

LIVING WISDOM WORD MINISTRY

Charity No. 1143930

Trustees' Report and Unaudited Accounts

31 December 2020

	Pages
Trustees' Annual Report	1
Independent Examiner's Report	2
Statement of Financial Activities	3
Summary Income and Expenditure Account	4
Balance Sheet	5
Statement of Cash flows	6
Notes to the Accounts	7
Detailed Statement of Financial Activities	8 to 19

The Trustees present their report with the unaudited financial statements of the charity for the year ended 31 December 2020.

REFERENCE AND ADMINISTRATIVE DETAILS

Charity No. 1143930

Principal Office

25 Church Street
Eccles
Manchester
M30 0BJ

Registered Office

25 Church Street
Eccles
Manchester
M30 0BJ

Directors and Trustees

The following Trustees served during the year:

A.I. ADELOWO
A.C. Adelowo
J. Adeyinka
T.R.C. Akinosho
R.M. Thomas

Key Management Personnel

Chair	Pastor Adebisi Christopher Adelowo
Trustee	Pastor John Femi Adeyinka
Trustee	Dr Abiola Iranade Adelowo
Trustee	Pastor Rufus Micheal Thomas
Trustee	Timothy Rotimi Clark Akinosho

Accountants

Fredricks Accountants & Co
Suite 204
133 Creek Road
Greenwich
London
SE8 3BU

Bankers

Barclays Bank PLC
Woolwich New Road,
London

OBJECTIVES AND ACTIVITIES

The Charity is constituted under a Trust Deed dated 23 September 2011, and Charity number is 1143930 on the central register of the Charity Commission of England and Wales. The principal objectives of the Charity are the advancement of the Christian faith worldwide and the relief of poverty.

Recruitment and Appointment of New Trustees

Trustees and Members of Committees are appointed by the Church Ministerial Board using the essential skill and assessment method. Priority is given to criteria required to have an effective and efficient Board and Committees. To this end, the Board is carefully grafted with the right mix of skills and experience to discharge its duties and ensure effective governance and management. The trustees serve a term of two years which is renewable at the discretion of the Board. The management of the charity is the responsibility of the Trustees who are appointed and co-opted under the terms of the Trust Deed.

Organizational Structure and Decision Making

The church is organized so that the trustees meet regularly to manage its affairs. There are a full-time Minister and Volunteers, who manage the day to day administration of the church.

ACHIEVEMENTS AND PERFORMANCE

The trustees are pleased to report that the Church continued to be successful spiritually by ministering to many people. The Church has improved in membership strength and is increasingly reaching out to the community. More focus and greater success were achieved in the area of Evangelism and community outreach.

Risk Management

The trustees have assessed the major risks to which the Charity is exposed, particularly those relating to the operations and finance and are satisfied with the risk management systems in place to mitigate any exposure. Risk is an everyday part of charitable activity and managing it effectively is essential if the trustees are to achieve their key objectives and safeguard their charity's funds and assets. Therefore the Charity has developed appropriate Risk Management Framework which consists of the Risk Management Policy and the Risk Management Procedures outline in the operational guidelines.

FINANCIAL REVIEW

The financial statements cover the operations of Living Wisdom Word Ministry, London. For the year ended 31 December 2020, the Statement of Financial Activities shows total incoming resources of £82,621 (2019:£61,112). This was spent mainly on charitable activities and total expenditure amounted to £87,576 (2019:£66,409). We closed the year with net loss resources of £4,955 (2017: £5,297). This deficit has been deducted from the reserves for use in future accounting periods.

Reserve Policy

The trustees have established a policy whereby the unrestricted funds not committed or invested in tangible fixed assets (the free reserve) held by the church should be 3 months of annual expenditure. At this level, the trustees feel that they would be able to continue the current activities of the church in the event of significant drop in funding.

PLANS FOR FUTURE PERIODS

The Church will continue to explore various ways of spreading the gospel of Christ effectively. Charity is looking to grow in membership and continue to develop its members to make a life-changing impact in society, plant more branches, open Bookshops, community choir and acquire its property.

