

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

Life City Church Ltd

(A company limited by guarantee)

Charity registration number: 1105684

Company registration number: 05137625

Independent Examiners Ltd
2 Broadbridge Business Centre
Delling Lane
Bosham
Chichester
West Sussex
PO18 8NF

LIFE CITY CHURCH LTD

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LIFE CITY CHURCH LTD

LEGAL AND ADMINISTRATIVE INFORMATION

Charity Registration Number	1105684
Company Registration Number	05137625
Trustees	Stephen Sutherland Janet Bluck Philip Buckley Andrew Booth
Secretary	Janet Bluck
Registered address	40c Bramley Hall Bramley Hill South Croydon Surrey CR2 6NS
Bankers	Lloyds Bank plc 7 Market Square Bromley BR1 1NA
Independent Examiner	G W Schulz ACMA Independent Examiners Ltd 2 Broadbridge Business Centre Delling Lane Bosham Chichester West Sussex PO18 8NF

LIFE CITY CHURCH LTD

TRUSTEES' REPORT

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the year ended 31 March 2021.

Structure, governance and management

Nature of governing document

Life City Church Ltd is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association.

Recruitment and appointment of trustees

The management of the company is the responsibility of the trustees who are elected and co-opted under the terms of the Memorandum of Association.

Risk management

The trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the charity, and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks.

Objectives and activities

Objects and aims

The company's objectives and principal activities are:

- The advancement of the Christian Faith
- The instruction and care of Christians
- The evangelism of non Christians
- The advancement of education on the basis of Christian teaching
- The relief of those in need, suffering, hardship or distress, the aged and sick

Public benefit

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Use of volunteers

The trustees are very grateful for the generous giving of the church members in terms of both finances and time. Without the free will of time by many members much of the work of the charitable company would not function.

LIFE CITY CHURCH LTD

TRUSTEES' REPORT

Achievements and performance

Review of activities

Over the past year due to Covid restrictions Life City had to curtail the physical gathering together of members in favour of an online approach. The church provided digitally based church activities for both the Sunday celebration and midweek activities in smaller groups. This was a challenge that most members rose to from the young people to the older generation with meetings conducted via zoom. This also included the directors' meetings where decisions were made based on the available government data at the time. Our community work continued in the form of food vouchers distributed via our normal partners.

It was difficult to determine the size of the membership, merely the number of devices logged on to our meetings. We also realised that some people were logging on from other parts of the country who would not normally be able to physically attend our meetings. Online methods of giving were emphasised and members took advantage of these. However giving was affected by members' job situations and was reduced. However due to the financial reserves in place and lower expenses the continuing activities of the church were not threatened.

We still intend to finalise plans to secure a purpose-built venue for congregational and community use. Income has decreased in the year and we are yet to determine the full impact of the pandemic on the ongoing activities of the church.

The church continues to employ its senior pastor full-time along with part-time staff supporting children's church activities, worship, social media and administration.

Financial review

The income for the year amounted to £171,699 (2020 - £265,651) and expenditure £123,140 (2020 - £149,331). The surplus was added to fund brought forward, resulting in unrestricted funds of £348,367 to be carried forward.

Going concern

After making appropriate enquiries, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

Statement of Trustees' Responsibilities

The trustees (who are also the directors of Life City Church Ltd for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

LIFE CITY CHURCH LTD

TRUSTEES' REPORT

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK 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 charitable company will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The annual report was approved by the trustees of the charity on 16 November 2021 and signed on its behalf by:

.....
Stephen Sutherland
Trustee

LIFE CITY CHURCH LTD

INDEPENDENT EXAMINER'S REPORT

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 March 2021 which are set out on pages 6 to 16.

Respective responsibilities of trustees and examiner

As the charity's trustees of Life City Church Ltd (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 Life City Church Ltd 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 Life City Church Ltd 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.

.....
G W Schulz ACMA

Independent Examiners Ltd
2 Broadbridge Business Centre
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16 November 2021

LIFE CITY CHURCH LTD

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2021

	Note	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
Income and Endowments from:					
Donations and legacies	3	173,753	1,300	175,053	264,853
Charitable activities	4	58	-	58	716
Investment income	5	58	-	58	82
Total income		<u>173,869</u>	<u>1,300</u>	<u>175,169</u>	<u>265,651</u>
Expenditure on:					
Charitable activities	6	<u>123,140</u>	<u>-</u>	<u>123,140</u>	<u>149,331</u>
Total expenditure		<u>123,140</u>	<u>-</u>	<u>123,140</u>	<u>149,331</u>
Net income		50,729	1,300	52,029	116,320
Transfers between funds		<u>16,300</u>	<u>(16,300)</u>	<u>-</u>	<u>-</u>
Net movement in funds		67,029	(15,000)	52,029	116,320
Reconciliation of funds					
Total funds brought forward		<u>284,808</u>	<u>15,000</u>	<u>299,808</u>	<u>183,488</u>
Total funds carried forward	13	<u><u>351,837</u></u>	<u><u>-</u></u>	<u><u>351,837</u></u>	<u><u>299,808</u></u>

The notes on pages 8 to 16 form an integral part of these financial statements.

