

ARENA CHURCH

CHARITY NO: 1052643

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 MARCH 2021**

ARENA CHURCH

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2021

The Trustees present their annual report and financial statements of the charity for the year ending 31 March 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's Trust Deed, Charities Act 2011, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard in the UK and Republic of Ireland (FRS102).

Objects and Activities for Public Benefit

The objectives of the charity are:-

- a. to provide a place of worship where Christians can meet to share their faith, increase their knowledge and broaden their commitment; and
- b. to be effective in the local community by providing services and facilities as appropriate.

The main activity is the holding of Christian religious services and related activities each week for the benefit of Ilkeston and Mansfield towns and the surrounding areas.

The Charity is dependent on offerings received from its congregation and donations made. Many of the weekly activities are run by volunteers who are members of the church, and without their commitment given as volunteers the church would not function effectively.

Public Benefit

The Trustees believe that the facilities and services that are offered to the public by the Arena Church make available access to all, either as part of the congregation or the local community and as such believe that the charity is of benefit to the whole community. The Trustees confirm that they have complied with their duties under section 17 of the 2011 Charities Act with regard to public benefit.

Key Achievements and Performance

Structure

During the year the church's infrastructure continued as below even under the very difficult circumstances and year surrounded by the Coronavirus Pandemic. With this structure which was adopted in the previous financial year we believed this helped us enormously to be able to support our campuses, outreaches and all of our partners through this very difficult period.

Our structure is made up principally of three groups:-

Directed by a Senior Leadership Team – This team led by the Lead Pastor brings Directional Spiritual, Vision and Strategy to the whole of Arena Church.

Guided by Campus Pastors – The Campus Pastors and their localised Team bring a “grass roots” Pastoral and Outreach lead to each location. This team “care for and shepherd” the individual campuses and “reach out and serve” their geographical location.

Protected by Trustees – The board of trustees bring their considerable marketplace wisdom, skills and expertise to appropriate; legal and financial governance to Arena Church

The last part of our Leadership foundation is found in external Ministries and Ministers:-

We are Strengthened by Apostles – The Senior Leadership, Campus Pastors and Board of Trustee teams of Arena Church recognise the need for proven Apostolic gift input into the church. These relationships add weight, security, wisdom and strength to Arena Church as a whole.

ARENA CHURCH

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2021 (Continued)

To this end we had several key people speak into the life of the Church, through a relationship with our Lead Pastor, Kristian Thorpe and via zoom technology were able to encourage and strengthen Arena Church. The Church has been thankful for the ongoing relationships with Mark Sherratt, Senior Pastor, Milton Keynes Christian Centre, Mark Batterson, Senior Pastor, National Community Church, Washington DC, and Chris Raillie, previous Church Planting Leader for AG (Assemblies of God) In the States. These Senior Leaders continue to be a support and encouragement to our leaders at Arena Church.

The Trustees also continued with the work required to move to a new CIO (Charitable Incorporated Organisation) . The instigation of the new CIO had taken longer than hoped due to the delays through the pandemic.

As reported in the last Trustees Report; the Board had been strengthened with the addition of two new trustees (now to a board of seven who met regularly through zoom meetings during this period. However, with the ongoing discussions to move to the CIO would mean the Board needed to look at possible additions to the Board, with the necessary skill set, and ongoing discussions ensued towards the end of this financial year.

Vision

The Senior Team cast the vision for this period with the continuing of our Arena 2020 fund in the four key areas. In this financial year £46,190 had been received through 2020 giving all with the purpose of giving away.

March 2020 the Coronavirus Pandemic affected the whole of the UK and with the Government restrictions during this time the offices and church buildings of Arena Church were closed for the majority of this financial year. The reports from our Assemblies of God organisation was that church finances were expected to reduce significantly during this season but in Arena Church the Leadership were so thankful to report that the giving during this period continued to increase by a total of 2% increase based on the previous year.

However with the closing of the campuses many of the church staff were furloughed and only a handful of the team continued in employment to ensure the continuation of the work of Arena. The Board had reported their thanks to all the team who worked relentlessly through this time to keep everything running smoothly and with such a small team. Once restrictions allowed the team started to return little by little to the offices ensuring all the necessary COVID guidelines were adhered to.

Also during this time Arena launched it's 7th Campus - Church Online. With the restrictions in place the Leadership's vision was to reach all of our current members and beyond through the aid of technology. The Tech Team worked quickly and efficiently to get all of this set up within the space of a few days and through the year a team emerged who were trained, equipped and supported to continue this ever growing work to reach people now not just locally but nationally also.

The church database grew by nearly 100 people during this time.

The vision for 2020 was that it would be a Year of Establishing.

The Board agreed that as well as our regular monthly support to the various Missionaries we have a relationship with that a further £5,000 would be sent during the winter months particularly to those countries who had been hardest hit by the pandemic.

Leadership and Training

With the restrictions through COVID the leadership and training of Arena moved to an online training platform which consisted of weekly and regular prayer meetings, bible training schools and leadership tracks. Also some groups also moved to zoom midweek attendance. In January 2021 a four week training course ensued with a key focus for Groups into 2021 where small groups of people could meet online (or physically when possible) to support and encourage each other.

Some of our support groups were able to continue once restrictions were lifted and our Seniors Buddies Programme was able to restart and support a group of seniors weekly who had felt the loneliness of the recent months of lockdown.

