

The Life and Soul Kitchen Ltd
Report of the Trustees and Unaudited Financial Statements
For the Year Ended 31st March 2023

Registered Company Number: 03455469

Registered Charity Number: 1065618

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REPORT OF THE DIRECTORS AND TRUSTEES

For the year ended 31st March 2023

The directors and the trustees present their report with the financial statements of the charity for the year ended 31 March 2023. The accounts have been prepared in accordance with the provisions applicable to the small companies regime and in accordance with FRS102 Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard (FRS) 102.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

03455469

Registered Charity number

1065618

Principal Office

Credenhill
Station Road
HR4 7EY

Registered office

1A The Homend
Ledbury
Herefordshire
HR8 1BN

Directors

S Badham
J Bonsall (appointed 1st January 2023)
B Morris (resigned 6th October 2022)

Trustees

JC Morris (resigned 4th September 2022)
B Morris (resigned 6th October 2022)
B Grobb
G Pegrum (appointed 21st November 2022)
A Collier (appointed 14th January 2023)
B Edwards

Independent examiner

Luke Keegan
Chartered Management Accountant
1A The Homend, Ledbury, Herefordshire, HR8 1BN

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its Memorandum and Articles of Association and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006. The liability of each member is limited to £10.

Charity Structure

The charity had 4 serving trustees at the close of the financial period.

It holds 4 general meetings per year, one of which is the AGM. Any other business is conducted via supplementary, special or extra-ordinary general meetings as required.

The trustees have met on six occasions for formal trustee meetings in person on site. The trustees have communicated regularly through e-mail where they have received monthly financial updates and directors' reports.

The day to day management of the cafe was undertaken by S Badham and J Bonsall, both directors, who report to the full board.

The board has taken an active role with the day to day operations of the cafe both to support the directors whilst one director was receiving treatment and surgery and to navigate the difficult financial climate the charity has faced. The trustees have monitored expenditure and supported with voluntary hours to reduce costs.

The trustees have been reviewing applications for open positions to join the board of trustees and continues to seek new members.

The charity recruits its trustees mainly from approaches to stakeholders from the community who possess skills pertinent to the management and furtherance of the charity's objectives. Any interested parties are interviewed by the existing trustees and their appointment ratified at the next formal general meeting. They are given induction training by the Secretary to the Trustees.

OBJECTIVES AND ACTIVITIES

Objectives and Purpose

- To promote the relief and education of persons who are disabled by the provision, equipping, operation and maintenance of a catering workshop and ancillary facilities for the employment or vocational training of such persons.
- The relief of the disabled by the provision of specialised information, counselling and or advice to disabled persons seeking employment and or vocational training.

Charity when not under lockdown or social distancing measure

- The operation of a full café service Monday to Sunday, various hours
- The provision of a skills and vocational training service for adults with disabilities, up to 25 placements.
- Supporting vulnerable volunteers with work experience opportunities and interview guidance.
- Hosting community events and groups to encourage social inclusion and understanding.
- Partnering with SEN schools and colleges offering work experience and mentoring
- The employment of part time staff and volunteers to assist with the running of the business and to support service users.

- Partnering with other local charities and local suppliers to provide a programme to regular activities to enhance the experiences for the both the trainees and the general public.
- Providing external funding to help with the expansion of the service offer, the ongoing refurbishment of the facility and to enable the replacement of capital equipment.

ACHIEVEMENTS AND PERFORMANCE

Main Achievements

Providing an exciting and alternative approach to day opportunities providing beneficiary lead services and a great ethos of person centred support for adults with learning disabilities, service users placements totalling 24 alongside support for the wider local community with 62 volunteers taking part in operations.

Hereford has a high number of reduced income families, elevated levels of social housing, childhood obesity and overall reduced wellbeing including isolation and depression. The cost of living crisis coupled with mental health issues people are facing as a direct impact of the covid 19 pandemic has drastically increased the number of people turning to charities to bridge the gap. The charity's disabled adults are dedicated to supporting the community to access a wide range of services including free training activities, classes, workshops, healthy meals and volunteering positions these early interventions have helped to reduce the number of people facing hardship and built strong community support networks and resilience.

