

Report of the Trustees and
Unaudited Financial Statements
for the Year Ended 31 December 2021
for
Life Church Lincoln

Wright Vigar Limited
Chartered Accountants & Business Advisers
15 Newland
Lincoln
Lincolnshire
LN1 1XG

Life Church Lincoln

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for the Year Ended 31 December 2021**

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Life Church Lincoln
Report of the Trustees
for the Year Ended 31 December 2021

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2021. The trustees have adopted the provisions of 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) (effective 1 January 2019) (as amended by Update Bulletin 1 and 2).

OBJECTIVES AND ACTIVITIES

Objectives and aims

Principal Activities

The principal activities of the charity in the period under review was in accordance with the charity's objects stated in the Memorandum of Association, and in summary was that of the advancement of the Christian faith (as defined in the Schedule under Statements of Belief), and the giving of assistance and relief to persons in need or hardship. In setting our objectives and planning our activities the Trustees have complied with the duty in section 17 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission, and the specific guidance for charities for the advancement of religion.

Aims

The charity's aims are a durable statement of the running of the Church's affairs:

- To glorify the name of the Lord Jesus Christ in Lincoln, and especially in Birchwood and Hartsholme.
- To provide tangible public benefit through, amongst other things, the advancement of religion; provision of support to persons and families in need; provision of community projects to all age groups; integration of activities with local schools and other service providers; and developing social cohesion.
- To achieve the aims of Efficiency, Economy, Effectiveness and Equity (the 4 E's).
- To manage the affairs of the charity at the highest standards of probity, professionalism and fairness.
- To support the staff in their jobs.
- To be open in the charity's decision-making.

Annual Objectives

The charity's objectives for 2021 were as follows:

- To raise the level of giving year on year and improve reserves.
- To control expenditure within the budget.
- To maintain contingency funds.
- To maintain buildings for services, outreach and office administration.
- To continue to develop the vision for a future Church building.
- To implement the Church's operational and ministry plan and to continue improving the efficiency and effectiveness of operations.
- To make, as far as possible, all projects self-financing.
- To continue all risks are assessed and reviewed regularly.
- To comply with all legislative requirements.
- To comply with the Charity Commission requirements to meet the expectations of stakeholders through enhancing performance and objectives, and ensuring public benefit.

The above annual objectives were consistent with the overall aims and objectives of the charity and are reported on in the Achievement and Performance section of this report.

Public Benefit

As outlined above, the charity provides public benefit in the following ways, mainly to the local community in which it is situated and seeks to serve. The majority of these activities transferred to a virtual environment during the COVID-19 pandemic restrictions for the initial part of 2021 however these did ease from the mid-year onwards enabling in person meetings to resume:

- Advancement of religion.
- Grants to people in need, other charities and public benefit organisations, and referrals/signposting to relevant support and counselling services.
- Community events and activities.
- Food Bank distribution centre.
- Maintenance support to the Diamond Park community facility.
- Oasis community club.
- Community use of the church building by local organisations.
- Involvement with local schools, community organisations and police.
- Involvement in Big Local management boards and community initiatives.
- Provision of an externally located defibrillator.
- Free Christmas activities.
- Light Party for children.

Life Church Lincoln

Report of the Trustees
for the Year Ended 31 December 2021

OBJECTIVES AND ACTIVITIES

Grantmaking

Grant Policy

Grants are made under the Objects and fall into two categories; support for volunteers and others who wish to pursue the charity's Objects and personal support for persons in need. Each grant is treated on its merits and recipients are expected to show how supporting them will serve the Objects and must demonstrate that they have made reasonable efforts to support themselves before making a claim. Such efforts would normally include seeking suitable employment where appropriate, and making claims for social security or other state benefits.

Volunteers

The charity is grateful for the hard work of its volunteers, which number up to 170, who are directly involved in project work and fund-raising.

Life Church Lincoln

Report of the Trustees for the Year Ended 31 December 2021

ACHIEVEMENT AND PERFORMANCE

Performance Overview

The performance of the charity with respect to some of the annual objectives was adversely impacted by the COVID-19 global pandemic and the consequent restrictions. However, the Trustees and Core Leadership Team remained focussed on delivering as many of the annual objectives as possible, and the results are as follows:

