

**REGISTERED COMPANY NUMBER: 5392860 (England and Wales)**

**REGISTERED CHARITY NUMBER: 1111303**

**Report of the Trustees and**  
**Audited Consolidated Financial Statements for the year ended 31<sup>st</sup> March 2022**  
**for**  
**LifeChurch Manchester**  
**(a company limited by guarantee and not having a share capital)**

Allen Mills Howard Limited  
Chartered Accountants  
& Statutory Auditors  
Lewis House  
56 Manchester Road  
Altrincham  
Cheshire WA14 4PJ

**LifeChurch Manchester (Registered number: 5392860)**

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**LifeChurch Manchester (Registered number: 5392860)**

**Report of the Trustees**  
**For the year ended 31<sup>st</sup> March 2022**

The Trustees, who are also directors of the charity for the purpose of the Companies Act 2006, present their report with the consolidated financial statements of the charity and its subsidiary for the year ended 31<sup>st</sup> March 2022. The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association and the Charities Statement of Recommended Practice (“Charities SORP”) (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland; FRS 102) issued in October 2019.

**REFERENCE AND ADMINISTRATIVE DETAILS**

**Registered Company Number:** 05392860 (England and Wales)

**Registered Charity Number:** 1111303

**Registered office:** The LifeCentre  
235 Washway Road  
Sale  
M33 4BP

**Trustees:** M R Smith (Chairman from 21<sup>st</sup> February 2022) – Appointed 24 January 2022  
A J Barclay-Watt (Chairman to 21<sup>st</sup> February 2022)  
T H Giles  
P A Flatman  
A J Cutteridge – Resigned 9 July 2021  
P J Morris  
A J Chard

**Company Secretary:** D J Rolles

**Auditors:** Allen Mills Howard Limited  
Chartered Accountants and Statutory Auditors  
Lewis House  
56 Manchester Road  
Altrincham  
WA14 4PJ

**Bankers:** Barclays Bank PLC  
Manchester City 9  
Leicester  
LE87 2BB

**LifeChurch Manchester (Registered number: 5392860)**

**Report of the Trustees**  
**For the year ended 31<sup>st</sup> March 2022**

**Trustees**

M R Smith (Chairman from 21<sup>st</sup> February 2022) – Appointed 24 January 2022  
A J Barclay-Watt (Chairman to 21<sup>st</sup> February 2022)  
T H Giles  
P A Flatman  
A J Cutteridge – Resigned 9 July 2021  
P J Morris  
A J Chard

**Secretary and Registered Office**

D J Rolles, The LifeCentre, 235 Washway Road, Sale, M33 4BP

**Governing instrument**

The charity's activities are regulated by the Memorandum and Articles of Association. The objectives and principal activities of the charity are:

- a) The advancement of the Christian faith.
- b) The relief of persons in conditions of hardship and distress or who are aged or sick.
- c) The advancement of education on Christian principles.

**Recruitment, induction and training of new trustees**

Any prospective new trustees are recommended by the current board and by the Senior Leadership Team and are appointed by the Church members. In appointing trustees, the board seek to bring a range of skills and expertise to the management of the Charity. New trustees are introduced to the workings of the charity and are kept updated through regular trustees' meetings and communication throughout the year.

**Organisational structure**

The Church is led by a Senior Leadership Team (SLT), whose membership is currently: Andy Barclay-Watt, Mark Smith, Sarah Smith, Emma Barclay-Watt, Alastair Cutteridge, David Rolles, Helen Allen, Sumbo Campbell, Pete Fox, Sue Fox, Phil Watterson and Derek Hughes. New SLT members are nominated by the existing SLT and are appointed by Church members. Senior staff appointments are approved by the SLT and the Trustees. The senior staff are responsible for managing the day-to-day affairs of the Church.

**Risk management**

The Trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

**Related parties and co-operation with other organisations**

Two Trustees received remuneration from the charitable company during the year in accordance with the Trust Deed which stipulates that the number of remunerated Trustees must never be a majority.

The charity's wholly owned subsidiary, LifeCentre Events Ltd, was established to operate the LifeCafé and to provide catering and conferencing facilities at the LifeCentre (see note 4 to the accounts). LifeCentre Events Ltd provides catering and conferencing facilities to the local community, as well as businesses, schools and other charitable organisations.

**Use of volunteers**

The group is very involved with the community and is dependent on the support of many volunteers in the church and the LifeCentre. The Trustees are very grateful to the church members for this support.

**LifeChurch Manchester (Registered number: 5392860)**

**Report of the Trustees**  
**For the year ended 31<sup>st</sup> March 2022**

**Objectives & activities during the year**

When planning the activities for the year the Trustees have considered the Charity Commission's guidance on public benefit and, in particular, the specific guidance on charities for the advancement of religion. The group operates in and around Sale, South Manchester and has a number of activities which seek to reach out to the local community as well as serving members of the church. In particular, the charitable company has sought & achieved to fulfil its charitable objectives in the following ways:

- The provision of public worship services each Sunday which are open to all.
- Running "Alpha" courses to enable members of the public to find out more about the Christian faith.
- Providing pastoral care for members of the church.
- The provision of a general counselling service for members of the public and the church.
- Regular activities for the 60 plus age range.
- Oversight and support of teams in Sale, Eccles, Stretford and Heald Green engaged in community development.
- Support for various charitable projects in the UK and overseas e.g. for the relief of poverty and furtherance of education.
- Various activities for children and youth.

