

Charity Registration number 1103695

**COVENANT LIFE CHURCH LEICESTER**

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

**THE ROWLEYS PARTNERSHIP LIMITED  
CHARTERED ACCOUNTANTS  
CHARNWOOD HOUSE  
HARCOURT WAY  
LEICESTER  
LE19 1WP**

## COVENANT LIFE CHURCH LEICESTER

### CHARITY INFORMATION

<b>Charity Name and Number</b>	Covenant Life Church Leicester Registered charity number 1103695
<b>Trustees</b>	Dennis R Burton Kevin S Owen Gary Rutherford Kate Simpson Joanne Watts (resigned 29 November 2020) Andrew Briggs Ian Thompson Charles Alford (appointed 24 January 2021) Faith Olubode-King (appointed 24 January 2021)
<b>Principal Address</b>	93-95 Commercial Square Freemens Common Leicester LE2 7SR
<b>Independent examiner</b>	The Rowleys Partnership Limited Chartered Accountants Charnwood House Harcourt Way Meridian Business Park Leicester LE19 1WP
<b>Bankers</b>	Barclays Bank PLC Dominus Way Meridian Business Park Leicester LE19 1RP

**COVENANT LIFE CHURCH LEICESTER**

**ACCOUNTS FOR THE YEAR ENDED  
31 MARCH 2021**

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## COVENANT LIFE CHURCH LEICESTER

### REPORT OF THE TRUSTEES

The trustees present their report with the financial statements of the charity for the year ended 31 March 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 Standards applicable in the UK and Republic of Ireland (FRS 102) (1 January 2019).

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charity's governing document, the 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 applicable in the UK and Republic of Ireland published on October 2019.

#### **Structure, governance and management**

Covenant Life Church Leicester is a registered charity and was constituted by a Declaration of Trust dated at 14 March 2003. The charity is a Christian Church, administered by elders who are the recognised spiritual leadership of the Church. To the extent that trustees are not synonymous with the Church leadership, their powers shall be confined to the proper management and administration of the funds and in doing so shall have full and proper regard to such spiritual leadership.

The Trustees are responsible for the appointment and training of any new trustee, including awareness of trustee's responsibilities, the trust deed, charitable objectives and procedures.

The Trust Deed provides for a minimum of 3 and maximum of 8 trustees. The trustees meet formally at least 3 times through the year to discuss business matters as appropriate.

Spiritual oversight towards the Church is based on Ephesians ch. 4 ministries and is given by Mr. Bryan Shutt and two church elders, who are supported in the practical outworking of the Church's activities by volunteer helpers who also give their time to the many activities of the Church. In addition, the existing spiritual oversight personnel enlisted the help of a number of the gifted church volunteers to set up a Leadership Team to give further support to the development and implementation of new initiatives within the church.

Governance and support costs are shown in note 5 to the accounts.

#### **Risk management**

The trustees have considered the major risks to which the charity is exposed and, having reviewed those risks, have established systems and procedures to manage those risks.

The issue of protection of children and vulnerable adults is of foremost concern to the trustees and the Church leadership, as the Church is increasingly involved in significant work with children and young people. Procedures are in place to ensure that any worker who is placed in a position of trust with children or young people will be checked with the Criminal Records Bureau. The trustees can confirm that no individual has been required to step down from any position of trust within the Church following such checks.

#### **Financial Review**

The total of incoming resources was £362,371 (2020: £353,529). After taking account of resources expended the net surplus for the year was £55,936 (2020: deficit of £5,328).

Big Shed Enterprises Limited had a turnover of £91,889 (2020: £130,639) with expenses of £84,820 (2020: £115,434) producing a profit of £7,069 (2020: £15,205).

The Charity continues to hold 100% of the share capital of Big Shed Enterprises Ltd. which has been given a licence to operate conference and facilities hire from its premises at Freemans Common in Leicester. The annual licence fee is paid by the company in four quarterly tranches in the relevant year. The profits of the company will ultimately be gifted back to the Charity.