The service is managed solely by our supported adults with disabilities, with understanding and encouragement the service users are achieving meaningful and measurable change in the community. Our service users have become leaders in the community gaining a genuine sense of purpose and pride.

The charity has secured a new ground floor provision with a ten-year lease in Credenhill with the landlord (Credenhill parish council) offering reduced rents.

Securing national lottery funding over three years with an investment of £250,000.

FINANCIAL REVIEW

Review of the charity's financial position at the end of the year

- During the year, there was limited trading in the café due to venue changes.
- Grant funding did help to pay salaries and allow for the core cost to be covered.
- The charity has limited outstanding debts at the end of the financial year and has a clear and tangible plan to ensure it is in a position to meet its outstanding liabilities in the next financial year.

Reserves Policy

The Trustees aim to maintain free reserves in unrestricted funds at a level that equates to approximately three months of unrestricted expenditure. The level is not a fixed amount and it must reflect the changing business environment and the circumstances to which the business may be required to respond, especially at very short notice.

The Trustees review the reserves level on a regular basis and have concluded that given inflationary pressures on utilities, services and stock purchases and the additional risk of further financial pressure all reserves maybe utilised to meet the charity's needs.

At the end of the year the charity had free reserves of £13,806 (2022: £9,881)

The Life and Soul Kitchen Ltd
For the Year Ended 31st March 2023

The Trustees have considered the financial position of the charity and consider that the charity has been able to and remains able to fulfil its obligations for the foreseeable future.

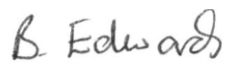
The Trustees understand the position is fragile and will review this position monthly.

DECLARATIONS

The company has taken advantage of the small companies' exemption in preparing the report above.

The trustees declare that they have approved the trustee's report (including director's report) above.

ON BEHALF OF THE BOARD:



B Edwards

Date: 2nd June 2023

Independent Examiner's Report to the trustees of the Life and Soul Kitchen Ltd

I report on the accounts for the year ended 31 March 2023 which comprise the Statement of Financial Activities, the Summary Income and Expenditure Account, the Balance Sheet and the related notes.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. 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 required.

Having satisfied myself that the charity is not subject to audit under the requirements of the Companies Act 2006 and is eligible for independent examination, it is my responsibility to:

- examine the accounts under Section 145 of the Charities Act 2011
- 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
- to state whether particular matters have come to my attention.

Basis of the 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 accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, 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 accounts present a 'true and fair view' and the report is limited to those matters set out in the statements below.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination which gives me cause to believe that in, any material respect:

- the accounting records were not kept in accordance with section 386 of the Companies Act 2006 or section 130 of the Charities Act 2011; or
- the accounts did not accord with the accounting records; or
- the accounts did not comply with the relevant accounting requirements under section 396 of the Companies Act 2006 other than any requirement that the accounts give a "true and fair" view which is not a matter considered as part of an independent examination;
- the accounts have not been prepared in accordance with the Charities SORP (FRS102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Luke Keegan, Chartered Management Accountant

1A The Homend
Ledbury
Herefordshire, HR8 1BN

Date: 22nd December 2023

Statement of financial activities (including summary income and expenditure account)

Recommended categories by activity	Notes	Unrestricted funds	Restricted funds	Total funds 2023	Total funds 2022
		£	£	£	£
Income					
Income and endowments from:					
Donations and legacies	3	38,620	-	38,620	109,015
Charitable activities	3	112,321	-	112,321	91,720
Investments	3	-	-	-	-
Other	3	122	-	122	-
Total		151,063	-	151,063	200,850
Expenditure					
Raising funds	4	145	-	145	3,422
Charitable activities	4	146,228	12,041	158,269	223,396
Administration and Governance	4	586	-	586	593
Total		146,959	12,041	159,000	227,411
Net gains on investments					-
Net income (expenditure)		4,104	(12,041)	(7,937)	(26,675)
Transfers between funds		-	-	-	-
Net expenditure before other gains/(losses)		4,104	(12,041)	(7,937)	(26,675)
Other gains and losses:					
Net movement in funds		4,104	(12,041)	(7,937)	(26,675)
Reconciliation of funds:					
Total funds brought forward		16,864	14,657	31,521	58,196
Total funds carried forward		20,968	2,616	23,584	31,521

