

Living Bread Fellowship Church

Report and Accounts
Year ended 31 May 2023

Stewardship 
Active generosity

1 Lamb's Passage, London EC1Y 8AB
www.stewardship.org.uk

LIVING BREAD FELLOWSHIP CHURCH

COMPANY INFORMATION

FOR THE YEAR ENDED 31 MAY 2023

Trustees	E Faccion A Armijos Hurtado N Smith
Key Staff	A Alves Filho (Pastor)
Governing Document	Memorandum and Articles of Association dated 28th May 2012
Company Registration Number	08086107
Charity Registration Number	1151320
Principal Address & Registered Office	34 Corfe Tower Park Road East Acton London W3 8TY
Independent Examiner	Ajay Rajani FCIE Stewardship 1 Lamb's Passage London EC1Y 8AB
Solicitors	Anthony Collins Solicitors LLP 124 Edmund Street Birmingham B3 2ES
Bankers	HSBC Bank plc

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LIVING BREAD FELLOWSHIP CHURCH
TRUSTEES' ANNUAL REPORT
(INCORPORATING DIRECTORS' REPORT)
FOR THE YEAR ENDED 31 MAY 2023

The trustees, who are the charity's directors for the purposes of company law, have pleasure in submitting the Report and Accounts for the year.

Objects of the charity

The charity is a charitable company and is governed by its memorandum and articles of association.

The objects of the charity, as set out in the governing document are to advance the Christian faith in accordance with the Statement of Beliefs in Hounslow, London and in such other parts of the United Kingdom and the world as the Trustees may from time to time think fit.

The charity seeks to fulfil the above objectives by demonstrating the Christian faith in action by operating as a church in London.

Summary of the charity's main activities and achievements

To further the above objects and vision, the charity's main activities and achievements were as follows:

- We continued to offer/run special services such as: Thanksgiving (first service of the year), Family Celebration, Mother's Day, Father's Day Celebration, Baptism and Christmas Celebration.
- We continued to offer/run weekly services on Sundays. During the week we held prayer and intercession meetings and Bible studies via zoom.
- LBFC are in the process of implementing the cell vision with the aim to reach out to more people and to offer the community an opportunity to hear the Gospel. This is to be run by new leaders in due course.
- Children Ministry has grown. We have the children ministry leader and four teachers that are committed to follow their calling to serve in the Children's Ministry. They support our weekly Sunday school during service time.
- The pastors continue offering support in person and by phone conversation and prayers to those in need.

Overall, Living Bread Fellowship Church is stable. The Church is proactive in encouraging members to serve in the congregation and to develop in their calling.

During the last year, church leadership and trustee meetings have been held regularly

Many of the charity's activities are undertaken by volunteers and the charity could not operate effectively without their efforts.

In planning the activities the Trustees have applied the guidance on public benefit issued by the Charity Commission.

Structure, Governance and Management

Responsibility for setting policy and for determining the parameters within which the charity should operate rests with the trustees, who work closely with the Pastor. Responsibility for the day to day operation of the charity has been largely delegated to the Pastor. New trustees are recruited and appointed by the church's Spiritual Leadership.

Plans for the future

The key strategies for the church remain the same. The objective of Living Bread Fellowship Church is to concentrate their effort in strengthening the church in England, through leadership training, which aims at generating strong leaders to impact this generation through the Gospel of Jesus Christ.

LIVING BREAD FELLOWSHIP CHURCH
TRUSTEES' ANNUAL REPORT continued

Financial review

During the year income increased by £9,098 to £29,442, and expenditure increased by £2,089 to £35,136. As a result the charity has reported a deficit of £5,694 (2022: £12,703) and the charity's net assets decreased by the same amount to £27,542. Net assets includes unrestricted cash of £28,018.

Reserves policy

The trustees have determined that the charity should aim to hold unrestricted cash of no less than £15,000 and no more than £30,000. The trustees believe that these reserves need to be held to help ensure that the charity could continue to operate smoothly should income and / or expenditure vary adversely. At the year end the charity held unrestricted cash of £28,018, which is in line with the policy.

Key risks and uncertainties

The Directors have reviewed the risks to which a small charity operating with few employees is exposed. Appropriate procedures are in place to identify, monitor and review these risks on a regular basis.

Responsibilities of trustees under company law

The trustees are responsible for preparing the trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure, for the financial year. In preparing these financial statements, the trustees are required to:

1. select suitable accounting policies and apply them consistently;
2. observe the methods and principles in the Charities SORP;
3. make judgements and estimates that are reasonable and prudent;
4. state whether the applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
5. prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

Approval

This report, which has been prepared in accordance with the provisions of the Companies Act 2006 relating to small companies, was approved by the trustees and signed on their behalf by:

Andres Armijos Hurtado

Andres Armijos Hurtado - trustee

Date: 22 February 2024

INDEPENDENT EXAMINER'S REPORT
TO THE TRUSTEES OF
LIVING BREAD FELLOWSHIP CHURCH
('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 May 2023 on pages 5 to 9 following, which have been prepared on the basis of the accounting policies set out on pages 7 and 8.

