



# **Trustees Report and Accounts for the year ended 31 December 2021**

**Company Limited by Guarantee**

**Registered charity number 1187460**

**Registered company number 11832452**



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## Officers and Professional Advisers

<b>Directors and Board of Trustees</b>	<p>Alison Hart</p> <p>Remus Brett</p> <p>Maame-Yaa Bempah (appointed 28<sup>th</sup> April 2021)</p> <p>Suzanne Butah (appointed 28<sup>th</sup> April 2021)</p> <p>Peter Ryan (Chair, appointed 28<sup>th</sup> April 2021)</p> <p>Olivia Hills (appointed 28<sup>th</sup> April 2021)</p> <p>Esther Akafia (appointed 28<sup>th</sup> April 2021)</p> <p>Lydia Obaye (appointed 28<sup>th</sup> April 2021)</p> <p>Gordon Carver</p>
<b>Company Secretary</b>	Lydia Obaye (appointed 28 <sup>th</sup> April 2021)
<b>Founder and CEO</b>	Alison Naftalin
<b>Registered Company Number</b>	11832452
<b>Registered Charity Number</b>	1187460
<b>Address</b>	<p>Lively Minds</p> <p>6 Queen's Terrace</p> <p>Totnes</p> <p>TQ9 5JQ</p>
<b>Accountants</b>	<p>BHP</p> <p>1st Floor, Mayesbrook House</p> <p>Lawnswood Business Park</p> <p>Leeds</p> <p>LS16 6QY</p>
<b>Bankers</b>	<p>HSBC plc</p> <p>High Holborn Branch</p> <p>London</p>

## A Note from our Chair

It is my pleasure to introduce the 2021 Annual Report for Lively Minds.

Whilst Covid remained ever present, the charity has continued its progress towards rolling out the programme in both our core countries - Ghana and Uganda.

In Ghana, we concluded an agreement and implementation plan with the Ghana Education Services (GES) to scale the programme through 4000 communities. This effectively reaching a third of all rural kindergartens in the country. The GES also committed to fund the bulk of the programme long term and to institutionalise it into their existing educational systems and structures. To support this, we doubled the size of our field team, providing in depth training which has allowed us to roll out to 6 new districts.

With Covid lockdown rules easing, we reopened our Play Schemes in both countries -152 in Ghana in 4 districts and 165 in Uganda in 6 sub-counties, enrolling 37,800 children

We also continued the roll out of our Lively Minds Together radio programme that was developed in response to Covid but is now fully integrated into our model. In Ghana it was aired in 16 local languages across 8 regions and in Uganda, across 10 districts in 1 language. 32 new episodes were developed in order to satisfy a current estimated weekly audience of two million.

Apart from the additions to our field team, we have also strengthened our senior management across Operations, Strategy, Special Projects and Marketing & Communications. This both sets us up to help more children in the long term but also to lay the foundations for succession planning.

Thus in spite of the current geopolitical challenges in Europe, rising local food costs and general inflation, I am confident that Lively Minds is well placed for the future.

Finally on behalf of the Board, I would like to thank our CEO and Founder, Alison Naftalin, whose endless drive and ability to make the right decisions continues to push the charity forward. Our management team and staff in the UK and Africa, our donors, government partners, mothers and children, who put their trust in us to help create better learning.

We will all continue to strive to deliver our best.

*PJW Ryan*  
PJW Ryan (Jul 22, 2022 09:31 GMT+1)

Peter Ryan

Jul 22, 2022

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# Trustees Annual Report (Including Strategic Report)

The Trustees present the financial statements of the charity for the year ended 31 December 2021.

## Legal status

Lively Minds is an independent charity, registered number 1187460, and company limited by guarantee, registered company number 11832452.

On 1<sup>st</sup> January 2021 all activities, assets and liabilities of the independent charity Lively Minds, registered charity number 1125512 were transferred to the charitable company limited by guarantee, charity number 1187460 and registered company number 11832452 following a decision by the Trustees to change the legal structure of the Charity.

The mission and public benefit of the newly incorporated charity are the same as the previous independent charity.

Merger accounting has been used following the transfer of activities and assets, so prior year comparatives are presented for the independent charity.

## Our organisation, mission and scale

### Our mission

Lively Minds works to get pre-school children in rural Ghana and Uganda school-ready.

We work through local government to train and empower Mothers to provide better care at home and run educational Play Schemes, that give young children in their community better life chances.

We do not provide aid. We believe that people can only break the cycle of poverty if they are given the information, skills, and confidence to make changes themselves. Our solution is not complicated or expensive.

Our innovative, cost effective and scalable programme has been proven through a randomised control trial ("RCT") to improve school readiness, bringing high quality Early Childhood Care and Education (ECCE) to the hardest-to-reach, resource-poor communities who need it most.

### Why we exist

The first 6 years of a child's life are a vital time when they are developing the skills needed for future life. Yet over 250 million children worldwide – the majority of whom are located in

rural communities in the global south – do not get the care and education to build these skills. This adverse start has knock-on effects throughout their lives. Research has shown they will be less likely to find gainful employment, and are at greater risk of early marriage, early parenthood and even criminality. Unfortunately, current approaches to this global crisis, which focus on the professional early year's workforce, are not proving effective or affordable for lower middle income countries.

## Our innovative solution

We know that as the majority of a pre-schooler's life is spent at home, so the best way to help them develop, is to ensure their parents can provide nurturing care and learning opportunities. Unfortunately, parents in hard-to-reach and resource-poor rural communities commonly believe they cannot provide this care due to poverty or their own lack of education.

**Our solution is simple. We believe parents are the sleeping giant.** Our theory of change is that the critical barrier to ECCE in rural communities and the best lever for change is parents.

In each village, 30-40 mothers are enrolled on a group parenting course where they receive monthly parenting workshops. The workshops are designed to change mindsets, build confidence and teach simple ways to use cost-free resources to improve their parenting and provide better care and education at home.

The trained mothers take it in turns to run educational Play Schemes for all the pre-schoolers in their village. Working to a carefully designed structure and pedagogy, the children learn by playing in small groups with a variety of home-made educational games.