The Life and Soul Kitchen Ltd
For the Year Ended 31st March 2023

Statement of Assets and Liabilities

	Notes	Unrestricted funds £	Restricted funds £	2023 £	2022 £
Fixed assets					
Tangible assets	7	7,162	2,616	9,778	21,640
Total fixed assets		7,162	2,616	9,778	21,640
Current assets					
Stocks	8	-	-	-	4,565
Debtors	9	9,760	-	9,760	8,743
Cash at bank and in hand	12	14,336	-	14,336	4,855
Total current assets		24,096	-	24,096	18,163
Creditors: amounts falling due within one year	10	(10,290)	-	(10,290)	(8,282)
Net current assets		13,806	-	13,806	9,881
Total net assets		20,968	2,616	23,584	31,521
Funds of the Charity					
Restricted income funds	13		2,616	2,615	14,657
Unrestricted funds	13	20,968		20,968	16,864
Total funds		20,968	2,616	23,584	31,521

The company was entitled to exemption from audit under s477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to small companies subject to the small companies regime and in accordance with FRS102 SORP.

Signed by

S Badham

Date:

NOTES TO THE ACCOUNTS

Note 1 Basis of preparation

1.1 Basis of accounting

These accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts.

The accounts have been prepared in accordance with:

the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and with the Charities Act 2011.

The charity constitutes a public benefit entity as defined by FRS 102.

Note 2 Accounting policies

2.1 Income

Recognition of income

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

- the charity becomes entitled to the resources;
- it is more likely than not that the trustees will receive the resources;
- the monetary value can be measured with sufficient reliability.

Offsetting

There has been no offsetting of assets and liabilities, or income and expenses, unless required or permitted by the FRS 102 SORP or FRS 102.

Grants and donations

Grants and donations are only included in the SoFA when the general income recognition criteria are met (5.10 to 5.12 FRS102 SORP).

In the case of performance related grants, income must only be recognised to the extent that the charity has provided the specified goods or services as entitlement to the grant only occurs when the performance related conditions are met (5.16 FRS 102 SORP).

Contractual income and performance related grants

This is only included in the SoFA once the charity has provided the related goods or services or met the performance related conditions.

Support costs

The charity has incurred expenditure on support costs.

Volunteer help

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

Income from interest, royalties and dividends

This is included in the accounts when receipt is probable and the amount receivable can be measured reliably.

2.2 Expenditure and Liabilities

Liability recognition	Liabilities are recognised where it is more likely than not that there is a legal or constructive obligation committing the charity to pay out resources and the amount of the obligation can be measured with reasonable certainty.
Governance and support costs	Support costs have been allocated between governance costs and other support. Governance costs comprise all costs involving public accountability of the charity and its compliance with regulation and good practice.
Redundancy cost	The charity made no redundancy payments during the reporting period.
Deferred income	No material item of deferred income has been included in the accounts.
Creditors	The charity has creditors which are measured at settlement amounts less any trade discounts
Provisions for liabilities	A liability is measured on recognition at its historical cost and then subsequently measured at the best estimate of the amount required to settle the obligation at the reporting date

2.3 Assets

Tangible fixed assets for use by charity	These are capitalised if they can be used for more than one year, and cost at least They are valued at cost.
Stocks and work in progress	Stocks held for sale as part of non-charitable trade are measured at the lower or cost or net realisable value.
Debtors	Debtors (including trade debtors and loans receivable) are measured on initial recognition at settlement amount after any trade discounts or amount advanced by the charity. Subsequently, they are measured at the cash or other consideration expected to be received.