- Voluntary giving increased by 8.5% in 2021 to £144,322, and total income by 11.8% to £153,117. The increase was assisted by the return of "in person" services from the middle of the year onwards as well as an increasing number of church members giving by standing orders. The level of giving in this way varies month by month as some standing orders are quarterly or annual; standing orders were around £7,225 per month. The use of Gift Aid is also encouraged and provides a substantial element on annual revenues
- The overall resources expended in 2021 increased by 4%. Whilst some of the COVID restrictions reduced expenditure, other areas increased in order to support online technology. A small pay rise for staff had been approved prior to the pandemic.
- The increase in income, and continued active management of expenditure, resulted in a small surplus of £6,855 for the year and an increase in total funds carried forward of around 2%. This is an outstanding achievement under the circumstances with the challenges faced by not being able to meet in person for half of the year. This was a return to surplus after the loss in 2020 and is testament to the hard work and dedication of all employees and volunteers within the Church and to the generosity, in difficult times, of Church members.
- The balance sheet is strong with a level of tangible fixed assets of £283,165, showing a slight decrease on the year. The large amount of secured debts via bank loans is due to the purchase of the church building in 2015 as well as the office facility purchased in 2012, and the church remains able to service its major debt repayments for the foreseeable future. Outstanding bank loans reduced by 7.3% to £106,164. Net current assets reduced by 1.1% to £172,132.
- £3,232 of Grant Income was received during the year.
- Administrative and financial support has been provided both on a volunteer and a part-time paid basis.
- In preparation for purchasing a building, Church members had been asked to consider making gifts or loans. Where loans were made the repayments were individually scheduled. The repayments were made as planned in 2018 and due to a strong financial performance all remaining loans were repaid in full. The vision for a new building is still under development based on the feasibility study that was conducted.
- The percentage of restricted funds to total funds remains very low at 4.77%.
- The target reserves of 10% of unrestricted annual expenditure in unrestricted reserves was met.
- The Trustees and Leadership Team remained focussed on the core giving on a weekly or monthly basis meeting the operational expenditure, and regular input was given to the congregation to make them aware of the situation. The largest cost drivers for the year were the mortgages and associated costs of maintaining a Church Office and the Church building, and the employment costs of full time and part time staff.
- The Trustees continued to review the management accounts on a regular basis on the basis of the Church's operational and ministry plan in order to seek improvements in the efficiency and effectiveness of operations. The prudent management of accounts and surpluses generated over the last decade have enabled the church to use contingency funds to offset the downturn due to COVID. With the financial controls in place the church is well positioned to withstand ongoing COVID restrictions without adversely impacting its operational performance and public benefit.
- Systems remain in place to ensure that community projects will be, as far as possible, self-financing.
- A regular Vision/Trust Information meeting communicates the objectives, performance and public benefit of the Trust to its stakeholders.
- No funds were materially in deficit in the period under review.

Review of Operational Activities

Church Activities

Following the disruption of 2020 brought about by Covid-19, the year of 2021 began with uncertainty as to when in-person services could recommence. However, the church community has, despite this, continued to grow and strengthen both as a church and with its connections with the local community.

Many of our activities had to continue virtually or via limited means as the year began due to various restrictions. However, in the summer of 2021 we held a one-off outdoor Sunday service and, soon after, we were able to start regular in-person services again. These began with limited numbers but later grew as restrictions were eased. At all times we have sought to do everything we can to care for the needs of the church and community while remaining within the confines of ever-changing legislation and government recommendations.

We have, since 2020, harnessed the power of the digital marketplace in a new way by seeking to get groups together via Zoom, YouTube, social media and other platforms, as well as putting together a number of other events that allow people to continue to connect at what has been a very difficult time physically, emotionally and spiritually for the church and communities we serve.

Life Church Lincoln

Report of the Trustees for the Year Ended 31 December 2021

Since 2019, we were excited to re-envision the church with a new strapline and an updated mission, vision and core beliefs. We believe this increased clarity and awareness of who we are as a church will help us to move forward with confidence into everything the future holds. As we moved into 2021, we have sought to do this by concentrating on pursuing the areas of prayer, evangelism and discipleship.

In 2021 we continued with our programme of aiming to provide high-quality Christian teaching for the church. We were able to take further steps to reach more people online, too, via the use of various platforms. Throughout the year there have been a limited number of high profile visiting speakers on Sunday mornings and we have, like 2020, taken time to develop a number of our younger/less experienced speakers to help them in their journey of faith and growth. We are proud to continue to be members of the Ground Level Network and the Evangelical Alliance, which lend real credence and support to what we do and who we are as Life Church Lincoln.

Our midweek small groups continued to meet over much of 2021, although difficulties and pressures arising from Covid, and associated disruption, meant that many of these groups could not continue to meet. As we prepared for 2022, a number of new groups, titled 'Families', were created and prepared to commence meeting in-person early in the year.

Our youth and children's teams have shown a particular level of dynamism since first Covid hit, providing a weekly teaching video for the youngest people within the church community. From September onwards, youth and children's activities were able to return in-person.

Our work into local schools continued over 2021, with church staff regularly providing assemblies online and in-person where allowed. Our relations with local schools continues to be something we both prioritise and take real pride in.

Community Activities

2021 saw a mixture of online and in-person services that served our communities.

Highlights include -

In October we hosted an in-person Light Party, an alternative celebration to Hallowe'en, which was very well attended from those inside and particularly outside the church.

