

THE ADSUM FOUNDATION
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2024

Company Registration Number: NI071403

Charities Registration Number: NIC102284

THE ADSUM FOUNDATION

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

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THE ADSUM FOUNDATION

REPORT OF THE TRUSTEES (INCORPORATING DIRECTORS' REPORT)

The Directors (who are also the trustees) are pleased to present their annual report together with the financial statements of the charity for the year ending 31st March 2024, which are prepared to meet the requirements for a directors' report and accounts for Companies Act purposes. The directors have adopted the provisions of the Companies Act 2006 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (Charities SORP – FRS102), in preparing the annual report and financial statements of the charity.

Achievements and performance

Once again, the focus of our work over the past 12 months has been vital projects in Madagascar and we continue to support rural communities creating access to essential services such as water, education, sanitation, and healthcare.

Through the installation of 28 borehole wells, almost 8,400 people now have access to safe and sustainable sources of water. Prior to this, communities often relied upon open, unprotected water sources, significant distances from their homes. The provision of reliable, clean water closer to their homes and places of study/work truly is life changing. Water technicians and local management committees were trained at each site to ensure care, maintenance and sustainability of every borehole drilled.

Our school building programme saw new 5 schools in remote locations bringing bright classrooms and safe education to pupils for many years to come. Around 850 pupils will access education in their newly built primary schools at the start of the new academic year. Every school is furnished, includes a new block of latrines, and teacher and pupils are provided with resources packs. We also enhanced the school library collections at each of our existing schools, allocating 65 story book packs.

Our adult literacy project in the Androy region of Southern Madagascar ensured that over 7,000 people commenced the first stage of the programme across 300 locations during the financial year.

As they have done every year over the past decade, Adsum Bike Aid volunteers have been collecting and reconditioning hundreds of bikes, with the plan to ship, and distribute around 800 bikes during 2024. The bikes are commonly shared with family members and neighbours, growing the impact and prospects of the beneficiaries in remote villages, and during the financial year another 350 bikes made their way into their hands.

Our pilot project of well building in the Androy region was up and running with delivery of the well drilling equipment and training taking place during the past year, and the teams on the ground have battled through the local challenges and continue to look for solutions to the problem of the search for clean and safe water. Closer to home, we have once again been able to host our 'Battle of Brains' Table Quiz fundraiser, which has once again become a staple fundraising and networking event in our calendar.

The gratitude from and impact of our work on Malagasy communities motivates us as we plan our future work to change more lives. We are grateful to our supporters for their continued commitment to help the lives of people in need across Madagascar.

Our Grants and Partnerships Manager has been a great addition to the Adsum team, helping Adsum Foundation continue our work in Madagascar and exploring new opportunities.

THE ADSUM FOUNDATION

REPORT OF THE TRUSTEES (continued)

Financial review and funds policy

During the year, the Foundation's incoming resources for distribution totalled £413,041, with its resources expended on charitable activities totalling £386,153. The resources expended were principally in support of development needs in Madagascar. The operating costs of the Foundation were met entirely by LFT Charitable Trust so that 100% of any money donated to or through the Foundation goes directly to our partners and the projects on the ground.

At the year end the Foundation had £87,873 of cash funds available for distribution and the Directors have already committed £51,600 of this to their partners in Madagascar who are involved in many programmes across the charity spectrum, including projects with themes such as education, health, water and sustainable livelihood projects. The net incoming resources for the year amounting to £26,888 as shown in the statement of financial activities on page 9 have been transferred from the company's funds.

The company plans to continue its activities in the forthcoming years.

The Adsum Foundation does not hold any funds on behalf of others.

The Trustees do not consider a Reserve Policy is necessary given the current financial arrangement in place with LFT Charitable Trust which meets 100% of the Foundation's operating costs.

Objectives and Activities (and how they deliver public benefit)

The Company is a non-profit making entity which funds education, health, sustainable livelihoods and water and sanitation projects in the developing world, with a focus on Madagascar.

