

The Li Tim-Oi Foundation

TRUSTEES' REPORT

and

ACCOUNTS

for the year ended 30th September 2019

Li Tim-Oi Foundation

Trustees' Report

The Trustees present their report with the financial statements of the charity for the year ended 30th September 2019. The Trustees have adopted the provisions of the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK (FRS 102) (effective 1st January 2015).

REFERENCE AND ADMINISTRATIVE INFORMATION

NAME

The full name of the charity is the LI TIM-OI FOUNDATION. The charity has also used the name "It takes one Woman" in some of its literature.

REGISTERED CHARITY NUMBER

The registered number is 1027837.

TRUSTEES

The following trustees served during the year:

The Revd Margaret Sentamu (Chair)
Ms Jane Namurye
The Very Revd Professor Martyn Percy
The Revd Norma Rao
Mrs Christina Rees CBE (Vice Chair)
The Revd Canon Terry Robinson (up to 3.04.2019)
The Revd Canon Dr Stephen Spencer (from 8.07.2019)
The Revd Lucy Thirtle
Mr Tom Travers FCA (Treasurer)

BANKERS

Co-operative Bank plc
23a St Aldate Street, Gloucester

INDEPENDENT EXAMINER

Mr David Burndred FCA

STRUCTURE, GOVERNANCE AND MANAGEMENT

The charity is controlled by its governing document, a deed of trust, and is an unincorporated charity. The administration of the charity has been carried out by the part-time Executive Secretary, Ms Stephanie Lewis-Grey from 1st January 2019 (previously Ms Sue Parks). The Treasurer dealt with financial administration. There is no office and the officers operate from their home addresses.

OBJECTIVES AND ACTIVITIES

The principal activity of the Foundation remains the advancement of education of women engaged in theological studies or work within the Anglican Communion.

As in previous years, the main activity of the charity was the making of grants to institutions to enable individual students to start or continue courses. There were twenty five new grants paid in 2019 compared to just three in 2018. No new grants were made from January to November 2017 as the level of anticipated repeat grants exceeded the funds then in hand.

This marks the end of the twenty sixth year of grant-making. A total of 466 women had been assisted by the year end.

PUBLIC BENEFIT

The administrative costs of the charity have been kept low and grants made in the year enabled the women benefiting to train for a variety of occupations which benefit their communities particularly including Teachers, Evangelists and Priests. The Trustees consider that these women have a transforming effect wherever they then serve and that the public benefit is both clear and in accordance with the Foundation's objects.

FINANCIAL REVIEW

The financial position was transformed in 2017 and 2018 by the inclusion of the most generous legacy in excess of £1 million from Rita Lee-Chui referred to below.

The level of donations including gift aid increased from a low-point of £15,306 in 2018 to £23,914 and efforts are continuing to achieve a higher base of regular donations.

Grants payable increased from £16,846 in 2018 to £50,967 and it is planned that higher levels will be maintained in the future after the decreases in recent years.

The resulting deficit of just under £25,000 was planned and a similar deficit is planned for next year.

FUTURE DEVELOPMENTS

Mrs Rita Lee-Chui who died on 23rd March 2016 was the sister of Florence Li Tim-Oi. She initiated the Foundation in memory of her sister providing most of the original capital in 1993.

The Foundation was the major beneficiary of her estate, the majority of which was included in the Accounts to 30th September 2017 and the funds of around £1 million were received in our bank in 2018. The Trustees with the help of Financial Advisors have invested this substantial legacy to underwrite the continuing work of the Foundation.

The Trustees have kept under review the aims and objectives of the Foundation so as to equip further the women students who have received initial academic training as well as supporting their initial vocational training. We will work more closely in partnership with other organisations, identifying where the need is greatest and being more flexible with our grants.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the Trustees' Report and Accounts in accordance with applicable law and United Kingdom Accounting Standards (UK Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and the application of resources of the charity for that period.

In preparing these accounts, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities' SORP;
- Make judgements and estimates that are reasonable and prudent; and
- Prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity 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 charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the Trust deed. They are also responsible for safeguarding the assets of the charity and taking reasonable steps for the prevention and detection of fraud and other irregularities.

BY ORDER OF THE TRUSTEES

M. Sentamu (Chair and Trustee)

9th March 2020

REPORT OF THE INDEPENDENT EXAMINER

I report to the Trustees on my examination of the accounts of the Li Tim-Oi Foundation (the charity) for the year ended 30th September 2019.

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 needed.

It is my responsibility to:

- Examine the accounts under section 145 of the Act;
- Follow the procedures laid down in the General Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- 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 considerations 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

In connection with my examination, no matter has come to my attention:

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

Li Tim-Oi Foundation

Statement of Financial Activities for year ended 30th September 2019

	2019	2018
	All Unrestricted	
	£	£
INCOME FROM		
Donations and legacies (<i>Note 3</i>)	23,873	57,793
Investment income	19,057	6,272
Other income	-	<u>10</u>
Total	<u>42,930</u>	<u>64,075</u>
EXPENDITURE ON		
Charitable activities (<i>Note 4</i>)	51,664	17,203
Other (<i>Note 4</i>)	<u>43,150</u>	<u>6,204</u>
Total	<u>94,814</u>	<u>23,407</u>
Net income/(expenditure) before investment gains/(losses)	(51,884)	40,668
Net gains / (losses) on investments	<u>27,274</u>	<u>817</u>
NET INCOME / (EXPENDITURE)	(24,610)	41,485
RECONCILIATION OF FUNDS		
Total funds brought forward	1,008,972	967,487
TOTAL FUNDS CARRIED FORWARD	<u>984,362</u>	<u>1,008,972</u>