In December we held Christmas services as well as several Christmas activities within government guidelines, spearheaded by a task force from within the church. This included a pop-up nativity and a Christmas Carols event. We also put together a nativity scene outside our building, visible at night as well in the daytime, which we thought would provide an obvious sign of hope to people during a difficult time.

The developing connections between local people at these events demonstrates that they are helping to meet a specific need in the area for people to feel part of their local communities and connected to the church, even if just on a 'loose' basis.

Alleviating Need

As an expression of our desire to demonstrate the Christian principle of helping those in need we continue to look for ways to alleviate local poverty.

We continue to be fully active as a FoodBank distribution centre, which allows us to collect and give food to local individuals, couples and families who are in need. Over the year we have seen a real increase in the number of people we have been able to help through FoodBank. The distribution centre is available Tuesday-Thursday between 9.30am and 12.30pm, and thankfully this was able to remain open during the pandemic.

We were delighted to receive a number of additional financial grants to help with the running of Foodbank in 2021, which has allowed us to purchase equipment such as a new fridge and freezer to store additional food items, while we have also been able to buy in toiletries and other items for those who are in need.

Early on in 2021 we and a number of churches across Lincoln were given the opportunity to redistribute surplus stock from a national food company, based around one hour's drive from Lincoln. We were soon able to obtain weekly use of a van and set up a small team of people to both obtain and distribute food (subject to availability). Word spread rapidly and we are now able to feed at least 200 people per week. While this only ran for a few weeks due to the supplier linking-up with a national charity thus ending our supply, we were glad to be able to help those in need. We are using this as an opportunity to look to see whether we can help people in other ways, while also sharing the Christian gospel too.

During the year we have also been able to help a number of families and individuals from our Compassion Fund. This alongside debt management advice has helped them to better manage their finances, thus preventing the possibility of long term hardship. We have also been able to refer people to the Christians Against Poverty (CAP) programmes in other Lincoln churches and direct them to other debt counselling services at the local Learning Community facility. This alongside regular church giving to CAP allows us to help alleviate long-term poverty amongst local people.

Life Church Lincoln

Report of the Trustees for the Year Ended 31 December 2021

We maintain excellent links with charities and churches locally and nationally so that people can be referred for help for money management and debt advice, mental health support, healthy eating classes and more.

During 2021 we were able to launch Night Light Café, in partnership with local charity Acts Trust and the NHS. This facility supports those struggling with mental health issues and provides a listening ear, help and care to service users.

Oasis

Oasis Community Lunch allows local people the opportunity to develop friendships. It also links into other organisations offering help. As in previous years, representatives from the local church and community agencies have been invited in to give a short message to those gathered. Church members and leaders who speak always seek to bring an element of the Christian gospel into what they share with those attending.

We were delighted to relaunch Oasis in September 2021, and it was soon clear it was missed by many during the Covid-enforced shutdown. A number of new and old faces are regularly in attendance

Diamond Park

Diamond Park continues to be of major benefit for the community of Birchwood. As the only Community Park in the locality providing play facilities for toddlers to teens, it is in high demand throughout the Summer months. The park has been fully renovated in recent years and is now in the hands of a local group who are able to ensure its day-to-day running, in line with our vision of a community-owned park when the church was originally fully responsible for its maintenance. We continue to make a generous annual donation towards the upkeep of the park to enhance and care for the needs of our local community.

Big Local

The Birchwood area of Lincoln was some years ago awarded £1M of Big Local funding to make a lasting and positive difference in the Birchwood area. From the launch of the Birchwood Big Local, Life Church has taken a leading role in its formation. We also have church members involved in its ongoing activities and development.

Youth Work

In addition to the detail already given, our youth team were able to continue to provide excellent teaching and social spaces for young people. This was able to resume in-person in September 2021, and a number of new and old faces have returned to enjoy our activities.

Local/National Links

Over 2021 we were able to continue to invest in our relationships with many other ministries, churches and individuals locally, nationally and Internationally.

2020-21 has seen the exciting transition of the Greater Lincoln Active Faith Network (which the church has played an active part in from the beginning, such as our Lead Pastor being a member of the steering group) to become Transform Lincoln. This new body will encompass social action with prayer, evangelism and a priority on healthy church relationships, with the aim of making our city a better place.

We have continued to invest in our links with the Ground Level Network, which provides a level of oversight, connections to other churches, charities and ministries and training for church leaders.

We are also delighted to be a member church of the Evangelical Alliance, which gives a number of important benefits and a level of ministerial security. This membership has been particularly helpful throughout the Covid pandemic, providing help, advice and a voice for churches such as us.

International Links

The church is missional in ethos and values and we continue to pursue international connections. Our main connections are with churches and ministries within India and South Africa, although we do have others in different nations. We have continued to maintain these international links throughout the year, while we also have a good relationship with a church in Nepal.