The Company's activities benefit the public by:

1. providing relief for persons, who are in conditions of need, hardship or distress as a result of local, national or international disaster or by reason of their social and economic circumstances. The direct benefits which flow from this purpose include improved health outcomes, improved education and life and job opportunities.
2. providing relief of patients suffering from disease or sickness, or who are convalescent, disabled, handicapped or infirm. The direct benefits which flow from this purpose include improved health outcomes, the provision in the interests of social welfare of recreational facilities for such patients and the relief in cases of financial distress of the dependents of such patients or of deceased patients. It would also include research into the causes and treatments of disease on terms that the results of such research are published.
3. furthering the education (including social and physical training) of children and young persons. The direct benefits which flow from this purpose include improved education, job prospects, life skills and as a result living conditions for them and their families.

These can all be demonstrated through local and government statistics and feedback from beneficiaries and their families. These purposes would not lead to harm. The charity's beneficiaries could be anyone locally, nationally or internationally. There is no private benefit.

In setting our objectives and planning our activities for the year, the trustees have considered the Charity Commission for Northern Ireland's guidance on public benefit to ensure that the activities have helped to achieve the charity's purposes and provide a benefit to its beneficiaries.

The Trustees have had regard to the Charity Commission's Public Benefit requirement.

THE ADSUM FOUNDATION

REPORT OF THE TRUSTEES (continued)

Reference and administrative details

| | |
|--|--|
| Registered charity name: | The Adsum Foundation |
| Directors and Trustees who held office during the year, and in the period since 31 March 2024 to the date these accounts were approved, were as follows: | Mr. Gavin Lonergan Mrs. Anne-Marie Lonergan Mr. Bernard Casey Ms. Annalisa McManus (appointed 10/05/24) |
| Charity Commission registration number: | NIC102284 |
| Company Registration Number: | NI071403 |
| Registered office / Principal Office: | 4 Annadale Avenue Belfast BT7 3JH |

Structure, governance and management

The Company is a charity limited by guarantee without share capital which avails of the "Limited" exemption.

The company is governed by its Memorandum and Articles of Association dated 23 December 2008. In the event of the Company being wound up, members are required to contribute an amount not exceeding £10. The Board is responsible for the overall governance of the Company and is actively involved in the day-to-day management of the organisation.

Directors are appointed in line with the Memorandum and Articles of Association of the company.

The Board of Directors are also known as Trustees for the purposes of the Charity Commission.

The Trustees are responsible for the overall governance of the charity.

Risk management

The directors have conducted a review of the major risks to which the charity is exposed. Financial risk is reviewed on a monthly basis having due regard to ongoing income and expenses.

Statement of directors' responsibilities

The directors (who are the trustees of The Adsum Foundation) are responsible for preparing the directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under Company law the directors 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 income and expenditure for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP-FRS102;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statement; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

THE ADSUM FOUNDATION

REPORT OF THE TRUSTEES (continued)

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and 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 the case of each director in office at the date the Directors' Report is approved:

- so far as the director is aware, there is no relevant audit information of which the charity's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

Funds held as custodian trustee on behalf of others

The charity does not hold any funds on behalf of others.

Auditors

A resolution to appoint auditors will be proposed at the Annual General Meeting.

Small companies provision statement

This report has been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

Approved by the Board on 15th August 2024 and signed on its behalf by:


.....
Mr Gavin Lonergan

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE ADSUM FOUNDATION

(Company registration number NI 071403)

Opinion

We have audited the financial statements of The Adsum Foundation for the year ended 31st March 2024, which comprise the Statement of Financial Activities, Balance Sheet, Cash Flow Statement and notes to the financial statements, including a summary of 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) – (Charities SORP (FRS102)).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31st March 2024 and of its incoming resources and their application for the period 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.

