

THE COVERDALE FOUNDATION

30 June 2023

Report and Annual Accounts

Charity Commission Registered Number: 1154598

Tandem Accounting Limited
Chartered Accountants
17 Heathville Road
London N19 3AL

THE COVERDALE FOUNDATION

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THE COVERDALE FOUNDATION

Legal & Administrative Information For the period ended 30 June 2023

Charity Name	The Coverdale Foundation
Charity Registration No	1154598. Registered with the Charity Commission on 15 November 2013.
Registered Office	Coverdale House, Little Sodbury End, Chipping Sodbury, Bristol BS37 6QE.
Governing Document	Trust Deed 11 October 2013.
Objectives	<p>(1) The advancement of education To promote the education of children and young people in less developed parts of the world by providing or assisting in the provision of school or vocational training facilities, or by the provision of maintenance allowances or grants to such individuals, where such provision would lead to a material and substantial improvement in the beneficiaries' educational prospects.</p> <p>(2) The advancement of religious faith To advance understanding of the Christian faith for the benefit of the public anywhere in the world, mainly, but not exclusively, by means of written publications broadcasts and public meetings of an evangelistic and teaching nature, and by assisting in the provision of personnel and church buildings for Christian churches to carry out their objectives both in the UK and abroad. For the purpose of this object the Christian faith is deemed to hold to the Statement of Beliefs as hereonstated in their entirety.</p> <p>(3) Relief of poverty To provide for the prevention or relief of poverty anywhere in the world by providing or assisting in the provision of education, training, healthcare projects and all the necessary support designed to enable individuals to generate a sustainable income and be self-sufficient.</p> <p>(4) Caring for homeless and vulnerable people To provide accommodation, ongoing support, and friendship to homeless and vulnerable people anywhere in the world.</p>
Trustees	<p>The Trustees who served during the period or who were serving at the date of this report were:</p> <p>Philip Thornley Gillian Thornley Rebecca Gamston</p>
Key Management Personnel	Those in charge of planning, directing, controlling, running and operating the Charity, including those members of staff who are the senior management personnel to whom the trustees have delegated significant authority or responsibility in the day-to-day running of the charity are the Trustees.
Bankers	Royal Bank of Scotland
Independent Examiner	John Helm ACA Tandem Accounting 17 Heathville Road London N19 3AL

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Annual Report of the Trustees For the period ended 30 June 2023

The Trustees submit their report and annual accounts of The Coverdale Foundation (“the Charity”) for the period ended 30 June 2023. The financial statements have been prepared in the format prescribed by the Statement of Recommended Practice: Accounting and Reporting by Charities (SORP2019 (FRS102)). The legal and administrative information set out earlier in this document forms part of this report.

During the period the trustees extended the accounting period end to 30 June from 24 June meaning that these accounts cover the period from 25 June 2022 to 30 June 2023.

The previous accounts, to 24 June 2022, were drawn up on a receipts and payments basis. Following the change of basis to accruals accounting in 2023, the 2021 and 2022 accounts have been restated. Details of the restatement can be found in note 9 on page 13.

I. Structure, Governance & Management

I.1 The Trustees

The Charity trustees manage the affairs of the Charity. The Trustees, in accordance with the Charity Constitution, are responsible for the oversight of the day-to-day management of the Charity’s business in accordance with the Charity’s objects.

None of the Trustees receive remuneration,

The Trustees meet when considered necessary during a year to discuss major decisions of the charity. The Trustees consider these arrangements are suitable for the work of the charity.

I.2 Risk Management

As a new charity, the Trustees are currently working on the full risk management strategy. The Charity acknowledges that it has a responsibility, both as individual members and as a body of members, for the proper management of the Charity in accordance with applicable laws and accepted good practice and for ensuring that the risks faced by the Charity in achieving its primary aim are addressed as best as possible. The trustees believe that, by monitoring reserve levels, by ensuring that controls exist over key financial systems, and by examining the operational risks faced by the Charity, it is putting effective systems and procedures in place to mitigate those risks.

2. Activities & Strategies

The Trustees have given due regard to the Charity Commission’s guidance on public benefit. The Trustees believe that the Charity provides benefit to the public by grants for:

- the relief the of poverty in the UK and overseas,
- the support of homeless and vulnerable people in the UK and overseas,
- emergency disaster relief overseas,
- supporting education overseas,
- organisations promoting the Christian faith as set out in the Charities Statement of beliefs,
- assisting in the provision of personnel and church buildings for Christian churches to carry out their objectives both in the UK and abroad.