Li Tim-Oi Foundation

Balance Sheet at 30th September 2019

	2019	2018
	£	£
INVESTMENTS (Note 5)	890,970	871,944
CURRENT ASSETS		
Debtors (Note 6)	959	527
Deposit Charities Official Investment Fund	84,611	84,138
Cash at bank	<u>12,377</u>	<u>53,369</u>
	988,917	1,009,978
Less LIABILITIES		
Creditors and accruals (Note 7)	<u>4,555</u>	<u>1,006</u>
NET CURRENT ASSETS	<u>984,362</u>	<u>1,008,972</u>
NET ASSETS	<u>984,362</u>	<u>1,008,972</u>
FUNDS		
Unrestricted funds	<u>984,362</u>	<u>1,008,972</u>

Li Tim-Oi Foundation
Statement of Cash Flows
For the year ended 30th September 2019

	2019	2018
	£	£
Cash flows from operating activities	(67,824)	998,469
Cash flow from investing activities		
Cost of investments	8,248	(871,127)
Dividends and interest	19,057	6,272
Net cash flow from investing activities	<u>27,305</u>	<u>(864,855)</u>
Net cash used in financing activities	-	-
Net increase/(decrease) in cash and cash equivalents	(40,519)	133,614
Cash and cash equivalents at beginning of year	<u>137,506</u>	<u>3,892</u>
Cash and cash equivalents at end of year	<u>96,987</u>	<u>137,506</u>

The notes on pages 9 to 11 form part of these financial statements.

The Financial Statements were approved by the Trustees on 9th March 2020.

Tom Travers (Treasurer and Trustee)

Li Tim-Oi Foundation

Notes to the Financial Statements

1. BASIS OF PREPARATION

Basis of accounting

The financial statements of the charity which is a public benefit entity under FRS 102 have been prepared in accordance with the Charities SORP (FRS 102). The financial statements have been prepared under the historical cost convention.

2 ACCOUNTING POLICIES

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

For legacies, entitlement is taken as the earlier of the date on which either the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executors that a distribution will be made or when a distribution is received. Receipt of a legacy is only considered probable when the amount can be measured reliably and the charity has been notified of the executors' intention to make a distribution.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Taxation

The charity is exempt from tax on its charitable activities.

Investments

Listed investments are included in the Balance Sheet at fair value. The SOFA includes realised gains and losses on investments sold during the year and unrealised gains and losses arising on the revaluation of investments at the year end.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees. There were no restricted funds held.

3. ANALYSIS OF INCOME

	2019 £	2018 £
Donations	21,834	14,171
Gift Aid	2,039	1,135
Legacies	-	42,487
Interest	473	224
Investment income	18,584	6,048
Other	-	<u>10</u>
	<u>42,930</u>	<u>64,075</u>

4. ANALYSIS OF EXPENDITURE

Grants payable	50,967	16,846
Trustee meeting expenses	1,155	1,161
Office expenses	801	1,170
Administration contract	4,565	-
Consultancy fees and expenses	26,099	-
Web development & IT	2,281	-
Bank charges	697	357
Investment management fees	<u>8,249</u>	<u>3,873</u>
	<u>94,814</u>	<u>23,407</u>

Trustees were reimbursed expenses as above.

See also note 9 in respect of payments made to Trustees and related parties during the year.

5. INVESTMENTS

At 30th September 2019 investments at market valuation of £890,970 were held with Rathbone Investment Management Limited.

The investments held comprise a combination of fixed income securities, UK and overseas equities and other fund investments. The portfolio is constructed using a combination of different asset types to take into account long term investment behaviours and shorter-term market conditions with the aim of generating a return over time above the rate of inflation.

6 DEBTORS

	2019	2018
	£	£
Tax refund	959	527
	<u>959</u>	<u>527</u>

7 CREDITORS

	2019	2018
	£	£
Administration	2,900	1,006
Grants	1,655	-
	<u>4,555</u>	<u>1,006</u>

8 CONTINGENT LIABILITIES

	2019	2018
	£	£
Anticipated Repeat Grants		
Existing Commitments	83,683	33,222

Grants are only ever paid for one year and repeat grants need approval each year and are subject to a satisfactory academic report being received.

9 RELATED PARTY TRANSACTIONS

During the year the charity instructed Media Maxima, a partnership in which Christina Rees (Trustee) and Chris Rees are partners, to provide management consultancy services totalling £28,333 inclusive of irrecoverable VAT and expenses. Included in this amount is £2,000 outstanding at 30th September 2019.

The consultancy services provided by Media Maxima were primarily in respect of development of a communications strategy, growing the Foundation's supporter base, and commissioning re-design and upgrade of the Foundation's website. The contract with Media Maxima was approved by the Trustees with Christina Rees taking no part in the approval and decision process. The Trustees considered that the contract with Media Maxima was on terms beneficial to the Foundation.

Since approving the contract with Media Maxima it has been identified that such arrangements are not within the scope of the Foundation's Trust Deed. In the light of this the Trust Deed has been formally amended in March 2020 and these matters have been notified to the Charity Commission.

It is noted that payments to Media Maxima had been made in good faith but after discussion with the Commission no action is needed.