LIFE CITY CHURCH LTD

REGISTERED NUMBER: 05137625

BALANCE SHEET AS AT 31 MARCH 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	9	57,167	57,643
Current assets			
Debtors	10	3,746	35,378
Cash at bank and in hand		<u>310,161</u>	<u>225,278</u>
		313,907	260,656
Creditors: Amounts falling due within one year	11	<u>(19,237)</u>	<u>(18,491)</u>
Net current assets		<u>294,670</u>	<u>242,165</u>
Net assets		<u>351,837</u>	<u>299,808</u>
Funds of the charity:			
Restricted income funds			
Restricted funds		-	15,000
Unrestricted income funds			
Unrestricted funds		<u>351,837</u>	<u>284,808</u>
Total funds	13	<u>351,837</u>	<u>299,808</u>

For the financial year ending 31 March 2021 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

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

The financial statements on pages 6 to 16 were approved by the trustees, and authorised for issue on 16 November 2021 and signed on their behalf by:

.....
Stephen Sutherland
Trustee

The notes on pages 8 to 16 form an integral part of these financial statements.

LIFE CITY CHURCH LTD

NOTES TO THE FINANCIAL STATEMENTS
FOR YEAR ENDED 31 MARCH 2021

1 Charity status

The charity is limited by guarantee, incorporated in , and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

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

Statement of compliance

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 (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). They also comply with the Companies Act 2006 and Charities Act 2011.

Basis of preparation

Life City Church Ltd meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

Income and endowments

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

LIFE CITY CHURCH LTD

NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 31 MARCH 2021

Donations and legacies

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

Gift aid

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category.

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Tangible fixed assets

Individual fixed assets costing £500 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Land and buildings	2% on cost
Furniture and equipment	25% on reducing balance
Motor vehicles	25% on reducing balance

LIFE CITY CHURCH LTD

NOTES TO THE FINANCIAL STATEMENTS
FOR YEAR ENDED 31 MARCH 2021

Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Liabilities

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees's discretion in furtherance of the objectives of the charity.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Pensions and other post retirement obligations

The charity operates a defined contribution pension scheme which is a pension plan under which fixed contributions are paid into a pension fund and the charity has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised in the Statement of Financial Activities when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

Financial instruments

The company only 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 with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

LIFE CITY CHURCH LTD

NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 31 MARCH 2021

3 Income from donations and legacies

	Unrestricted funds General £	Restricted funds £	Total 2021 £	Total 2020 £
Donations and legacies;				
Donations	151,118	1,300	152,418	229,475
Gift aid reclaimed	22,635	-	22,635	35,378
	<u>173,753</u>	<u>1,300</u>	<u>175,053</u>	<u>264,853</u>

4 Income from charitable activities

	Unrestricted funds General £	Total 2021 £	Total 2020 £
Events	<u>58</u>	<u>58</u>	<u>716</u>

5 Investment income

	Unrestricted funds General £	Total 2021 £	Total 2020 £
Interest receivable and similar income;			
Interest receivable on bank deposits	<u>58</u>	<u>58</u>	<u>82</u>

LIFE CITY CHURCH LTD

NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 31 MARCH 2021

6 Expenditure on charitable activities

	Note	Unrestricted funds General £	Total 2021 £	Total 2020 £
Camp, courses, conferences and ministry costs		8,675	8,675	28,927
Children and Youth		856	856	2,344
Gifts and donations		4,581	4,581	2,612
National organisation seed payments		-	-	5,336
Speakers costs		-	-	1,797
Premises costs and hall hire		34,093	34,093	29,798
Computers and media		11,433	11,433	7,227
Publicity		795	795	170
Travelling expenses		(2,905)	(2,905)	5,550
Motor costs		-	-	794
Postage, stationery and telephone		1,805	1,805	3,151
Subscriptions and licenses		2,637	2,637	2,527
Bank and charge cards		1,540	1,540	1,571
Legal and professional fees		13	13	254
Other costs		12	12	1,290
Independent examination		930	930	930
Depreciation		3,455	3,455	3,229
Staff costs	8	55,220	55,220	51,824
		<u>123,140</u>	<u>123,140</u>	<u>149,331</u>

LIFE CITY CHURCH LTD

NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 31 MARCH 2021

7 Trustees remuneration and expenses

One trustee, Mr Stephen Sutherland, and his son are employees of the charity and their gross income for the year amounted to £43,905 (2019 - Mr Stephen Sutherland, his son and his daughter £41,032).