**Financial review**

The group's total income for the year amounted to £764,504 (2021: £740,254) and the expenditure amounted to £773,892 (2021: £603,778) giving a deficit before taxation for the year, after depreciation charges of £78,531, of £9,388 (2021: surplus of £136,476). Grant and donation income to the group was £479,320 (2021: £587,724) which includes HMRC Coronavirus Job Retention Scheme (CJRS) grants of £15,854 (2021: £92,223). The balance (£463,466 (2021: (£495,501))) consists of donations and gift aid income to LifeChurch Manchester.

Income for LifeCentre Events Ltd rose by 48% to £268,646 (2021: £181,367). Turnover was £257,429 (2021: £103,540). The income figure for 2021/22 also includes HMRC CJRS grant income of £8,413 (2021: £43,816) and the proceeds from a loss of income insurance claim of £2,294 (2021: £34,000). Expenditure before taxation for LifeCentre Events Ltd (excluding parent charity donations of £151,191 (2021: £57,120)) rose to £153,067 from £111,641 in 2022. 71% of this expenditure related to employment costs (2021: 88%).

The 2021/22 budget was set whilst the Covid pandemic was continuing, and it was therefore intentionally cautious. However, the outturn was a good one, with the budget being exceeded and a surplus before depreciation being achieved. LifeCentre Events' performance contributed significantly to this, with its £114k surplus (prior to donations to LifeChurch Manchester) being nearly double the budget that had been set.

Because of the context presented by the many continuing uncertainties, including the tail-end of the Covid pandemic and the challenges faced by the UK economy, a conservative budget was set for 2022/23. The Trustees are pleased to report that performance to date against that budget has been encouraging, both in terms of the church's income and the surplus generated by LifeCentre Events' business.

**Reserves policy & going concern**

The group generates a regular income by way of gifts and donations as well as the hiring of the LifeCentre conference rooms which is adequate to cover the projected expenditure. In addition, the group seeks to maintain adequate reserves to enable it to meet any unforeseen expenditure or to cover any short-term drop in income. At the balance sheet date, the group held reserves of £1,774,872 (2021: £1,785,341). "Free reserves" at the end of the financial year were £nil (2021: £nil) due to reserves invested in the LifeCentre building, and the group's net current liabilities stood at £423,386 (2021: net current assets £102,228). The group's net current liabilities position is as a result of a bank loan which is due to be repaid in full by 31<sup>st</sup> January 2023. See note 2 for further details.

The first month of the 2022/23 year saw the receipt of a substantial legacy, and therefore with a strong cash position and realistic plans for the LifeCentre Events' business, the Trustees continue to believe that it remains appropriate for the group's accounts to be prepared on a going concern basis.

**LifeChurch Manchester (Registered number: 5392860)**

**Report of the Trustees**  
**For the year ended 31<sup>st</sup> March 2022**

**Plans for Future Periods**

During the forthcoming year the Trustees and the church will continue to raise the profile of the charity within the local community in order to involve a higher proportion in the activities of the Church and the LifeCentre.

LifeChurch Manchester ('LCM') uses the building that belongs to a small local Charity, New Life Church Heald Green ('NLCHG'), for its services in Heald Green, and the legal process is underway that will see NLCHG and its assets becoming part of LCM. Both sets of Trustees anticipate that this exercise will be completed by the end of 2022/23.

**Trustees' indemnity arrangements**

Individual indemnities have been provided to the Trustees, under which the charitable company has agreed to indemnify the Trustees to the fullest extent permitted by law in respect of all liabilities to third parties arising out of, or in connection with, their execution of their powers, duties and responsibilities as Trustees of the group.

**Auditors**

The auditors, Allen Mills Howard Limited, have indicated their willingness to be re-appointed to office.

**STATEMENT OF TRUSTEES' RESPONSIBILITIES**

The Trustees (who are also Directors of the charitable company for the purpose of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with general applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company and the charitable group, and of the incoming resources and application of resources of the charitable group for that period. In preparing these financial statements, the Trustees are required to:

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

The Trustees are responsible for keeping adequate accounting records that disclose, with reasonable accuracy at any time, the financial position of the charity and of the group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safekeeping the assets of the charity and of the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware:

- there is no relevant audit information of which the group's auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of this information.

