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# **LIV (UK)**

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## **LIV (UK)**

### **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 JANUARY 2022**

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The trustees present their annual report and financial statements for the year ended 31 January 2022.

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 have 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 2022**

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#### **Achievements and performance**

Despite Covid 19 restrictions being somewhat lifted during this financial year, travel to South Africa did not return fully until the beginning of 2022 making it difficult for volunteers to make arrangements. This certainly impeded fundraising and establishing new connections.

The LIV Durban Village Annual Report 31st December 2021 shows there were 188 children supported by a team of foster mothers, social workers, therapists, teachers along with resident staff who support the daily care of each child. LIV Durban celebrated ten years of the first mothers and children moving onto the village and we are all extremely grateful for the support of our faithful LIV family both in South Africa and in the UK, who have continued to give generously throughout the on-going global difficulties. LIV UK remains grateful to our regular individual donors, churches and schools.

"We also want to acknowledge that for many in the last season of COVID, continuing to give will have come at a big sacrifice. We are truly grateful you have continued to walk with us as we, our amazing mothers and village family raise the children to the best of our ability." Jonathon & Carita McCrie, Village Leaders.

Each school age child has a psychological & academic assessment allowing the teachers to support learner's individual needs. Over the years it has become an increasing struggle to meet these widespread individual needs so a restructure to include Teneo School on-line learning will support mainstream students alongside the new Technical Occupation Class programme. In 2021, 12 students were released into further education & apprenticeships. We continue to run the Welding School.

75 children received therapy and LIV UK continues to apply for grant funding to support this vital aspect of the children's restoration. LIV also relaunched the Equine Assisted Therapy centre which is of great benefit to children who have gone through trauma, abuse and neglect. LIV2RUN and LIV2Ride are two further initiatives that enable the children with their journeys, offering opportunities to grow in confidence & communication as well as physical aspects of development.

LIV Creative continues to train up local women to sew and their most recent partnership with the Nomcebo Zikode Foundation enables them to produce low-cost, eco-friendly reusable sanitary pads to sell. These pads are also provided to girls and young women who would ordinarily miss school due to period poverty.

7,674 patients were seen at the LIV Owethu Community Clinic. LIV's vision is always to support its' local community of Cottonlands, creating 124 jobs for local people. During the KwaZulu-Natal riots in July 2021, with the help of their partners, LIV Durban were able to support themselves, their local community and 30 other local NGOs. LIV UK ran an emergency appeal and we were overwhelmed by the financial support given, helping to provide 5 tons of perishable food: 12.3 tons of non-perishable food products: 2 tons of cleaning & sanitary products and 12 tons of water

As trustees of LIV UK we remain committed to raise awareness and funds to support the crucial work to rescue, restore, raise and release the children who are placed in the care of LIV Durban.

#### **Financial review**

During the year the charity returned a deficit of £13,282 (2021 - £33,782 (deficit)). At the balance sheet date reserves were £13,358 (2021: £26,640).

This deficit appertains to the April 2021 grant made to LIV Durban which included £13,500 of donations received in the previous financial year end 31st January 2021.

The charity has reported deficits in both the last two financial years. The Trustees have been fully aware of this and have agreed this. The deficits have occurred due to funds previously held being distributed to projects and operations in South Africa which had been delayed previously due in part to Covid restrictions.

During this financial period the Charity made grants totaling £199,026 to Lungisisa Indlela Village in Durban, South Africa and £1,250 to LIV Cape Town, 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.

## LIV (UK)

### TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2022

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#### 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 considers 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.

#### 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 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 trustees has any beneficial interest in the company. All 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 Board of Trustees.



C Strevens

Trustee

Dated: 21 September 2022

## **LIV (UK)**

### **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

***FOR THE YEAR ENDED 31 JANUARY 2022***

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The trustees, who are also the directors of LIV (UK) for the purpose of company law, are 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 are 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

# LIV (UK)

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

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I report to the trustees on my examination of the financial statements of LIV (UK) (the charity) for the year ended 31 January 2022.