During the year, Mr Stephen Sutherland, also received benefits by way of pension contributions amounting to £2,265 (2020 - £2,371).

One trustee, Mrs J Bluck, received £4,735 in respect of bookkeeping services rendered (2020 - £2,748).

The only other payments made to the trustees, or any person connected with them, consisted of reimbursements of expenditure incurred on behalf of the charity in furthering the charity's objects.

8 Staff costs

The aggregate payroll costs were as follows:

	2021 £	2020 £
Staff costs during the year were:		
Wages and salaries	52,193	48,046
Social security costs	660	1,407
Pension costs	2,367	2,371
	<u>55,220</u>	<u>51,824</u>

The monthly average number of persons (including senior management team) employed by the charity during the year expressed as full time equivalents was as follows:

	2021 No	2020 No
Full-time	1	1
Part-time	2	2
	<u>3</u>	<u>3</u>

No employee received emoluments of more than £60,000 during the year.

LIFE CITY CHURCH LTD

NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 31 MARCH 2021

9 Tangible fixed assets

	Land and buildings £	Furniture and equipment £	Motor vehicles £	Total £
Cost				
At 1 April 2020	52,127	62,420	3,200	117,747
Additions	-	2,999	-	2,999
Disposals	-	-	(3,200)	(3,200)
At 31 March 2021	52,127	65,419	-	117,546
Depreciation				
At 1 April 2020	1,043	55,918	3,143	60,104
Charge for the year	1,043	2,375	-	3,418
Eliminated on disposals	-	-	(3,143)	(3,143)
At 31 March 2021	2,086	58,293	-	60,379
Net book value				
At 31 March 2021	50,041	7,126	-	57,167
At 31 March 2020	51,084	6,502	57	57,643

10 Debtors

	2021 £	2020 £
Accrued income	3,746	35,378

11 Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	1,050	948
Other taxation and social security	1,218	814
Other creditors	16,219	15,979
Accruals	750	750
	19,237	18,491

LIFE CITY CHURCH LTD

NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 31 MARCH 2021

12 Pension and other schemes

Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the charity to the scheme and amounted to £2,367 (2020 - £2,371).

Contributions totalling £16,216 (2020 - £15,979) were payable to the scheme at the end of the year and are included in creditors.

13 Funds

	Balance at 1 April 2020 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2021 £
Unrestricted funds					
General					
General Funds	284,808	173,869	(123,140)	16,300	351,837
Restricted funds					
Building fund	<u>15,000</u>	<u>1,300</u>	<u>-</u>	<u>(16,300)</u>	<u>-</u>
Total funds	<u>299,808</u>	<u>175,169</u>	<u>(123,140)</u>	<u>-</u>	<u>351,837</u>

The Building fund was for the restricted purpose of purchasing a property. The terms of the restriction were fulfilled once the property was purchased, allowing the asset to be used on an unrestricted basis.

	Balance at 1 April 2019 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2020 £
Unrestricted funds					
General					
General Funds	183,488	250,651	(149,331)	-	284,808
Restricted funds					
Building fund	<u>-</u>	<u>15,000</u>	<u>-</u>	<u>-</u>	<u>15,000</u>
Total funds	<u>183,488</u>	<u>265,651</u>	<u>(149,331)</u>	<u>-</u>	<u>299,808</u>

LIFE CITY CHURCH LTD

NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 31 MARCH 2021

14 Analysis of net assets between funds

	Unrestricted funds General £	Restricted funds £	Total funds at 31 March 2021 £
Tangible fixed assets	57,167	-	57,167
Current assets	313,907	-	313,907
Current liabilities	<u>(19,236)</u>	<u>-</u>	<u>(19,236)</u>
Total net assets	<u>351,838</u>	<u>-</u>	<u>351,838</u>

	Unrestricted funds General £	Restricted funds £	Total funds at 31 March 2020 £
Tangible fixed assets	57,643	-	57,643
Current assets	245,656	15,000	260,656
Current liabilities	<u>(18,491)</u>	<u>-</u>	<u>(18,491)</u>
Total net assets	<u>284,808</u>	<u>15,000</u>	<u>299,808</u>