The Trustees have prepared this report in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

This report was approved by the Trustees on 17<sup>th</sup> October 2022

.....  
**M R Smith – Trustee**

**Report of the Independent Auditors to the Members of**  
**LifeChurch Manchester**

**Opinion**

We have audited the financial statements of LifeChurch Manchester (the 'parent charitable company') and its subsidiaries (the 'charitable group') for the year ended 31<sup>st</sup> March 2022 which comprise the consolidated Statement of Financial Activities, the consolidated Balance Sheet, the consolidated Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable group's affairs as at 31<sup>st</sup> March 2022 and of its incoming resources and application of resources, including its result, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors responsibilities for the audit of the financial statements section of our report. We are independent of the charitable group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and the provisions available for small entities, in the circumstances set out in note 27 to the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Material uncertainty related to going concern**

We draw attention to note 2 in the financial statements, which details the need for the charity to obtain re-financing of a bank loan. As stated in note 2, if re-financing cannot be achieved this would cast significant doubt on the charitable company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

**Other information**

The Trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Opinion on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charitable group and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

## **Report of the Independent Auditors to the Members of** **LifeChurch Manchester**

### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

### **Responsibilities of Trustees**

As explained more fully in the Statement of Trustees Responsibilities set out on page six, the Trustees (who are also the directors of the charitable group for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charitable group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable group or to cease operations, or have no realistic alternative but to do so.

### **Auditors' responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below:

As part of designing our audit work, we determined materiality and assessed the risks of material misstatement in the financial statements, including how fraud may occur by enquiring of management of its own consideration of fraud.

In particular, we looked at where management made subjective judgements, for example in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain.

We also considered potential financial or other pressures, opportunity and motivation for fraud. As part of this discussion we identified the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations and how management monitor these processes. Appropriate procedures included the review and testing of manual journals and key estimates and judgements made by management.

We made enquiries of management with regards to compliance with applicable laws and regulations and corroborated any necessary evidence to relevant information, for example, minutes of the directors' meetings.

We addressed the risk of management override of internal controls including testing journals and evaluating whether there was evidence of bias by management that represented a risk of material misstatement due to fraud.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentation or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

**Report of the Independent Auditors to the Members of**  
**LifeChurch Manchester**

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Independent Auditors.

**Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Mr David Allen FCCA (Senior Statutory Auditor)  
For and on behalf of Allen Mills Howard Limited  
Chartered Accountants & Statutory Auditors  
Lewis House,  
56 Manchester Road,  
Altrincham,  
Cheshire,  
WA14 4PJ

18<sup>th</sup> October 2022

**LifeChurch Manchester (Registered number: 5392860)**

**Consolidated Statement of Financial Activities**  
**(Incorporating a consolidated Income and Expenditure Account)**  
**For the year ended 31<sup>st</sup> March 2022**

	Notes	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £	Total Funds 2021
<b>Income from:</b>					
Donations & grants received	3	448,331	30,989	479,320	587,724
Charitable activities	6	23,165	-	23,165	12,227
Other trading activities	4	257,429	-	257,429	103,540
Investment income	5	1,981	-	1,981	967
Other income	7	2,609	-	2,609	35,796
		<hr/>	<hr/>	<hr/>	<hr/>
<b>Total income</b>		<b>733,515</b>	<b>30,989</b>	<b>764,504</b>	<b>740,254</b>
		<hr/>	<hr/>	<hr/>	<hr/>
<b>Expenditure on:</b>					
<b>Cost of raising funds</b>					
Cost of goods sold and other costs	4	43,778	-	43,778	13,232
Staff costs	8	109,289	-	109,289	98,409
<b>Charitable activities:</b>					
Staff costs	8	314,901	-	314,901	258,640
Church operating expenses	9	281,978	23,946	305,924	233,497
		<hr/>	<hr/>	<hr/>	<hr/>
<b>Total expenditure</b>		<b>749,946</b>	<b>23,946</b>	<b>773,892</b>	<b>603,778</b>
		<hr/>	<hr/>	<hr/>	<hr/>
<b>Net movement in funds before taxation</b>		<b>(16,431)</b>	<b>7,043</b>	<b>(9,388)</b>	<b>136,476</b>
<b>Taxation</b>		<b>(1,081)</b>	<b>-</b>	<b>(1,081)</b>	<b>(502)</b>
		<hr/>	<hr/>	<hr/>	<hr/>
<b>Net movement in funds after taxation</b>		<b>(17,512)</b>	<b>7,043</b>	<b>(10,469)</b>	<b>135,974</b>
<b>RECONCILIATION OF FUNDS</b>					
Total funds brought forward		1,773,793	11,548	1,785,341	1,649,367
		<hr/>	<hr/>	<hr/>	<hr/>
<b>Total funds carried forward</b>		<b>1,756,281</b>	<b>18,591</b>	<b>1,774,872</b>	<b>1,785,341</b>
		<hr/>	<hr/>	<hr/>	<hr/>

All results relate to continuing operations and there are no gains or losses other than those shown above.

The notes form part of these financial statements.