## COVENANT LIFE CHURCH LEICESTER

### REPORT OF THE TRUSTEES (CONTINUED)

#### Reserves policy

In response to the COVID-19 pandemic and its impact upon the UK from March 2020, the trustees have made appropriate revisions to the cash flow forecasts for the coming 12 months. We remain confident that operating costs of the charity will continue to be met from revenue generated and are satisfied that the projected level of ongoing funding will be adequate to support the continuation of the charity's activities for the foreseeable short/medium term.

In accordance with good accounting practice and professionalism, the trustees of the charity have developed a more robust approach to a reserves policy to meet the anticipated future requirements. The policy outlines, (a) the level of reserve the trustees believe the charity requires (typically equivalent to 3 months of normal committed ('fixed') operating costs); (b) the measures that will be put in place to monitor and review the reserves at the required level; (c) the arrangements needed to fund the expansion of initiatives and projects that further the aims and objectives of the charity.

At 31 March 2021 unrestricted reserves less fixed assets and the debtor due from Big Shed Enterprises Limited amounted to £244,171 which are more than adequate for the charity's requirements.

#### Public benefit

The trustees have had regard to the Charity Commission guidance on public benefit. The church's Trust Deed demonstrates the intentions of Covenant Life Church Leicester in being of benefit to our locality in the city of Leicester and surrounding towns and villages in Leicestershire. It is our intention to provide relief of poverty, hardship and distress as far as it is possible. We aim to promote the involvement of local people and families in our activities. Our annual activities are planned with the above in mind and our overall ambition is to be a benefit to our locality.

#### Objectives and activities

At the heart of Covenant Life Church Leicester is our desire to see the Gospel of Jesus Christ our Lord spread as far as possible throughout Leicester, Leicestershire and the world. Our objectives are to preach and offer teaching of the Christian faith to our members and the people in our locality. This furtherance of the Gospel comes with a desire to see not only the spiritual significance of our faith promoted, but also the practical humanitarian effect of a life with Jesus. Our members are all encouraged to "bring good news to the poor" (Luke 4 v 18) in a very practical way.

The charity continues to promote its vision and objectives both at home and overseas: our public meetings (NB in respect of the affects of the current COVID-19 pandemic, please see next section on this though) involve Christian praise, worship and teaching, centred around the use of our building, 'The Big Shed', at Freemans Common in Leicester; plus the regular meeting together of groups of our members - youth, university student groups, mid-week "Homegroups" that meet weekly 'house to house' at a number of locations in and around Leicestershire.

Because of the Coronavirus Covid-19 pandemic, and the immediate government restrictions, we have not been able to regularly meet physically at our 'Big Shed' building premises - from early 2021, we have had limited public gatherings at the Big Shed, initially involving only key musician, worship and PA personnel, then progressively certain members of the Church within the constraints of our Risk Assessments based on and within the Government guidelines - the rest of the church congregation have continued to meet remotely, virtually, but still corporately and publically, via the IT 'Zoom' web-based meeting/communications media; using this technology, we have been still able to meet together in our homes and continue to connect and maintain our county-wide identity, allowing where possible appropriate general public involvement.

## COVENANT LIFE CHURCH LEICESTER

### REPORT OF THE TRUSTEES (CONTINUED)

#### Achievements and performance

Each year the Charity supports and encourages the work of a related charity (Ministries Without Borders) together with other projects both in UK and overseas:

- 1). It has continued to provide specific donated funding and remote support for work in Zambia (via Rainbow Trust Africa).
- 2). We continue to provide financial support towards an Indian Bible College in Gujarat, India and to several children's homes in India via the Hope for India charity.
- 3). The church is increasingly active within local communities via mid-week Life Groups which, through separate initiatives, continue to seek and develop more effective relationships with the wider communities (please note as mentioned above, via the 'Zoom' technology from March 2020).
- 4). Continuing with our desire to contribute to the wider needs of the local community, the charity has partnered with the City council to become one of its local Emergency Rest Centres.
- 5). The charity's resources have been made available for the international charity Samaritans Purse to continue to operate their regional distribution centre onsite for Operation Christmas Child, distributing many thousands of shoeboxes that are filled with Christmas presents to children around the world.
- 6). The church has been involved in the student community, hosting welcome events via Zoom and socially distanced events, for overseas students.
- 7). The church has also historically met once a year at the end of July at large UK showground conference centres (e.g. in central locations such as Stafford and Newark) with other related churches around the UK, attracting attendance and participation of international delegates also. We have been able to provide finance and assistance at these events for projects such as 'Relief of the Poor and Needy' and 'Development of the Church in other nations'. There will be no such gathering July 2021 because of the Covid 19 crises, but we still hope to be able to contribute remotely to the afore mentioned projects again.
- 8). The Church has grown in membership this last 12 months, with new members being recognised via Zoom, and we have also recently been able to conduct Water Baptism of new members, at socially distanced events within the current Government guidelines.
- 9). The use of Zoom has grown within the Church since March 2020, with new types of Prayer Meetings (early morning and specific themes in the evening) and Childrens Meetings taking place as church