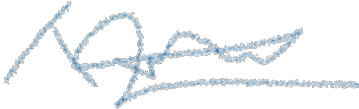
LIVING WISDOM WORD MINISTRY
Trustees Annual Report

Statement of Trustees Responsibility

The trustees 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). The law applicable to charities in England and Wales 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 of the charity for that period. In preparing these financial Statements, the Trustees are required to:

- a) Selects suitable accounting policies and then apply them consistently
- b) Observes the methods and principles in the Charities SORP;
- c) Make judgments and estimates that are reasonable and prudent.
- d) State whether applicable UK Accounting Standards have been followed, subject to any material departures explained in the financial statements.
- e) Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The above report has been prepared in accordance with the provisions applicable to companies subject to the small companies' regime as set out in Part 15 of the Companies Act 2006 and in accordance with the Charities SORP (FRS 102).



T.R.C. Akinosho
Trustee
03 December 2021

Independent Examiner's Report to the trustees of LIVING WISDOM WORD MINISTRY

I report to the charity trustees on my examination of the accounts of LIVING WISDOM WORD MINISTRY for the year ended 31 December 2020 which comprise the Statement of Financial Activities, the Summary Income and Expenditure Account, the Balance Sheet, the Statement of Cash Flows and the related notes.

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 accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act).

Having satisfied myself that the accounts 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 your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the 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 can confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that:

- accounting records were not kept in accordance with section 386 of the 2006 Act ; or
- the accounts do not accord with those records; or
- the accounts do not comply with the accounting requirements under 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
- the accounts have not been prepared in accordance with the Charities SORP (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 accounts to be reached.



Mr Adesina Otufale FCCA
Fredricks Accountants & Co
Suite 204
133 Creek Road
Greenwich
London
SE8 3BU
03 December 2021

LIVING WISDOM WORD MINISTRY
Statement of Financial Activities
for the year ended 31 December 2020

		Unrestricted		
		funds	Total funds	Total funds
		2020	2020	2019
	Notes	£	£	£
Income and endowments				
from:				
Donations and legacies	4	54,520	54,520	61,112
Interest income	5	10	10	-
Grant income	6	28,091	28,091	-
Total		82,621	82,621	61,112
Expenditure on:				
Charitable activities	7	-	-	4,400
Other	8	87,576	87,576	62,009
Total		87,576	87,576	66,409
Net gains on investments		-	-	-
Net expenditure	9	(4,955)	(4,955)	(5,297)
Transfers between funds		-	-	-
Net expenditure before other gains/(losses)		(4,955)	(4,955)	(5,297)
Other gains and losses				
Net movement in funds		(4,955)	(4,955)	(5,297)
Reconciliation of funds:				
Total funds brought forward		13,432	13,432	18,729
Total funds carried forward		8,477	8,477	13,432

LIVING WISDOM WORD MINISTRY
Summary Income and Expenditure Account
for the year ended 31 December 2020

	2020	2019
	£	£
Income	82,611	61,112
Interest and investment income	10	-
Gross income for the year	<u>82,621</u>	<u>61,112</u>
Expenditure	85,199	63,239
Depreciation and charges for impairment of fixed assets	2,377	3,170
Total expenditure for the year	<u>87,576</u>	<u>66,409</u>
Net expenditure before tax for the year	(4,955)	(5,297)
Net expenditure for the year	<u>(4,955)</u>	<u>(5,297)</u>

LIVING WISDOM WORD MINISTRY

Balance Sheet

at 31 December 2020

	Notes	2020 £	2019 £
Fixed assets			
Tangible assets	11	7,131	9,508
		7,131	9,508
Current assets			
Cash at bank and in hand		1,865	4,404
		1,865	4,404
Creditors: Amount falling due within one year	12	(519)	(480)
Net current assets		1,346	3,924
Total assets less current liabilities		8,477	13,432
Net assets excluding pension asset or liability		8,477	13,432
Total net assets		8,477	13,432
The funds of the charity			
Restricted funds	13		
Unrestricted funds	13		
General funds		8,477	13,432
		8,477	13,432
Reserves	13		
Total funds		8,477	13,432

These accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

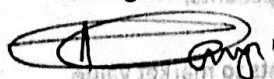
For the year ended 31 December 2020 the company was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

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

Approved by the board on 03 December 2021

And signed on its behalf by:



A.I. ADELOWO

Trustee

03 December 2021

for the year ended 31 December 2020

1 Accounting policies**Basis of preparation**

The financial statements have been prepared in accordance with 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)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Change in basis of accounting or to previous accounts

There has been no change to the accounting policies (valuation rules and method of accounting) since last year and no changes have been made to accounts for previous years.