The Church's Safeguarding and Health and Safety Team grew through this year and a team was put in place to support every building particularly with current Government guidelines.

Through this time period with the introduction of technology the midweek attendance of Arena Church was the highest it had ever been and the Leadership and Board were very thankful and pleased to note that more people had been trained, encouraged and supported through our midweek programmes.

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TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2021 (Continued)

Our Senior Leaders and Campus Pastors met in person together for several Learning Community Training Days with leaders from around Europe. The Training was all carried out online and then discussions ensued locally around the key subjects around the main theme of Your Life and Leadership.

Lead Pastor, Kristian Thorpe, had continued to work closely with the Senior Leadership Team and Campus Pastors to ensure every Senior Leader was supported and guided through this time.

Our Moving Forward Partners continued to meet monthly online with two live sessions when permissible held at our Arena Central Office. Our Moving Forward Partners changed, some moving to other networks and some being added to our Moving Forward Partnership. The aim of this group is to support church leaders nationally in their work.

Alpha

We ran two online Alpha programmes online due to the covid restrictions, the programme ran really well, we reduced it to 7 weeks to fit in with the rhythm of the church. Alpha did not reach as many people as anticipated, that was due mainly to a new approach digitally and marketing and advertising. Due to the advent of the online service and resources going into a very important ministry it was decided to leave Alpha until we could build an effective team to take this exciting venture into the future.

Growth Track:

Due to the pandemic we have changed the format to run these online. The numbers that have completed the course are as follows:

July 2020 - online - 7

March 2021 online - 10

We are in the process of revamping the growth track books and then plan to run more sessions.

We ran a new people presentation online where 2 people attended.

Departments

Arena Ministry School

Sadly we had to cancel the proposed school for 2021 due to the ongoing social restrictions brought about by the pandemic. The intention is to run the school again, starting in January 2022. We are also on the cusp of beginning work on a building close to the Arena Ilkeston site which ultimately will give us a purpose-orientated site.

Arena Bible School

At the outset of the pandemic, the Arena Bible School ministry was moved from live at varying campuses to via Zoom, drawing in whoever wished to attend. Overall, as we adjusted, this worked well. Up to the year end March 2021, the amount of Bible School ministry increased, people appreciated the regular opportunity to connect. Subjects covered included some of the 'less read' New Testament books, The Pentateuch and Character Studies.

Arena Kids

Arena Kids has run online this year due to covid. We have run an online service for the kids alongside the church online service. Louise Bussell has done all the organisation for this and involved others in the team to take part too. It involves some kids worship, a game, a bible story and a message. Then there are activities they can complete too. A lot of the children have engaged in this, which is great. During the pandemic we sent cards and activities to the children and gave out Easter eggs. We also set up a Facebook page to connect with the children through their parents. From March 2021 Louise Bussell has taken on the role as Kids Pastor.

Arena Toddlers

This has not run during the year due to COVID 19.

ARENA CHURCH

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2021 (Continued)

Arena Students

Arena Students have seen a great year overall. During the pandemic, we made the shift to online formats which has worked well. Whilst we weren't able to connect with every child, we did what we could under the circumstances and felt it worked as well as it could do. We regularly contacted our Small Groups through the SG leaders, met with our team, and checked the overall health of those in Arena Students. We continued to meet once per month at our World Changers night online. Our Small Group leaders have done an exceptional job spread over both Ilkeston and Mansfield campuses in keeping in contact with the students. We are praying and believing for many more things to come from both Arena Students and the 101 age group too.

Small Groups - Ilkeston

Again, the inability to meet in homes was severely limited due to the far ranging issues caused by the global health crisis. People have connected by electronic means and as restrictions eased, some groups have been able to return to meeting in person. This will gather pace as we move forward.

Small Groups - Mansfield

We have been on a journey of repurposing our small groups since Helen and myself took on the role of campus pastors. This year we believe we have made real progress. Some groups that had grown stale were curtailed and we intend to launch further groups during the year.

Dream Teams

Due to the Covid-19 pandemic, a number of our volunteers have not been available due to shielding or not feeling comfortable being in church. However, a good number of Dream Teamers have served when church has been able to run and have done an outstanding job in creating a safe environment for people to attend services and helping us to adhere to the government Covid-19 guidelines.

Seniors Events

Due to the Covid-19 pandemic, we have been unable to run any Seniors events or services. However, we created a support bubble for those seniors who are on their own and felt comfortable to come to an informal meeting, after the main lock down in 2020. We have met weekly for one hour for light refreshments and social interaction. A number of our attendees suffer with mental health issues which were heightened during the pandemic. We have created a safe place for them to come and find some support.

Throughout the pandemic, the Seniors team have kept in contact with seniors on our database to make sure they are well and to see if they needed any help with shopping etc.

At Christmas the team made up and delivered 130 gift bags to our seniors.

At Easter we sent out cards and encouragements to everyone on our database.

We are hoping to be able to run seniors services again from the Autumn of 2021.

Cedars/Larches Nursing Homes

We have been unable to visit the homes during the whole of the last 2020/21 year. The faithful team has also been impacted by long term illness, so this ministry will be looked at again so as to its ongoing viability.