The report and accounts were approved by the trustees on 17/8/2021 and signed on their behalf by:

K S Owen  
Trustee

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF  
COVENANT LIFE CHURCH LEICESTER  
FOR THE YEAR ENDED 31 MARCH 2021**

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

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

**Responsibilities and basis of report**

As the charity's trustees 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 charity's accounts carried out under section 145 of the 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 charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the Act. I confirm that I am qualified to undertake the examination because I am a member of ICAEW 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 charity 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.

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.

R J Radford FCA  
The Rowleys Partnership Limited  
Chartered Accountants  
Charnwood House  
Harcourt Way  
Meridian Business Park  
Leicester  
LE19 1WP

Date: 17  
August  
2021

**COVENANT LIFE CHURCH LEICESTER**

**STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED  
31 MARCH 2021**

	Note	UNRESTRICTED FUNDS	RESTRICTED FUNDS	TOTAL 2021	TOTAL 2020
		£	£	£	£
<b>Income and endowments from</b>					
Donations and legacies	2	302,788	8,531	311,319	271,596
Charitable activities	2	30	-	30	32
Investment income		150	-	150	571
Other income	3	50,872	-	50,872	81,330
<b>Total income and endowments</b>		<u>353,840</u>	<u>8,531</u>	<u>362,371</u>	<u>353,529</u>
<b>Expenditure on</b>					
Charitable activities	4	298,154	8,281	306,435	358,857
<b>Total expenditure</b>		<u>298,154</u>	<u>8,281</u>	<u>306,435</u>	<u>358,857</u>
<b>Net income/(expenditure)</b>		55,686	250	55,936	(5,328)
Transfers between funds	18	60	(60)	-	-
<b>Other recognised gains/(losses):</b>					
Other gains/(losses)	18	-	-	-	-
<b>Net movement in funds</b>		<u>55,746</u>	<u>190</u>	<u>55,936</u>	<u>(5,328)</u>
<b>Reconciliation of funds</b>					
Total funds brought forward		1,181,978	478	1,182,456	1,187,784
<b>Total funds carried forward</b>		<u><u>1,237,724</u></u>	<u><u>668</u></u>	<u><u>1,238,392</u></u>	<u><u>1,182,456</u></u>

The notes form part of these financial statements.



**COVENANT LIFE CHURCH LEICESTER**

**BALANCE SHEET  
AS AT  
31 MARCH 2021**

		2021		2020	
	<b>Note</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Fixed assets</b>					
Tangible assets	<b>12</b>		623,552		645,537
Investment	<b>13</b>		1		1
			<hr/>		<hr/>
			623,553		645,538
<b>Current assets</b>					
Debtors	<b>14</b>	463,108		475,210	
Cash at bank and in hand		245,163		163,056	
		<hr/>		<hr/>	
		708,271		638,266	
<b>Liabilities</b>					
Creditors: amounts falling due within one year	<b>15</b>	<hr/> 36,162		<hr/> 32,348	
<b>Net current assets</b>			672,109		605,918
			<hr/>		<hr/>
<b>Total assets less current liabilities</b>			1,295,662		1,251,456
Creditors: amounts falling due after one year	<b>16</b>		(57,270)		(69,000)
<b>Net assets</b>			<hr/> 1,238,392		<hr/> 1,182,456
<b>Funds</b>					
Restricted funds	<b>18</b>		668		478
Unrestricted funds	<b>18</b>		1,237,724		1,181,978
<b>Total funds</b>			<hr/> 1,238,392		<hr/> 1,182,456