We are delighted to be able to provide a high level of financial support to a Christian girls' orphanage in the rural Indian town of Kolar Gold Fields. We have encouraged a number of people within the church to continue to 'sponsor a child' within the orphanage to help us to reach as many children as possible.

We have also been able to donate towards a tailoring skills programme in Bangalore, India, which helps impoverished women to learn a trade and either set-up their own business or gain the credentials to work within a recognised tailoring factory.

Life Church Lincoln
Report of the Trustees
for the Year Ended 31 December 2021

Charitable Giving

During 2021, Life Church made a number of gifts to projects within the UK and countries abroad.

In addition to supporting a number of UK-based charities and ministries, we were able to give towards a charity project to provide sewing machines for Indian women, who have graduated from tailoring training in Bangalore, India.

Gifts have also been made towards the Moriah Children's Home in Kolar Gold Fields, Kantaka, India, for work with local orphans, while we have also been able to support the charitable work of Empower Church in Pretoria, South Africa.

Use of Life Church Building

In addition to our own use, our building is regularly hired by a number of community groups, including a Rainbows group, Slimming World, Weight Watchers, Oasis Community Lunch, a local choir and a number of other groups.

Our building is also available for hire for baby dedications, weddings and funerals.

Many of these groups were able to return during 2021 as restrictions were eased, while this and a number of new hirers has brought invaluable financial support towards the upkeep and work of the church.

Life Church Trustees

During 2021 we were delighted to welcome Melissa Brien and David Stubbs on to our Board of Trustees. Tom Gawne also kindly stepped into the role of Company Secretary following the departure of Chris Trigg. We are hugely indebted to this wonderful team of people, who serve faithfully and work extremely hard to ensure the safe and correct running of the church's operations.

FINANCIAL REVIEW

Reserves policy

The Trustees have reviewed the reserves of the charity. This review encompassed the nature of the income and expenditure streams, the need to match variable income with fixed commitments and the nature of the reserves. The review concluded that to allow the charity to be managed efficiently, to meet working capital requirements, and to provide a buffer which will allow suitable projects to be commenced once they have been identified, a policy would be adopted to build up a general reserve equivalent to 10% of the unrestricted fund expenditure.

As at 31 December 2021, the charity had unrestricted funds of £337,897 (2020: £343,148) and restricted funds of £16,932 (2020: £4,826). The level of "free reserves" at the year end was £155,200 (2020: £169,230) and this consisted of the total unrestricted funds and associated loans less fixed assets, which is available for the charity to use in achieving its charitable objectives.

The current level of free reserves is significantly higher than the reserves policy. However, the trustees consider their policy to be reasonable due to the charity only recently having additional reserves in excess of their policy. The trustees have the possibility of rebuilding their church under regular review and have decided to earmark up to £50,000 of unrestricted funds to start this process. Additional reserves are retained in the short term against any significant voluntary income reductions due to the coronavirus pandemic.

Restricted Funds

During the year ending 31 December 2021 the charity operated a number of restricted funds to receive income and spend money on specific items or projects. During the year some of these funds were closed as their purpose had been fulfilled. The majority of the remaining restricted funds had limited movement and were in surplus during the year; however, where restricted and designated funds had small deficits at the end of the year the relevant amounts were transferred from the General Fund amounting to a total of £513. A further transfer was made to recognise restricted building funds. All restricted funds were used for their declared purpose and there was an overall increase in restricted funds of £12,106 to a total of £16,932 during the financial year.

Life Church Lincoln

Report of the Trustees for the Year Ended 31 December 2021

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The charity is controlled by its Memorandum & Articles of Association and is a company limited by guarantee, as defined by the Companies Act 2006, being incorporated on 17 August 2001. The charity claims exemption under Section 60 (1) (a) of the Companies Act 2006 from using the word "Limited".

Governance and internal control

Trustees are appointed in accordance with the Articles of Association of the charity. The trustees meet approximately monthly to review strategy, performance, management accounts and other operational issues. The trustees also meet with staff and volunteers on a regular basis to ensure that policy is well understood and properly implemented. All Trustees give of their time freely and no remuneration or expenses were paid in the year.

Company and charity law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the surplus or deficit of the charity for that period. In preparing those financial statements, the trustees have adopted the provisions of the Statement of Recommended Practice (SORP) FRS 102 "Accounting and Reporting by Charities" effective 1 January 2015 and specifically:

- selected suitable accounting policies and then applied them consistently;
- made judgements and estimates that were reasonable and prudent;
- stated whether applicable accounting standards have been followed, subject to any material departures;
- disclosed and explained in the financial statements;
- prepared the financial statements on the going concern basis.