No additional workforce or expensive infrastructure is needed. The programme uses cheap, local materials, empowering the most uneducated and resource-poor to provide quality learning and care.

We are proud that our programme has been proven, through a rigorous randomised control trial, to result in a range of positive child development outcomes including improved cognitive skills and school readiness, improved socio-emotional skills, reduction in acute malnutrition and improved parental knowledge and practices.

## Delivery model: working through government

All of this is implemented through local government systems. In Ghana, the programme is delivered through the state kindergarten system and in Uganda, through Village Health Teams.

We use a comprehensive training of trainer's approach, which makes the programme scalable within existing government structures.

## 2021

### Key activities and

Despite the challenges of COVID-19, 2021 has been an exciting year of growth and Lively Minds. Key highlights include negotiating a detailed Partnership Agreement and implementation plan with Ghana Education Service (‘GES’) to scale the programme through 4000 communities.

We doubled the size of our field team in Ghana holding a mass recruitment followed by a 4-week on boarding bootcamp. From September we rolled out the programme into 6 new districts in Ghana, doubling the size of our reach. We also laid the foundations with government for the further roll-out of the programme.

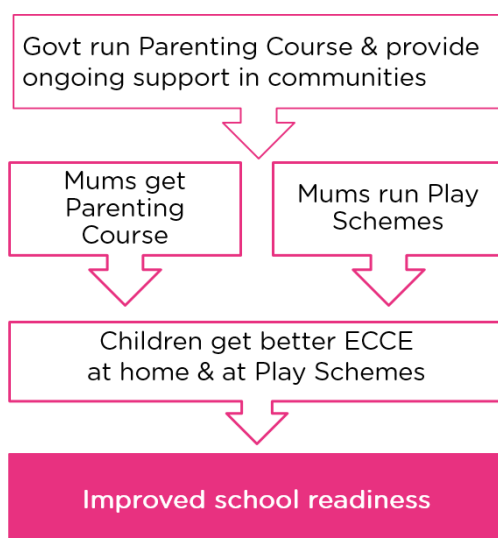
Additionally, we are very proud that during the year we were able to restart the programme post-lockdown in Ghana and Uganda and continued to support GES and Mayuge District to deliver the Lively Minds Together radio programme - continuing to reach more rural households than ever before.

### Ghana scale up and partnership with Government

Our goal is for the Lively Minds programme to be run and funded by government and fully institutionalised into government systems. A cross-departmental Working Group was established in 2020 to lead the development of the programme. This year we worked closely with the Working Group, to develop a detailed partnership framework as well as implementation plans, policies and budgets. Key features of the partnership agreement we have in place with GES are that they have committed to running the programme through their kindergarten system and scaling it to 4000 kindergartens in the northern half of the country, reaching approximately 1/3 of rural schools in Ghana. They have also agreed to fund the programme long-term and institutionalise it into existing systems and structures. Lively Minds has committed to providing technical support to GES, to help them to set-up and embed the programme.

After the partnership agreement was drafted, we were able to begin the roll-out of our programme into the first 6 districts. We are happy to report that the roll out resulted in 313 new Play Schemes opening, benefitting 10,061 Mothers and 31,008 children:

The scale up of the programme into the first six districts meant we were able to gather lessons learned and quickly adapt for the next roll out in January 2021.



## Highlights

### achievements

challenges of COVID-19, exciting year of growth and Lively Minds. Key highlights include detailed Partnership implementation plan with Service (‘GES’) to scale the government systems to We doubled the size of our



## Programme post-COVID restart

As well as the scale up, we also restarted the Play Schemes in existing communities in Ghana and Uganda post-COVID. This resulted in:

- Re-sensitisation of local government teams with updates on new terms & requirements
- Training local government teams to deliver revision training
- Training of Kindergarten teachers in Ghana and Village Health Teams in Uganda (5 days)
- Training of Mothers (8 sessions & 2 community meetings)
- Curriculum updated to include more on community involvement & access/inclusivity, reflecting on Lively Minds new equalities in the programme policy
- Curriculum reviewed in order to build the programme back better

These restart activities were closely monitored against activity standards. Following this 5400 Mothers re-opened 152 Play Schemes in 4 Districts enrolling 18,000 children in Ghana. In Uganda, the restart resulted in 5800 Mothers re-enrolling onto the programme and re-opening 165 Play Schemes in 6 Sub Counties. This resulted in the enrolment of 19,800 children.

## Lively Minds Together

We are very excited that Lively Minds Together radio programme will continue as a permanent fixture to the programme. Lively Minds Together was developed as a response to COVID-19, and a way to reach our beneficiaries during national lockdowns. However, the success of the programme has resulted in the continuation of the programme in order to:

- Support return to school and COVID safety
- Encourage community/gov't return to normal LM activities
- Reinforce Parenting Workshop messaging
- Increase ECD awareness for those not enrolled on the programme
- Motivate new communities to take part in the programme
- Safeguard against further school closures

We are happy to report that the Lively Minds Together radio programme is continuing to air in 16 local languages, across 8 Regions and 20 radio stations in Ghana, and in 1 language, 10 Districts and 1 radio station in Uganda. This year 32 new episodes were developed in Season 4 and Season 5.

The radio show has a current estimated listenership of over 2 million people. We continue to see a strong positive response to the programme. On average, around 9 calls/messages from listeners are aired in each live episode; examples of comments, are below:

“Our children now know the colours in our local language” Female caller Garu (episode 31a)

“If we teach them at this early stage they will be able to develop their thinking skills” Male Nabdam (episode 29a)



## Organisational development

We have continued to focus on ensuring our organisation and operations scale-ready. Key activities include the recruitment of a replacement Uganda Country Director, Global COO and Global Head of M&E. We were also delighted to promote our Ghana Deputy Country Director into the Ghana Country Director role at the end of the year.