Christmas Community Outreach

In partnership with Arena Community there were 160 hampers distributed between all Arena campuses for needy families within schools and the wider community. One hundred dinner boxes were also distributed to needy families via our various campuses. The boxes contained all the necessary ingredients to make a traditional Christmas day family meal. Thirty shoeboxes donated from Dunelm Mansfield, prefilled with gift items for men, women and children were given out - their total value £300. Tubs of chocolates were handed out to school staff and Kingsmill Hospital staff, using monies from the Arena 2020 fund. One hundred and thirty gift bags were distributed to the seniors who would have normally attended the seniors events at Ilkeston. All campuses were able to participate in the Christmas giveaways due to the generosity of Arena Church members, Arena Community, local businesses and individuals who contributed to fund our Christmas community outreach.

ARENA CHURCH

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2021 (Continued)

World Missions

Arena Church is delighted to continue to partner with a number of mission partners around the globe, all emerging out of significant connected relationships. These continue to be in Albania, Slovakia, Romania, Namibia, France and Kenya, as well as supporting the international ministry for the oppressed church through Open Doors. The support base has also added a family that have been working with Persians (Iranian immigrants) in Germany.

Maintenance

During the Covid-19 lockdowns, all the maintenance team leaders have carried out and logged weekly checks on the buildings to make sure everything was safe and secure.

Ilkeston

Works during this year have included taking up the tiled floor in the Gallery, screeding and laying carpet tiles. The Auditorium fire escape and metal stairs were painted with edging on the stairs to aid the visually impaired in the event of an evacuation.

Mansfield

Throughout this year, Paul Stokes has carried out redecorating and maintenance work at Leeming Street, engaging outside contractors where necessary.

Work has started on the food store at the back of the kitchen.

The work tops and sinks have been replaced behind the bar in line with guidance given by Environmental Health.

Belper

Work to renovate the back garden has started and the Kids Cabin was erected. Work in the garden is ongoing.

Nottingham

Routine decorating and maintenance has been carried out during this year.

BELPER CAMPUS - report from David Blyth, Campus Pastor

It has been a difficult season in a new Campus plant. With the government's guidelines having an impact on what could or could not be done, followed by a lengthy lockdown our main thrust was to keep encouraging and staying in contact with all those attending the campus. Work on the church building and gardens has been done in fits and starts due to the restrictions. Overall the Campus has remained healthy, stable and upbeat in uncertain times. The decision to move to meeting at 10.30am every week has had a positive impact on everyone associated with the Campus. Our goal coming out of the lockdown was to build a healthy team and put down good foundations to meet the vision for Belper.

THE HUB CAMPUS - report from Lisa Harrison, Campus Pastor

During the lockdown we were unable to hold our normal services. When the restrictions started to ease we started a support group for an hour every Monday. We provided a hot drink and Kristian helped take the group through the Digging Deep to Build Tall material. This group facilitated around 8-10 people in our congregation.

Once the services resumed in July we started to run a discussion group after the service. The purpose of the group is to help people understand more and be able to ask questions. The discussion group takes place straight after the service. We break into smaller groups and provide a light lunch. Then we take the group through a set of questions based on the message provided by Sue Buckley. We believe that this has been very helpful with growing the confidence of some of our regular attenders and has also been beneficial in providing answers to some of the more pressing questions of the group. Attendance varies between 10-12 people.

We are looking to run a Growth Track soon with the intention of following this up with Groups & Bible Studies. It is proposed that some of the Hub team run these groups when we start them.

We are also looking at running another bridging event soon in the hopes to reach more people, as well as producing a leaflet that informs people about our campus.

ARENA CHURCH

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2021 (Continued)

ILKESTON CAMPUS - report from Phil Pye, Campus Pastor

Like all local church environments the challenges, demands and necessary shifts in local church life have, in this last season, been unprecedented. A lot of the year was spent online, including Sunday services. However, I am pleased to report morale has held high and the ongoing financial support base of the church has held very strong. We look forward to more 'normal times'.

MANSFIELD CAMPUS - report from Josh Turner, Campus Pastor

This last season has been dictated and marked by coronavirus but from what has been a time of change have come some exciting new beginnings. While our attendance has roughly halved the spirit and atmosphere of our services have been very special. There has been a great sense that God is on the move.

Throughout lockdown we were encouraged by the regular attendance to online gatherings by a healthy contingency from our campus. We have tried to engage as much as possible with those who we haven't seen via direct contact as well as sending out a weekly video of encouragement throughout lockdown.

Care for a Coffee continued to meet in line with the guidance and it has been a lifeline for that community throughout this period. The work that Louise, Lesley and team do is to be commended. We also have been developing plans to start a new food club to bolt on to our community works which will sustainably serve families who struggle to put food on the table. We also have supported flying high academy on a number of projects and as a result we're nominated as their community champions of the year.

We have seen open doors within the community that have historically been firmly shut and we pray that these would lead to continued influence in coming days. We are thankful to the Board for their support in recent times; we still very much believe that the best is yet to come.

NOTTINGHAM CAMPUS - report from Jonathan and Annie Kirk, Campus Co-ordinators

We took the decision to meet online as our campus is predominantly Nottingham based. We met weekly on zoom where we shared stories, worshipped together and taught on a similar theme to the online church theme. We stayed in contact with those who are part of the campus regularly and were able to deliver a few food parcels, clothes, etc to those in need around the life of our campus. Due to the pandemic, there were quite a few of the students who attended the Nottingham campuses that decided to go home to their countries - much to their dismay - and the majority said they felt they had unfinished business in Nottingham and that they had found their family in Arena Church. We are confident as we come out of this pandemic that we will find our feet and move forward using what we learnt throughout the pandemic. The connections with local businesses and business people are still ongoing and we've had some buy-in towards our future community outreach from them too. We are very excited about the season ahead and, though not a huge growth that we naively expected, there are many small wins and victories that we have to celebrate. At Easter we were able to distribute 700 Easter eggs to the children at two primary schools in Nottingham- Huntingdon Primary Academy and Colwick Primary. We were also able to give a gift to the schools' teachers and made great connections regarding emergency food packs for those families known by the schools who may need them in the future.