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For the Year Ended 31st March 2023

Note 3 Income

Analysis of income		Unrestricted funds	Restricted funds	2023	2022
				£	£
Donations and legacies:	Donations and gifts	-	-	-	48,942
	Grants provided by government/other charities	38,620	-	38,620	60,074
	Total	38,620	-	38,620	109,016
Charitable Activities	Café	75,338	-	75,338	56,701
	Service Users	36,982	-	36,982	35,019
	Total	112,321	-	112,321	91,720
Other Income	Other	122	-	122	-
	Total	122	-	122	-
TOTAL INCOME		151,063	-	151,063	200,735

Note 4 Expenditure

Analysis of expenditure		Unrestricted funds	Restricted funds	2023	2022
				£	£
Expenditure on raising funds:	Advertising, marketing, direct mail and publicity	145	-	145	3,422
	Total expenditure on raising funds	145	-	145	3,422
	Expenditure on charitable activities	Café	138,830	12,041	150,872
Administration costs		7,397	-	7,397	3,711
Governance Costs		586	-	586	593
Total expenditure on charitable activities		146,814	12,041	158,855	223,989
TOTAL EXPENDITURE		146,959	12,041	159,000	227,411

Note 5 Details of certain types of expenditure

	2023	2022
	£	£
Independent examiner's fees	586	593

Note 6 Staff costs

	2023	2022
	£	£
Wages and salaries	76,802	96,602
Social Security Costs	-	775
Pension Costs	1,190	1,137

No employee received emoluments in excess of £60,000

The average monthly number of full time equivalent employees during the year was as follows:

	2023	2022
	Number	Number
Café	7	9
Total	<u>7</u>	<u>9</u>

Note 7 Tangible fixed assets

	Land and buildings	Furniture & Equipment	Total
	£	£	£
Cost or revaluation			
At 1 April 2022	27,105	22,331	49,436
Additions	-	4,687	4,687
Disposals	(27,105)	-	(27,105)
At 31 March 2023	<u>-</u>	<u>27,018</u>	<u>27,018</u>
Depreciation and impairments			
At 1 April 2022	17,148	10,648	27,796
Disposals	(17,148)	-	(17,148)
Depreciation charge for the year	-	6,592	6,592
At 31 March 2023	<u>-</u>	<u>17,240</u>	<u>17,240</u>
Net book value			
At 31 March 2022	9,957	11,683	21,640
At 31 March 2023	<u>-</u>	<u>9,778</u>	<u>9,778</u>

Basis for Depreciation

Furniture & Equipment

Depreciated over 4 years on a straight line basis

Note 8 **Stocks**

	2023	2022
	£	£
Raw materials and consumables	-	4,565
Total	-	4,565

Note 9 **Debtors and prepayments**

Analysis of debtors

	2023	2022
	£	£
Trade debtors	9,760	8,743
Prepayments and accrued income	-	-
Other debtors	-	-
Total	9,760	8,743

Note 10 **Creditors and accruals**

Analysis of creditors

	Amounts falling due within one year	
	2023	2022
	£	£
Trade creditors	260	1,813
Accruals and deferred income	1,226	640
Taxation and social security	4,780	3,848
Other creditors	4,023	1,981
Total	10,290	8,282

Note 11 **Commitments**

Commitments

Operating lease commitments

Annual commitments under non-cancellable operating leases are as follows:-

	2023	2023	2022	2022
	Land and Buildings	Other	Land and Buildings	Other
	£	£	£	£
Operating leases with expiry date: In the second to fifth years inclusive	-	-	10,800	-
Over five years	-	-	-	-
	-	-	10,800	-

Note 12 Cash at bank and in hand

	2023	2022
	£	£
Cash at bank and on hand	14,336	4,855
Total	<u>14,336</u>	<u>4,855</u>