Fund accounting

Unrestricted funds	These are available for use at the discretion of the trustees in furtherance of the general objects of the charity.
Designated funds	These are unrestricted funds earmarked by the trustees for particular purposes.
Revaluation funds	These are unrestricted funds which include a revaluation reserve representing the restatement of investment assets at their market values.
Restricted funds	These are available for use subject to restrictions imposed by the donor or through terms of an appeal.

Income

Recognition of income	Income is included in the Statement of Financial Activities (SoFA) when the charity becomes entitled to, and virtually certain to receive, the income and the amount of the income can be measured with sufficient reliability.
Income with related expenditure	Where income has related expenditure the income and related expenditure is reported gross in the SoFA.
Donations and legacies	Voluntary income received by way of grants, donations and gifts is included in the the SoFA when receivable and only when the Charity has unconditional entitlement to the income.
Tax reclaims on donations and gifts	Income from tax reclaims is included in the SoFA at the same time as the gift/donation to which it relates.
Donated services and facilities	These are only included in income (with an equivalent amount in expenditure) where the benefit to the Charity is reasonably quantifiable, measurable and material.
Volunteer help	The value of any volunteer help received is not included in the accounts.
Investment income	This is included in the accounts when receivable.
Gains/(losses) on revaluation of fixed assets	This includes any gain or loss resulting from revaluing investments to market value at the end of the year.
Gains/(losses) on investment assets	This includes any gain or loss on the sale of investments.

Notes to the Accounts**Expenditure**

Recognition of expenditure	Expenditure is recognised on an accruals basis. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.
Expenditure on raising funds	These comprise the costs associated with attracting voluntary income, fundraising trading costs and investment management costs.
Expenditure on charitable activities	These comprise the costs incurred by the Charity in the delivery of its activities and services in the furtherance of its objects, including the making of grants and governance costs.
Grants payable	All grant expenditure is accounted for on an actual paid basis plus an accrual for grants that have been approved by the trustees at the end of the year but not yet paid.
Governance costs	These include those costs associated with meeting the constitutional and statutory requirements of the Charity, including any audit/independent examination fees, costs linked to the strategic management of the Charity, together with a share of other administration costs.
Other expenditure	These are support costs not allocated to a particular activity.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Tangible fixed assets and depreciation

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

Plant and machinery	25% Reducing Balance
Fixtures, fittings and equipment	25% Reducing Balance

Freehold investment property

Investment properties are measured initially at cost and subsequently at fair value at each balance sheet date and are not depreciated. All gains or losses are taken to the Statement of Financial Activities as they arise.

Stocks

Stock is included at the lower of cost or net realisable value. Donated items of stock are recognised at fair value which is the amount the charity would have been willing to pay for the items on the open market.

Trade and other debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. In the statement of financial position, bank overdrafts are shown within borrowings or current liabilities. In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the company's cash management.

Trade and other creditors

Short term creditors are measured at the transaction price. Other creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Research and development

Expenditure on research and development is written off in the year in which it is incurred.

Foreign currencies

Monetary assets and liabilities denominated in currencies other than the functional currency of the charity are translated at the rates of exchange prevailing at the end of the reporting period.

Transactions in currencies other than the functional currency of the charity are recorded at the rate of exchange on the date that the transaction occurred.

All exchange differences are taken into account in arriving at net income/expenditure.

Leased assets

Where the charity enters into a lease which entails taking substantially all the risks and rewards of ownership of an asset, the lease is treated as a finance lease.

Leases which do not transfer substantially all the risks and rewards of ownership to charity are classified as operating leases.

Assets held under finance leases are initially recognised as assets of the charity at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet date as a finance lease obligation. Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the charity's policy on borrowing costs.

Assets held under finance leases are depreciated in the same way as owned assets.

Operating lease payments are recognised as an expense on a straight-line basis over the lease term.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis.

Pension costs

The charity operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payments obligations. The contributions are recognised as expenses when they fall due. Amounts not paid are shown in accruals in the balance sheet. The assets of the plan are held separately from the company in independently administered funds.

Receipt of donated goods, facilities and services

All donated goods, facilities and services received are recognised within incoming resources and expenditure at an estimate of the value to the charity.

Notes to the Accounts

2 Company status

The company is a private company limited by guarantee and consequently does not have share capital.