### 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).

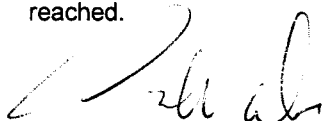
Having satisfied myself that the financial statements of the charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's financial statements carried out under section 145 of the Charities Act 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: 21 September 2022



# LIV (UK)

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 JANUARY 2022

	Notes	Unrestricted funds 2022 £	Restricted funds 2022 £	Total Unrestricted funds 2022 £	Restricted funds 2021 £	Total 2021 £
<b>Income from:</b>						
Donations and legacies	3	152,388	-	152,388	103,976	113,976
Charitable activities	4	37,365	-	37,365	46,119	46,119
Other trading activities	5	-	-	-	395	395
<b>Total income</b>		<b>189,753</b>	<b>-</b>	<b>189,753</b>	<b>150,490</b>	<b>160,490</b>
<b>Expenditure on:</b>						
Raising funds	6	264	-	264	5	5
Charitable activities	7	188,856	13,915	202,771	193,754	194,267
<b>Total expenditure</b>		<b>189,120</b>	<b>13,915</b>	<b>203,035</b>	<b>193,759</b>	<b>194,272</b>
<b>Net income/(expenditure) for the year/</b>						
<b>Net movement in funds</b>		<b>633</b>	<b>(13,915)</b>	<b>(13,282)</b>	<b>(43,269)</b>	<b>(33,782)</b>
Fund balances at 1 February 2021		12,725	13,915	26,640	55,994	60,422
<b>Fund balances at 31 January 2022</b>		<b>13,358</b>	<b>-</b>	<b>13,358</b>	<b>12,725</b>	<b>26,640</b>

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 2022

	Notes	2022 £	£	2021 £	£
<b>Current assets</b>					
Cash at bank and in hand		14,108		27,390	
<b>Creditors: amounts falling due within one year</b>	11	(750)		(750)	
Net current assets			13,358		26,640
<b>Income funds</b>					
Restricted funds	12		-		13,915
Unrestricted funds			13,358		12,725
			13,358		26,640

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 2022.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

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 21 September 2022

  
C. Strevens  
Trustee

Company registration number 07141262

# LIV (UK)

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 JANUARY 2022

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#### 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, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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 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, 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.

##### 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.

## LIV (UK)

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2022

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#### 1 Accounting policies

(Continued)

##### **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.

#### 1.7 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### 2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are 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.

## LIV (UK)

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2022

#### 3 Donations and legacies

	Unrestricted funds	Unrestricted funds	Restricted funds	Total
	2022 £	2021 £	2021 £	2021 £
Donations and gifts	152,388	103,976	10,000	113,976

#### 4 Charitable activities

	2022 £	2021 £
Fundraising activities	34,865	46,119
Grants received	2,500	-
	<u>37,365</u>	<u>46,119</u>
Pignatelli Foundation	2,500	-
	<u>2,500</u>	<u>-</u>

#### 5 Other trading activities

	2022 £	2021 £
Clothing and Craft Sales	-	395

# LIV (UK)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2022

### 6 Raising funds

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
<u>Fundraising and publicity</u>		
Advertising	264	5
	<u>264</u>	<u>5</u>

### 7 Charitable activities

	2022	2021
	£	£
Insurance costs	396	443
Office costs	54	428
Travel costs	151	-
General expenses	405	973
Events and festival costs	(16)	145
Bank charges and other finance costs	754	1,028
Governance costs	750	750
	<u>2,494</u>	<u>3,767</u>
Grant funding of activities (see note 8)	200,277	190,500
	<u>202,771</u>	<u>194,267</u>
<b>Analysis by fund</b>		
Unrestricted funds	188,856	
Restricted funds	13,915	
	<u>202,771</u>	
<b>For the year ended 31 January 2021</b>		
Unrestricted funds		193,754
Restricted funds		513
		<u>194,267</u>

Governance costs comprise independent examiner's fees of £750 (2021 - £750).

## LIV (UK)

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2022

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#### 8 Grants payable

	2022 £	2021 £
Grants to institutions: LIV South Africa	200,277	190,500

#### 9 Trustees

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

#### 10 Employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
Directors / Trustees	6	5

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

#### 11 Creditors: amounts falling due within one year

	2022 £	2021 £
Accruals and deferred income	750	750

## LIV (UK)

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2022

#### 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				
	Balance at 1 February 2020	Incoming resources	Resources expended	Balance at 1 February 2021	Resources expended
	£	£	£	£	£
LIV Durban Fund	4,428	-	(513)	3,915	(3,915)
Boltini Trust	-	10,000	-	10,000	(10,000)
	<u>4,428</u>	<u>10,000</u>	<u>(513)</u>	<u>13,915</u>	<u>(13,915)</u>
	<u>4,428</u>	<u>10,000</u>	<u>(513)</u>	<u>13,915</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.

#### 13 Analysis of net assets between funds

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
Fund balances at 31 January 2022 are represented by:						
Current assets/ (liabilities)	13,358	-	13,358	12,725	13,915	26,640
	<u>13,358</u>	<u>-</u>	<u>13,358</u>	<u>12,725</u>	<u>13,915</u>	<u>26,640</u>

#### 14 Related party transactions

There were no disclosable related party transactions during the year (2021 - none).