3. Achievements and Performance

We have made grants of significant benefit to groups of the public to whom our Objects direct in the UK and abroad and are supporting needy and vulnerable people and we provided grants to support education in the developing world.

The charity has supported Christian workers and Christian organisations promoting the Christian faith as set out in the charity’s Statement of beliefs.

The charity has made a purchase of a building in London in the period, which is being used for personal accommodation for a church worker and his family as well as providing a building for use by a church community for meetings.

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The longer term loans made for substantial capital projects are being repaid by regular instalments. These repayments are in line with outline targets agreed when the loans were initially made.

4. Financial Review

4.1 Financial Activity and Financial Position

The Charity's main source of fund is donations.

The Statement of Financial Activities and Balance Sheet can be found on pages 8 and 9 respectively. The charity's reserves increased by £802,892 during the period (2022: increased by £193,640). The balance sheet shows total net assets of £1,971,884 (2022: £1,168,992).

4.2 Reserves Policy

The Trustees have examined the requirements for free reserves, in other words those unrestricted funds not invested in tangible fixed assets. The Trustees consider that, given the nature of the Charity's work, free reserves should be equivalent to approximately 3 months' routine general fund expenditure, plus committed future expenditure on other projects, where funds permit. The Trustees are of the opinion that this provides sufficient flexibility to cover temporary shortfalls in incoming resources and will allow the Charity to cope and respond to unforeseen emergencies whilst specific action plans are implemented. At 30 June 2023 the Charity had net free reserves of £437,226 (2022: £365,978) as follows:

	2023 £	2022 £
Total reserves:	1,971,884	1,168,992
Less: loans with uncertain repayment dates	(767,602)	(803,014)
Less: fixed assets	(767,056)	-
Free reserves	437,226	365,978
Free reserves requirement:		
Administrative costs	2,000	2,000
Project commitments	500,000	500,000
Free reserves requirement	502,000	502,000

5. Plans for Future Periods

The Trustees have no plans to change the general way the charity meets its objectives.

6. Responsibilities of Trustees for the Annual Accounts

The Trustees are responsible for preparing the report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice. Charity law 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 income and expenditure of the Charity for that period.

In preparing those financial statements, the Trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles of the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any 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 activities of the Charity will continue.

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The Trustees are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and enables them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the governing document. The Trustees 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. The Trustees are responsible for the maintenance and integrity of the Charity and financial information included in the Charity's website.

7. Approval

The report of the Trustees was approved by the Trustees on 16 April 2024 and signed on its behalf by:

A handwritten signature in black ink, appearing to read 'P Thornley', with a long horizontal flourish underneath.

Philip Thornley
Chair

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Report of the Independent Examiner to the Trustees of The Coverdale Foundation

I report on the annual accounts of The Coverdale Foundation for the period ended 30 June 2023, set out on pages 7 to 13.

This report is made solely to the Charity Trustees in accordance with section 145 of the Charities Act 2011 (the Act). My independent examination has been undertaken so that I might state to the Trustees those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by the law, I do not accept responsibility to anyone other than the Trust and the Trustees for my independent examination, for this report, or the opinions I have formed.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND EXAMINER

The Charity Trustees consider that an audit is not required for this (under section 144(2) of the Act) and that an independent examination is needed.

It is my responsibility to:

- Examine the accounts (under section 145 of the Act);
- To follow the procedures laid down in the General Direction given by the Charity Commission (under section 145(5)(b) of the Act); and
- To state whether particular matters have come to my attention.

BASIS OF INDEPENDENT EXAMINER'S STATEMENT

My examination was carried out in accordance with General Directions given by the Charity Commissioners. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts and seeking explanations from the Charity Trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the accounts.

INDEPENDENT EXAMINER'S STATEMENT

I have completed my examination. I confirm that no material 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 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 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.

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.