**LifeChurch Manchester (Registered number: 5392860)**

**Consolidated Balance Sheet**  
**For the year ended 31<sup>st</sup> March 2022**

	Notes	2022 Group £	2021 Group £	2022 Charity £	2021 Charity £
<b>FIXED ASSETS</b>					
Tangible assets	15	2,729,841	2,797,747	2,720,152	2,793,448
Investments	16	-	60,000	1	60,001
		<hr/>	<hr/>	<hr/>	<hr/>
		2,729,841	2,857,747	2,720,153	2,853,449
<b>CURRENT ASSETS</b>					
Stock	17	1,365	-	-	-
Investments	18	100,711	-	100,711	-
Debtors	19	47,528	75,500	27,534	26,557
Cash at bank and in hand		117,962	118,192	116,518	103,909
		<hr/>	<hr/>	<hr/>	<hr/>
		267,566	193,692	244,763	130,466
<b>CREDITORS</b>					
Amounts falling due within one year	20	690,952	91,464	672,955	74,045
		<hr/>	<hr/>	<hr/>	<hr/>
<b>NET CURRENT ASSETS/(LIABILITIES)</b>		(423,386)	102,228	(428,192)	56,421
		<hr/>	<hr/>	<hr/>	<hr/>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		2,306,455	2,959,975	2,291,961	2,909,870
<b>CREDITORS</b>					
Amounts falling due in more than one year	21	530,000	1,174,132	530,000	1,174,132
<b>PROVISIONS FOR LIABILITIES</b>		1,583	502	-	-
		<hr/>	<hr/>	<hr/>	<hr/>
<b>TOTAL NET ASSETS</b>		1,774,872	1,785,341	1,761,961	1,735,738
		<hr/>	<hr/>	<hr/>	<hr/>
<b>FUNDS OF THE CHARITY</b>	23				
<b>Unrestricted funds:</b>					
General		1,742,484	1,758,330	1,729,573	1,708,727
Designated		13,797	15,463	13,797	15,463
<b>Restricted funds:</b>		18,591	11,548	18,591	11,548
		<hr/>	<hr/>	<hr/>	<hr/>
<b>TOTAL FUNDS</b>		1,774,872	1,785,341	1,761,961	1,735,738
		<hr/>	<hr/>	<hr/>	<hr/>

The directors (trustees) have prepared group financial statements in accordance with section 398 of the Companies Act 2006 and section 138 of the Charities Act 2011. These financial statements are prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies and constitute the annual financial statements required by the Companies Act 2006 and those prepared for circulation to the members of the company.

The financial statements were approved by the Board of Trustees on 17<sup>th</sup> October 2022 and were signed on its behalf by:

.....  
**M R Smith – Trustee**

.....  
**P J Morris – Trustee**

The notes form part of these financial statements

**LifeChurch Manchester (Registered number: 5392860)**

**Statement of Cash Flows and Consolidated Statement of Cash Flows**  
**For the year ended 31<sup>st</sup> March 2022**

	Notes	2022 Group £	2021 Group £	2022 Charity £	2021 Charity £
<b>Cash flows from operating activities</b>					
Cash generated from operations	29	101,592	46,749	114,971	101,960
Government grants		15,854	92,223	7,441	48,407
		<hr/>	<hr/>	<hr/>	<hr/>
<b>Cash used in operating activities</b>		<b>117,446</b>	138,972	<b>122,412</b>	150,367
		<hr/>			
<b>Cash flows from investing activities</b>					
Purchases of tangible fixed assets		(11,539)	(14,676)	(3,666)	(11,880)
Purchases of investments		(40,711)	(60,000)	(40,711)	(60,000)
Interest from investments		1,981	967	1,981	967
		<hr/>	<hr/>	<hr/>	<hr/>
<b>Cash used in investing activities</b>		<b>(50,269)</b>	(73,709)	<b>(42,396)</b>	(70,913)
		<hr/>	<hr/>	<hr/>	<hr/>
<b>Cash flows from financing activities</b>					
Repayments of borrowing		(67,407)	(41,817)	(67,407)	(41,817)
		<hr/>	<hr/>	<hr/>	<hr/>
<b>Cash used in financing activities</b>		<b>(67,407)</b>	(41,817)	<b>(67,407)</b>	(41,817)
		<hr/>	<hr/>	<hr/>	<hr/>
Increase/(decrease) in cash and cash equivalents in the year		(230)	23,446	12,609	37,637
		<hr/>	<hr/>	<hr/>	<hr/>
Cash and cash equivalents at the beginning of the year		118,192	94,746	103,909	66,272
		<hr/>	<hr/>	<hr/>	<hr/>
<b>Total cash and cash equivalents at the end of the year</b>		<b>117,962</b>	118,192	<b>116,518</b>	103,909
		<hr/>	<hr/>	<hr/>	<hr/>
<b>Analysis of cash and cash equivalents</b>					
		2022 Group £	2021 Group £	2022 Charity £	2021 Charity £
Cash at bank and in hand		117,962	118,192	116,518	103,909
		<hr/>	<hr/>	<hr/>	<hr/>
		<b>117,962</b>	118,192	<b>116,518</b>	103,909
		<hr/>	<hr/>	<hr/>	<hr/>

The notes form part of these financial statements

**LifeChurch Manchester (Registered number: 5392860)**

**Notes to the Financial Statements**  
**For the year ended 31<sup>st</sup> March 2022**

**1. STATUTORY INFORMATION**

LifeChurch Manchester is a private charitable company, limited by guarantee, registered in England and Wales. The charitable company's registered number and registered office can be found on the Report of the Trustees.

The presentation currency for the financial statements is Pound Sterling (£).

