

LOVE JESUS FUND
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2021

LOVE JESUS FUND

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	J G McMenamin Mrs Patricia McMenamin G Saunders
Charity number	1159491
Company number	CE002420
Principal address	63 Ladbroke Road Redhill Surrey RH1 1JU
Independent examiner	Cole Marie Partners Limited Priory House 45-51 High Street Reigate Surrey RH2 9AE

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TRUSTEES' REPORT

FOR THE YEAR ENDED 31 JANUARY 2021

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

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's constitution, the Charities Act 2011 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)" (as amended for accounting periods commencing from 1 January 2016)

Objectives and activities

The charity's object is, as an expression of Christian faith and values, to relieve poverty by the provision of a refuge for any person in need of shelter and sustenance and for the provision of prayer.

The policies adopted in furtherance of these objects are as follows:

Reserves Policy

The trustees aim to maintain sufficient reserves to operate the charity at all times.

Investment Policy

The trustees invest in residential properties to generate income to be applied to the charity's objectives.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

The main activities of the charity during the year were as follows:

- Financial support of registered Irish charity An Invitation to Love Jesus in its efforts to provide Houses of Prayer.
- Managing a charity shop selling donated furniture and household items.

Achievements and performance

During the year the charity managed its funds allowing the trustees to continue to make donations in accordance with the charity's objects from significant donations received in previous years, and also to manage the charity's investment property portfolio.

Financial review

The funds held by the charity at the year end, all of which are unrestricted, amounted to £1,769,686 (2020: £1,727,816). The trustees consider the financial position of the charity at the end of the period satisfactory.

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

The charity was established by a charitable trust deed on 3rd December 2014.

The trustees who served during the year and up to the date of signature of the financial statements were:

J G McMenamin

Mrs Patricia McMenamin

G Saunders

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TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2021

Apart from the first charity trustees, every trustee must be appointed for a term of 3 years by a resolution passed at a properly convened meeting of the charity trustees.
In selecting individuals for appointment as charity trustees, the charity trustees must have regard to the skills, knowledge and experience needed for the effective administration of the charity.

The company's current policy concerning the payment of trade creditors is to follow the CBI's Prompt Payers Code (copies are available from the CBI, Centre Point, 103 New Oxford Street, London WC1A 1DU).

The company's current policy concerning the payment of trade creditors is to:

- settle the terms of payment with suppliers when agreeing the terms of each transaction;
- ensure that suppliers are made aware of the terms of payment by inclusion of the relevant terms in contracts; and
- pay in accordance with the company's contractual and other legal obligations.

The charity is a Charitable Incorporated Organisation whose only voting members are its charity trustees.

The trustees' report was approved by the Board of Trustees.



.....
J.G. McMenamin

Trustee

Dated: 29/10/2021

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INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF LOVE JESUS FUND

I report on the accounts of the charity for the year ended 31 January 2021, which are set out on pages 4 to 12.

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. My work has been undertaken so that I might state to the charitable company's members those matters I am required to state to them in this report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charitable company and its members as a body, for my work, for this report, or for the opinions I have formed.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the financial statements. The charity's trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed. The charity's gross income exceeded £250,000 and I am qualified to undertake the examination being a qualified member of the Institute of Chartered Accountants in England and Wales.

It is my responsibility to:

- (i) examine the financial statements under section 145 of the 2011 Act;
- (ii) to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- (iii) to state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the financial statements present a 'true and fair view' and the report is limited to those matters set out in the next statement.

Independent examiner's statement

In connection with my examination, no other matter except that referred to in the previous paragraph has come to my attention:

- (a) which gives me reasonable cause to believe that in any material respect the requirements:
 - (i) to keep accounting records in accordance with section 130 of the 2011 Act; and
 - (ii) to prepare financial statements which accord with the accounting records and comply with the accounting requirements of the 2011 Act;have not been met or
- (b) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the financial statements to be reached.

Cole Marie

Cole Marie Partners Limited
Priory House
45-51 High Street
Reigate
Surrey
RH2 9AE

Dated: *29th October 2021*

LOVE JESUS FUND

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 JANUARY 2021

		2021	2020
	Notes	£	£
<u>Income and endowments from:</u>			
Donations and legacies	3	20,597	362,387
Charitable activities	4	3,705	11,725
Investments	5	38,330	48,300
Other income	6	18,145	-
Total income		80,777	422,412
<u>Expenditure on:</u>			
Charitable activities	7	57,043	93,999
Governance costs		1,864	2,049
Total resources expended		58,907	96,048
Net gains/(losses) on investments	11	20,000	220,935
Net income for the year/ Net movement in funds		41,870	547,299
Fund balances at 1 February 2020		1,727,816	1,180,517
Fund balances at 31 January 2021		1,769,686	1,727,816

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

All income and expenditure derive from continuing activities.

