

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 2023

LIV (UK)

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	A Smith J Smith C Strevens M McLean Dr H Crow
Charity 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

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TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 JANUARY 2023

The trustees present their annual report and financial statements for the year ended 31 January 2023.

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.

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TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2023

Achievements and performance

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.

This year, LIV Durban has supported 159 foster children and 32 foster mothers. 235 therapy intervention plans were delivered, 216 people received free education, 128 people were employed, and 6,310 patients received care from LIV Clinic. Since 2018, 46 children have progressed onto further opportunities.

Education remains a key pillar to the restoration of each child. The Foundation Phase is critical for every child and their development. We have therefore focused a lot on improving our Preparatory School. We have done this through improving IT Skills Development, Robotics, Numeracy and Literacy Skills Development in partnership with iSchool Africa. They have invested almost a million rand into the programme, which includes Training and Development workshops, 35 top of the range iPads, licenced software and programmes for all the skills above, as well as equipment for coding and robotics. These foundations are helping set our children up for a future where technology is changing rapidly, and in the future we are hoping to add Coding and Robotics as part of the curriculum. There is also a huge emphasis placed on mathematics, literacy and science. Over 15 Educational Psychology assessments have taken place since February and over 90% of the children assessed have presented with some degree of learning difficulties, ADHD or both, meaning we need to invest more in ways to focus on clearer pathways and support for students with learning barriers to ensure no child is left behind. This is part of the greater vision of the school.

As part of the vision we believe in creating lifelong learners amongst staff, children and parents, and are excited that most of our mothers have committed in furthering their studies and helping in school as teacher assistants.

LIV Training continues to provide opportunities for further education through the welding academy, computer school and Promiseland Garden.

A statement from our LIV Durban village leaders,

'Wonderfully, we have had a lot of new children join the village. What joy we all experience as children are added to the family. We know that as their journey of restoration and hope begins, all things become possible! Because of this blessing we also had to find more mothers, and we found so much gold. They have settled wonderfully and are doing a great job. Our testimony here is that we are all being restored, raised and released together, and in a myriad of ways. We love seeing the LIV family grow.'

For children who have been calling LIV home for some time, we are grateful to say that they have benefitted from a new online classroom, sports opportunities, music and choir development, trips, a youth festival, great holiday clubs and so much more. Our children in a space of "release" have worked with us to have opportunities such as university, college, jobs, internships, gap years and skills development.'

Financial review

During the year the charity returned a surplus of £15,987 (2022 - £13,282 (deficit)). At the balance sheet date reserves were £29,345 (2022: £13,358).

During this financial period the Charity made grants totalling £113,550 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 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

LIV (UK)

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2023

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 (Resigned 26 April 2023)

A Smith

J Smith

C Strevens

M McLean

Dr H Crow

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: 23 September 2023

LIV (UK)

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 JANUARY 2023

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; 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)

I report to the trustees on my examination of the financial statements of LIV (UK) (the charity) for the year ended 31 January 2023.

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.

Campbell Wilson

John Wilson FCA ATII

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

Dated: 23 September 2023

LIV (UK)

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 JANUARY 2023

	Notes	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
<u>Income from:</u>							
Donations and legacies	3	130,820	1,450	132,270	152,388	-	152,388
Charitable activities	4	-	-	-	37,365	-	37,365
Other trading activities	5	69	-	69	-	-	-
Investments	6	15	-	15	-	-	-
Total income		<u>130,904</u>	<u>1,450</u>	<u>132,354</u>	<u>189,753</u>	<u>-</u>	<u>189,753</u>
<u>Expenditure on:</u>							
Raising funds	7	<u>14</u>	<u>-</u>	<u>14</u>	<u>264</u>	<u>-</u>	<u>264</u>
Charitable activities	8	<u>114,903</u>	<u>1,450</u>	<u>116,353</u>	<u>188,856</u>	<u>13,915</u>	<u>202,771</u>
Total expenditure		<u>114,917</u>	<u>1,450</u>	<u>116,367</u>	<u>189,120</u>	<u>13,915</u>	<u>203,035</u>
Net income/(expenditure) for the year/							
Net movement in funds		15,987	-	15,987	633	(13,915)	(13,282)
Fund balances at 1 February 2022							
		<u>13,358</u>	<u>-</u>	<u>13,358</u>	<u>12,725</u>	<u>13,915</u>	<u>26,640</u>
Fund balances at 31 January 2023		<u>29,345</u>	<u>-</u>	<u>29,345</u>	<u>13,358</u>	<u>-</u>	<u>13,358</u>

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.

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BALANCE SHEET

AS AT 31 JANUARY 2023

	Notes	2023 £	£	2022 £	£
Current assets					
Cash at bank and in hand		30,095		14,108	
Creditors: amounts falling due within one year	13	<u>(750)</u>		<u>(750)</u>	
Net current assets			29,345		13,358
Income funds					
Unrestricted funds			29,345		13,358
			<u>29,345</u>		<u>13,358</u>

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 2023.

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 23 September 2023



C Strevens
Trustee

Company registration number 07141262

LIV (UK)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2023

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, 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.

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.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2023

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.

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds
	2023 £	2023 £	2023 £	2022 £
Donations and gifts	130,820	1,450	132,270	152,388

LIV (UK)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2023

4 Charitable activities

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

5 Other trading activities

	2023 £	2022 £
Clothing and Craft Sales	69	-
	<u>69</u>	<u>-</u>

6 Investments

	Unrestricted funds	Total
	2023 £	2022 £
Interest receivable	15	-
	<u>15</u>	<u>-</u>

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2023

7 Raising funds

	Unrestricted funds	Unrestricted funds
	2023	2022
	£	£
<u>Fundraising and publicity</u>		
Advertising	14	264
	<u>14</u>	<u>264</u>

8 Charitable activities

	2023	2022
	£	£
Insurance costs	403	396
Office costs	182	54
Travel costs	543	151
General expenses	351	405
Events and festival costs	-	(16)
Bank charges and other finance costs	574	754
Governance costs	750	750
	<u>2,803</u>	<u>2,494</u>
Grant funding of activities (see note 9)	113,550	200,277
	<u>116,353</u>	<u>202,771</u>
Analysis by fund		
Unrestricted funds	114,903	
Restricted funds	1,450	
	<u>116,353</u>	
For the year ended 31 January 2022		
Unrestricted funds		188,856
Restricted funds		13,915
		<u>202,771</u>

Governance costs comprise independent examiner's fees of £750 (2022 - £750).

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2023

9 Grants payable

	2023 £	2022 £
Grants to institutions: LIV South Africa	113,550	200,277

10 Trustees

None of the trustees (or any persons connected with them) received any remuneration during the year, but 1 of them was reimbursed a total of £480 travelling expenses and 1 was reimbursed a total of £66 office expenses.

11 Employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
Directors / Trustees	5	6

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

12 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

13 Creditors: amounts falling due within one year

	2023 £	2022 £
Accruals and deferred income	750	750

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2023

14 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 2021	Resources expended	Balance at 1 February 2022	Incoming resources	Resources expended
	£	£	£	£	£
LIV Durban Fund	3,915	(3,915)	-	-	-
Boltini Trust	10,000	(10,000)	-	-	-
Accommodation Fund	-	-	-	1,450	(1,450)
	<u>13,915</u>	<u>(13,915)</u>	<u>-</u>	<u>1,450</u>	<u>(1,450)</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.

The Accommodation Fund is to cover the university accommodation costs of a student.

15 Related party transactions

There were no disclosable related party transactions during the year (2022 - none).