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's responsibilities for the audit of the financial statements section of our report. We are independent of the 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 directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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 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 directors with respect to going concern are described in the relevant sections of this report.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE ADSUM FOUNDATION (continued)

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 directors' report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report have 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 company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

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

- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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

Responsibilities of directors

As explained more fully in the directors' responsibilities statement (set out on pages 2 to 5), the directors (who are also the trustees of the charitable company) 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 directors 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 directors are responsible for assessing the 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 directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE ADSUM FOUNDATION (continued)

Auditor's responsibilities for the audit of the financial statements (continued)

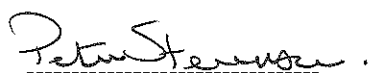
Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting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

- We identified the laws and regulations applicable to the company through discussions with directors and key personnel, and from our own knowledge and experience of the charitable sector. We focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006 and taxation legislation, while also giving consideration to data protection regulations, employment law and health and safety legislation.
- The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations and the team remained alert to the possibility of fraud and non-compliance throughout the audit.
- We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur. We did so through discussions with management as to their assessment of areas where fraud or non-compliance might occur, as well as considering the internal controls in place to mitigate risks of fraud and non-compliance.
- In order to ascertain the extent of compliance with the laws and regulations, we made enquiries of management as to whether there was any actual or potential litigation, we reviewed legal correspondence, we inspected tax correspondence and we performed analytical procedures to identify any unusual or unexpected activity.

A further description of our responsibilities is available on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Peter Stevenson (Senior Statutory Auditor)
For and on behalf of:
Stevenson and Wilson Chartered Accountants, Statutory Auditor
22 – 30 Broadway Avenue
Ballymena
BT43 7AA

15th August 2024

THE ADSUM FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2024

| | | Unrestricted Funds | Restricted Funds | Total | Total |
|------------------------------------|-------------|-----------------------|---------------------|----------------|----------------|
| | | 2024 | 2024 | 2024 | 2023 |
| | | £ | £ | £ | £ |
| Incoming resources | Note | | | | |
| Donations income | 3 | 79,894 | 413,041 | 492,935 | 358,940 |
| Investment income | | 80 | - | 80 | - |
| Total income | | <u>79,974</u> | <u>413,041</u> | <u>493,015</u> | <u>358,940</u> |
| Resources expended: | | | | | |
| Charitable activities | 4 | 79,974 | 386,153 | 466,127 | 467,334 |
| Total expenditure | | <u>79,974</u> | <u>386,153</u> | <u>466,127</u> | <u>467,334</u> |
| Net movement in funds | | - | 26,888 | 26,888 | (108,394) |
| Reconciliation of funds: | | | | | |
| Total funds brought forward | | - | 11,880 | 11,880 | 120,274 |
| Total funds carried forward | | <u>-</u> | <u>38,768</u> | <u>38,768</u> | <u>11,880</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

THE ADSUM FOUNDATION

STATEMENT OF FINANCIAL POSITION / BALANCE SHEET AS AT 31ST MARCH 2024

| | Note | 2024 | 2023 |
|---|------|----------------|----------------|
| | | £ | £ |
| Fixed assets | | | |
| Tangible fixed assets | 8 | 3,396 | 2,989 |
| Intangible fixed assets | 9 | 1,750 | - |
| Total fixed assets | | 5,146 | 2,989 |
| Current assets | | | |
| Debtors | 10 | 147,665 | 10,322 |
| Cash at bank – donations account | | 87,873 | 281,015 |
| Cash at bank – overheads account | | 14,870 | 7,141 |
| Total current assets | | 250,408 | 298,478 |
| Creditors – amounts falling due within one year | 11 | 216,786 | 289,587 |
| Total creditors | | 216,786 | 289,587 |
| Net current assets | | 33,622 | 8,891 |
| Total net assets | 12 | 38,768 | 11,880 |
| Unrestricted funds | | | |
| General funds | 13 | - | - |
| Total unrestricted funds | | - | - |
| Restricted funds | 13 | 38,768 | 11,880 |
| Total charity funds | | 38,768 | 11,880 |

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.

