

Report and Financial Statements
For the Year Ended
31 July 2021

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LBC Lifeline Resource Limited
A company limited by guarantee Number 08605568
Charity No. 1156506

Directors'/Trustees' Report and Financial Statements for the Year Ended 31 July 2021.

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Report of the Directors and Trustees
For the year ended
31 July 2021.

The directors and trustees present their report and financial statements for the year ended 31 July 2021.

Reference and Administrative Information

Charity Name:	LBC Lifeline Resource Limited
Charity registration number:	1156506
Company registration number:	8605568
Registered Office address:	16 Livingstone Place Carver Street, Manchester M16 9BZ
Operational address:	16 Livingstone Place Carver Street, Manchester M16 9BZ

Directors and Trustees

The directors and trustees serving during the year were:

Dr Robert Nchoga Oenga – Chair
Ms. Gladys Nyaboke Nyabicha – Resigned during the year
Mr Dennis Chisunka – Director
Miss Sandra Brown Kyokunda – Appointed during the year

Bankers

The charity's bankers are;

Santander Bank
10 The Mall
Eccles
Manchester M30 0EA

Account Name:	LBC Lifeline Resource Ltd
Sort code:	09-01-28
Account number:	50328852

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Structure and Governance

The charity is registered as a limited Company under guarantee. The governing document is the Memorandum and Articles of association reflect charitable purposes and approved by companies House on 26/03/2014. The initial subscribers to the memorandum and Articles of association are the company directors.

The application for registration as a charity was approved by the Charity Commission and the charity was registered on 02/04/2014. The charity is run by a team of three trustees.

The directors and trustees of the charity are responsible for the management of the charity's affairs and meet regularly to review our objectives and plan activities to ensure they continually focus on the provision of public benefit.

Aims, objectives and activities

Purposes and Aims

The charity's purposes as set out in the objects contained in the company's memorandum of association are to:

- i. The prevention and relief of poverty in the Northwest England and East Africa (Kenya, Uganda, Tanzania, Burundi, Somalia, Rwanda and South Sudan) by providing or assisting in the provision of opportunities relating to the relief of poverty, unemployment, and the development of skills associated with improving employment prospects.
- ii. To develop the capacity and skills of the members of the socially and economically disadvantaged communities in North West England and East Africa (as defined above) in such a way that they are better able to identify, and help meet, their needs and to participate more fully in society.

Objectives and Main Activities

We regularly refer to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing objectives and in planning our activities to ensure they are focused on providing benefit to the public. The following were our main objectives and activities to meet our charitable purposes during this first year of operation;

- i. **Advancement of learning, education and skills**
 - a) We will continue to seek opportunities to offer courses in our premises ranging from 2 to 3 days focusing on developing transferable skills relevant to employment. The main sessions will cover;

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- improving skills for employment and job search
- maintaining and improving health and wellbeing
- inspiring enterprise spirit and developing skills for business
- using computers for preparing basic documents for self and business
- Using the internet for online information search and communication including receiving and sending emails and accessing key websites using search engines.
- Planning, promotion and running a business activity successfully for individuals and groups

Future:

Our future activities will also focus on skills development, active job search, placements and enterprise development for those learners who complete the training. We will also provide support for those starting small businesses to help them run their businesses successfully and profitably.

ii. Relief of poverty

The efforts have focused on promoting understanding of the importance of “working together” to address common social and economic issues facing communities. Our activities were aimed at creating awareness of the needs and opportunities available locally and the resources and capabilities resident in the individuals and communities to initiate positive actions to improve incomes and welfare.

Plans:

The charity continues to seek and work with funding partners to sustain our charitable activities including;

- Continuing training on business skills to start small businesses as a viable alternative to employment.
- Developing opportunities for export and import. The charity promotes a project supporting small rural farmers in Kenya to market their tea in the UK and small businesses in the UK to find a product for trade as tea traders.
- Continuing with development and improvement of skills for employment to enable job seekers to progress to work.

iii. Promotion of opportunities for job search, gainful self-employment, enterprise development, work-based learning, social networking, mentoring and other community-based economic development activities.

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This objective is closely linked to the first objective on promoting learning and Education. Our activities during this year have focused on developing the tea project jointly with our funding partners. The project will be expanded to include;

- importation and packaging of wholesale teas from Kenya and supporting a network of organic herbal tea growers and small tea packaging businesses in Kenya.
- linking the skills training with the enterprise development activities so that individuals can gain skills and access opportunities for gainful employment or self-employment
- Working with community groups and other charities to provide training and support for enterprise activities.

Financial Overview

The principal funding sources for our activities during the year were designated grants from the European Union Social Fund (ESF) administered through the Workers Educational Association (WEA). The charity is grateful to the ESF for a grant funding £20,000 for skills training and the National Lottery Community Fund for designated grant of £9,992 for community support activities due to the impacts of COVID-19.