Key achievements in 2021 include:

- Optimised the Objectives and Key Results goal setting methodology and workplanning system
- Launched a new mass recruitment system, recruiting 47 new staff members
- Ran a month-long bootcamp for the Ghana team to prepare for scale-up
- Launched a Human Resource online system
- Launched the employee handbook including updated policies (i.e. safeguarding, travel, code of conduct, etc.) and trained all staff on this
- Launched a new reward strategy, including salary bandings to the and transitioned all staff to new contracts in January 2021
- Launched a new performance management system and organisational competencies
- Launched new organisational values and culture statements

## Future plans and scale

In 2022, we will continue to scale the programme in Ghana to 18 new districts in Ghana, and introduce the programme into 3 new Sub Counties in Uganda. We will also be focussing on how to enable to government to sustain the programme in the longer term.

## Public benefit

When reviewing our aims and objectives and in planning our future activities, we have referred to the Charity Commission's general guidance on Public Benefit and on running a charity (PB2). The Trustees' focus has always been to measure how planned activities will contribute to the aims and objectives they have set.

## Fundraising

The principle funding source of the charity is multi-year development grants restricted to either the Ghana or Uganda Project. In addition to this, we also fundraise for restricted and unrestricted income from philanthropic organisations.

Going forward our fundraising strategy is to continue this blend of funding sources to balance risk and give some flexibility in how funds are spent. The charity's policy is to have funds secured to cover the following 12 months of planned activity and this policy was met for the period.

## Structure, governance and management

Lively Minds is managed by a Board of Trustees appointed on a three-year basis. The Trustees during the year and currently are as noted on Page 1. All our Trustees give their time on a voluntary basis and are passionate advocates of the charity's work. Some of them have been involved in staff coaching, interviewing and management training and most of them have visited our Play Schemes in either Uganda or Ghana or both to meet staff and local officials and most importantly, to visit local communities and see our Play Schemes in action.

The Board meets face-to-face or virtually not less than 4 times a year with intervening meetings as the need arise. The Board has two committees to support their work - Finance, Audit and Risk, and Remuneration. The skills, experience and commitment of our Board of Trustees are regularly reviewed. Where there are gaps, potential new trustees are invited to an informal interview with the Chairman and other trustees and to attend a Board Meeting as an observer before a formal appointment is made.

## Risk management

The trustees continually assess the major risks to which the charity is exposed. The principal risks identified are:

- securing sustainable income
- maintaining the quality of operations as our programme scales
- government successfully running and funding the programme in the long term

Cash flow risk is mitigated by monthly reviews of the funding pipeline and cash flow forecast for the following fifteen months. Programme quality is carefully tracked through real-time monitoring systems, KPI's and evaluations and a significant amount of management time is now focussed on enabling government to sustain the programme in the long term.

Our risk register is reviewed regularly not less than once every twelve months by the Finance and Audit committee and annually at the annual general meeting.

## Pay policy for senior staff

All staff are paid in accordance with a salary scale which is reviewed each year and approved by the Board.

## Financial review

### Income and Expenditure

The total income for the year was £1,768,683 and the total expenditure was £1,797,628, giving a small deficit for the year of £28,945 and year end reserves of £1,805,597.

Although expenditure in the year was below budget due to Play Scheme activities restarting later than expected due to COVID, costs were significantly higher than the prior year. The areas of expenditure which increased the most compared to prior year are staff costs, due to the expansion of the Ghana team and project costs such as travel and accommodation for project workshops.

Reserves remain high at the year end, which is partly due to expenditure being below budget due to the activities and associated recruitment being delayed due to COVID and therefore expenditure being pushed back. The high reserves position is also partly due to some grants being recognised up front or received upfront towards the end of the current year (£722k).

## Free Reserves

The trustees' policy on income reserves is to maintain sufficient reserves for the charity to continue to meet its ongoing commitments, which in the current financial year means restricted and unrestricted reserves of not less than four months' running costs, with unrestricted reserves making up 30% of this target. This currently equates to £1,150,000, with £345,000 unrestricted reserves. During the financial year ending December 2021, total reserves were £1,805,597, with unrestricted reserves including designated reserves being £1,014,190. Free reserves are £498,412. This is in line with our reserves policy.

## Grants Received in Year

Lively Minds are grateful for the support during the year of the following:

AKO Foundation

The Como Foundation

David Weekley Family Foundation

Dioraphte Foundation

Echidna Giving

Global Innovation Fund

Grand Challenges Canada

Mulago Foundation

Imaginable futures

SENSE Foundation

UNICEF Ghana

USAID

The Waterloo Foundation

## Charity's Accounts

The Trustees present their report and the audited group consolidated financial statements of the charity for the year ended 31 December 2021, incorporating Lively Minds Ghana (registered NGO number DSW 6759) and Lively Minds Uganda (registered NGO number 13025). The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" in preparing the annual report and financial statements of the charity.

## Statement of Trustees' Responsibilities

The trustees (who are also directors of Lively Minds for the purposes of company law) 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. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping adequate 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.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United

Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

## Disclosure of information to the auditors

We, the Trustees of the charity who held office at the date of approval of these financial statements as set out above each confirm, so far as we are aware, that:

- There is no relevant information of which the charity's auditors are unaware; and
- We have taken all the steps that we ought to have taken as Trustees in order to make ourselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

In approving the Trustees Annual Report, we also approve the Strategic Report included therein, in our capacity as charity Trustees.

On behalf of the Trustees

*PJW Ryan*  
PJW Ryan (Jul 22, 2022 09:31 GMT+1)

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Name: Peter Ryan

Position: Chairman

Date: Jul 22, 2022

# Independent Auditor's Report to the Members and Trustees of Lively Minds

## Opinion

We have audited the financial statements of Lively Minds (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 December 2021 which comprise the consolidated statement of financial activities, the consolidated balance sheet, the charity balance sheet, the consolidated statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charitable company's affairs as at 31 December 2021, and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

## Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

LIVELY MINDS (A COMPANY LIMITED BY GUARANTEE)  
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF  
LIVELY MINDS  
FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)



Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group and parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

## Other information

The other information comprises the information included in the trustees annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

## Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.