**2. ACCOUNTING POLICIES**

**Basis of preparation**

The financial statements have been prepared in accordance with the 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)) - issued in October 2019, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

LifeChurch Manchester meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transactions value unless otherwise stated in the relevant accounting policy note(s).

**Preparation of the accounts on the going concern basis**

The board of trustees assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charitable company to continue as a going concern. The board of trustees make this assessment in respect of at least 12 months from the date of approval of these financial statements.

At the date of signing these financial statements the trustees were planning to begin negotiations with the charity's bankers to re-finance the loan from Barclays Bank which is repayable in full on 31<sup>st</sup> January 2023 and, at the balance sheet date, stood at £644,716.

Without the continuing support of the bank, or an alternative lender, the charity's ability to continue as a going concern is extremely doubtful.

The trustees are confident that the re-financing will be achieved and that it remains appropriate to prepare the financial statements on the going concern basis.

**Group financial statements**

The financial statements consolidate the results of the charity and its wholly owned subsidiary LifeCentre Events Limited on a line-by-line basis. A separate Statement of Financial Activities and Income and Expenditure account for the charity has not been presented because the charity has taken advantage of the exemption afforded by section 408 of the Companies Act 2006.

**Incoming resources**

All incoming resources are included on the Statement of Financial Activities when the group is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Investment income comprises of interest receivable. Deferred incoming resources consist of amounts invoiced in advance for the hiring of facilities relating to the trading subsidiary company. Activities for generating funds relates to the income of the subsidiary undertaking.

Grants are recognised on a receivable basis when there is evidence of entitlement, receipt is probable, and its amount can be measured reliably.

**LifeChurch Manchester (Registered number: 5392860)**

**Notes to the Financial Statements**  
**For the year ended 31<sup>st</sup> March 2022**

**Resources expended**

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs 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. Expenditure includes any VAT which cannot be recovered.

Costs of generating funds relates to the expenditure of the subsidiary undertaking. Charitable activities relates to expenditure incurred in the furtherance of the charitable objectives.

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include telephone & website, photocopying, stationery and office costs. The costs for employing support staff are included in staff costs within note 8 to the financial statements.

**Termination benefits**

Termination benefits are payable when employment is terminated by the group before the normal retirement date or end of employment contract. Termination costs are recognised in full on the date of termination of the contract.

**Governance costs**

Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice.

**Volunteers**

The value of services provided by volunteers is not incorporated into these financial statements. Further details of the contribution made by volunteers can be found in the Trustees' Annual Report.

**Tangible fixed assets**

Individual fixed assets costing £1,000 or more are capitalised at cost and depreciated on a straight-line basis over the estimated useful lives as follows:

Freehold property	- 50 years
Plant and machinery	- 4 years
Fixtures, fittings & equipment	- 4 years

Impairment reviews are carried out when there is some indication that the carrying amount of a functional fixed asset is below its net book value.

**Fixed asset investments**

Investments are stated at historical cost. Fixed asset investments includes cash deposits with a maturity date twelve months or more from the balance sheet date.

**Stocks**

Stocks are recognised at the lower of cost and estimated selling price less costs to complete and sell.

**Current asset investments**

Current asset investments are stated at historical cost. Current asset investments include cash deposits with a maturity date of between four and twelve months from the balance sheet date.

**Debtors**

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

**Cash at bank and in hand**

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of four months or less from the date of acquisition or opening of the deposit or similar account.

**LifeChurch Manchester (Registered number: 5392860)**

**Notes to the Financial Statements**  
**For the year ended 31<sup>st</sup> March 2022**

**Creditors and provisions**

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are recognised at their settlement amount after allowing for any trade discounts due.

Included in creditors are interest free concessionary loans which are recognised at the amount received/repayable.

**Operating leases**

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

**Taxation**

As a registered charity, the company benefits from rates relief and is generally exempt from Income Tax, Corporation Tax and Capital Gains Tax, but not Valued Added Tax.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date. Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted by the year end and that are expected to apply to the reversal of the timing differences.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that these will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

**Pensions**

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

**Fund accounting**

Unrestricted funds are those funds for use at the discretion of the Trustees in furtherance of the general objective of the charity.

Some of the unrestricted funds have been designated by the Trustees for specific purposes.

Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of the appeal. It is the policy of the charity for any tax reclaimed on all types of gift aid payments to be retained by the charity and placed in the unrestricted funds, unless otherwise specifically requested by the donor.

Support costs include telephone & website, photocopying, stationery and office costs.

**Company Status**

LifeChurch Manchester is a company limited by guarantee. The members of the company are the Trustees. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

**Related party transactions**

The company has taken advantage of the exemption in Financial Reporting Standard No. 8 'Related Party Disclosures' not to disclose transactions with group companies which are eliminated on consolidation in the group financial statements.