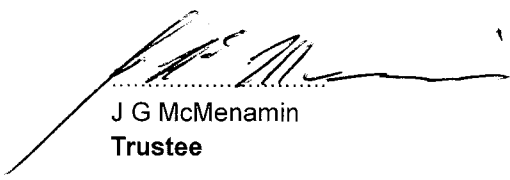
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BALANCE SHEET

AS AT 31 JANUARY 2021

		2021		2020	
	Notes	£	£	£	£
Fixed assets					
Investment properties	12		1,544,509		1,524,509
Current assets					
Debtors	14	78,760		18,546	
Cash at bank and in hand		148,217		186,561	
		226,977		205,107	
Creditors: amounts falling due within one year	15	(1,800)		(1,800)	
Net current assets			225,177		203,307
Total assets less current liabilities			1,769,686		1,727,816
Income funds					
Unrestricted funds			1,769,686		1,727,816
			1,769,686		1,727,816

The accounts were approved by the Trustees on 29/10/2021


J G McMenamin
Trustee

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STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 JANUARY 2021

		2021		2020	
	Notes	£	£	£	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	17		(76,673)		267,855
Investing activities					
Purchase of investment property		-		(280,000)	
Rent received		38,330		48,300	
Net cash generated from/(used in) investing activities			38,330		(231,700)
Proceeds from borrowings		-		-	
Net cash used in financing activities			-		-
Net (decrease)/increase in cash and cash equivalents			(38,343)		36,155
Cash and cash equivalents at beginning of year			186,561		150,405
Cash and cash equivalents at end of year			148,217		186,561

LOVE JESUS FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2021

1 Accounting policies

Charity information

Love Jesus Fund is a Charitable Incorporated Organisation.

1.1 Accounting convention

The accounts have been prepared in accordance with the charity's constitution and have been prepared for the entity as an individual, the Charities Act 2011 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)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

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, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. 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.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

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.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

1.5 Expenditure

Resources expended are recognised in which they are incurred and include attributable VAT which cannot be recovered. Resources expended are allocated to the particular activity where each cost relates directly to that activity.

Governance costs include expenditure on compliance with constitutional and statutory requirements.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2021

1 Accounting policies

(Continued)

1.6 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in profit or loss.

[Property rented to a group entity is accounted for as tangible fixed assets.]

1.7 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.

1.8 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

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.

1.9 Taxation

The Fund is a registered charity and as such, exemption applies to income arising and expended on its charitable activities.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2021

1 Accounting policies

(Continued)

1.10 Reserves

The funds consist of unrestricted funds only. The trustees may use unrestricted amounts at their discretion.

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

	2021	2020
	£	£
Donations and gifts	-	362,387
Gift Aid recoverable	20,597	-
	<u>20,597</u>	<u>362,387</u>

4 Charitable activities

	2021	2020
	£	£
Unrestricted Funds		
Charity shop sales, within charitable activities	<u>3,705</u>	<u>11,725</u>

5 Investments

	2021	2020
	£	£
Unrestricted Funds		
Rental income	<u>38,330</u>	<u>48,300</u>

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2021

6 Other income

	Unrestricted funds	Total
	2021 £	2020 £
Local Council Grants	18,145	-

7 Charitable activities

	2021 £	2020 £
Donations	26,481	63,549
Shop expenses	8,383	11,987
Rental property expenses	22,179	18,463
	57,043	93,999

8 Governance costs

	2021 £	2020 £
Accountancy	1,800	1,800
Bank charges	64	60
Subscriptions	-	-
Sundry expenses	-	189
	1,864	2,049

9 Trustees

None of the trustees (or any persons connected with them) received any remuneration or expenses during the year.

10 Employees

There were no employees during the year.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2021

11 Net gains/(losses) on investments

Unrestricted funds	Unrestricted funds
2021	2020
£	£
Revaluation of investment properties	
20,000	220,935

12 Investment property

	2021
	£
Fair value	
At 1 February 2020	1,524,509
Net gains or losses through fair value adjustments	20,000
At 31 January 2021	1,544,509

Investment property comprises of 5 (2020: 5) residential properties and two sites of freehold land. The fair value of the investment property has been arrived at on the basis of a valuation carried out at the year end by the trustees. The valuation was made on an open market value basis by reference to market evidence of transaction prices for similar properties.

13 Financial instruments

	2021	2020
	£	£
Carrying amount of financial assets		
Debt instruments measured at amortised cost	78,759	18,046
Carrying amount of financial liabilities		
Measured at amortised cost	1,800	1,800

14 Debtors

	2021	2020
	£	£
Amounts falling due within one year:		
Gift Aid recoverable	20,597	-
Other debtors	58,163	18,046
Prepayments and accrued income	-	500
	78,760	18,546

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2021

15 Creditors: amounts falling due within one year

	2021 £	2020 £
Accruals and deferred income	1,800	1,800

16 Related party transactions

Transactions with related parties

During the year the charity received donations to a value of £nil (2020: £362,387) from J McMenamin, a trustee.

Included in debtors as at 31st January 2021 is £10,240 (2020: £nil) owed to the charity from J McMenamin, and £29,724(2020: £18,046) owed to the charity from Chatwin Property Lettings Limited, a company in which J McMenamin is director and shareholder, both of which are payable on demand.

17 Cash generated from operations

	2021 £	2020 £
Surplus for the year	41,870	547,299
Adjustments for:		
Investment income recognised in statement of financial activities	(38,330)	(48,300)
Fair value gains and losses on investment properties	(20,000)	(220,935)
Movements in working capital:		
(Increase) in debtors	(60,213)	(6,232)
(Decrease) in creditors	-	(3,976)
Cash (absorbed by)/generated from operations	(76,673)	267,856

18 Analysis of changes in net funds

The charity had no debt during the year.