LIVELY MINDS (A COMPANY LIMITED BY GUARANTEE)  
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF  
LIVELY MINDS  
FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)



We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Act 2011 requires us to report to you if, in our opinion:

- adequate and sufficient accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

## **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement set out on page 12, the trustees (who are also the directors of the parent charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group and parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or parent charitable company or to cease operations, or have no realistic alternative but to do so.

## **Auditor responsibilities for the audit of the financial statements**

We have been appointed auditor under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

LIVELY MINDS (A COMPANY LIMITED BY GUARANTEE)  
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF  
LIVELY MINDS  
FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)



Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud

and non-compliance with laws and regulations, was as follows:

- we identified the laws and regulations applicable to the charity through discussions with management, and from our commercial knowledge and experience of the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the accounts or the operations of the charity, including the Charities Act 2011;
- we assessed the extent of compliance with the laws and regulations identified through making enquiries of management and inspecting correspondence; and

identified laws and regulations were communicated within the audit team and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charity's accounts to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in the accounting policies were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading minutes of meetings of those charged with governance; and
- enquiring of management as to actual and potential litigation and claims.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements

LIVELY MINDS (A COMPANY LIMITED BY GUARANTEE)  
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF  
LIVELY MINDS  
FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)



or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the FRC's website at: <https://www.frc.org.uk/auditors/audit-assurance/auditor-s-responsibilities-for-the-audit-of-the-fi/description-of-the-auditor%E2%80%99s-responsibilities-for>. This description forms part of our auditor's report.

## Use of our report

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 and to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's members and its trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Mike Jackson (Jul 22, 2022 11:46 GMT+1)

### Michael Jackson (Senior Statutory Auditor)

for and on behalf of

#### **BHP LLP**

Chartered Accountants

Statutory Auditor

1st Floor Mayesbrook House

Redvers Close

Lawnswood Business Park

LS16 6QY

Date: Jul 22, 2022

LIVELY MINDS (A COMPANY LIMITED BY GUARANTEE)  
STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING THE INCOME AND  
EXPENDITURE ACCOUNT)



FOR THE YEAR ENDED 31 DECEMBER 2021

	Note	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Combined Total 2020 £
<b>Income</b>					
Grants, donations and legacies	2	506,482	1,252,437	1,758,919	2,149,650
Investment Income		133	-	133	425
Income from Covid 19 grants		913	-	913	-
Income from other activities		8,718	-	8,718	90
<b>Total Income</b>		<b>516,246</b>	<b>1,252,437</b>	<b>1,768,683</b>	<b>2,150,165</b>
<b>Expenditure</b>					
Raising Funds		7,998	-	7,998	7,191
Charitable Activities		529,050	1,260,580	1,789,630	1,128,879
<b>Total Expenditure</b>	5	<b>537,048</b>	<b>1,260,580</b>	<b>1,797,628</b>	<b>1,136,070</b>
<b>Net Income/(expenditure)</b>		<b>(20,802)</b>	<b>(8,143)</b>	<b>(28,945)</b>	<b>1,014,095</b>
Net movement in funds		(20,802)	(8,143)	(28,945)	1,014,095
Transfers between funds		-	-	-	-
<b>Reconciliations of funds</b>					
Total funds at 1 January 2021		1,034,992	799,550	1,834,542	820,447
<b>Total funds at 31 December 2021</b>	13	<b>1,014,190</b>	<b>791,407</b>	<b>1,805,597</b>	<b>1,834,542</b>

The Statement of Financial Activities includes all gains and losses in the year and therefore a statement of total recognised gains and losses has not been prepared. All of the above are derived from continuing activities.

The notes on pages 23 to 39 form part of these financial statements.

LIVELY MINDS (A COMPANY LIMITED BY GUARANTEE)  
GROUP BALANCE SHEET AS AT 31 DECEMBER 2021  
COMPANY NUMBER 11832452



		Dec-21 £	Combined Dec-20 £
<b>Fixed Assets</b>			
Tangible Assets	10	56,555	15,968
<b>Current Assets</b>			
Debtors: amounts falling due after more than one year	11	-	182,974
Debtors: amounts falling due within one year	11	234,416	174,143
Cash at bank and in hand		1,580,197	1,502,537
<b>Total Assets</b>		<b>1,871,168</b>	<b>1,875,622</b>
Current Liabilities: Amounts falling due within 1 year	12	(65,571)	(41,080)
<b>Net Assets</b>		<b>1,805,597</b>	<b>1,834,542</b>
<b>Accumulated Funds</b>			
Restricted Funds	13	791,407	799,550
Unrestricted Funds		1,014,190	1,034,992
<b>Total Funds</b>		<b>1,805,597</b>	<b>1,834,542</b>

The financial statements were approved by the Board and authorised for issue on Jul 22, 2022

PJW Ryan  
PJW Ryan (Jul 22, 2022 09:31 GMT+1)

Name: Peter Ryan

Position: Chairman

The notes on pages 23 to 39 form part of these financial statements.

LIVELY MINDS (A COMPANY LIMITED BY GUARANTEE)  
PARENT BALANCE SHEET AS AT 31 DECEMBER 2021  
COMPANY NUMBER 11832432



		Dec-21 £	Combined Dec-20 £
<b>Fixed Assets</b>			
Tangible Assets	10	4,455	3,167
<b>Current Assets</b>			
Debtors: amounts falling due after more than one year	11	-	182,974
Debtors: amounts falling due within one year	11	200,122	164,192
Cash at bank and in hand		1,406,743	1,216,522
<b>Total Assets</b>		<b>1,611,320</b>	<b>1,566,855</b>
Current Liabilities: Amounts falling due within 1 year	12	(27,491)	(25,206)
<b>Net Assets</b>		<b>1,583,829</b>	<b>1,541,649</b>
<b>Accumulated Funds</b>			
Restricted Funds		552,361	496,136
Unrestricted Funds		1,031,468	1,045,513
<b>Total Funds</b>		<b>1,583,829</b>	<b>1,541,649</b>

Jul 22, 2022

The financial statements were approved by the Board and authorised for issue on .....

*PJW Ryan*  
PJW Ryan (Jul 22, 2022 09:31 GMT+1)

Name: Peter Ryan

Position: Chairman

The notes on pages 23 to 39 form part of these financial statements.