**LifeChurch Manchester (Registered number: 5392860)**

**Notes to the Financial Statements**  
**For the year ended 31<sup>st</sup> March 2022**

3. **DONATIONS AND GRANTS RECEIVED**

	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>2022 Total £</b>	<b>2021 Total £</b>
Gifts & offerings	<b>362,712</b>	<b>30,989</b>	<b>393,701</b>	413,696
Gift aid	<b>69,765</b>	-	<b>69,765</b>	81,805
Grants received	<b>15,854</b>	-	<b>15,854</b>	92,223
	<hr/>	<hr/>	<hr/>	<hr/>
	<b>448,331</b>	<b>30,989</b>	<b>479,320</b>	587,724
	<hr/>	<hr/>	<hr/>	<hr/>

Grants received during the year consist of HMRC Coronavirus Job retention Scheme grants.

**LifeChurch Manchester (Registered number: 5392860)**

**Notes to the Financial Statements**  
**For the year ended 31<sup>st</sup> March 2022**

**4. INCOME FROM TRADING ACTIVITIES**

	<b>As reported in subsidiary financial statements</b>	
	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Turnover	<b>257,429</b>	103,540
Cost of sales	<b>(17,050)</b>	(2,105)
	<hr/>	<hr/>
Gross profit	<b>240,379</b>	101,435
Other income	<b>11,217</b>	77,827
Operating costs	<b>(286,378)</b>	(165,906)
Governance costs (see note 11)	<b>(830)</b>	(750)
Taxation	<b>(1,081)</b>	(502)
	<hr/>	<hr/>
(Loss)/profit for the year	<b>(36,693)</b>	12,104
	<hr/>	<hr/>

The charitable company owns 100% of the share capital of LifeCentre Events Limited, a company registered in England & Wales (08196649). The company carries out the provision of supporting facilities and services to its parent company. The trading results are set out above. The results of the subsidiary company are included in these financial statements.

During the year, LifeCentre Events Limited made donations to the parent charitable company of £151,191 (2021: £57,120). This donation has been eliminated from the Consolidated Statement of Financial Activities.

At the 31<sup>st</sup> March 2022 the aggregate amount of this company's assets, liabilities, share capital and reserves was:

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Fixed assets	<b>9,689</b>	4,299
Current assets	<b>22,803</b>	63,225
Creditors: amounts falling due within one year	<b>(17,998)</b>	(17,418)
Provisions for liabilities	<b>(1,583)</b>	(502)
	<hr/>	<hr/>
	<b>12,911</b>	49,604
	<hr/>	<hr/>
Share capital and reserves	<b>12,911</b>	49,604
	<hr/>	<hr/>

**LifeChurch Manchester (Registered number: 5392860)**

**Notes to the Financial Statements**  
**For the year ended 31<sup>st</sup> March 2022**

**5. INVESTMENT INCOME**

All unrestricted funds

<b>2022</b>	2021
<b>£</b>	<b>£</b>

Deposit account interest	<b>1,981</b>	967
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<b>1,981</b>	967
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**6. CHARITABLE ACTIVITIES**

	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>2022 Total £</b>	2021 Total £
Maximise offering	-	-	-	395
LifeTots	<b>2,089</b>	-	<b>2,089</b>	-
LifeKids & LifeYouth	<b>2,786</b>	-	<b>2,786</b>	-
Life Church Heald Green	<b>10,541</b>	-	<b>10,541</b>	9,645
Journey counselling	<b>2,412</b>	-	<b>2,412</b>	1,770
YLD income	<b>4,000</b>	-	<b>4,000</b>	-
Other	<b>1,337</b>	-	<b>1,337</b>	417
	<b>23,165</b>	-	<b>23,165</b>	12,227

**7. OTHER INCOME**

All unrestricted funds

<b>2022</b>	2021
<b>Total</b>	<b>Total</b>
<b>£</b>	<b>£</b>

Insurance proceeds	<b>2,294</b>	35,588
Other income	<b>315</b>	208

<b>2,609</b>	35,796
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**LifeChurch Manchester (Registered number: 5392860)**

**Notes to the Financial Statements**  
**For the year ended 31<sup>st</sup> March 2022**

8. **STAFF COSTS**

All unrestricted funds

	<b>2022</b>	2021	<b>2022</b>	2021
	<b>Group</b>	Group	<b>Charity</b>	Charity
	<b>£</b>	£	<b>£</b>	£
Wages and salaries	<b>352,333</b>	308,515	<b>256,504</b>	222,097
Social security costs	<b>23,164</b>	18,145	<b>18,415</b>	14,074
Pensions	<b>34,672</b>	30,389	<b>25,961</b>	22,469
Termination costs	<b>14,021</b>	-	<b>14,021</b>	-
	<hr/>	<hr/>	<hr/>	<hr/>
	<b>424,190</b>	357,049	<b>314,901</b>	258,640
	<hr/>	<hr/>	<hr/>	<hr/>

There were no employees with employee benefits of £60,000 or more in the year (2021: none).

The key management personnel of the parent charity, and of the group, comprise the Trustees, Senior Leader, Associate Pastor, Operations Director and Location Leaders. The total employee benefits of the key management personnel of the group were £200,173 (2021: £159,670).