The financial statements were approved by the trustees on 17 August 2021

K S Owen  
Trustee

## COVENANT LIFE CHURCH LEICESTER

### NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

#### 1 Accounting policies

##### 1.1 Basis of preparing the financial statements

Covenant Life Church Leicester is an unincorporated charity registered in England and Wales. The address of the charity is given on the charity information page of these financial statements.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, and UK Generally Accepted Accounting Practice.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following 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 issued in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest pound.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

##### **Preparation of consolidated financial statements**

The financial statements contain information about Covenant Life Church Leicester as an individual charity and do not contain consolidated financial information as the parent of a group. The charity has taken the option not to prepare consolidated financial statements under Charities Act 2011 as the group income is below £500k.

##### 1.2 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.

# COVENANT LIFE CHURCH LEICESTER

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

### 1 Accounting policies - continued

#### Fund accounting - continued

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

#### 1.3 Income recognition

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.

#### 1.4 Resources expended

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.

#### 1.5 Taxation

The charity is exempt from tax on its charitable activities. Expenses are inclusive of VAT where applicable.

#### 1.6 Tangible fixed assets and depreciation

All tangible fixed assets are capitalised and included at cost.

Depreciation has been provided to write off the cost less estimated residual values of tangible fixed assets, over their expected useful lives using the following rates:

Leasehold premises	Over the lease term
Electronic equipment	33.3% on cost
Motor trailer	33.3% on cost
Fixtures and fittings	33.3% on cost

#### 1.7 Investments

Investments in subsidiaries are measured at cost less impairment.

#### 1.8 Debtors and creditors receivable/payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

## COVENANT LIFE CHURCH LEICESTER

### NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

#### **1 Accounting policies - continued**

##### **1.9 Cash and cash equivalents**

Cash and cash equivalents comprise cash in hand and cash on deposit.

##### **1.10 Going concern**

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. In view of the potential impact of COVID-19 the Trustees, have prepared and considered a revised cashflow forecast, taking account of the level of funds held and the expected level of income and expenditure over the upcoming 12 months from the date of authorising these financial statements. This forecast, which remains cash positive, will be updated and reconsidered during the first half of the new financial year.

##### **1.11 Pensions and other post-retirement benefits**

###### **Defined contribution pension plans**

The charity operates a defined contribution pension plan for its employees. The amount recognised as an expense in the year was £630 (2020 - £614).

##### **1.12 Leases**

Rentals payable and receivable under operating leases are charged to the SoFA on a straight line basis over the period of the lease.

##### **1.13 Government grants**

Government grants receivable in relation to the job retention scheme are recognised as income over the periods necessary to match them against the related costs which they are intended to compensate, on a systematic basis. Other Government grants received are recognised at the point of receipt. Government grants are shown separately as other income.

COVENANT LIFE CHURCH LEICESTER

NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED  
31 MARCH 2021

**2 Incoming resources**

Donations and legacies:

	Unrestricted fund	Restricted fund	Total 2021	Unrestricted fund	Restricted fund	Total 2020
	£	£	£	£	£	£
Donations and gifts	248,202	8,531	256,733	213,171	10,012	223,183
Gift Aid tax refunds	54,586	-	54,586	48,413	-	48,413
	<u>302,788</u>	<u>8,531</u>	<u>311,319</u>	<u>261,584</u>	<u>10,012</u>	<u>271,596</u>

Charitable activities:

	Unrestricted fund	Restricted fund	Total 2021	Unrestricted fund	Restricted fund	Total 2020
	£	£	£	£	£	£
Sale of tapes and books	30	-	30	32	-	32
	<u>30</u>	<u>-</u>	<u>30</u>	<u>32</u>	<u>-</u>	<u>32</u>

**3 Other income**

	Unrestricted fund	Restricted fund	Total 2021	Unrestricted fund	Restricted fund	Total 2020
	£	£	£	£	£	£
Licence fee	30,000	-	30,000	40,000	-	40,000
Ground rent	12,250	-	12,250	40,000	-	40,000
Rental income	-	-	-	-	-	-
Other income	3,040	-	3,040	1,330	-	1,330
Coronavirus Job Retention Scheme grant	5,582	-	5,582	-	-	-
	<u>50,872</u>	<u>-</u>	<u>50,872</u>	<u>81,330</u>	<u>-</u>	<u>81,330</u>

The licence fee is paid by Big Shed Enterprises Limited, the trading arm of the Charity. The fee is based on turnover allocation of the company, and a proportion of the premises assessed as being available for conference and facilities hire.