The trustees have overall responsibility for ensuring that the charity has appropriate system of controls, financial and otherwise. They are also responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities and to provide reasonable assurance that:

- the charity is operating efficiently and effectively;
- its assets are safeguarded against unauthorised use or disposition;
- proper records are maintained and financial information used within the charity or for publication is reliable;
- the charity complies with relevant laws and regulations.

The systems of internal control are designed to provide reasonable, but not absolute, assurance against material misstatement or loss. They include:

- Delegation of day to day management and budget activities to a Management Team of staff and specialists.
- Regular consideration by the trustees of financial results, variance from budgets, non-financial performance
- Identification and management of risks.

Life Church Lincoln

Report of the Trustees **for the Year Ended 31 December 2021**

Risk Analysis

The Trustees have a duty to identify and review the risks to which the charity is exposed and to ensure that reasonable controls are in place to provide reasonable assurance against fraud and error. The charity is exposed to very limited risks and reduced these in 2012 by purchasing a building for use as an office resulting in lower monthly outgoings than the previous rented accommodation. It was further reduced in 2015 by completing the purchase of the old Methodist Church next to the Church Office, dramatically reducing the monthly outgoings for the hire of venues for Sunday and other meetings. Although the commitment is now to the ongoing maintenance of the building and payment of the mortgage, rental income from community users has offset some of these outgoings. In common with other companies, the charity is exposed to statutory redundancy payments for its staff; however, these are likely to be minimal given the relatively short duration of the company's existence, and with only four paid members of staff for the majority of 2020. Where Projects are entirely grant-aided, financial commitments will not be made as a matter of policy unless and until all grant monies are available. For Church activities, project planning requires that events are budgeted on a self-financing basis in accordance with the annual objectives. The charity also benefits from public liability and indemnity insurance policies which adequately cover operating risk. The organization of the charity is sufficiently flexible that should the need arise, activities can be undertaken by volunteers within their own homes or premises hired on an ad-hoc basis. Policies have been written and are regularly reviewed and updated to cover all key activities. DBS checks are carried out on people working with children or vulnerable people in accordance with current safeguarding legislation and guidance. The Trustees are satisfied that all reasonable steps have been taken to avoid and manage risks adequately. Notwithstanding the above, and in common with many charities and organisations, the risks associated with a global pandemic had not been included in a general risk assessment. However, the Trustees have maintained a close watch on these additional COVID-related risks (primarily affecting finance and health & safety) and have worked closely with the Core Leadership Team to ensure additional risks are assessed, understood, and mitigated where appropriate. These efforts have ensured that the effects of COVID on Life Church Lincoln have been minimised. There were no known COVID outbreaks relating to any church activities in 2021.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number
04272968 (England and Wales)

Registered Charity number
1088731

Registered office
129 Birchwood Avenue
Lincoln
Lincolnshire
LN6 0JE

Trustees
Mr C J Trigg (resigned 17.10.21)
Mr T L Gawne
Ms J McAleavey
Ms W A Brett (resigned 16.6.21)
Mr D L Coombs
Mrs M A Brien (appointed 18.8.21)
Mr D Stubbs (appointed 18.8.21)

Company Secretary
Mr T L Gawne

Independent Examiner
Wright Vigar Limited
Chartered Accountants & Business Advisers
15 Newland
Lincoln
Lincolnshire
LN1 1XG

Approved by order of the board of trustees on 8 April 2022 and signed on its behalf by:

Tom Gawne
Tom Gawne (Apr 8, 2022 12:27 GMT+1)

Mr T L Gawne - Secretary

**Independent Examiner's Report to the Trustees of
Life Church Lincoln**

Independent examiner's report to the trustees of Life Church Lincoln ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 December 2021.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent examiner's statement

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

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act 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; or
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 (FRS 102)).

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.

Paul Colcomb

Paul Colcomb (Apr 8, 2022 12:43 GMT+1)

Paul Colcomb FCCA
Wright Vigar Limited
Chartered Accountants & Business Advisers
15 Newland
Lincoln
Lincolnshire
LN1 1XG

8 April 2022

Life Church Lincoln

Statement of Financial Activities
for the Year Ended 31 December 2021

	Notes	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies		137,047	10,507	147,554	133,030
Other trading activities	2	17	-	17	87
Investment income	3	18	-	18	165
Other income		5,528	-	5,528	3,645
Total		<u>142,610</u>	<u>10,507</u>	<u>153,117</u>	<u>136,927</u>
EXPENDITURE ON					
Raising funds	4	3,263	-	3,263	2,231
Charitable activities					
Ministry		130,885	9,376	140,261	136,085
Community Action		-	563	563	443
Youth and Overseas		-	2,175	2,175	1,819
Total		<u>134,148</u>	<u>12,114</u>	<u>146,262</u>	<u>140,578</u>
NET INCOME/(EXPENDITURE)		<u>8,462</u>	<u>(1,607)</u>	<u>6,855</u>	<u>(3,651)</u>
Transfers between funds	16	<u>(13,713)</u>	<u>13,713</u>	<u>-</u>	<u>-</u>
Net movement in funds		<u>(5,251)</u>	<u>12,106</u>	<u>6,855</u>	<u>(3,651)</u>
RECONCILIATION OF FUNDS					
Total funds brought forward		343,148	4,826	347,974	351,625
TOTAL FUNDS CARRIED FORWARD		<u><u>337,897</u></u>	<u><u>16,932</u></u>	<u><u>354,829</u></u>	<u><u>347,974</u></u>