3 Statement of Financial Activities - prior year

	Unrestricted funds 2019 £	Total funds 2019 £
Income and endowments from:		
Donations and legacies	61,112	61,112
Total	61,112	61,112
Expenditure on:		
Charitable activities	4,400	4,400
Other	62,009	62,009
Total	66,409	66,409
Net income	(5,297)	(5,297)
Net income before other gains/(losses)	(5,297)	(5,297)
Other gains and losses:		
Net movement in funds	(5,297)	(5,297)
Reconciliation of funds:		
Total funds carried forward	(5,297)	(5,297)

4 Income from donations and legacies

	Unrestricted £	Total 2020 £	Total 2019 £
Tithe and Offering	51,329	51,329	61,112
Building fund	2,941	2,941	-
Thanksgiving	250	250	-
	54,520	54,520	61,112

5 Income from investments

	Unrestricted £	Total 2020 £	Total 2019 £
Interest income	10	10	-
	10	10	-

Notes to the Accounts

6 Other income

	Unrestricted	Total 2020	Total 2019
	£	£	£
Grant income	28,091	28,091	-
	<u>28,091</u>	<u>28,091</u>	<u>-</u>

7 Expenditure on charitable activities

	Total 2020	Total 2019
	£	£
<i>Expenditure on charitable activities</i>		
Donation to other Ministries	-	4,400
<i>Governance costs</i>		
	<u>-</u>	<u>4,400</u>

8 Other expenditure

	Unrestricted	Total 2020	Total 2019
	£	£	£
Volunteer expenses	943	943	1,737
Employee costs	51,876	51,876	24,304
Motor and travel costs	1,648	1,648	4,668
Premises costs	20,305	20,305	17,486
Amortisation, depreciation, impairment, profit/loss on disposal of fixed assets	2,377	2,377	3,170
General administrative costs	9,169	9,169	10,064
Legal and professional costs	1,258	1,258	580
	<u>87,576</u>	<u>87,576</u>	<u>62,009</u>

9 Net expenditure before transfers

	2020	2019
	£	£
This is stated after charging:		
Depreciation of owned fixed assets	2,377	3,170

Notes to the Accounts

10 Staff costs

Salaries and wages	46,883	21,590
Social security costs	3,502	1,842
Pension costs	754	288
	<u>51,139</u>	<u>23,720</u>

No employee received emoluments in excess of £60,000.

The average monthly number of full time equivalent employees during the year was as follows:

	2020 Number	2019 Number
Mission/Evangelism	2	2
Administrative	1	1
Music	1	1
Youth Ministry	1	2
Children Ministry	1	1
	<u>6</u>	<u>7</u>

11 Tangible fixed assets

	Plant and machinery	Fixtures, fittings and equipment	Total
	£	£	£
Cost or revaluation			
At 1 January 2020	26,493	-	16,030
At 31 December 2020	<u>26,493</u>	<u>-</u>	<u>16,030</u>
Depreciation and impairment			
At 1 January 2020	20,768	-	12,247
Depreciation charge for the year	1,431	-	946
At 31 December 2020	<u>22,199</u>	<u>-</u>	<u>13,193</u>
Net book values			
At 31 December 2020	<u>4,294</u>	<u>-</u>	<u>2,837</u>
At 31 December 2019	<u>5,725</u>	<u>-</u>	<u>3,783</u>

12 Creditors:

amounts falling due within one year

	2020 £	2019 £
Other creditors	519	480
	<u>519</u>	<u>480</u>

13 Movement in funds

	At 1 January 2020	Incoming resources (including other gains/losses) £	Resources expended £	At 31 December 2020 £
Restricted funds:				
Unrestricted funds:				
General funds	13,432	82,621	(87,576)	8,477
Revaluation Reserves:				
Total funds	<u>13,432</u>	<u>82,621</u>	<u>(87,576)</u>	<u>8,477</u>

14 Analysis of net assets between funds

	Unrestricted funds £	Total £
Fixed assets	7,131	7,131
Net current assets	1,346	1,346
	<u>8,477</u>	<u>8,477</u>

15 Reconciliation of net debt

	At 1 January 2020 £	Cash flows £	At 31 December 2020 £
Cash and cash equivalents	4,404	(2,539)	1,865
	<u>4,404</u>	<u>(2,539)</u>	<u>1,865</u>
Net debt	<u>4,404</u>	<u>(2,539)</u>	<u>1,865</u>

16 Commitments

Operating lease commitments

Annual commitments under non-cancellable operating leases are as follows:

	2020 Land and buildings £	2020 Other £	2019 Land and buildings £	2019 Other £
Operating leases with expiry date:				

Pension commitments

	2020 £	2019 £
The pension cost charge to the company amounted to:	<u>754</u>	<u>288</u>

17 Related party disclosures

The Charity has not entered into any related party transaction during the year, nor are there any outstanding balances owing between related parties and the Charity at 31 December 2020.

