

THE ADSUM FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2023

		Unrestricted Funds	Restricted Funds	Total	Total
		2023	2023	2023	2022
Incoming resources	Note	£	£	£	£
Donations income	3	93,267	265,673	358,940	673,176
Total income		<u>93,267</u>	<u>265,673</u>	<u>358,940</u>	<u>673,176</u>
Resources expended:					
Charitable activities	4	93,267	374,067	467,334	578,193
Total expenditure		<u>93,267</u>	<u>374,067</u>	<u>467,334</u>	<u>578,193</u>
Net movement in funds		-	(108,394)	(108,394)	94,983
Reconciliation of funds:					
Total funds brought forward		-	120,274	120,274	25,291
Total funds carried forward		<u>-</u>	<u>11,880</u>	<u>11,880</u>	<u>120,274</u>

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

All income and expenditure derives from continuing activities.

The notes on pages 12 to 18 form part of these financial statements

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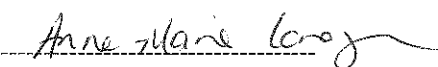
STATEMENT OF FINANCIAL POSITION / BALANCE SHEET AS AT 31ST MARCH 2023

	Note	2023	2022
		£	£
Fixed assets			
Tangible fixed assets	8	2,989	1,647
Intangible fixed assets	9	-	-
Total fixed assets		<u>2,989</u>	<u>1,647</u>
Current assets			
Debtors	10	10,322	376,010
Cash at bank – donations account		281,015	231,758
Cash at bank – overheads account		7,141	23,652
Total current assets		<u>298,478</u>	<u>631,420</u>
Creditors – amounts falling due within one year	11	289,587	512,793
Total creditors		<u>289,587</u>	<u>512,793</u>
Net current assets		<u>8,891</u>	<u>118,627</u>
Total net assets	12	<u>11,880</u>	<u>120,274</u>
Unrestricted funds			
General funds	13	-	-
Total unrestricted funds		-	-
Restricted funds	13	11,880	120,274
Total charity funds		<u>11,880</u>	<u>120,274</u>

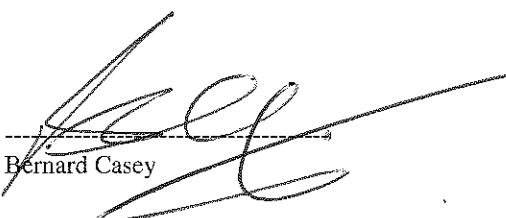
The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime under The Companies Act 2006 and with Charities SORP-FRS102.

The notes on pages 12 to 18 are an integral part of these financial statements.

The financial statements on pages 9 to 18 were approved by the Board of Trustees on 29th June 2023 and signed on its behalf by:


Anne-Marie Lonergan

Trustee


Bernard Casey
Trustee

The notes on pages 12 to 18 form part of these financial statements

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CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2023

	2023	2022
	£	£
Cash flow from operating activities		
Net (outgoing)/incoming resources	(108,394)	94,983
Depreciation	848	416
Decrease/(increase) in debtors	365,688	(171,208)
(Decrease)/increase in creditors	(223,206)	148,231
Acquisition of tangible fixed assets	(2,190)	(1,174)
Net increase in cash for the year	32,746	71,248
Cash and cash equivalents at the beginning of the year	255,410	184,162
Cash and cash equivalents at the end of the year	288,156	255,410

The notes on pages 12 to 18 form part of these financial statements

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023

1. Company information

The Company is limited by guarantee and is incorporated in Northern Ireland. The address of the registered office is 4 Annadale Avenue, Belfast. The financial statements were authorised for issue by the Board on 29th June 2023.

2. Accounting policies

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

Basis of preparation

The financial statements have been prepared on a going concern basis 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 (FRS 102) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Foundation meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost and transaction value unless otherwise stated in the relevant accounting policy note(s).

Preparation of accounts on a going concern basis

The Foundation generally meets its day to day working capital requirements from its annual income. The Trustees have obtained and reviewed cash flow forecasts for the coming year and based on these are satisfied that the Foundation has resources to provide a reasonable expectation that it can continue to meet its financial obligations as they fall due for the foreseeable future. These financial statements therefore have been prepared on a going concern basis.