John Helm ACA
17 Heathville Road
London N19 3AL

16 April 2024

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Statement of Financial Activities For the period ended 30 June 2023


	Note	Unrestricted Funds 2023 £	Restricted Funds 2023 £	Total 2023 £	Unrestricted Funds 2022 £	Restricted Funds 2022 £	Total 2022 £
Income from:	2						
Donations and legacies		950,000	-	950,000	249,645	100	249,745
Charitable activities		-	-	-	-	-	-
Other trading activities		-	-	-	-	-	-
Investments		-	-	-	-	-	-
Total Income		950,000	0	950,000	249,645	100	249,745
Expenditure on:							
Raising funds		-	-	-	-	-	-
Charitable activities	3	147,108	-	147,108	56,005	100	56,105
Total Expenditure		147,108	0	147,108	56,005	100	56,105
Net gains/(losses) on investments		-	-	-	-	-	-
Net income		802,892	0	802,892	193,640	0	193,640
Transfers between funds		-	-	-	-	-	-
Other recognised gains/(losses)		-	-	-	-	-	-
Net movement in funds		802,892	0	802,892	193,640	0	193,640
Total funds brought forward		1,168,992	-	1,168,992	975,352	-	975,352
Total funds carried forward		1,971,884	0	1,971,884	1,168,992	0	1,168,992

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Balance Sheet As at 30 June 2023

	Note	Unrestricted Funds 2023 £	Restricted Funds 2023 £	Total 2023 £	Total 2022 £
Fixed Assets					
Tangible Assets	4	767,056	-	767,056	-
		767,056	0	767,056	0
Current Assets					
Debtors	5	767,602	-	767,602	803,014
Cash At Bank And In Hand		588,058	-	588,058	365,978
		1,355,660	0	1,355,660	1,168,992
Creditors - Amounts Falling Due Within One Year	6	150,832	-	150,832	-
Net Current Assets		1,204,828	0	1,204,828	1,168,992
Net Assets		1,971,884	0	1,971,884	1,168,992
Represented by:					
Restricted Funds	7	-	-	-	-
Unrestricted Income Funds		1,971,884	-	1,971,884	1,168,992
Total Funds		1,971,884	0	1,971,884	1,168,992

The annual accounts were approved by the Trustees on 16 April 2024 and signed on its behalf by:



Philip Thornley
Chair

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Statement of Cashflows For the period to 30 June 2023

	Note	Unrestricted Funds 2023 £	Restricted Funds 2023 £	Total 2023 £	Total 2022 £
Net cash flows from operating activities	7	839,136	-	839,136	60,535
Cash flows from investing activities:					
Purchase of property, plant and equipment		(767,056)	-	(767,056)	-
Net cash used in investing activities		(767,056)	0	(767,056)	0
Cash flows from financing activities					
Cash inflows from new borrowing		150,000	-	150,000	-
Net cash used in financing activities		150,000	0	150,000	0
Change in cash and cash equivalents in the reporting period		222,080	0	222,080	60,535
Cash and cash equivalents brought forward		365,968	-	365,968	305,433
Cash and cash equivalents carried forward		588,048	0	588,048	365,968

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Notes to the Financial Statements For the period ended 30 June 2023

I. Accounting Policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

Basis of accounting

The financial statements have been prepared under the Charities Act 2011 and in accordance with the Charities Statement of Recommended Practice (Charities SORP (FRS 102)). The financial statements are drawn up on the historical cost basis of accounting.

The Charity meets the definition of a public benefit entity under FRS 102.

Income recognition

Voluntary income and donations (including legacies) are accounted for once the Charity has entitlement to the income, it is probable the income will be received, and the amount of income receivable can be reliably measured. The income from trading activities is shown gross, with the associated costs included in fundraising costs.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

Expenditure recognition

Expenditure is accrued as soon as a liability is considered probable, and the amount of obligation can be measured reliably. Longer term liabilities are discounted to present value. The charity is not registered for VAT and accordingly expenditure includes VAT where appropriate.

Expenditure included in Raising Funds includes amounts incurred in obtaining grants and other donations.

Charitable expenditure includes those costs in fulfilling the Charity's principal objects, as outlined in the Report of the Trustees. These include grants made, governance costs and support costs. Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to the independent examination and legal fees together with an apportionment of overhead and support costs.

Tangible Fixed Assets

No depreciation is charged in respect of freehold property, as the residual value of the property after its estimated useful life is anticipated to be at least the carrying value of the property shown in the financial statements.