The average number of employees was as follows:

	<b>2022</b>	2021
Charitable activities	<b>6</b>	7
Support activities	<b>20</b>	15
	<hr/>	<hr/>
	<b>26</b>	22
	<hr/>	<hr/>

**LifeChurch Manchester (Registered number: 5392860)**

**Notes to the Financial Statements**  
**For the year ended 31<sup>st</sup> March 2022**

**9. CHURCH OPERATING EXPENSES**

	Unrestricted Funds £	Restricted Funds £	2022 Total £	2021 Total £
<b>Ministry costs</b>				
Travel	2,698	-	2,698	127
Mission and outreach	47,147	23,946	71,093	61,567
Gifts and donations	17,979	-	17,979	26,838
Youth, children & students	16,572	-	16,572	6,009
<b>Office and administration costs</b>				
Use of premises	34,886	-	34,886	18,204
Insurance	6,074	-	6,074	5,070
Building maintenance	32,382	-	32,382	11,493
Telephone & website	4,088	-	4,088	3,455
Photocopying, stationery & office	12,224	-	12,224	9,150
Sundry expenses	5,486	-	5,486	1,889
Depreciation of equipment	10,070	-	10,070	179
Depreciation of building-	65,978	-	65,978	66,164
Mortgage & loan interest	15,833	-	15,833	16,234
Bank & finance charges	327	-	327	138
Legal & professional fees	2,407	-	2,407	684
Governance costs (see note 11)	6,913	-	6,913	6,296
Loss on disposal of fixed assets	914	-	914	-
	<hr/>	<hr/>	<hr/>	<hr/>
	<b>281,978</b>	<b>23,946</b>	<b>305,924</b>	<b>233,497</b>
	<hr/>	<hr/>	<hr/>	<hr/>

Included above are support costs, including telephone & website, photocopying, stationery and office costs which total £16,312 (2021: £12,605).

**10. TAXATION**

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

**Deferred tax**

	2022 Group £	2021 Group £	2022 Charity £	2021 Charity £
Accelerated capital allowances	1,583	502	-	-
	<hr/>	<hr/>	<hr/>	<hr/>

**LifeChurch Manchester (Registered number: 5392860)**

**Notes to the Financial Statements**  
**For the year ended 31<sup>st</sup> March 2022**

**11. GOVERNANCE COSTS**

All unrestricted funds

	<b>2022</b>	2021	<b>2022</b>	2021
	<b>Group</b>	Group	<b>Charity</b>	Charity
	<b>£</b>	£	<b>£</b>	£
Legal & professional fees	<b>1,550</b>	-	<b>1,550</b>	-
Auditors' remuneration	<b>3,150</b>	3,210	<b>3,150</b>	3,210
Auditors' remuneration – non audit fees	<b>1,891</b>	2,797	<b>1,061</b>	2,047
Irrecoverable VAT	<b>1,152</b>	1,039	<b>1,152</b>	1,039
	<hr/>	<hr/>	<hr/>	<hr/>
	<b>7,743</b>	7,046	<b>6,913</b>	6,296
	<hr/>	<hr/>	<hr/>	<hr/>

**12. TRUSTEES' REMUNERATION & EXPENSES**

	<b>Remuneration, including pension contributions</b>
Mr A J Barclay-Watt	<b>£50,001 - £60,000</b>
Mr A J Cutteridge (resigned as trustee 9 July 2021)	<b>£10,000 - £20,000</b>

Trustees receive remuneration in respect of services they provide as staff and not in respect of their services as a Trustee.

One (2021: two) Trustee(s) was reimbursed £2,193 (2021: £575) for travel & church activity expenses during the year.

The remuneration of Trustees is in accordance with the Trust Deed which stipulates that the number of remunerated Trustees should never be a majority.

The number of Trustees to whom retirement benefits were accruing was as follows:

	<b>2022</b>	2021
Money purchase schemes	<b>1</b>	3
	<hr/>	<hr/>

**13. RESULTS OF CHARITABLE COMPANY**

As permitted by Section 408 of the Companies Act 2006, the parent company's Income and Expenditure Account has not been included in these financial statements. The parent company's surplus for the financial year was £26,223 (2021: £123,870).

**LifeChurch Manchester (Registered number: 5392860)**

**Notes to the Financial Statements**  
**For the year ended 31<sup>st</sup> March 2022**

**14. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

	Unrestricted Funds	Restricted Funds	Total Funds
	£	£	£
Income from:			
Donations & grants received	569,567	18,157	587,724
Charitable activities	11,832	395	12,227
Commercial trading operations	103,540	-	103,540
Investment income	967	-	967
Other income	35,796	-	35,796
	<hr/>	<hr/>	<hr/>
Total income	721,702	18,552	740,254
	<hr/>	<hr/>	<hr/>
Expenditure on:			
Cost of raising funds			
Cost of goods sold and other costs	13,232	-	13,232
Staff costs	98,409	-	98,409
Charitable activities:			
Staff costs	258,640	-	258,640
Church operating expenses	213,179	20,318	233,497
	<hr/>	<hr/>	<hr/>
Total expenditure	583,460	20,318	603,778
	<hr/>	<hr/>	<hr/>
Net movement in funds before taxation	138,242	(1,766)	136,476
Taxation	(502)	-	(502)
	<hr/>	<hr/>	<hr/>
Net movement in funds after taxation	137,740	(1,766)	135,974
RECONCILIATION OF FUNDS			
Total funds brought forward	1,636,053	13,314	1,649,367
	<hr/>	<hr/>	<hr/>
Total funds carried forward	1,773,793	11,548	1,785,341
	<hr/>	<hr/>	<hr/>