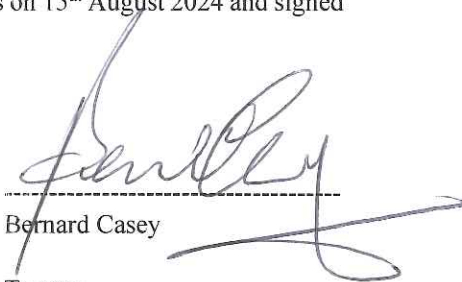
The notes on pages 12 to 18 are an integral part of these financial statements.

The financial statements on pages 9 to 18 were approved by the Board of Trustees on 15th August 2024 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

THE ADSUM FOUNDATION

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2024

| | 2024 | 2023 |
|---|-----------------------|-----------------------|
| | £ | £ |
| Cash flow from operating activities | | |
| Net incoming/(outgoing) resources | 26,888 | (108,394) |
| Depreciation and amortisation | 2,425 | 848 |
| (Increase)/decrease in debtors | (137,343) | 365,688 |
| Decrease in creditors | (72,801) | (223,206) |
| Acquisition of fixed assets | (4,582) | (2,190) |
| Net (decrease)/increase in cash for the year | <u>(185,413)</u> | <u>32,746</u> |
| Cash and cash equivalents at the beginning of the year | 288,156 | 255,410 |
| Cash and cash equivalents at the end of the year | <u><u>102,743</u></u> | <u><u>288,156</u></u> |

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

THE ADSUM FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

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 15th August 2024.

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.

THE ADSUM FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024 (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.

THE ADSUM FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

(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 |
|-------------------------------------|-----------------------|---------------------|----------------|----------------|
| | 2024 | 2024 | 2024 | 2023 |
| | £ | £ | £ | £ |
| Donations from LFT Charitable Trust | 79,894 | 231,794 | 311,688 | 125,501 |
| Donations from general public | - | 178,091 | 178,091 | 229,689 |
| Tax recovered on donations | - | 3,156 | 3,156 | 3,750 |
| | <u>79,894</u> | <u>413,041</u> | <u>492,935</u> | <u>358,940</u> |

4. Charitable activities

| | Unrestricted Funds | Restricted Funds | Total | Total |
|--------------------------|-----------------------|---------------------|----------------|----------------|
| | 2024 | 2024 | 2024 | 2023 |
| | £ | £ | £ | £ |
| Charitable donations | - | 386,153 | 386,153 | 374,067 |
| Wages and salaries | 25,888 | - | 25,888 | 35,499 |
| Property costs | 31,980 | - | 31,980 | 30,624 |
| Foundation running costs | 5,748 | - | 5,748 | 4,182 |
| Administration costs | 10,271 | - | 10,271 | 19,845 |
| Other expenses | 6,087 | - | 6,087 | 3,117 |
| | <u>79,974</u> | <u>386,153</u> | <u>466,127</u> | <u>467,334</u> |

THE ADSUM FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

(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

| | 2024 | 2023 |
|-----------------------|---------------|---------------|
| | £ | £ |
| Employees | | |
| Salaries and wages | 25,791 | 34,800 |
| Pension contributions | 97 | 699 |
| Total | <u>25,888</u> | <u>35,499</u> |

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

| | 2024 | 2023 |
|----------------|----------|----------|
| | Number | Number |
| Directors | 3 | 3 |
| Administration | 1 | 1 |
| Total | <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 (2023: 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.

THE ADSUM FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024 (continued)

8. Tangible fixed assets

| | Office Equipment | Fixtures and Fittings | Total |
|---|---------------------|--------------------------|---------------|
| | £ | £ | £ |
| Cost | | | |
| As at 1 st April 2023 | 9,596 | 420 | 10,016 |
| Additions | 1,082 | - | 1,082 |
| As at 31st March 2024 | <u>10,678</u> | <u>420</u> | <u>11,098</u> |
| Depreciation | | | |
| As at 1 st April 2023 | 6,901 | 126 | 7,027 |
| Depreciation charge | 591 | 84 | 675 |
| As at 31st March 2024 | <u>7,492</u> | <u>210</u> | <u>7,702</u> |
| Net book value at 31st March 2024 | <u>3,186</u> | <u>210</u> | <u>3,396</u> |
| Net book value at 31 st March 2023 | <u>2,695</u> | <u>294</u> | <u>2,989</u> |