TOULOUSE CAMPUS - report from Patrick Nana Gassa, Campus Pastor

In April 2020 we were in lockdown because of the covid situation. Therefore I had to find a way to continue to nourish spiritually the people God gave me. I downloaded an app for video editing to record preaching video of myself in my living room.

Therefore every Sunday I sent my preaching video to the church whatsapp group. I tried to do only between 10 and 13 minutes. The goal was to preach something straight and on spot relating with the covid situation. I did this strategy until December 2020.

On Sunday the 4th October 2020 We just opened the venue and bought an inflatable pool to do our first baptism.

Then I changed strategy in January 2021. I took a time of prayer in January to ask God what is the next step for our church.

In February We were allowed to gather with a gauge of 30% capacity of the room – Mask, distance and Gel were compulsory. To save money and because we are a small church I decided only to do church in small groups. We had 2 unbelievers who opened their flat on Sunday and we could gather to share the word of God. And 2 believers also opened their flat on the other Sundays. In this way we could fill 4 Sundays a month, every month until July.

ARENA CHURCH

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2021 (Continued)

We had a great time into houses. Most of the time we were 12 people gathered at the appartement. Many of us had great questions. We try to make them a bit closer to God.

God is at work.

Financial Review

The attached Financial Statements show the current state of the finances of the Charity.

At the year end, Arena Church had unrestricted funds totalling £785,870 and restricted funds totalling £66,406 having received income of £416,202 in the year and spent £290,792 during the year.

Risk Review

We have put measures in place to limit areas of risk - the risk register will show this more fully. A concern identified was the need to reduce our restricted funding where possible as this was impacting our cashflow. The finance department have put measures in place to ensure any restricted funding is allocated immediately or as soon as possible.

Reserves Policy

The Church's reserves consist of restricted funds and of the Accumulated Fund as shown on the Balance Sheet.

The aim is to have 2-3 months running costs available; the team are working towards putting firmer budgets in place, identify any areas where we can increase income realistically and also restrict non essential spending in order that this 'pot' can be built up.

Future Plans

To further increase the number of small groups to help the majority of those who attend Arena to find a place where they can build relationships, find support and encouragement. An encouragement that these could now be held online also made this possible for those who may have previously not been able to join physically into a building.

To strengthen the Board of Trustees with the addition of further non paid Trustees.

To continue to build and develop leaders through our Leadership Track, Bible School.

The 2020 Fund would be concluding in March 2021 and the hope would be that a Legacy Fund would be set up for ongoing financial support to reach, train and equip the Arena Ministry School for training leadership locally and nationally and even globally. Also to support the ongoing community initiatives for all campuses and their ongoing work locally.

ARENA CHURCH

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2021 (Continued)

Structure, Governance and Management

Arena Church is a Registered Charity (number 1052643) and is governed by a trust deed dated 10 April 2006. This is based on the model deed as adopted by Assemblies of God Incorporated for churches within its denomination.

Arena Church has a triangular leadership foundation made up of principally three groups:-

Directed by a senior leadership team – this team led by the lead pastor brings directional spiritual, vision and strategy to the whole of Arena Church.

Guided by campus pastors – The campus pastors and their localised team bring a 'grass roots' pastoral and outreach lead to each location. This team 'care for and shepherd' the individual campuses and 'reach out and serve' their geographical location.

Protected by trustees – The board of trustees bring their considerable marketplace wisdom, skills and expertise to appropriate, legal and financial governance to Arena Church.

The last part of our leadership foundation is found in external ministries and ministers:-

We are strengthened by Apostles-

The senior leadership, campus pastors and board of trustee teams of Arena Church recognise the need for proven Apostolic gift input into the church. These relationships add weight, security, wisdom and strength to Arena Church as a whole.

Related Parties

Arena Church is a member of the Assemblies of God churches nationally. The church premises are also used by the Arena Community (registered charity number 1115569) and Anera Enterprises Ltd who offer conference facilities and catering for events held within the premises of Arena Church. Arena Community set up a charity shop in Ilkeston, Arena Hope, and a loan has been given by Arena Church to support the venture (see note 13).

ARENA CHURCH

TRUSTEE REPORT FOR THE YEAR ENDED 31 MARCH 2021 - CONTINUED

REFERENCE AND ADMINISTRATIVE INFORMATION

CHARITY TRUSTEES

Neil F Simpson
Andrew Richardson
Nathan Butcher (appointed 1.4.2020)
Timothy Bailie (appointed 1.4.2020)

MINISTERS OF THE CHURCH & TRUSTEES

(Responsible for day to day activities)

Philip Pye
Kristian P Thorpe
John Butcher (appointed 7.7.2021)

EXECUTIVE PASTOR (Person of significant control)

(Consultancy Basis)

Julie Turner

PRINCIPAL ADDRESS

1 Rutland Street
Ilkeston
Derbyshire
DE7 8DG

REGISTERED CHARITY NUMBER

1052643

INDEPENDENT EXAMINER

Mrs D J Lockwood FCA, FCCA & ATT(fellow)
Haines Watts
Cliffe Hill House
22-26 Nottingham Road
Stapleford
Nottingham
NG9 8AA

BANKERS

HSBC
63 Bath Street
Ilkeston
Derbyshire
DE7 8DD

SOLICITORS

Ben Bourne
Ellis Fermor and Negus
2 Devonshire Avenue
Beeston
Nottingham
NG9 1BS

ARENA CHURCH

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2021 – CONTINUED

Trustees' Responsibilities in Relation to the Financial Statements

The charity trustees are responsible for preparing a Trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standard (United Kingdom Generally Accepted Accounting Practice).