The notes form part of these financial statements

Life Church Lincoln

Balance Sheet
31 December 2021

	Notes	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
FIXED ASSETS					
Tangible assets	10	283,165	-	283,165	284,115
CURRENT ASSETS					
Debtors	11	12,661	92	12,753	13,117
Cash at bank and in hand		157,162	16,840	174,002	175,174
		<u>169,823</u>	<u>16,932</u>	<u>186,755</u>	<u>188,291</u>
CREDITORS					
Amounts falling due within one year	12	(14,623)	-	(14,623)	(14,235)
NET CURRENT ASSETS		<u>155,200</u>	<u>16,932</u>	<u>172,132</u>	<u>174,056</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		438,365	16,932	455,297	458,171
CREDITORS					
Amounts falling due after more than one year	13	(100,468)	-	(100,468)	(110,197)
NET ASSETS		<u>337,897</u>	<u>16,932</u>	<u>354,829</u>	<u>347,974</u>
FUNDS	16				
Unrestricted funds				337,897	343,148
Restricted funds				16,932	4,826
TOTAL FUNDS				<u>354,829</u>	<u>347,974</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2021.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2021 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 8 April 2022 and were signed on its behalf by:

Tom Gawne

Tom Gawne (Apr 8, 2022 12:27 GMT+1)

Mr T L Gawne - Trustee

**Notes to the Financial Statements
for the Year Ended 31 December 2021**

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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) (effective 1 January 2019) (as amended by Update Bulletin 1 and 2)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The charity is a company limited by guarantee registered in England and Wales. Details of the registered office and place of business can be found in the reference and administration section of the Trustees Report.

Financial reporting standard 102 - reduced disclosure exemptions

The charitable company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland':

- the requirements of Section 7 Statement of Cash Flows.

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.

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 cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- 2% on cost
Improvements to property	- 25% on cost
Fixtures and fittings	- 25% on cost
Computer equipment	- 25% on cost

The charity's policy is to capitalise any item costing more than £250.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

A further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Life Church Lincoln

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2021**

2. OTHER TRADING ACTIVITIES

	2021 £	2020 £
Fundraising events	17	87
	<u>17</u>	<u>87</u>

3. INVESTMENT INCOME

	2021 £	2020 £
Deposit account interest	18	165
	<u>18</u>	<u>165</u>

4. RAISING FUNDS

Other trading activities

	2021 £	2020 £
Purchases	28	105
	<u>28</u>	<u>105</u>

Investment management costs

	2021 £	2020 £
Administrative expenses	3,235	2,126
	<u>3,235</u>	<u>2,126</u>
Aggregate amounts	3,263	2,231
	<u>3,263</u>	<u>2,231</u>

5. GRANTS PAYABLE

	2021 £	2020 £
Ministry	17,001	11,920
Community Action	50	95
Youth and Overseas	2,175	1,097
	<u>19,226</u>	<u>13,112</u>

During the year, the charity made grants to the following;

	£
Moriah Orphanage	7,000
Ground Level Ministry	2,160
Christians Against Poverty	1,200
R & J Bell Mission	5,313
India & Nepal	2,175
Grants under £1,000	1,328
	<u>19,176</u>
Total grants made to institutions	19,176
Small compassion gifts to individuals	50
	<u>19,226</u>
Total grants payable	<u>19,226</u>

Life Church Lincoln

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2021**

6. SUPPORT COSTS

	Management £	Finance £	Other £	Totals £
Ministry	2,913	4,107	28,352	35,372
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

7. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2021 £	2020 £
Depreciation - owned assets	14,394	12,191
Hire of plant and machinery	1,636	1,147
Deficit on disposal of fixed assets	209	-
Independent examiner costs	3,320	2,874
	<u> </u>	<u> </u>

8. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2021 nor for the year ended 31 December 2020.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 December 2021 nor for the year ended 31 December 2020.

9. STAFF COSTS

The average number of employees during the period was 4 (2020: 4).

No employees were paid more than £60,000 for the year ending 31 December 2021.