COVENANT LIFE CHURCH LEICESTER

NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED  
31 MARCH 2021

4 Expenditure on charitable activities

	Unrestricted fund £	Restricted fund £	Total 2021 £	Unrestricted fund £	Restricted fund £	Total 2020 £
Direct costs (note 5)	240,871	8,281	249,152	309,961	10,282	320,243
Support costs (note 6)	55,283	-	55,283	36,554	-	36,554
Governance costs (note 7)	2,000	-	2,000	2,060	-	2,060
	<u>298,154</u>	<u>8,281</u>	<u>306,435</u>	<u>348,575</u>	<u>10,282</u>	<u>358,857</u>

5 Direct costs

	Unrestricted fund £	Restricted fund £	Total 2021 £	Unrestricted fund £	Restricted fund £	Total 2020 £
Ministry support and expenses	62,729	-	62,729	67,051	-	67,051
Meeting expenses	5,875	-	5,875	2,357	-	2,357
Other gifts	48,035	8,281	56,316	47,079	9,382	56,461
Training/Evangelism	2,992	-	2,992	10,907	900	11,807
Building expenses	93,232	-	93,232	148,577	-	148,577
Depreciation	28,008	-	28,008	33,990	-	33,990
	<u>240,871</u>	<u>8,281</u>	<u>249,152</u>	<u>309,961</u>	<u>10,282</u>	<u>320,243</u>

6 Support costs

	Unrestricted fund £	Restricted fund £	Total 2021 £	Unrestricted fund £	Restricted fund £	Total 2020 £
Wages and salaries	29,746	-	29,746	20,531	-	20,531
Pension	630	-	630	614	-	614
General administration	15,749	-	15,749	10,414	-	10,414
Other costs	-	-	-	3,490	-	3,490
Legal and professional fees	9,158	-	9,158	1,505	-	1,505
	<u>55,283</u>	<u>-</u>	<u>55,283</u>	<u>36,554</u>	<u>-</u>	<u>36,554</u>

7 Governance costs

	Unrestricted fund £	Restricted fund £	Total 2021 £	Unrestricted fund £	Restricted fund £	Total 2020 £
Independent examiner remuneration	2,000	-	2,000	2,060	-	2,060

# COVENANT LIFE CHURCH LEICESTER

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

### 8 Staff numbers and costs

	Total Funds 2021 £	Total Funds 2020 £
Wages and salaries	39,716	39,983
Employers national insurance	-	-
Pension contributions	630	614
Wages recharges	(9,970)	(19,152)
Per note 6	<u>30,376</u>	<u>21,445</u>

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

<u>3</u>	<u>4</u>
----------	----------

There are no employees who received total emoluments of more than £60,000.

### 9 Ministry support

The following received individual support exceeding £10,000 in the year:

	2021 £	2020 £
Bryan Shutt	50,004	50,004
	<u>50,004</u>	<u>50,004</u>
Others	4,325	3,600
Ministry support given through another charity	8,400	13,447
	<u>62,729</u>	<u>67,051</u>

### 10 Trustees' remuneration and expenses

No remuneration or other benefits was paid to any of the trustees for the year ended 31 March 2021 nor for the year ended 31 March 2020.

During the year a gift of £500 was paid to Kevin Owen (a trustee) for administration support, not in connection with his trustee responsibilities (2020: £250). An amount of £500 was also paid to Ian Thompson for ministry support not in connection with his trustee responsibilities (2020: £250).

#### Trustees' expenses

No trustees were reimbursed expenses during the year (2020 - £nil) in respect of their duties as trustee.

### 11 Amounts payable to independent examiner

The amount paid to the independent examiner for the independent examination was £1,000 (2020: £1,000) and £1,000 (2020: £1,060) for other accountancy services.