LIVING WISDOM WORD MINISTRY
Detailed Statement of Financial Activities
for the year ended 31 December 2020

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Income and endowments from:			
Donations and legacies			
Tithe and Offering	51,329	51,329	61,112
Building fund	2,941	2,941	-
Thanksgiving	250	250	-
	<u>54,520</u>	<u>54,520</u>	<u>61,112</u>
Investments			
Interest income	10	10	-
	<u>10</u>	<u>10</u>	<u>-</u>
Other			
Grant income	28,091	28,091	-
	<u>28,091</u>	<u>28,091</u>	<u>-</u>
Total income and endowments	82,621	82,621	61,112
Expenditure on:			
Charitable activities			
Donation to other Ministries	-	-	4,400
	<u>-</u>	<u>-</u>	<u>4,400</u>
Total of expenditure on charitable activities	-	-	4,400
Other expenditure			
Volunteer expenses	943	943	1,737
	<u>943</u>	<u>943</u>	<u>1,737</u>
Employee costs			
Salaries/wages	46,883	46,883	21,590
Employer's NIC	3,502	3,502	1,842
Pension costs	754	754	288
Staff welfare	737	737	584
	<u>51,876</u>	<u>51,876</u>	<u>24,304</u>
Motor and travel costs			
Vehicles - General costs	1,228	1,228	806
Travel and accommodation	420	420	3,862
	<u>1,648</u>	<u>1,648</u>	<u>4,668</u>
Premises costs			
Rent	14,846	14,846	15,532
Water Rates	200	200	-
Light, heat and power	1,192	1,192	1,954
Premises repairs and maintenance	4,067	4,067	-
	<u>20,305</u>	<u>20,305</u>	<u>17,486</u>

LIVING WISDOM WORD MINISTRY

Detailed Statement of Financial Activities

General administrative costs, including depreciation and amortisation			
Depreciation of Plant and machinery	1,431	1,431	1,909
Depreciation of Fixtures, fittings and equipment	-	-	-
Depreciation of	946	946	1,261
Honorariums	-	-	550
Bank charges	161	161	326
Equipment expensed	1,412	1,412	-
Equipment leasing and hire charges	240	240	-
Equipment repairs and maintenance	1,072	1,072	94
General insurances	324	324	337
Choir, Key board and Music	80	80	200
Miscellaneous/Gifts	1,617	1,617	3,427
Stationery and printing	136	136	478
Subscriptions	159	159	567
Church Administration Expenses	2,312	2,312	2,948
Telephone, fax and broadband	1,656	1,656	1,137
	<u>11,546</u>	<u>11,546</u>	<u>13,234</u>
Legal and professional costs			
Accountancy and bookkeeping	499	499	580
Other legal and professional costs	759	759	-
	<u>1,258</u>	<u>1,258</u>	<u>580</u>
Total of expenditure of other costs	<u>87,576</u>	<u>87,576</u>	<u>62,009</u>
Total expenditure	<u>87,576</u>	<u>87,576</u>	<u>66,409</u>
Net gains on investments	-	-	-
	<u>(4,955)</u>	<u>(4,955)</u>	<u>(5,297)</u>
Net expenditure	<u>(4,955)</u>	<u>(4,955)</u>	<u>(5,297)</u>
Net expenditure before other gains/(losses)	<u>(4,955)</u>	<u>(4,955)</u>	<u>(5,297)</u>
Other Gains	-	-	-
	<u>(4,955)</u>	<u>(4,955)</u>	<u>(5,297)</u>
Net movement in funds	<u>(4,955)</u>	<u>(4,955)</u>	<u>(5,297)</u>
Reconciliation of funds:			
Total funds brought forward	13,432	13,432	18,729
Total funds carried forward	<u>8,477</u>	<u>8,477</u>	<u>13,432</u>