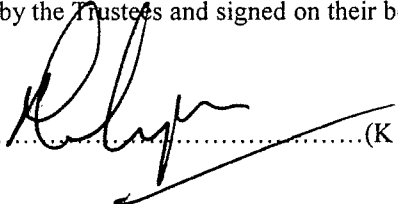
The law applicable to charities in England and Wales requires the charity trustees to prepare financial statements for each year which show a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, of the charity for that period. In preparing the financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and 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 statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records which 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the Trustees and signed on their behalf by:-

Signature..........(K Thorpe)

Dated.....16.12.2021.....

Signature..........(N F Simpson)

Dated.....16.12.2021.....

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF ARENA CHURCH

I report to the Trustees on my examination of the accounts of the Arena Church (The Trust) for the year ended 31 March 2021.

Responsibilities and Basis of Report

As the Charity Trustees of the Trust you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Trust's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent Examiner's Statement

Since the Trusts gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales which is one of the listed bodies.

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

- 1) Accounting records were not kept in respect of the Trust as required by section 130 of the Act; or
- 2) The accounts do not accord with those records; or
- 3) The accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 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.
- 4) The accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (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.

Diane Lockwood FCA, ATT & FCCA(Fellow)

Haines Watts

Cliffe Hill House

22-26 Nottingham Road

Stapleford

Nottingham

NG9 8AA

D. J. Lockwood

Dated 06.12.21

ARENA CHURCH

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2021

	Notes	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Total Funds 2020 £
INCOME							
Income from Donations and Legacies	2	318,748	33,365	352,113	255,566	74,622	330,188
Income from Charitable Activities	2	-	1,950	1,950	7,166	-	7,166
Income from Other Trading Activities	2	17,794	-	17,794	23,564	-	23,564
Other	2	3,172	286	3,458	19,099	2,700	21,799
JRS Furlough / Erewash Borough Council Grant		40,887	-	40,887	-	-	-
Investment Income		-	-	-	-	74	74
TOTAL INCOME		380,601	35,601	416,202	305,395	77,396	382,791
EXPENDITURE							
Expenditure on Charitable Activities	3	234,502	56,290	290,792	242,576	110,063	352,639
TOTAL EXPENDITURE		234,502	56,290	290,792	242,576	110,063	352,639
NET INCOME / (EXPENDITURE)		146,099	(20,689)	125,410	62,819	(32,152)	30,152
TOTAL FUNDS BROUGHT FORWARD	12	699,771	27,095	726,866	628,252	68,462	696,714
TRANSFERS BETWEEN FUNDS		(60,000)	60,000	-	8,700	(8,700)	-
TOTAL FUNDS CARRIED FORWARD	12	785,870	66,406	852,276	699,771	27,095	726,866

ARENA CHURCH

BALANCE SHEET AS AT 31 MARCH 2021

	Notes	£	31.3.21	£	31.3.20	£
<u>FIXED ASSETS</u>						
Freehold property						
Rutland Street – at cost	4		162,224		162,224	
Extensions to date			548,961		548,961	
Improvements			8,052		8,052	
Pollards Building			128,585		128,585	
Property improvements – Leeming Street			10,223			
Furniture, fittings and equipment						
at written down value	4		33,245		28,408	
Motor vehicles at written down value			4,350		6,525	
				895,640		895,467
<u>CURRENT ASSETS</u>						
Debtors	8		12,073		9,120	
Cash at bank and in hand			115,459		12,592	
Loan to Arena Community			20,000		20,000	
Intercompany Balances	13					
-Anera Enterprises Ltd		511			-	
-Arena Community		182,312			172,758	
-The Project Ilkeston		47,053	229,876		41,125	213,883
			<u>377,408</u>			<u>255,595</u>
<u>Creditors:-</u>						
<u>Amounts falling due in one year</u>						
Sundry Creditors	9		16,490		9,044	
Intercompany Balance			-		2,518	
– Anera Enterprises Ltd						
Bank Loan			28,777		30,384	
			<u>45,267</u>		<u>41,946</u>	
<u>NET CURRENT ASSETS/(LIABILITIES)</u>				332,141		213,649
<u>Creditors:-</u>						
<u>Amounts falling due after more than one year</u>						
Bank loan	9		(357,505)		(382,250)	
TOTAL NET ASSETS			<u>852,276</u>		<u>726,866</u>	
<u>THE FUNDS OF THE CHARITY:-</u>						
Restricted Funds	12		66,406		27,095	
Unrestricted Funds			781,858		697,538	
Designated Funds			4,012		2,233	
			<u>785,870</u>		<u>699,771</u>	
Total Charity Funds	11		<u>852,276</u>		<u>726,866</u>	

Signed by (16. 12. 2021) Trustee K Thorpe

Signed by (16. 12. 2021) Trustee N Simpson

ARENA CHURCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

1. Accounting Policies

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the period.

a) Basis of Preparation

The financial statements have been in accordance with the 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 (FRS102) (effective 1st January 2019) – (Charities SORP (FRS102)), The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Companies Act 2006. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

Arena Church meets the definition of a public benefit entity under FRS102.