**COVENANT LIFE CHURCH LEICESTER**

**NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED  
31 MARCH 2021**

**12 Tangible fixed assets**

	<b>Leasehold property £</b>	<b>Fixtures &amp; fittings £</b>	<b>Electronic equipment £</b>	<b>Motor trailer £</b>	<b>Total £</b>
<b>Cost</b>					
At 1st April 2020	897,078	30,226	33,427	2,815	963,546
Additions at cost	-	1,134	4,890	-	6,024
Disposals	-	-	-	-	-
At 31st March 2021	<u>897,078</u>	<u>31,360</u>	<u>38,317</u>	<u>2,815</u>	<u>969,570</u>
<b>Depreciation</b>					
At 1st April 2020	255,181	30,125	29,888	2,815	318,009
Charge for the year	24,689	378	2,942	-	28,009
Disposals	-	-	-	-	-
At 31st March 2021	<u>279,870</u>	<u>30,503</u>	<u>32,830</u>	<u>2,815</u>	<u>346,018</u>
<b>Net book value</b>					
At 31st March 2021	<u>617,208</u>	<u>857</u>	<u>5,487</u>	<u>-</u>	<u>623,552</u>
At 31st March 2020	<u>641,897</u>	<u>101</u>	<u>3,539</u>	<u>-</u>	<u>645,537</u>

**13 Investments**

	<b>2021 £</b>	<b>2020 £</b>
Shares in subsidiary undertaking	<u>1</u>	<u>1</u>

The charity owns 100% of the shares of Big Shed Enterprises Limited, company number 6946240. Big Shed Enterprises Limited was formed to manage the property.

	<b>2021 £</b>	<b>2020 £</b>
Aggregate capital and reserves	(6,043)	(13,112)
Turnover for the year	91,889	130,639
Expenditure for the year	(84,820)	(115,434)
Profit for the year	<u>7,069</u>	<u>15,205</u>

**14 Debtors**

	<b>2021 £</b>	<b>2020 £</b>
<b>Amounts falling due within one year</b>		
Gift aid receivable	54,678	48,413
Prepayments	21,122	13,797
Other debtors	17,308	23,000
Amounts due from subsidiary undertaking	<u>370,000</u>	<u>390,000</u>
	<u>463,108</u>	<u>475,210</u>



**COVENANT LIFE CHURCH LEICESTER**

**NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED  
31 MARCH 2021**

<b>15 Creditors: amounts falling due within one year</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Accruals and deferred income	16,182	13,046
Other creditors	19,980	19,302
	<u>36,162</u>	<u>32,348</u>

<b>16 Creditors: amounts falling due after one year</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Other creditors	57,270	69,000
	<u>57,270</u>	<u>69,000</u>

**17 Analysis of net assets between funds**

Fund balances at 31 March 2021 are represented by:	<b>Unrestricted funds</b>	<b>Restricted funds</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Tangible fixed assets	623,552	-	623,552
Investments	1	-	1
Current asset/ liabilities	671,441	668	672,109
Long term liabilities	(57,270)	-	(57,270)
	<u>1,237,724</u>	<u>668</u>	<u>1,238,392</u>

**18 Movements in Funds**

	<b>At 1.4.20 £</b>	<b>Net Movements in funds £</b>	<b>Transfer between funds £</b>	<b>At 31.03.21 £</b>
<b>Unrestricted funds</b>				
Unrestricted funds	1,181,978	55,686	60	1,237,724
	<u>1,181,978</u>	<u>55,686</u>	<u>60</u>	<u>1,237,724</u>
<b>Restricted funds</b>				
Zambian Grannies	395	77	-	472
Change the World	33	130	-	163
Special Offering - MWB 2020	50	26	(76)	-
CAP(Christians Against Poverty)	-	17	16	33
	<u>1,182,456</u>	<u>55,936</u>	<u>-</u>	<u>1,238,392</u>

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

	<b>Incoming resources £</b>	<b>Resources expended £</b>	<b>Gains and losses £</b>	<b>Movement in funds £</b>
<b>Unrestricted funds</b>				
Unrestricted funds	353,840	(298,154)	-	55,686
<b>Restricted funds</b>				
Zambian Grannies	3,510	(3,433)	-	77
Change the World	130	-	-	130
Special Offering - MWB 2020	3,641	(3,615)	-	26
Special Offering - Nepal	515	(515)	-	-
Special Offering - Local Foodbank	120	(120)	-	-
CAP(Christians Against Poverty)	615	(598)	-	17
	<u>362,371</u>	<u>(306,435)</u>	<u>-</u>	<u>55,936</u>