10. TANGIBLE FIXED ASSETS

	Freehold property £	Improvements to property £	Fixtures and fittings £	Computer equipment £	Totals £
COST					
At 1 January 2021	310,493	12,588	4,996	17,926	346,003
Additions	-	1,984	-	12,325	14,309
Disposals	-	-	-	(1,299)	(1,299)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31 December 2021	310,493	14,572	4,996	28,952	359,013
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
DEPRECIATION					
At 1 January 2021	43,196	5,403	2,372	10,917	61,888
Charge for year	6,210	3,438	1,249	3,497	14,394
Eliminated on disposal	-	-	-	(434)	(434)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31 December 2021	49,406	8,841	3,621	13,980	75,848
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
NET BOOK VALUE					
At 31 December 2021	261,087	5,731	1,375	14,972	283,165
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31 December 2020	267,297	7,185	2,624	7,009	284,115
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

Freehold property with a total net book value of £242,857, being the old police station and the church building, have outstanding charges registered against them being security for the loans as disclosed in note 15.

Life Church Lincoln

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2021**

11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Other debtors	11,333	11,820
Prepayments	1,420	1,297
	<u>12,753</u>	<u>13,117</u>

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Bank loans and overdrafts (see note 14)	7,696	7,338
Social security and other taxes	1,083	1,585
Other creditors	1,000	1,000
Accrued expenses	4,844	4,312
	<u>14,623</u>	<u>14,235</u>

13. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2021	2020
	£	£
Bank loans (see note 14)	98,468	107,197
Other creditors	2,000	3,000
	<u>100,468</u>	<u>110,197</u>

14. LOANS

An analysis of the maturity of loans is given below:

	2021	2020
	£	£
Amounts falling due within one year on demand:		
Bank loans	<u>7,696</u>	<u>7,338</u>
Amounts falling between one and two years:		
Bank loans - 1-2 years	<u>8,062</u>	<u>7,686</u>
Amounts falling due between two and five years:		
Bank loans - 2-5 years	<u>26,569</u>	<u>25,333</u>
Amounts falling due in more than five years:		
Repayable by instalments:		
Bank loans more 5 yr by instal	63,837	74,178

15. SECURED DEBTS

The following secured debts are included within creditors:

	2021	2020
	£	£
Bank loans	<u>106,164</u>	<u>114,535</u>

The bank loans are secured by a legal charge over the Old Birchwood Police Station building, the Church Building and its associated assets.

Life Church Lincoln

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2021**

16. MOVEMENT IN FUNDS

	At 1.1.21 £	Net movement in funds £	Transfers between funds £	At 31.12.21 £
Unrestricted funds				
General Fund	254,542	9,304	737	264,583
Designated Fund	3,734	495	-	4,229
Building Fund (Designated)	25,565	(1,337)	(14,450)	9,778
Overseas (Designated)	9,307	-	-	9,307
New Building Fund	50,000	-	-	50,000
	<u>343,148</u>	<u>8,462</u>	<u>(13,713)</u>	<u>337,897</u>
Restricted funds				
Building Fund	-	-	13,200	13,200
Compassion fund	348	375	-	723
India Missions	812	(469)	-	343
Dancelife	101	-	-	101
Community Events	-	(513)	513	-
JB & RB Mission	191	(169)	-	22
Big Local/Foodbank	3,374	(831)	-	2,543
	<u>4,826</u>	<u>(1,607)</u>	<u>13,713</u>	<u>16,932</u>
TOTAL FUNDS	<u>347,974</u>	<u>6,855</u>	<u>-</u>	<u>354,829</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General Fund	124,259	(114,955)	9,304
Designated Fund	12,225	(11,730)	495
Building Fund (Designated)	6,126	(7,463)	(1,337)
	<u>142,610</u>	<u>(134,148)</u>	<u>8,462</u>
Restricted funds			
Compassion fund	425	(50)	375
India Missions	1,706	(2,175)	(469)
Community Events	-	(513)	(513)
JB & RB Mission	8,376	(8,545)	(169)
Big Local/Foodbank	-	(831)	(831)
	<u>10,507</u>	<u>(12,114)</u>	<u>(1,607)</u>
TOTAL FUNDS	<u>153,117</u>	<u>(146,262)</u>	<u>6,855</u>