Incoming resources

All incoming resources are included in the Statement of Financial Activities when the Foundation is entitled to the income, it is probable that the income will be received and the amount can be quantified with reasonable accuracy.

Incoming resources comprise of all cash receivable for the accounting period, including any related tax recoverable under Gift Aid.

Revenue government grants are included in the Statement of Financial Activities in the period in which the related expenditure is incurred.

Resources expended

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services to its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

The operating costs of the Foundation continue to be met by LFT Charitable Trust and Alterity Investments Limited so that 100% of any money donated to the Foundation goes directly to our partners and the projects on the ground.

Pensions

The Foundation operates a defined contribution scheme for all staff. Employer contributions are charged through the income and expenditure when incurred.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023 (continued)

1. Accounting policies (continued)

Tangible assets

The tangible assets of the Foundation comprise of computer equipment and fixtures and fittings.

The tangible assets are depreciated at a rate calculated to reduce them to residual value at the end of their expected normal life on a straight-line basis at a rate of 20% per annum.

The assets' residual values and useful lives are reviewed, and adjusted, if appropriate, at the end of each reporting period. The effect of any change is accounted for prospectively.

Tangible assets are derecognised on disposal or when no future economic benefits are expected. On disposal, the difference between the new disposal proceeds and the carrying amount is recognised in the statement of financial activities and included in "other operating gains/(losses)".

Intangible assets

Expenditure on the company's website is capitalised and amortised over the period expected to benefit. An amortisation rate of 50% on a straight-line basis has been used for this purpose.

Short-term debtors and creditors

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Financial assets, including debtors, are reviewed at the reporting date to determine if there is any evidence of potential impairment. Any losses arising from impairment are recognised in the income statement in operating expenses.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts.

Financial instruments

The Foundation only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction price and subsequently measured at their settlement value.

Funds

Funds are classified as either unrestricted funds or restricted funds, defined as follows.

Unrestricted funds are expendable at the discretion of the trustees in furtherance of the objects of the charity. If parts of the unrestricted funds are earmarked at the discretion of the trustees for a particular purpose, they are designated as a separate fund. This designation has an administrative purpose only and does not legally restrict the trustees' discretion to apply the fund.

Restricted funds are funds subject to specific requirements as to their use which may be declared by the donor or with their authority or created through legal processes, but still within the wider objects of the Foundation.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023 (continued)

2. Critical accounting judgements and estimation uncertainty

Estimates and judgments made in the process of preparing the financial statements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Trustees do not consider that there are any critical judgments made in applying the Company's accounting policies or that there are any critical accounting estimates or assumptions which may have a significant risk of causing a material adjustment to carrying amounts of assets and liabilities within the next financial year.

3. Donations income

	Unrestricted Funds	Restricted Funds	Total	Total
	2023	2023	2023	2022
	£	£	£	£
Donations from LFT Charitable Trust	93,267	32,234	125,501	503,670
Donations from general public	-	229,689	229,689	169,506
Tax recovered on donations	-	3,750	3,750	-
	<u>93,267</u>	<u>265,673</u>	<u>358,940</u>	<u>673,176</u>

4. Charitable activities

	Unrestricted Funds	Restricted Funds	Total	Total
	2023	2023	2023	2022
	£	£	£	£
Charitable donations	-	374,067	374,067	512,986
Wages and salaries	35,499	-	35,499	25,589
Property costs	30,624	-	30,624	26,586
Foundation running costs	4,182	-	4,182	3,732
Administration costs	19,845	-	19,845	7,614
Other expenses	3,117	-	3,117	1,686
	<u>93,267</u>	<u>374,067</u>	<u>467,334</u>	<u>578,193</u>

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023 (continued)

5. Taxation

The Foundation is recognised as a charity for the purposes of applicable taxation legislation and is therefore not subject to taxation on its charitable activities.

6. Transfers between funds

Unrestricted funds are spent or applied at the discretion of the trustees to further any of the charity's purposes. Unrestricted funds can be used to supplement expenditure made from restricted funds.

7. Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

	2023	2022
	£	£
Employees		
Salaries and wages	34,800	25,237
Pension contributions	699	352
Total	<u>35,499</u>	<u>25,589</u>

The average number of employees during the year, was as follows:

	2023	2022
	Number	Number
Directors	3	3
Administration	1	1
	<u>4</u>	<u>4</u>

There are no employees in receipt of employee benefits in excess of £60,000. Key management are deemed to comprise the Directors. No salary was paid to the directors (2022: none). No trustee or a person related to a trustee had any personal interest in any contract or transaction entered into by the charity during the year.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023 (continued)

8. Tangible fixed assets

	Office Equipment	Fixtures and Fittings	Total
	£	£	£
Cost			
As at 1 st April 2022	7,406	420	7,826
Additions	2,190	-	2,190
As at 31st March 2023	<u>9,596</u>	<u>420</u>	<u>10,016</u>
Depreciation			
As at 1 st April 2022	6,095	84	6,179
Depreciation charge for the year	806	42	848
As at 31st March 2023	<u>6,901</u>	<u>126</u>	<u>7,027</u>
Net book value at 31st March 2023	<u>2,695</u>	<u>294</u>	<u>2,989</u>
Net book value at 31 st March 2022	<u>1,311</u>	<u>336</u>	<u>1,647</u>

9. Intangible fixed assets

	Website	Total
	£	£
Cost		
As at 1 st April 2022	4,259	4,259
Additions	-	-
As at 31st March 2023	<u>4,259</u>	<u>4,259</u>
Amortisation		
As at 1 st April 2022	4,259	4,259
Amortisation	-	-
As at 31st March 2023	<u>4,259</u>	<u>4,259</u>
Net book value at 31st March 2023	<u>-</u>	<u>-</u>
Net book value at 31 st March 2022	<u>-</u>	<u>-</u>

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023 (continued)

10. Debtors

	2023	2022
	£	£
Donations receivable	-	375,000
Gift aid refundable	4,344	594
Other debtors and prepayments	5,978	416
	<u>10,322</u>	<u>376,010</u>

11. Creditors: amounts due within one year

	2023	2022
	£	£
Donations payable	273,478	377,077
Deferred income	7,642	133,143
Other creditors and accruals	8,467	2,573
	<u>289,587</u>	<u>512,793</u>

12. Analysis of net assets

	Unrestricted General	Restricted	Total
	£	£	£
Fixed assets	2,989	-	2,989
Current assets	13,119	285,359	298,478
Current liabilities	(16,108)	(273,479)	(289,587)
Net assets at 31 March 2023	<u>-</u>	<u>11,880</u>	<u>11,880</u>

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023 (continued)

13. Funds of the company

	At 1 April 2022	Income	Expenditure	At 31 March 2023
	£	£	£	£
Restricted funds				
Donations fund	120,274	265,673	(374,067)	11,880
	<u>120,274</u>	<u>265,673</u>	<u>(374,067)</u>	<u>11,880</u>
Unrestricted funds				
General fund	-	93,267	(93,267)	-
	<u>-</u>	<u>93,267</u>	<u>(93,267)</u>	<u>-</u>
Total funds	<u>120,274</u>	<u>358,940</u>	<u>(467,334)</u>	<u>11,880</u>

Purpose of restricted funds

These funds are to be used towards the support of the charitable work of the charity.

14. Financial instruments

At the balance sheet date the Foundation held the following financial instruments:

	2023	2022
	£	£
Financial assets that are debt instruments measured at amortised cost	<u>4,844</u>	<u>375,594</u>
Financial liabilities measured at amortised cost	<u>288,320</u>	<u>510,220</u>

15. Related party transactions

Included in income is a donation of £93,267 received from LFT Charitable Trust (2022: £65,207) to meet the company's overhead costs and a donation of £32,234 received from LFT Charitable Trust (2022: £438,463) for the company to use for its charitable activities. At the year-end there were no donations receivable from LFT Charitable Trust (2022: £375,000). Both charities have a common trustee Mr. Gavin Lonergan.

None of the directors/trustees received remuneration as detailed at note 7. Mr Gavin Lonergan was reimbursed £2,033 during the year for charitable activity expenses paid personally.

16. Funding commitments

The Company had no unconditional charitable funding commitments at the balance sheet date, beyond those which have been recognised in these accounts (2022: nil).

17. Controlling party

During the year The Adsum Foundation was under the control of the Trustees (who are also the directors).