Responsibilities and basis of report

As the charity's trustees of the Company (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 Company 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 confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts 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 accounts 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 accounts to be reached.

Ajay Rajani

Ajay Rajani FCIE
Stewardship
1 Lamb's Passage
London
EC1Y 8AB

Date: 23 February 2024

LIVING BREAD FELLOWSHIP CHURCH
STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MAY 2023

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £	Total Funds 2022 £
INCOME AND ENDOWMENTS FROM:					
Donations and legacies	3	29,442	-	29,442	20,344
Total income and endowments		<u>29,442</u>	<u>-</u>	<u>29,442</u>	<u>20,344</u>
EXPENDITURE ON:					
Charitable activities	4	35,136	-	35,136	33,048
Total expenditure		<u>35,136</u>	<u>-</u>	<u>35,136</u>	<u>33,048</u>
Net income/(expenditure)		<u>(5,694)</u>	<u>-</u>	<u>(5,694)</u>	<u>(12,703)</u>
Transfers between funds		-	-	-	-
Net movement in funds		<u>(5,694)</u>	<u>-</u>	<u>(5,694)</u>	<u>(12,703)</u>
Reconciliation of funds:					
Total funds brought forward		33,236	-	33,236	45,939
Total funds carried forward		<u>27,542</u>	<u>-</u>	<u>27,542</u>	<u>33,236</u>

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

All income and expenditure derive from continuing operations. All of the charity's income and expenditure in the previous year was also unrestricted and there were no unspent restricted funds at both of the above balance sheet dates.

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

The notes on pages 7 to 9 form part of these accounts.

LIVING BREAD FELLOWSHIP CHURCH

BALANCE SHEET

AS AT 31 MAY 2023

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £	Total Funds 2022 £
FIXED ASSETS					
Tangible fixed assets	6	<u>738</u>	<u>-</u>	<u>738</u>	<u>-</u>
CURRENT ASSETS					
Debtors	7	376	-	376	1,504
Cash at bank and in hand	8	<u>28,018</u>	<u>-</u>	<u>28,018</u>	<u>32,272</u>
		28,394	-	28,394	33,776
CREDITORS: Amounts falling due within one year	9	<u>(1,590)</u>	<u>-</u>	<u>(1,590)</u>	<u>(540)</u>
Net current assets		<u>26,804</u>	<u>-</u>	<u>26,804</u>	<u>33,236</u>
TOTAL NET ASSETS		<u>27,542</u>	<u>-</u>	<u>27,542</u>	<u>33,236</u>
FUND BALANCES					
Unrestricted funds		<u>27,542</u>	<u>-</u>	<u>27,542</u>	<u>33,236</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 May 2023.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 May 2023 in accordance with Section 476 of the Companies Act 2006.

The directors (who are the charitable company's trustees for the purposes of charity law) acknowledge their responsibilities for:

- ensuring that the charitable company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its net income or expenditure for each 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 charitable company.

The financial statements have been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the Board of Directors and were signed on its behalf by:

Andres Armijos Hurtado

Andres Armijos Hurtado - trustee

Date: 22 February 2024

Company number: 08086107

Charity number: 1151320

The notes on pages 7 to 9 form part of these accounts.

LIVING BREAD FELLOWSHIP CHURCH
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MAY 2023

1 Statutory Information

The charity is a charitable company limited by guarantee and is incorporated in the United Kingdom. The company's registered number and registered office address can be found on the Company Information page.

2 Accounting Policies

These financial statements are prepared on a going concern basis, under the historical cost convention.

These financial statements have been prepared in accordance with the "Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) ("the Charities SORP")", with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland ("FRS 102"), with the Companies Act 2006 and with the Charities Act 2011. The charity meets the definition of a public benefit entity as set out in FRS 102.

The principles adopted in the preparation of the financial statements are set out below.

a) Going concern

The trustees (who are the charitable company's directors for the purposes of company law) have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charity to continue as a going concern. The trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular the trustees have considered the charity's forecasts and projections and the possible implications should projected income and / or expenditure vary unexpectedly. The trustees have concluded that there is a reasonable expectation that the charity has adequate resources to continue to operate for the foreseeable future. The charity therefore continues to adopt the going concern basis in preparing its financial statements.

b) Income

Income including investment income is recognised in the period in which the charity becomes entitled to receipt, the amount receivable can be measured with reasonable certainty, and receipt is probable. For the most part, income is generally recognised when it is received. Income is only deferred when the charity has to fulfil conditions before becoming entitled to it or where the donor has specified that the income is to be expended in a future period.

Income from donations and legacies includes recoverable gift aid, which is recognised when the related donation is received. Gift aid that has not been recovered by the balance sheet date is included as a debtor.