Note 13 Charity funds

13.1 Details of material funds held and movements during the CURRENT reporting period

Fund names	Type	Fund balances brought forward £	Income £	Expenses £	Transfers £	Fund balances carried forward £
National Lottery Community Fund	R	14,657	-	(12,041)	-	2,616
General	U	16,684	151,063	(146,959)	-	20,968
Total Funds as per balance sheet		<u>31,521</u>	<u>151,063</u>	<u>(159,000)</u>	<u>-</u>	<u>23,584</u>

13.2 Details of material funds held and movements during the PREVIOUS reporting period

Fund names	Type	Fund balances brought forward £	Income £	Expenses £	Transfers £	Fund balances carried forward £
National Lottery Community Fund	R	21,985	-	(7,328)	-	14,657
General	U	36,211	200,735	(220,082)	-	16,864
Total Funds as per balance sheet		<u>58,196</u>	<u>200,735</u>	<u>(227,410)</u>	<u>-</u>	<u>31,521</u>

Note 14 **Transactions with trustees and related parties**

14.1 Trustee remuneration and benefits

None of the trustees have been paid any remuneration or received any other benefits from an employment with their charity or a related entity

S Badman and J Bonsall as directors of the company each receive a salary for their role as manager and assistant manager of the café.

14.2 Trustees' expenses

No trustee expenses have been incurred other than re-imbusement of out of pocket expenses

14.2 Transactions with related parties

There were no transactions with related parties

Note 15 **Company limited by guarantee**

The company is limited by guarantee and has no share capital.

Every member of the company undertakes to contribute to the assets of the company, in the event of winding up, such an amount as may be required, not exceeding £10.

Note 16 **General Information**

The Life and Soul Kitchen Ltd is a private company, limited by guarantee, incorporated in England and Wales, registered number 03455469. The registered address is 1A The Homend, Ledbury, Herefordshire, HR8 1BN

Detailed Statement of Financial Activities

	2023 £	2022 £
Income and endowments from:		
Donations and legacies		
Donations	-	48,942
Grants from government / charitable bodies	38,620	60,074
	<u>38,620</u>	<u>109,015</u>
Charitable activities		
Café	75,338	56,701
Service Users	36,982	35,019
	<u>112,321</u>	<u>91,720</u>
Other	122	-
Total income and endowments	<u>151,063</u>	<u>200,735</u>
Expenditure on:		
Costs of generating donations and legacies		
Fundraising	145	3,422
	<u>145</u>	<u>3,422</u>
Total of expenditure on raising funds		
Cafe		
Purchases	35,875	70,295
Salaries and wages	76,802	96,602
Employers National Insurance Contributions	-	775
Employer Pension Contributions	1,190	1,137
Staff Training	24	-
Staff Entertainment	176	451
Uniforms/PPE	1,136	1,112
Credit card and finance costs	2,455	3,007
Rent and rates	8,533	9,900
Gas and electricity	938	9,142
Repairs and maintenance	1,705	7,027
Waste disposal	1,127	2,488
Sundry	3,791	3,762
Cleaning	351	1,566
Insurance	219	863
Depreciation of premises	-	6,136
Depreciation of catering equipment	5,075	3,950
Depreciation of other fixtures and fittings	1,517	1,471
Loss on disposal of fixed assets	9,957	-
	<u>150,872</u>	<u>219,685</u>
General Administrative Expenses		
Telephone	1,063	676
Administration support costs	209	80
Postage	8	10
Printing & Stationery	92	270
Travel Expenses	1,270	333
Professional fees	4,742	2,100
Bank charges	14	-
Charitable Donations	-	242
	<u>7,397</u>	<u>3,711</u>

The Life and Soul Kitchen Ltd
For the Year Ended 31st March 2023

Governance Costs		
Accountancy	586	593
	<hr/>	<hr/>
	586	593
	<hr/>	<hr/>
Total expenditure	159,000	227,411
	<hr/>	<hr/>
Net movement in funds	(7,937)	(26,675)
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