9. Intangible fixed assets

| | Website | Total |
|---|--------------|--------------|
| | £ | £ |
| Cost | | |
| As at 1 st April 2023 | 4,259 | 4,259 |
| Additions | 3,500 | 3,500 |
| Disposal | (4,259) | (4,259) |
| As at 31st March 2024 | <u>3,500</u> | <u>3,500</u> |
| Amortisation | | |
| As at 1 st April 2023 | 4,259 | 4,259 |
| Eliminated on disposal | (4,259) | (4,259) |
| Amortisation | 1,750 | 1,750 |
| As at 31st March 2024 | <u>1,750</u> | <u>1,750</u> |
| Net book value at 31st March 2024 | <u>1,750</u> | <u>1,750</u> |
| Net book value at 31 st March 2023 | <u>-</u> | <u>-</u> |

THE ADSUM FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024 (continued)

10. Debtors

| | 2024 | 2023 |
|-------------------------------|----------------|---------------|
| | £ | £ |
| Donations receivable | 147,131 | - |
| Gift aid recoverable | - | 4,344 |
| Other debtors and prepayments | 534 | 5,978 |
| | <u>147,665</u> | <u>10,322</u> |

11. Creditors: amounts due within one year

| | 2024 | 2023 |
|------------------------------|----------------|----------------|
| | £ | £ |
| Donations payable | 177,098 | 273,478 |
| Deferred income | 36,729 | 7,642 |
| Other creditors and accruals | 2,959 | 8,467 |
| | <u>216,786</u> | <u>289,587</u> |

12. Analysis of net assets

| | Unrestricted General | Restricted | Total |
|------------------------------------|-------------------------|---------------|---------------|
| | £ | £ | £ |
| Fixed assets | 5,146 | - | 5,146 |
| Current assets | 34,542 | 215,866 | 250,408 |
| Current liabilities | (39,688) | (177,098) | (216,786) |
| Net assets at 31 March 2024 | <u>-</u> | <u>38,768</u> | <u>38,768</u> |

THE ADSUM FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024 (continued)

13. Funds of the company

| | At 1 April 2023 | Income | Expenditure | At 31 March 2024 |
|---------------------------|----------------------|-----------------------|-------------------------|----------------------|
| | £ | £ | £ | £ |
| Restricted funds | | | | |
| Donations fund | 11,880 | 413,041 | (386,153) | 38,768 |
| | <u>11,880</u> | <u>413,041</u> | <u>(386,153)</u> | <u>38,768</u> |
| Unrestricted funds | | | | |
| General fund | - | 79,974 | (79,974) | - |
| | <u>-</u> | <u>79,974</u> | <u>(79,974)</u> | <u>-</u> |
| Total funds | <u><u>11,880</u></u> | <u><u>493,015</u></u> | <u><u>(466,127)</u></u> | <u><u>38,768</u></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:

| | 2024 | 2023 |
|---|----------------|----------------|
| | £ | £ |
| Financial assets that are debt instruments measured at amortised cost | <u>147,131</u> | <u>4,844</u> |
| Financial liabilities measured at amortised cost | <u>213,827</u> | <u>288,320</u> |

15. Related party transactions

Included in income is a donation of £79,894 received from LFT Charitable Trust (2023: £93,267) to meet the company's overhead costs and a donation of £231,794 received from LFT Charitable Trust (2023: £32,234) for the company to use for its charitable activities. At the year-end there were donations receivable from LFT Charitable Trust of £147,131 (2023: NIL). Both charities have a common trustee Mr. Gavin Lonergan.

None of the directors/trustees received remuneration as detailed at note 7.

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 (2023: nil).

17. Controlling party

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