Going Concern

The trustees consider that there are no material uncertainties about the charities ability to continue as a going concern.

The financial statements are presented in Sterling (£).

Incoming Resources

These are accounted for on a receivable purpose in the period to which they relate. Incoming resources from tax reclaim are included in the SOFA at the same time as the gift to which they relate. Any known incoming resources yet to be received relating to the period before the year end date are included as debtors.

Volunteer Help

The value of any voluntary help received is not included in the accounts but is described in the Trustee's Annual Report.

Investment Income

This is included in the accounts when receivable.

Donated Services and Facilities

Donated services or facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. On receipt, donated services and facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt

Expenditure and Liabilities and Irrecoverable VAT

Liability Recognition

Liabilities are recognised as soon as there is a legal or constructive obligation committing the Charity to pay out resources. Liabilities recognised as due at the year end date but at that point not paid are included as creditors.

Fundraising Costs

Fundraising costs comprise the costs of putting on events.

Charitable Activities

Charitable expenditure comprises those costs incurred by the Charity in the delivery of its objectives. All costs are allocated directly.

ARENA CHURCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Continued)

Support Costs

Includes cost of the preparation and examination of statutory accounts, and the cost of any legal advice to the Trustees on governance matters.

Fund Accounting

Unrestricted Funds

Unrestricted funds are donations and other incoming resources receivable or generated for the objects of the Charity without further specified purpose and are available as general funds.

Designated Funds

Designated funds are unrestricted funds earmarked by the Management Committee for particular purposes.

Restricted Funds

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure, which meets these criteria, is charged to the fund, together with a fair allocation of management and support costs.

Tangible Fixed Assets

These are capitalised if they can be used for more than one year. They are valued at cost, or if gifted at the value to the Charity on receipt.

Depreciation is provided at the following rates in order to write off each asset over its useful life:-

Freehold Property	-	Nil
Fixtures, Fittings and Equipment	-	15% on reducing balance
Office & Computer Equipment	-	25% on reducing balance
Improvements to Property	-	Nil
Leeming Street Improvements	-	To be written off over a 10 year period commencing 1.4.2015 - straight line

No depreciation is charged on land and buildings as the residual value is believed to be higher than historical cost.

Pensions

The Charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Charity in an independently administered fund. Contributions payable for the year are shown in the statement of financial activities.

Debtors

Debtors are recognised at the settlement amount owed to the Charity or prepaid.

Creditors

Creditors and provisions are recognised where the Charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party, and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount.

Financial Instruments

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

Taxation

The Charity is exempt from tax on its charitable activities as they further the Charity's aims and, as such, are considered to be charitable activity only.

Judgement and Key Sources of Estimation Uncertainty

The preparation of accounts using generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the accounts and the reported amounts of revenues and expenses during the reporting period.

The key estimates and assumptions used in the Financial Statements are detailed in the accounting policies.

ARENA CHURCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Continued)

	Unrestricted	Restricted	Total	Total
	£	£	2021	2020
	£	£	£	£
2. Analysis of Income				
Income from Donations and Legacies				
Offerings and Gift Aid income	263,687	-	263,687	252,877
Gifts and Special Offerings	55,061	3,770	58,831	5,973
Arena 2020	-	29,595	29,595	71,338
£	<u>318,748</u>	<u>£ 33,365</u>	<u>£ 352,113</u>	<u>£ 330,188</u>
Income from Other Trading Activities				
Management Charges				
Arena Community	8,894	-	8,894	10,680
Assemblies of God	-	-	-	2,204
Anera Enterprises Ltd	3,008	-	3,008	2,952
The Project Ilkeston Ltd	5,892	-	5,892	7,728
£	<u>17,794</u>	<u>£ -</u>	<u>£ 17,794</u>	<u>£ 23,564</u>
Income from Charitable Activities				
Events	-	1,950	1,950	7,127
CD's, Books and Magazines	-	-	-	39
£	<u>-</u>	<u>£ 1,950</u>	<u>1,950</u>	<u>£ 7,166</u>
Other Income	£ 3,172	£ 286	£ 3,458	£ 21,799

The above offerings included aggregated Trustee giving for the year which totalled £12,446 (£17,000: 2020). Other income includes an insurance claim for Bosworth Street which assisted in the upkeep, safety and eventual demolition of the property.