Life Church Lincoln

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2021**

16. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.1.20 £	Net movement in funds £	Transfers between funds £	At 31.12.20 £
Unrestricted funds				
General Fund	266,508	(12,250)	284	254,542
Designated Fund	1,775	7,420	(5,461)	3,734
Contingency Fund	600	-	(600)	-
Building Fund (Designated)	28,010	(2,445)	-	25,565
Overseas (Designated)	4,346	-	4,961	9,307
New Building Fund	50,000	-	-	50,000
	<u>351,239</u>	<u>(7,275)</u>	<u>(816)</u>	<u>343,148</u>
Restricted funds				
Compassion fund	285	63	-	348
India Missions	-	812	-	812
Dancelife	101	-	-	101
Community Events	-	(316)	316	-
JB & RB Mission	-	(309)	500	191
Big Local/Foodbank	-	3,374	-	3,374
	<u>386</u>	<u>3,624</u>	<u>816</u>	<u>4,826</u>
TOTAL FUNDS	<u>351,625</u>	<u>(3,651)</u>	<u>-</u>	<u>347,974</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General Fund	106,425	(118,675)	(12,250)
Designated Fund	17,275	(9,855)	7,420
Building Fund (Designated)	4,405	(6,850)	(2,445)
	<u>128,105</u>	<u>(135,380)</u>	<u>(7,275)</u>
Restricted funds			
Compassion fund	158	(95)	63
India Missions	1,909	(1,097)	812
Community Events	(1)	(315)	(316)
JB & RB Mission	1,756	(2,065)	(309)
Big Local/Foodbank	5,000	(1,626)	3,374
	<u>8,822</u>	<u>(5,198)</u>	<u>3,624</u>
TOTAL FUNDS	<u>136,927</u>	<u>(140,578)</u>	<u>(3,651)</u>

Designated Funds

Designated Fund

This fund has been designated for the payment of grants.

Building Fund

This fund has been designated for the repairs of the church building.

Overseas Fund

This fund has been designated as it is an offering to the mission in South Africa.

New Building Fund

The trustees are investigating the possibility of rebuilding the church and as such have designated monies for this purpose.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2021

16. MOVEMENT IN FUNDS - continued

Restricted Funds

A description of the material restricted funds is detailed below.

India Missions

This fund has arisen from specific fund raising campaigns for India, for example the orphanage, sewing machines, send a cow.

Compassion Fund

This fund has arisen from restricted incoming resources for help support individuals and families within the church community during times of hardship.

Dancelife Fund

Dance classes held in Life Church hall. Income is generated from fees which is used to fund the costs of the group.

Community Events

Income and expenditure for specific events, including summer Kid's club, Light party, Christmas activities. Income is generated from fees which is used to fund the cost of the events.

JB/RB Mission

This fund has arisen from specific donations received towards mission work in the Birchwood Community undertaken by two of the leadership team at Life Church Lincoln. This mission work is self-funder or part of local projects or initiatives.

Big Local- Foodbank

This fund has arisen from funding from Birchwood Big Local to support the operation of a Foodbank.

Transfers between funds

Unrestricted Funds

Building Fund

The trustees decided to transfer a total of £1,250 from the Designated fund towards the Resound Project.

Restricted Funds

Community Events Fund

This restricted fund expended more than it had amounted during the period and therefore was supported by the general funds of the charity. Due to this a transfer of £513 was required from general funds.

17. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 December 2021.

18. ULTIMATE CONTROLLING PARTY

The charity is controlled by its Board of Trustees.

Life Church Lincoln

Detailed Statement of Financial Activities
for the Year Ended 31 December 2021

	2021 £	2020 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Gifts	144,322	133,030
Grants	3,232	-
	<hr/> 147,554	<hr/> 133,030
Other trading activities		
Fundraising events	17	87
Investment income		
Deposit account interest	18	165
Other income		
Rents received	5,528	3,645
	<hr/> 153,117	<hr/> 136,927
Total incoming resources		
EXPENDITURE		
Other trading activities		
Purchases	28	105
Investment management costs		
Administrative expenses	3,235	2,126
Charitable activities		
Wages	71,996	74,662
Social security	2,891	5,604
Pensions	2,924	2,941
Other direct costs	9,604	8,630
Advertising	(54)	537
Rent	1,040	-
Grants to institutions	18,968	13,017
Grants to individuals	258	95
	<hr/> 107,627	<hr/> 105,486
Support costs		
Management		
Cleaning	142	45
Telephone	2,475	2,427
Postage and stationery	296	461
	<hr/> 2,913	<hr/> 2,933
Finance		
Mortgage	4,107	4,470
Other		
Repairs and maintenance	1,636	1,147
Rent, rates and water	868	499
Insurance	1,825	1,844
Light and heat	3,155	2,975
Travel	734	974
Sundries	863	1,197
Carried forward	9,081	8,636

This page does not form part of the statutory financial statements

Life Church Lincoln

Detailed Statement of Financial Activities
for the Year Ended 31 December 2021

	2021 £	2020 £
Other		
Brought forward	9,081	8,636
Repairs and maintenance	1,349	1,757
Independent examination	3,320	2,874
Freehold property	6,210	6,210
Improvements to property	3,438	3,147
Fixtures and fittings	1,249	1,249
Computer equipment	3,496	1,585
Profit/loss on sale of fixed assets	209	-
	<hr/> 28,352	<hr/> 25,458
Total resources expended	<hr/> 146,262	<hr/> 140,578
Net income/(expenditure)	<hr/> <hr/> 6,855	<hr/> <hr/> (3,651)