LIVELY MINDS (A COMPANY LIMITED BY GUARANTEE)  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2021



	2021 £	Combined 2020 £
Cash flow from operating activities:		
Net income/(expenditure)	(28,945)	1,014,095
Adjustments for:		
Depreciation	16,685	9,101
Profit on disposal of asset	(5,513)	-
Interest received	(133)	(425)
Decrease/(increase) in debtors	122,701	(156,572)
(Decrease)/Increase in creditors	<u>24,491</u>	<u>25,340</u>
Net cash (used in)/provided by operating activities	<b>129,286</b>	<b>891,539</b>
Cash flow from investing activities:		
Payments to acquire tangible fixed assets	(57,531)	(2,216)
Cash received from sale of asset	5,772	-
Interest received	<u>133</u>	<u>425</u>
Net cash used in investing activities	<b>(51,626)</b>	<b>(1,791)</b>
Change in cash and cash equivalents	<u>77,660</u>	<u>889,748</u>
Cash and cash equivalents at the beginning of the year	1,502,537	612,789
Cash and cash equivalents at the end of the year	<u><b>1,580,197</b></u>	<u><b>1,502,537</b></u>
Analysis of cash and cash equivalents		
Cash in bank and in hand	1,580,197	1,502,537
	<u><b>1,580,197</b></u>	<u><b>1,502,537</b></u>



## 1 Summary of significant accounting policies

### (a) Basis of preparation

The consolidated 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 issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), and UK Generally Accepted Accounting Practice.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The consolidated financial statements are presented in sterling which is the functional currency of the charity.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

### (b) Funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

### (c) Income recognition

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

### (d) Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

Costs of raising funds includes an apportionment of staff time.

Expenditure on charitable activities includes project costs for activities in Ghana and Uganda.

LIVELY MINDS (A COMPANY LIMITED BY GUARANTEE)  
NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 31 DECEMBER 2021



**1 Summary of significant accounting policies (continued)**

Other expenditure represents those items not falling into the categories above.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

**(e) Support costs allocation**

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity and include project management carried out at Headquarters. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources.

Fund-raising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities.

The analysis of these costs is included in note 6.

**(f) Tangible fixed assets**

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Computer Equipment	3 years straight line
Office furniture and equipment	3 – 5 years straight line
Motor vehicles	4 years straight line

**(g) Debtors and creditors receivable / payable within one year**

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

**(h) Provisions**

Provisions are recognised when the charity has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

**(i) Foreign currency**

Foreign currency transactions are initially recognised by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

LIVELY MINDS (A COMPANY LIMITED BY GUARANTEE)  
NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 31 DECEMBER 2021



**1 Summary of significant accounting policies (continued)**

Monetary assets and liabilities denominated in a foreign currency at the balance sheet date are translated using the closing rate.

**(j) Tax**

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

**(k) Going concern**

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

**(l) Judgements and key sources of estimation uncertainty**

In the view of the trustees in applying the accounting policies adopted, no judgements were required that have a significant effect on the amounts recognised in the financial statements nor do any estimates or assumptions made carry a high significant risk of material adjustment in the next financial year.

**2 Income from Donations and Legacies**

	Donations and Grants	Play schemes Ghana	Play Schemes Uganda	Total 2021	Combined Total 2020
	£	£	£	£	£
Donations and grants (see note 4)	506,482	-	-	506,482	1,043,077
Grants for specific activities (see note 3)	-	1,131,669	120,768	1,252,437	1,106,573
	<b>506,482</b>	<b>1,131,669</b>	<b>120,768</b>	<b>1,758,919</b>	<b>2,149,650</b>

**3 Grants for Specific Activities**

	Play Schemes Ghana	Play Schemes Uganda	Total 2021	Combined Total 2020
	£	£	£	£
AKO Foundation	-	100,000	100,000	17,000
Echidna Giving	-	(1,465)	(1,465)	-
Dioraphte Foundation	-	-	-	77,379
The ELMA Foundation (UK)	-	-	-	150,000
Global Innovation Fund	814,394	-	814,394	378,364
Grand Challenges Canada	226,107	-	226,107	299,379
Unicef	36,323	-	36,323	47,039
Mulago Foundation	-	-	-	37,412
The Waterloo Foundation	-	-	-	100,000
The SENSE Foundation	-	17,900	17,900	-
Imaginable Futures	10,112	4,333	14,445	-
Como Foundation	44,733	-	44,733	-
	<b>1,131,669</b>	<b>120,768</b>	<b>1,252,437</b>	<b>1,106,573</b>

LIVELY MINDS (A COMPANY LIMITED BY GUARANTEE)  
NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 31 DECEMBER 2021



**4 Donations and Grants**

	2021	Combined 2020
	£	£
Anonymous donations	50,000	128,600
Jefferies LLC	-	3,669
Mulago Foundation	370,817	38,625
DWFF	73,744	37,473
Echidna Foundation	-	74,822
Imaginable Futures	203	747,799
Individual Donations	10,738	10,707
Gift aid reclaimed	980	1,382
	<b>506,482</b>	<b>1,043,077</b>

**5 Analysis of Expenditure on Charitable Activities**

	Staff Costs	Project Costs	Support Costs	Total 2021	Combined Total 2020
	£	£	£	£	£
Cost of raising funds	7,782	-	216	7,998	7,191
Charitable Activities					
Play schemes - Ghana	693,988	649,915	68,150	1,412,053	746,265
Play Schemes - Uganda	223,631	113,453	20,251	357,335	359,753
	917,619	763,368	88,401	1,769,388	1,106,018
Governance Costs	-	-	20,242	20,242	22,861
Total Expenditure	<b>925,401</b>	<b>763,368</b>	<b>108,859</b>	<b>1,797,628</b>	<b>1,136,070</b>

LIVELY MINDS (A COMPANY LIMITED BY GUARANTEE)  
 NOTES TO THE ACCOUNTS  
 FOR THE YEAR ENDED 31 DECEMBER 2021



**6 Support Costs**

Support costs include the following:

	<b>2021</b>	<b>Combined 2020</b>
	<b>£</b>	<b>£</b>
Cost of raising funds	216	216
Insurance	1,617	951
Bank Charges	1,167	656
Professional Fees	443	30,195
Printing and Photocopying	-	107
Stationery and Postage	174	619
Telephone and Internet	2,944	1,446
Marketing	720	429
Website	447	122
Recruitment and Training	45,466	30,274
Depreciation Charge	16,685	9,102
Other Expenses	(2,010)	1,716
Travel Costs	20,748	8,164
Governance (note 7)	20,242	22,861
	<b>108,859</b>	<b>106,858</b>

**7 Governance Costs**

	<b>2021</b>	<b>Combined 2020</b>
	<b>£</b>	<b>£</b>
External Audit fees for the group	20,242	18,258
Legal fees	-	4,603
	<b>20,242</b>	<b>22,861</b>

Governance costs include external audit fees for the charity group auditor and the subsidiary audits as well as legal fees incurred in the year. None of the Trustees (or any persons connected with them) received any remuneration during the year.

LIVELY MINDS (A COMPANY LIMITED BY GUARANTEE)  
 NOTES TO THE ACCOUNTS  
 FOR THE YEAR ENDED 31 DECEMBER 2021



**8 Net Movement in Funds**

This is stated after charging:

	2021	Combined 2020
	£	£
Depreciation of fixed assets	16,685	9,101
Loss on the sale of tangible fixed assets	-	-
Independent Auditors remuneration	12,420	12,000

**9 Staff Costs**

**Group**

	2021	Combined 2020
	£	£
Wages and Salaries	736,725	484,917
Social Security costs	77,679	54,571
Pension Costs	23,281	5,495
Freelance costs	87,716	24,129
	<b>925,401</b>	<b>569,112</b>

**Parent**

	2021	Combined 2020
	£	£
Wages and Salaries	254,853	209,252
Social Security costs	23,593	17,749
Pension Costs	7,658	5,495
Freelance costs	87,716	24,129
	<b>373,820</b>	<b>256,625</b>



LIVELY MINDS (A COMPANY LIMITED BY GUARANTEE)  
NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 31 DECEMBER 2021



**9 Staff Costs (continued)**

Total redundancy / termination payments amounted to £7,324 (2020: £8,450).

The average number of group employees in the year was 61 (2020: 40).

1 employee earned £60,000 per annum (excluding employer pension costs) or more in the current or preceding financial year (2020: nil).

No member of the Board of Trustees or person with a family or business connection with a Board member received remuneration in the year.

Key management personnel consists of the Trustees, the CEO, COO, Head of Finance and Country Directors. The total employee benefits of the key management personnel of the charity was £261,485 (2020: £202,820). Employee benefits include salaries, employer social security costs, employers pension contributions and other benefits.

**10 Tangible Fixed Assets**

**Group**

	<b>Computer Equipment</b>	<b>Motor Vehicles</b>	<b>Office Furniture and Equipment</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Cost</b>				
At 1 January 2021	21,064	67,109	8,914	<b>97,087</b>
Additions	30,815	15,299	11,417	<b>57,531</b>
Disposals	(1,580)	(28,351)	(5,505)	<b>(35,436)</b>
At 31 December 2021	50,299	54,057	14,826	<b>119,182</b>
<b>Depreciation</b>				
At 1 January 2021	10,562	62,506	8,051	<b>81,119</b>
Charge	8,565	5,654	2,466	<b>16,685</b>
Disposals	(1,321)	(28,351)	(5,505)	<b>(35,177)</b>
At 31 December 2021	17,806	39,809	5,012	62,627
<b>Net Book Value</b>				
At 31 December 2021	32,493	14,248	9,814	<b>56,555</b>
At 1 January 2021	<b>10,502</b>	<b>4,603</b>	<b>863</b>	<b>15,968</b>

LIVELY MINDS (A COMPANY LIMITED BY GUARANTEE)  
 NOTES TO THE ACCOUNTS  
 FOR THE YEAR ENDED 31 DECEMBER 2021



**10 Tangible Fixed Assets (continued)**

**Parent**

	<b>Computer Equipment £</b>	<b>Office Furniture and Equipment</b>	<b>Total £</b>
<b>Cost</b>			
At 1 January 2021	8,963	-	8,963
Additions	4,190	900	4,990
Disposals	(754)	-	(754)
At 31 December 2021	12,399	900	13,199
<b>Depreciation</b>			
At 1 January 2021	5,796	-	5,796
Charge	3,093	450	3,543
Disposals	(495)	-	(495)
At 31 December 2021	8,394	450	8,844
<b>Net Book Value</b>			
At 31 December 2021	<b>4,005</b>	<b>450</b>	<b>4,455</b>
At 1 January 2021	<b>3,167</b>	<b>-</b>	<b>3,167</b>

**11 Debtors**

**Group**

	<b>2021 £</b>	<b>Combined 2020 £</b>
<b>Amounts falling due within one year</b>		
Accrued Income	174,724	157,906
Other Debtors	59,692	16,237
	234,416	174,143
<b>Amounts falling due after one year</b>		
Accrued Income	-	182,974
	-	182,974
	<b>234,416</b>	<b>357,117</b>

LIVELY MINDS (A COMPANY LIMITED BY GUARANTEE)  
 NOTES TO THE ACCOUNTS  
 FOR THE YEAR ENDED 31 DECEMBER 2021



**11 Debtors (continued)**

**Parent**

	<b>2021</b>	<b>Combined 2020</b>
	<b>£</b>	<b>£</b>
<b>Amounts falling due within one year</b>		
Accrued Income	174,724	157,906
Other Debtors	25,398	6,286
	<hr/> 200,122	<hr/> 164,192
<b>Amounts falling due after one year</b>		
Accrued Income	-	182,974
	<hr/> -	<hr/> 182,974
	<hr/> <b>200,122</b>	<hr/> <b>347,166</b>