COVENANT LIFE CHURCH LEICESTER

NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED  
31 MARCH 2021

18 Movements in Funds - continued

Comparatives for movement in funds

	At 1.4.19 £	Net Movements in funds £	Transfer between funds £	At 31.03.20 £
<b>Unrestricted funds</b>				
Unrestricted funds	1,187,320	(5,058)	(284)	1,181,978
	<u>1,187,320</u>	<u>(5,058)</u>	<u>(284)</u>	<u>1,181,978</u>
<b>Restricted funds</b>				
Zambian Grannies	-	245	150	395
Change the World	99	(66)	-	33
Special Offering - MWB 2020	20	30	-	50
Benjamin Onyenekwe	-	(134)	134	-
Sponsorship	345	(345)	-	-
CAP(Christians Against Poverty)	-	-	-	-
	<u>1,187,784</u>	<u>(5,328)</u>	<u>-</u>	<u>1,182,456</u>

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
<b>Unrestricted funds</b>				
Unrestricted funds	343,517	(348,575)	-	(5,058)
<b>Restricted funds</b>				
Zambian Grannies	2,875	(2,630)	-	245
Change the World	834	(900)	-	(66)
Special Offering - MWB 2020	4,772	(4,742)	-	30
Benjamin Onyenekwe	566	(700)	-	(134)
Sponsorship	345	(690)	-	(345)
CAP(Christians Against Poverty)	620	(620)	-	-
	<u>353,529</u>	<u>(358,857)</u>	<u>-</u>	<u>(5,328)</u>

**Transfers between funds**

Where the trustees have expended more money than was specifically given to a project, a transfer has been made from unrestricted funds.

**Restricted funds**

**Zambian Grannies**

This is a specific project within the work that Rainbow Africa carries out in Zambia. Whilst it is not directly financially supported by the church, individual members give their significant personal time commitments and financial donations which donations are passed on to Rainbow Africa.

**Change the World**

This is a collection of the loose change that Sunday attendees have and it is specifically used for mission work in UK and the World (hence [loose] Change [for] The World [missions]). It is used at the discretion of the spiritual leadership (Elders) towards worthy mission support. In 2019/20, it was used for Indian Bible College student fees and to support an outreach in Leicester city centre.

## COVENANT LIFE CHURCH LEICESTER

### NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

#### 18 Restricted funds- continued

##### **Special Offering - MWB 2020**

Ministries without borders (a church related charity that a number of churches around the world work with) asked the churches to take up special offerings to help towards 2020 projects (unspecified). Three of these were taken up (Jun'19, Sep'19, Feb'20). There is a balance of £50 as at 31 March 2020 for a late March receipt.

##### **Benjamin Onyenekwe**

Benjamin was a very active, hard working member of the church who returned to Nigeria. Church members were invited to give a 'thank you' gift to him. From the monies collected (£565.60) the church topped the amount up to £700.

##### **Sponsorship**

In 2018/19 the church sponsored a church family member to attend Covenant [Bible] College. Members were asked if they wished to financially support living expenses whilst at college. This started in September 2018 and continued through to June 2019.

##### **CAP (Christians Against Poverty)**

The church has been supporting the work of the CAP Job Club and CAP Money Course, paying for all expenses that are required to run the work. One church member wanted to give his own ongoing monthly support to this plus another member gave a one off donation. These donations go towards the overall running costs of CAP which in 2019/20, were £1,093.

#### 19 Related party transactions

During the year a licence fee of £30,000 (2020: £40,000) was received from Big Shed Enterprises Limited, a wholly owned subsidiary of the charity.

During the year £9,970 was paid by Big Shed Enterprises Limited to the charity for recharged staff costs (2020: £19,153).

During the year £23,843 (2020:£23,002) of donations were received without conditions from trustees.

At the year end the charity was owed by the subsidiary Big Shed Enterprises Limited £370,000 (2020: £390,000). This amount is interest free and repayable on demand.

#### 20 Financial commitments

The charity at present has a current ground rent commitment, at the balance sheet date of £1,039,500 (2020: £1,620,000).