ARENA CHURCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Continued)

	Unrestricted	Restricted	Total 2021	Total 2020
	£	£	£	£
3. Analysis of Resources Expended				
Charitable Activities				
Allocation of Special Church Offerings	24,950	100	25,050	13,043
AOG Contribution	7,602	-	7,602	7,659
Salaries	47,189	56,190	103,379	103,606
Church General Expenses				
& Resource costs	12,855	-	12,855	20,821
Rates and Water	1,343	-	1,343	983
Heat and Light	8,463	-	8,463	11,172
Repairs and Renewals	6,363	-	6,363	30,086
Telephone	1,249	-	1,249	595
Office Use, Printing, Postage and Stationery	2,323	-	2,323	5,731
IT and Website Costs	5,115	-	5,115	3,432
Licences and Insurance	9,667	-	9,667	8,050
Mission, Gifts and Sponsorship	16,807	-	16,807	5,917
Loan Interest	12,118	-	12,118	15,197
Bank Charges and Interest	1,449	-	1,449	638
Youth Work	411	-	411	1,205
Miscellaneous Costs	2,077	-	2,077	5,917
Depreciation	12,249	-	12,249	10,126
Consultancy	49,456	-	49,456	51,306
Events	369	-	369	10,144
Travel and Subsistence	2,146	-	2,146	19,040
Mansfield:-				
Advertising	-	-	-	22
Rent and Room Hire	7,847	-	7,847	25,029
Bosworth Street (inc demolition costs)	-	-	-	1,435
Support Costs				
Payroll and HR Fees	474	-	474	-
Solicitors Fees & Professional Fees	780	-	780	165
Independent Accountants Fees	1,200	-	1,200	1,320
	£ 234,502	£ 56,290	£ 290,792	352,639

4. Fixed Assets

	Motor Vehicles	Freehold Land and Buildings	Office Equipment, Furniture, Fittings & Equipment	Leeming Street Improvements	Total
	£	£	£	£	£
Balance brought forward at 1 April 2019 (at written down value)	6,525	847,822	28,408	12,712	895,467
Additions	-	-	12,422	-	12,422
	6,525	847,822	40,830	12,712	907,889
Depreciation for year	2,175	-	7,585	2,489	12,249
Net Book Value at 31 March 2021	4,350	847,822	33,245	10,223	895,640

The freehold property was valued as at 30 June 2008 by Boxall Brown & Jones, Chartered Valuation Surveyors, at a market value of £945,000. There has been no revaluation recognised within the balance sheet. During 2018 a new property has been purchased at a cost of £128,585, this was known as the Pollards Building. The building is at 1 Mundy Street, Ilkeston, Derbyshire DE7 8EU.

ARENA CHURCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Continued)

Leeming Street

In April 2013 Arena Community, a related party of Arena Church, purchased the property known as Leeming Street as a centre for the community and as a church building. Work has been done to improve the property by Arena Church, who use the property rent paid in the period totalled £1,500 (2020: £18,000). These improvements are depreciated over a 10 year period.

5. Salaries and Expenses

P Pye, a minister and Trustee was paid a gross salary of £48,117 (2020: £40,368). K Thorpe is a minister and Trustee and was personally paid consultancy fees and expenses of £25,820 (2020: £21,861) his wife Mrs C Thorpe was personally paid consultancy fees of £658 (2020: £4,725). The consultancy fees are paid to Mr and Mrs Thorpe via a company known as Grace (GB) Ltd. This is allowed in the constitution which has received Charity Commission approval.

There are no employees earning more than £60,000.

Included in ministry and general expenses are staff costs as follows:-

	<u>2021</u>	<u>2020</u>
	£	£
Salaries	96,051	100,146
National Insurance	6,897	3,424
Employee Pension	431	36
	<u>103,379</u>	<u>103,606</u>

The average number of employees during the year was eight (2020: eight), the salary of the highest paid employee totals £48,117 (2020: £40,368).

Mr Kristian Thorpe minister and trustee of the church was paid on his behalf by the charity various life policy contributions, the life policies are held by the church to guarantee payment on death the balance of the mortgage which is personally guaranteed by Mr Thorpe – contributions in the period totalled £299 (2020: £299). Two daughters of Mr Kristian Thorpe are employed by the charity on an employment contract basis.

Mrs Julie Turner – a person of significant control was paid a total of £11,181 (2020: £9,919) for consultancy services supplied in the year through a company known as CJT Ltd, along with a Christmas gift of £350 and mobile phone costs of £540.

6. Trustee Expenses

Expenses were paid to the following trustees:-

	<u>2021</u>	<u>2020</u>
	£	£
K Thorpe (Phone)	540	240
(Travel)	-	226
(Christmas Gifts)	525	2,000

7. Fees for examination of the accounts

	<u>2021</u>	<u>2020</u>
Independent Examiner's fees for reporting on the accounts	600	660
Drafting of accounts in SORP format and accounts preparations	600	660
	<u>£ 1,200</u>	<u>£ 1,320</u>

8. Debtors and Prepayments

	<u>2021</u>	<u>2020</u>
Trade Debtors	-	-
Other Debtors	180	6,153
Prepayments	11,893	2,967
	<u>£ 12,073</u>	<u>£ 9,120</u>

ARENA CHURCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Continued)

9. Creditors and Accruals

	<u>2021</u>	<u>2020</u>
Accruals	8,036	7,014
Trade Creditors	4,407	167
PAYE & Pension	4,047	1,863
	£ <u>16,490</u>	£ <u>9,044</u>

Amounts falling due after more than one year

Bank Loan:	1 – 2 years	57,554	60,768
	2 – 5 years	86,331	91,152
	Over 5 years	231,620	230,330
		£ <u>375,505</u>	£ <u>382,250</u>

Individual Loans

All individual loans were repaid during the year.

10. Financial Commitments

During the year ended 31 March 2019 the Arena Church repaid the original mortgage held with Lloyds bank and entered into a new mortgage with Lloyds to run for a 20 year period.

The bank holds a legal charge over the property known as Arena Church and also the Pollards Building, 1 Mundy Street, Ilkeston, Derbyshire DE7 8EU.