**12 Creditors; amounts falling due within one year**

**Group**

	<b>2021</b>	<b>Combined 2020</b>
	<b>£</b>	<b>£</b>
Accruals	39,599	32,868
Social Security	25,972	8,212
	<hr/> <b>65,571</b>	<hr/> <b>41,080</b>

**Parent**

	<b>2021</b>	<b>Combined 2020</b>
	<b>£</b>	<b>£</b>
Accruals	19,371	16,994
Social Security	8,120	8,212
	<hr/> <b>27,491</b>	<hr/> <b>25,206</b>

**13 Fund Reconciliation****Unrestricted Funds**

	<b>Balance 1 Jan 21</b>	<b>Income</b>	<b>Expenditure</b>	<b>Transfers</b>	<b>Balance 31 Dec 21</b>
	£	£	£	£	£
Unrestricted Funds	245,680	334,004	(24,717)	-	<b>554,967</b>
Designated Funds - Ghana Playschemes	714,490	203	(358,811)	39,132	<b>395,014</b>
Designated Funds - Uganda Playschemes	74,822	182,039	(153,520)	(39,132)	<b>64,209</b>
	<b>1,034,992</b>	<b>516,246</b>	<b>(537,048)</b>	<b>-</b>	<b>1,014,190</b>

**Restricted Funds**

	<b>Balance 1 Jan 21</b>	<b>Income</b>	<b>Expenditure</b>	<b>Transfers</b>	<b>Gains/ (Losses)</b>	<b>Balance 31 Dec 21</b>
	£	£	£	£	£	£
Waterloo Foundation	100,000	-	(50,000)	-	-	50,000
AKO Foundation	121,655	100,000	(100,812)	-	-	120,843
Echidna Giving	82,315	(1,465)	(80,117)	-	-	733
Echidna Coaching Grant	3,222	-	(3,222)	-	-	-
Dioraphte	36,500	-	(36,095)	-	-	405
Global Innovation Funds	263,029	814,394	(426,269)	-	-	651,154
US AID	(61,075)	-	-	-	-	(61,075)
Unicef	5,759	36,323	(35,979)	-	-	6,103
Grand Challenges Canada	210,734	226,107	(472,775)	-	-	(35,934)
Mulago Foundation	37,411	-	(37,411)	-	-	-
SENSE Foundation	-	17,900	(17,900)	-	-	-
Imaginable Futures	-	14,445	-	-	-	14,445
Como Foundation	-	44,733	-	-	-	44,733
	<b>799,550</b>	<b>1,252,437</b>	<b>(1,260,580)</b>	<b>-</b>		<b>791,407</b>

**Unrestricted Funds**

	<b>Balance 1 Jan 20</b>	<b>Income</b>	<b>Expenditure</b>	<b>Transfers</b>	<b>Combined Balance 31 Dec 20</b>
	£	£	£	£	£
Unrestricted Funds	134,365	144,873	(33,558)	-	<b>245,680</b>
Designated Funds - Ghana Playschemes	-	794,633	(80,143)	-	<b>714,490</b>
Designated Funds - Uganda Playschemes	-	104,086	(29,264)	-	<b>74,822</b>
	<b>134,365</b>	<b>1,043,592</b>	<b>(142,965)</b>	<b>-</b>	<b>1,034,992</b>

**13 Fund Reconciliation (continued)****Restricted Funds**

	Balance 1 Jan 20	Income	Expenditure	Transfers	Gains/ (Losses)	Combined Balance 31 Dec 20
	£	£	£	£	£	£
Waterloo Foundation	-	100,000	-	-	-	100,000
Headley Trust	-	-	-	-	-	-
The ELMA Foundation (UK)	93,112	150,000	(243,112)	-	-	-
Marr Munning	3,333	-	(3,333)	-	-	-
AKO Foundation	163,586	17,000	(58,931)	-	-	121,655
Echidna Giving	236,072	-	(153,757)	-	-	82,315
Echidna Coaching Grant	31,565	-	(28,343)	-	-	3,222
Dioraphte	-	77,379	(40,879)	-	-	36,500
Global Innovation Funds	158,414	378,364	(273,749)	-	-	263,029
British and Foreign	-	-	-	-	-	-
Schools society	-	-	-	-	-	-
US AID	-	-	(61,075)	-	-	(61,075)
Unicef	-	47,039	(41,280)	-	-	5,759
Grand Challenges Canada	-	299,380	(88,646)	-	-	210,734
Mulago Foundation	-	37,411	-	-	-	37,411
	<b>686,082</b>	<b>1,106,573</b>	<b>(993,105)</b>	<b>-</b>	<b>-</b>	<b>799,550</b>

**Summary of Movement in Funds**

	Unrestricted Fund £	Designated Fund £	Restricted Fund £	Total £
Fund balance at 1st Jan 2021	245,680	789,312	799,550	1,834,542
Income	334,004	182,242	1,252,437	1,768,683
Expenditure	(24,717)	(512,331)	(1,260,580)	(1,797,628)
Transfers	-	-	-	-
Fund balance at 31 December 2021	<b>554,967</b>	<b>459,223</b>	<b>791,407</b>	<b>1,805,597</b>

	Combined Unrestricted Fund £	Combined Designated Fund £	Combined Restricted Fund £	Combined Total £
Fund balance at 1st Jan 2020	134,365	-	686,082	820,447
Income	144,873	898,719	1,106,573	2,150,165
Expenditure	(33,558)	(109,407)	(993,105)	(1,136,070)
Transfers	-	-	-	-
Fund balance at 31 December 2020	<b>245,680</b>	<b>789,312</b>	<b>799,550</b>	<b>1,834,542</b>

LIVELY MINDS (A COMPANY LIMITED BY GUARANTEE)  
NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 31 DECEMBER 2021



**13 Fund Reconciliation (continued)**

**Fund Descriptions**

***Unrestricted Funds***

Unrestricted funds are primarily from individual donations, fundraising and anonymous donations and are available for any purpose to further the objectives of the charity.

***Designated Funds***

**Echidna Giving**

Echidna Giving awarded a one off one-year unrestricted grant which has been designated for activities in Uganda in 2021, however part of the grant was transferred for activities in Ghana part way through the year. This grant has been fully used in the year.