The charity is also grateful to the Greater Manchester Council for Voluntary Organisations (GMCVO) Social Investment Fund for a support grant of £2500 towards the Kenya tea project which was financed in 2018 through GMCVO grants and loan.

Our services

Our charitable purpose is fighting poverty, unemployment and lack of skills and our charitable activities continue to be the provision of skills training for employment and business. We aim to improve skills, incomes and job prospects of people across borders and improving access to markets and business skills of individuals and small businesses.

Under the Tea project, we import packaged and wholesale teas from small scale rural farmers in Kenya and market them at fair prices in the UK and EU using combined marketing strategies. The project also promotes small businesses and contributes to securing employment and incomes.

Our services have also extended to supporting people who have been impacted by the COVID-19 pandemic by sharing information and guidance to improve and sustain practices and lifestyles that promote long-term safety, health and wellbeing of people and communities in Greater Manchester.

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Directors and trustees

In conformity with the requirements of the Charity Commission for charities, the directors and trustees give their time voluntarily and received no benefits from the charity.

The directors of the company for the purpose of company law and trustees for the purpose of charity law, who served during the year and up to the date of this report, are set out on page 3.

In preparing the financial statements for the year, the directors and trustees have;

- followed the best practices and applied appropriate accounting policies consistently and,
- have maintained proper accounting records
- made judgements and estimates that are reasonable and prudent
- safeguarded the assets of the charitable company and taken reasonable steps for the prevention and detection of fraud and other irregularities.
- complied with the Companies Act 1985 and 2006 with regard to small companies.
- complied with the Charities Act; Accounting and Reporting by Charities – Statement of Recommended Practice (SORP 2005).

Director: Dr Robert N. Oenga/Chair Signed: _____ Date: _____

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Annual Accounts for the Period:		01/08/2020	To	31/07/2021		CC39a
	<u>Notes</u>	Unrestricted Fund		Restricted Fund	Total this Year 31/07/2021	Total last Year 31/07/2020
		£		£	£	£
Incoming Resources/Income						
Designated Grants	2	-		26,044	26,044	12,500
General Grants & Donations	3	6,106		-	6,106	2,943
Training Fees		5,517		-	5,517	3,058
Tea Project Sales		-		<u>12,147</u>	<u>12,147</u>	<u>12,272</u>
		<u>11,623</u>		<u>38,191</u>	<u>49,814</u>	<u>30,773</u>
Total Expended/Expenditure						
Wages, salaries, Pension, NI		3,605		12,600	16,205	9,549
Rent, Rates and Insurance		1,023		1,500	2,523	1,465
Training facilitation		1,060		7,280	8,340	2,080
Travel & Transport		970		1,430	2,400	534
Telephone & Postage		390		385	775	358
Website maintenance		260		210	470	600
Marketing and Promotion		366		489	855	581
Bank charges and Interest		83		-	83	62
Mentoring and support		59		350	409	120
Printing and Stationery		210		399	609	327
Office running expenses		263		402	665	338
Tea Project Expenditure		-		5,784	5,784	3,567
Tea Purchases (Less c/stocks)		-		<u>8,522</u>	<u>8,522</u>	<u>9,363</u>
		<u>8,289</u>		<u>39,351</u>	<u>47,640</u>	<u>28,944</u>

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Net incoming resources	3,334	(1,160)	2,174	1,829
Total Funds brought Forward	<u>(3,833)</u>	<u>1,085</u>	<u>2,748</u>	<u>4,577</u>
<u>Total Funds c/f 31/07/2021</u>	<u>(499)</u>	<u>(75)</u>	<u>(574)</u>	<u>(2,748)</u>

The notes on page 11-13 are part of these financial statements.

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Balance Sheet as at 31/07/2021

	Notes	Total this Year 31/07/2021 £	Total last Year 31/07/2020 £
Fixed Assets			
Tangible Assets	3	<u>287</u>	<u>287</u>
Current Assets			
Cash at Bank		8,498	1,553
Debtors	4	3,346	962
Stocks	5	<u>4,350</u>	<u>5,545</u>
		<u>16,194</u>	<u>8,060</u>
Creditors			
Amounts falling due in one year	6	<u>580</u>	<u>3,580</u>
Net Current Assets		<u>15,614</u>	<u>4,480</u>
Total Assets		<u>15,901</u>	<u>4,767</u>
Long-term Liabilities			
Amounts falling due more than 1 year	7	<u>16,475</u>	<u>7,515</u>
Net Assets		<u>(574)</u>	<u>(2,748)</u>
Financed by funds of the Charity;			
Unrestricted Funds		(499)	(3,833)
Restricted/Designated Funds		<u>(75)</u>	<u>(1,085)</u>
Balance carried forward		<u>(574)</u>	<u>(2,748)</u>

The Directors and Trustees further confirm that;

- a) For the year ended 31 July 2021 the company was entitled to exemption from audit under section 477 (2) of the Companies Act 2006.
- b) The members have not required the company to obtain an audit in accordance with section

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476 of the Companies Act 2006.

c) The Directors acknowledge their responsibilities for;

- i. Ensuring the company keeps accounting records which comply with section 386; and
- ii. Preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its income and Expenditure for the financial year, in accordance with the requirements of section 393, and which otherwise comply with the requirement of the Companies Act relating to accounts, so far as applicable to the company.