During the year the church entered into two new leases as follows:-

Clumber Hall Nottingham from 1 August 2019 to 31 July 2024 at £6,000 per annum.

16 High Street, Belper from 6 June 2019 to 5 June 2024 at £1 per annum until June 2021 then £1,200 per annum from 6 June 2024.

ARENA CHURCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Continued)

11. Analysis of Net Assets between Funds	Unrestricted £	Restricted £	Total £
Tangible Fixed Assets	895,640	-	895,640
Current Assets	265,735	66,406	332,141
Liabilities (Long Term)	(375,505)	-	(375,505)
Net Assets at 31 March 2021	£ 785,870	£ 66,406	£ 852,276

Analysis of Net Assets between Funds	Unrestricted £	Restricted £	Total £
Tangible Fixed Assets	895,467	-	895,467
Current Assets	186,554	27,095	213,649
Liabilities	(382,250)	-	(382,250)
Net Assets at 31 March 2020	£ 699,771	£ 27,095	£ 726,866

12. Movement in Funds	At 1 April 2020 £	Incoming Resources £	Outgoing Resources £	Trf £	At 31 March 2021 £
Restricted Funds					
Women's Aid	-	86	-	-	86
Mercy Funds	-	370	100	-	270
Business Development					
Gift Day	500	-	-	-	500
2020 Fund	26,595	35,145	56,190	60,000	65,550
	£ 27,095	£ 35,601	£ 56,290	£ 60,000	£ 66,406

12. Movement in Funds	At 1 April 2019 £	Incoming Resources £	Outgoing Resources £	Trf £	At 31 March 2020 £
Restricted Funds					
Mercy Funds	74	-	74	-	-
Business Development					
Gift Day	500	-	-	-	500
2020 Fund	67,888	77,396	109,989	(8,700)	26,595
	£ 68,462	£ 77,396	£ 111,063	£ (8,700)	£ 27,095

Purpose of Restricted Funds

Mercy Fund This was a special offering to help people in the community, at home or overseas, the balance held at 31 March 2021 was £270.

Business Development Gift Day These funds relate to a special offering and gifts received to help a business development fund the set up costs, at the year end date there is a balance of £500 carried forward.

ARENA CHURCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Continued)

<u>2020 Fund</u>	A new fund to develop the churches activities in the community for outreach in 2020, a balance carried forward at 31 March 2021 of 65,550. The trustees have identified four areas of ministry that are legacy- minded missions fields for us to invest in and build into the next few years.. The trustees believe these three years to be pivotal as we deepen the foundation of OUTWARD FOCUS to touch the world. The four areas that are given to are Campus Planting and Development, Community Transformation, Worldwide Partnerships/Missions Support, Training and Development of New Leaders through the Arena Ministry School. A full copy of the 2020 Giving Booklet is given out to every member of Arena Church.
<u>Women's Aid</u>	Monies collected and held at the year end to pass onto the charity known as Women's Aid.
<u>Designated Fund</u>	The Trustees have made a decision to always hold for charitable purposes of their discretion an amount of 10% of monthly income to be used as and when required to address a special need. The 10% holding at 31 March 2021 was £4,012 and is set aside for charitable purposes if required.

Sufficient resources are held in an appropriate form to enable each fund to be applied in accordance with any restrictions.

13. Related Parties

Arena Community

Arena Community is a charity (No: 1115569) working in the communities of Ilkeston and Mansfield, primarily with volunteers from Arena Church and includes charity shops in Ilkeston and Mansfield, as well as a food bank scheme.

Arena Community operates partly from premises owned by the church and a management fee is paid for use of the offices, accounting staff, light and heat etc. The fee for 2021 was £8,894 (2020: £10,680). This is recharged via the intercompany account.

Anera Enterprises Ltd

A wholly owned subsidiary of Arena Community operated from the premises owned by the church and a management fee is paid for the use of the offices, accounting staff and light and heat. The fee for 2021 was £3,008 (2020: £2,952).

The Project Ilkeston Ltd

A wholly owned subsidiary of Arena Community operates from the premises owned by the church and a management fee is paid for the use of the offices, accounting staff and light and heat. The fee for 2021 is £5,892 (2020: £7,728).

Arena Church utilises a property owned by Arena Community to hold services in Mansfield, a rent has been charged in this period totalling £1,500 (2020: £18,000). The balance owed at 31.3.21 totalled £NIL (2020: £NIL).

A loan to Arena Community of £66,500 was made in 2015, this was partially repaid in the year a balance of £20,000 remains outstanding.

Arena Church gifted in the year a total including Gift Aid of £8,139 (2020: £5,962) to Arena Community.

No interest has been charged on the intercompany loans.

There are no other related party transactions.

ARENA CHURCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Continued)

Intercompany Accounts

Arena Church operated intercompany accounts with its related businesses Arena Community, Anera Enterprises Ltd and The Project Ilkeston Ltd, to share joint costs and to correctly allocate expenditure.

The intercompany balances at 31 March 2021 were:-

	<u>2021</u>	<u>2020</u>
	<u>£</u>	<u>£</u>
Arena Community	182,312	172,758
Anera Enterprises Ltd	511	(2,518)
The Project Ilkeston Ltd	47,053	41,125

Football Team

A team known as 'Arena FC' play matches and train together and are considered to be part of the wider Church community. Match fees are paid and expenses are paid by the team and the entries for both income and expenses are negligible and are excluded from these accounts.