**Imaginable Futures**

Imaginable Futures have made the final instalment of a three-year unrestricted grant, which was recognised in prior years and designated to the Ghana project. The grant will be fully used in 2022.

**The Mulago Foundation**

The Mulago Foundation awarded an unrestricted grant in the prior year which was part designated to Uganda and part designated to Ghana activity. This grant will be fully used in 2022.

***Restricted Funds***

**AKO Foundation**

AKO Foundation have made a final instalment for the three year grant for Ghana and have awarded a new 2 year grant for Uganda in the year.

**The Como Foundation**

The Como Foundation awarded the first tranche of a 3 year restricted grant towards staff scheduling and other related IT systems in Ghana.

**Dioraphte**

Dioraphte provided a one year grant towards Uganda activity in April 2020 which ended in the year.

**Echidna Giving**

Echidna Giving paid the final tranche of a three year grant towards Uganda activity. This grant has now ended.

Echidna Giving also provided a grant for dedicated coaching support for managers. This grant has been fully utilised in early 2022.

**The ELMA Foundation (UK)**

The ELMA Foundation (UK) provided a one off grant towards COVID response in Ghana in the second half of the prior year.

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**13 Fund Reconciliation (continued)**

**Global Innovation Fund**

Global Innovation Fund made the second and third instalments of a three year grant for the Ghana scale up project.

**Grand Challenges Canada**

Grand Challenges Canada made the remaining instalments of the one and a half year grant for the Ghana scale up project. This grant ended in December 2021. The negative balance at the year end relates to funds withheld pending a satisfactory audit report. These funds are expected in 2022.

**Imaginable Futures**

Imaginable Futures awarded a grant for staff wellbeing. This will be used in for activities in 2022.

**Mulago Foundation**

Mulago Foundation provided a grant in the prior year for the Covid response in both Ghana and Uganda. This grant has been fully utilised in the year.

**The SENSE Foundation**

The SENSE Foundation awarded a new restricted one year grant for activities in Uganda.

**UNICEF Ghana**

UNICEF Ghana provided several grants for activities in Ghana relating to the gender sensitisation and the radio programme.

**USAID**

USAID are funding programme activity in Uganda. There is a negative balance at the year end because funding was paused in 2020 due to Covid stopping playcheme activity. Updated payment milestones are being agreed for the revised implementation schedule and several milestone payments are expected in 2022.

**The Waterloo Foundation**

The Waterloo Foundation first year instalment was used for activity in Ghana relating to government engagement. The remaining funds will be used in 2022.

**14 Analysis of Net Assets Between Funds**

	General Unrestricted	Designated	Restricted	2021 Total Funds
	£	£	£	£
Tangible Fixed Assets	6,996	10,231	39,328	56,555
Net Current Assets	547,971	448,992	752,079	1,749,042
Net assets at the end of the year	<b>554,967</b>	<b>459,223</b>	<b>791,407</b>	<b>1,805,597</b>



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**14 Analysis of Net Assets Between Funds (continued)**

	Combined General Unrestricted	Combined Designated	Combined Restricted	Combined 2020 Total Funds
	£	£	£	£
Tangible Fixed Assets	2,102	-	20,751	22,853
Net Current Assets	243,578	789,312	778,799	1,811,689
Net assets at the end of the year	<b>245,680</b>	<b>789,312</b>	<b>799,550</b>	<b>1,834,542</b>

**15 Operating Lease Commitments**

The charity has no commitments under operating leases.

**16 Taxation**

The charity is exempt from tax as all income is charitable income and applied for charitable purposes.

**17 Related Party Transaction**

During the year the charity received unrestricted donations totalling £1,150 from a Trustee.

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**18 Prior Year Statement of Financial Activities**

	<b>Combined Unrestricted Funds £</b>	<b>Combined Restricted Funds £</b>	<b>Combined Total 2020 £</b>
<b>Income</b>			
Grants, donations and legacies	1,043,077	1,106,573	2,149,650
Investment Income	425	-	425
Income from other activities	90	-	90
<b>Total Income</b>	<u>1,043,592</u>	<u>1,106,573</u>	<u>2,150,165</u>
<b>Expenditure</b>			
Raising Funds	-	7,191	7,191
Charitable Activities	142,965	985,914	1,128,879
<b>Total Expenditure</b>	<u>142,965</u>	<u>993,105</u>	<u>1,136,070</u>
<b>Net Income/(expenditure)</b>	900,627	113,468	1,014,095
Net movement in funds	900,627	113,468	1,014,095
Transfers between funds	-	-	-
<b>Reconciliations of funds</b>			
Total funds at 1 January 2020	134,365	686,082	820,447
<b>Total funds at 31 December 2020</b>	<u><u>1,034,992</u></u>	<u><u>799,550</u></u>	<u><u>1,834,542</u></u>

**19 Merger Accounting**

On 1<sup>st</sup> January 2021 all activities, assets and liabilities of the independent charity Lively Minds, registered charity number 1125512 were transferred to the charitable company limited by guarantee, charity number 1187460 and registered company number 11832452.

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**19 Merger Accounting (continued)**

Analysis of principal SoFA components for the previous reporting period

	<b>Lively Minds charity number 1125512</b>	<b>Lively Minds charity number 1187460</b>	<b>Combined</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Total Income	2,150,165	-	2,150,165
Total Expenditure	1,136,070	-	1,136,070
Net income/(expenditure)	1,014,095	-	1,014,095
Other gains/(losses)	-	-	-
Net movement in funds	1,014,095	-	1,014,095
 Total funds brought forward	 820,447	 -	 820,447
 Total funds carried forward	 <b>1,834,542</b>	 -	 <b>1,834,542</b>

Analysis of net assets at the date of merger

	<b>Lively Minds charity number 1125512</b>	<b>Lively Minds charity number 1187460</b>	<b>Combined</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Net assets	1,834,542	-	1,834,542
Represented by:			
Unrestricted funds	1,034,992	-	1,034,992
Restricted funds	799,550	-	799,550