The charity relies on volunteers to carry out many of its activities. However, in accordance with the SORP, the value of these services has not been included in these financial statements as they cannot be reliably measured.

c) Expenditure

Expenditure, including irrecoverable VAT, is recognised when it is incurred or, if earlier, when a legal or constructive obligation for a payment arises provided that it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Governance costs, which are included in expenditure on charitable activities but are identified separately in the notes to the accounts, includes costs associated with the independent examination of the financial statements, compliance with constitutional and statutory requirements and any other expenditure incurred on the strategic management of the charity.

d) Fund accounting

Unrestricted funds are funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity. In both the current and the preceding year the charity did not receive any restricted funds (which are donations that must be used in accordance with specific restrictions imposed by donors; they include donations received from appeals for specific activities or projects).

e) Tangible fixed assets

Items purchased or donated for the charity's own use are capitalised when the cost of purchased items, or the fair value of donated items, is more than £500 and the item is expected to benefit the charity over more than one accounting period. Depreciation is charged on a straight line basis so as to write down the value of each asset to its estimated residual value (if any) over its expected economic life. The economic life of the charity's assets is estimated to range from 3 to 7 years.

The carrying values of tangible fixed assets are reviewed for impairment in periods when events or changes in circumstances indicate that the carrying value may not be recoverable.

f) Taxation

The company is a registered charity; it has taken advantage of the various reliefs from taxation available to charities and no tax is payable on the charity's income.

g) Financial instruments

The charity's financial assets and financial liabilities all qualify as basic financial instruments, as defined by FRS102. Creditors and debtors are measured at their expected settlement value (normally the amount of cash that the charity expects to pay or receive).

LIVING BREAD FELLOWSHIP CHURCH
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MAY 2023

2 Accounting Policies continued

h) Critical accounting estimates and areas of judgement

The trustees do not consider that there are any material sources of estimation or uncertainty at the balance sheet date that could result in a material adjustment to the carrying values of assets and liabilities in the next reporting period.

3 Donations and legacies

	2023	2022
	£	£
Donations of cash and similar	24,389	17,083
Income tax recoverable	5,053	3,262
	<u>29,442</u>	<u>20,344</u>

4 Charitable expenditure

	2023	2022
	£	£
a Costs incurred directly on specific activities		
Property rent and hall hire	9,671	8,277
Staff costs	22,470	22,466
Other ministry costs	503	600
Phones and communications	-	372
Small office equipment	319	122
	<u>32,963</u>	<u>31,838</u>
b Costs incurred on support & administration		
Governance costs		
Independent examiner's fee for preparing and examining the accounts	1,050	-
Accountant's fee for preparing the accounts	-	540
Support costs	325	261
Insurance	429	408
Depreciation	369	-
	<u>2,174</u>	<u>1,210</u>
Total expenditure	<u>35,136</u>	<u>33,048</u>

The fee payable to the independent examiner for preparing and examining the accounts was £1,050; in the previous year the fee payable to the charity's accountants for just preparing the accounts was £540. In addition the charity paid £530 (2022: £516) to Stewardship for payroll bureau and consultancy services.

5 Analysis of staff costs, the cost of key management personnel and trustee remuneration

	2023	2022
	£	£
Gross wages and salaries	<u>22,000</u>	<u>22,000</u>

The average monthly number of employees during the year was 1 (2022: 1). Most of the charity's activities are carried out by volunteers.

The charity's key management comprise the trustees and the key staff named on the Company Information page. During the year key management received employment benefits totalling £22,000 (2022: £22,000).

No staff received salaries at a rate of more than £60,000 per annum. No trustees received employment benefits in either the current or preceding year.

LIVING BREAD FELLOWSHIP CHURCH
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MAY 2023

6 Tangible fixed assets

	Fixtures, fittings and equipment £	Total £
Cost		
At 1 June 2022	819	819
Additions	1,107	1,107
At 31 May 2023	<u>1,926</u>	<u>1,926</u>
Accumulated depreciation		
At 1 June 2022	819	819
Charge for the year	369	369
At 31 May 2023	<u>1,188</u>	<u>1,188</u>
Net book value		
At 31 May 2023	<u>738</u>	<u>738</u>
At 31 May 2022	<u>-</u>	<u>-</u>

7 Debtors

	2023 £	2022 £
Tax recoverable	<u>376</u>	<u>1,504</u>
	<u>376</u>	<u>1,504</u>

8 Cash at Bank and in Hand

	2023 £	2022 £
Cash at bank with immediate access	27,917	32,225
Petty cash	101	47
	<u>28,018</u>	<u>32,272</u>

9 Creditors: liabilities falling due within one year

	2023 £	2022 £
Accruals	<u>1,590</u>	<u>540</u>

10 Transactions with related parties

During the year the charity received donations totalling £10,148 (2022: £5,411) from related parties (which includes trustees, any other members of key management and anyone closely connected to them).

Except for the reimbursement of expenses incurred when acting as agent for the charity, no expenses (2022: £nil) were paid to, or for, the trustees.

11 Members

Each member of the company commits to contribute if the charity is wound up an amount of £1.