Debtors

Grants receivable and other debtors are included at the settlement amount due. Prepayments are valued at the amount prepaid.

Creditors and provisions

Creditors and provisions are recognised where the Charity has a present obligation arising 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 recognised at their settlement amount.

Fund accounting

The funds held by the charity are either:

- Unrestricted general funds - these are funds which can be used in accordance with the charitable objects at the discretion of the trustees.
- Restricted funds - these are funds that can only be used for restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for restricted purposes.

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Notes to the Financial Statements For the period ended 30 June 2023

2. Income

	2023 £	2022 £
Donations & legacies		
Donations	950,000	249,745
Income tax reclaimed	-	-
Grants	-	-
	<u>950,000</u>	<u>249,745</u>

3. Expenditure on Charitable Activities

	2023 £	2022 £
Grants - organisations	107,612	46,088
Grants - individuals	8,000	9,915
Property maintenance	30,613	-
Office expenses	283	102
Independent examination	600	-
	<u>147,108</u>	<u>56,105</u>

4. Tangible Fixed Assets

	Freehold Property £
Cost/valuation	
At 25 June 2022	
Additions	767,056
Disposals	-
	<u>767,056</u>
At 30 June 2023	
Depreciation	
At 25 June 2022	-
Charge for Period	-
Disposals	-
	<u>0</u>
At 30 June 2023	
Net Book Value	
At 30 June 2023	<u>767,056</u>
At 24 June 2022	<u>0</u>

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Notes to the Financial Statements For the period ended 30 June 2023

5. Debtors

	2023 £	2022 £
Loans - organisations	645,000	670,000
Loans - individuals	122,602	133,014
	767,602	803,014

The loans are repayable after more than 1 year, and loans to organisations are interest free, the loan to an individual is made at less than a commercial rate of interest, which it is uncertain will be recovered by repayment, so no interest accrued until the loan capital is repaid.

6. Creditors - Amounts Falling Due Within One Year

	2023 £	2022 £
Loans - Cotswold Medicals Limited	150,000	-
Accruals	800	-
Other creditors	32	-
	150,832	0

The loan from Cotswold Medicals Limited is interest free and will be repaid when funds permit.

7. Reconciliation of net (expenditure)/income to net cash flow from operating activities

	Unrestricted Funds 2023 £	Restricted Funds 2023 £	Total 2023 £	Total 2022 £
Net income for the reporting period (as per the statement of financial activities)	802,892		802,892	193,640
Adjustments for:				
(Increase)/decrease in debtors	35,412	-	35,412	(133,105)
Increase/(decrease) in creditors	832	-	832	-
Net cash provided by operating activities	839,136	0	839,136	60,535

8. Related Party Transactions and Balances

Gill & Phil Thornley, both trustee, are directors of Cotswolds Medicals Limited ("CML"). During the period CML donated £950,000 to the charity and loaned £150,000, which was also the balance at 30 June 2023.

Trustees made aggregate unrestricted donations of £nil during the period.

There are no other related party transactions or balances.

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Notes to the Financial Statements For the period ended 30 June 2023

9. Reconciliation of Net Assets & Funds 2021 & 2022 on an Accruals Basis

The previous accounts, to 24 June 2022, were drawn up on a receipts and payments basis. Following the change of basis to accruals accounting in 2023, the 2021 and 2022 accounts have been restated across the balance sheet headings as follows:

9a: 2021	Fixed Assets £	Investments £	Debtors £	Bank & cash £	Creditors £	Total £
As previously stated at 24 June 2021	-	-	-	123,866	-	123,866
Accruals adjustments 2021:						
Debtors	-	-	851,486	-	-	851,486
Total accruals adjustments	0	0	851,486	0	0	851,486
Restated 24 June 2021	0	0	851,486	123,866	0	975,352

9b: 2022	Fixed Assets £	Investments £	Debtors £	Bank & cash £	Creditors £	Total £
As previously stated at 24 June 2022	-	-	-	305,353	-	305,353
Accruals adjustments 2021 (see 9a above)	-	-	851,486	-	-	851,486
Accruals adjustments 2022:						
Debtors	-	-	12,153	-	-	12,153
Total accruals adjustments	0	0	863,639	0	0	863,639
Restated 24 June 2022	0	0	863,639	305,353	0	1,168,992