Signed by:

Robert Oenga _____ Date _____

Dennis Chisunka _____ Date _____

The notes on page 11-13 are part of these financial statements.

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Section C:

Notes to the Accounts

For the year ended 31 July 2021

Note 1: Basis of preparation

1.1 Basis of accounting

These accounts have been prepared on the basis of Historical Cost in accordance with;

- i) The Accounting and Reporting by Charities – Statement of Recommended Practice (SORP 2005)
- ii) The Charities Act

Note 2: Accounting Policies

Recognition of incoming Resources

These are included in the Statement of Financial Activities (SoFA) when;

- i. The charity becomes entitled to the resources;
- ii. The trustees are virtually certain they will receive the resources; and
- iii. The monetary value can be measured with sufficient reliability.

Incoming Resources with related expenditure

When incoming resources have related expenditure (as with fundraising or contract income) the incoming resources and related expenditure are reported gross in the SoFA.

Grants and donations

Grants and donations are only included when the charity has unconditional entitlement to the resources.

Volunteer help

The value of any voluntary help received is not included in the accounts but is described in the trustees' annual report.

Liability Recognition

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to pay out resources.

Tea Stocks

Closing stocks of tea for the tea project are valued at cost.

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Note 3: Fixed Assets

Tangible fixed assets for use by the charity

These are capitalised if they can be used for more than one year, and cost at least £200. They are valued at cost or a reasonable value on receipt.

Depreciation

The policy of the charity is not to depreciate its fixed assets.

Note 3 Tangible fixed assets							
3.1 Cost or valuation							
	Freehold land & buildings	Other land & buildings	Plant, machinery and motor vehicles	Fixtures, fittings and equipment	Payments on account and assets under construction	Total 31/7/21	Total 31/7/20
	£	£	£	£	£	£	£
Balance brought forward	-	-	-	287	-	287	287
Additions	-	-	-	-	-	-	-
Balance carried forward	-	-	-	287	-	287	287

Note 4: Debtors

	31/07/2021	31/07/2020
	£	£
Trade debtors – tea project	427	750
ESF grant instalment due	<u>2,919</u>	-
	<u>3,346</u>	<u>750</u>

Note 5: The Tea Project Activity - Stocks

The charity supports and promotes projects that improve incomes and alleviate poverty of individuals, groups and organisations in the UK and abroad. The tea project supports small-scale rural farmers in Kenya to find a market for their tea and supplies a viable product to small businesses in the UK trading as tea sellers as well as proving consumers in the UK with an opportunity to enjoy exotic teas from Kenya. Closing stocks are valued at cost.

Total this **Total last**

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Tea Project Trading Account
for the Year Ended 31 July 2021

	<u>Notes</u>	Year <u>31/07/2021</u> £	Year <u>31/07/2020</u> £
Turnover		<u>12,147</u>	<u>12,272</u>
Less; Cost of sales			
Opening Stock		5,545	5,934
Purchases		5,916	7,340
Shipping and freight		<u>2,607</u>	<u>2,223</u>
		14,068	15,497
Closing stock		<u>4,350</u>	<u>5,545</u>
		<u>9,718</u>	<u>9,952</u>
Gross profit		<u>2,429</u>	<u>2,320</u>
Less: Expenditure			
Wages, salaries, pension, NI		1,780	1,662
Packaging, storage and postage		909	497
Travel and transport		493	343
Website development and hosting		361	199
Marketing and promotions		980	97
Bank charges and interest		859	628
Stock loss/expiry due to COVID-19 lockdown		620	-
Office running expenses		<u>202</u>	<u>141</u>
		<u>5,784</u>	<u>3,567</u>
Net profit/(loss) for the year		<u>(3,355)</u>	<u>(1,247)</u>

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Note 6: Amounts falling due in 1 year

	31/07/2021	31/07/2020
	£	£
Trade creditors	<u>580</u>	<u>3,580</u>

Note 7: Long-term Liabilities

	31/07/2021	31/07/2020
	£	£
GMCVO Social Funding 3-years at 12.5% loan from 21/08/2018	6,075	7,873
Santander Bank Government Bounce Back loan from August 2020	<u>10,400</u>	<u>-</u>
	<u>16,475</u>	<u>7,873</u>

Note 8: Charity funds

The movement of the designated and unrestricted funds are as stated in the SoFA on page 7-8 of these accounts.