**LifeChurch Manchester (Registered number: 5392860)**

**Notes to the Financial Statements**  
**For the year ended 31<sup>st</sup> March 2022**

**15. TANGIBLE FIXED ASSETS**

All unrestricted funds

<b>Group</b>	<b>Freehold property £</b>	<b>Plant and machinery £</b>	<b>Fixtures, fittings &amp; equipment £</b>	<b>Total £</b>
<b>COST:</b>				
At 1 <sup>st</sup> April 2021	3,308,201	4,436	171,304	3,483,941
Additions	-	-	11,539	11,539
Disposals	(1,115)	-	-	(1,115)
Reclassification	(8,203)	-	8,203	-
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 <sup>st</sup> March 2022	3,298,883	4,436	191,046	3,494,365
 <b>DEPRECIATION:</b>				
At 1 <sup>st</sup> April 2021	526,454	4,436	155,304	686,194
Charge for year	65,978	-	12,553	78,531
Eliminated on disposal	(201)	-	-	(201)
Reclassification	(1,728)	-	1,728	-
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 <sup>st</sup> March 2022	590,503	4,436	169,585	764,524
 <b>NET BOOK VALUE:</b>				
At 31 <sup>st</sup> March 2022	2,708,380	-	21,461	2,729,841
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 <sup>st</sup> March 2021	2,781,747	-	16,000	2,797,747
	<hr/>	<hr/>	<hr/>	<hr/>

The Baptist Union Corporation Limited holds the title to the property on trust for the current and future congregations of the church. They recognise that, whilst they hold legal title to the property, the local church should recognise the asset, as well as any liabilities.

It is likely that there is a material difference between the open market value of the charity's property and its book value. The amount of such differences cannot be ascertained without incurring significant costs which, in the opinion of the Trustees, is not justified in terms of the benefit to the user of the accounts. The charity's buildings have an insured value of £6,035,980.

**LifeChurch Manchester (Registered number: 5392860)**

**Notes to the Financial Statements**  
**For the year ended 31<sup>st</sup> March 2022**

**15. TANGIBLE FIXED ASSETS (cont'd)**

<b>Charity</b>	<b>Freehold property £</b>	<b>Fixtures, fittings &amp; equipment £</b>	<b>Total £</b>
<b>COST:</b>			
At 1 <sup>st</sup> April 2021	3,308,201	132,626	3,440,827
Additions	-	3,666	3,666
Disposals	(1,115)	-	(1,115)
Reclassification	(8,203)	8,203	-
At 31 <sup>st</sup> March 2022	3,298,883	144,495	3,443,378
<b>DEPRECIATION:</b>			
At 1 <sup>st</sup> April 2021	526,454	120,925	647,379
Charge for year	65,978	10,070	76,048
Eliminated on disposal	(201)	-	(201)
Reclassification	(1,728)	1,728	-
At 31 <sup>st</sup> March 2022	590,503	132,723	723,226
<b>NET BOOK VALUE:</b>			
At 31 <sup>st</sup> March 2022	2,708,380	11,772	2,720,152
At 31 <sup>st</sup> March 2021	2,781,747	11,701	2,793,448

**16. FIXED ASSET INVESTMENTS**

	<b>2022 Group £</b>	<b>2021 Group £</b>	<b>2022 Charity £</b>	<b>2021 Charity £</b>
Fixed term deposits	-	60,000	-	60,000
Shares in group undertakings	-	-	1	1
	-	60,000	1	60,001

The charity's investment in the share capital of LifeCentre Events Limited is detailed in note 4 of the accounts.

**LifeChurch Manchester (Registered number: 5392860)**

**Notes to the Financial Statements**  
**For the year ended 31<sup>st</sup> March 2022**

**17. STOCKS**

	<b>2022 Group £</b>	<b>2021 Group £</b>	<b>2022 Charity £</b>	<b>2021 Charity £</b>
Café stock	<b>1,365</b>	-	-	-

**18. CURRENT ASSET INVESTMENTS**

All unrestricted funds

	<b>2022 Group £</b>	<b>2021 Group £</b>	<b>2022 Charity £</b>	<b>2021 Charity £</b>
Fixed term cash deposits	<b>100,711</b>	-	<b>100,711</b>	-

Cash held on fixed term deposits have maturity dates of 12<sup>th</sup> September 2022 (£60,711) and 2<sup>nd</sup> November 2022 (£40,000).

**19. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>2022 Group £</b>	<b>2021 Group £</b>	<b>2022 Charity £</b>	<b>2021 Charity £</b>
Trade debtors	<b>18,166</b>	11,220	<b>812</b>	-
Prepayments & accrued income	<b>23,910</b>	19,013	<b>23,563</b>	18,647
Other debtors	<b>5,452</b>	44,908	<b>3,159</b>	7,910
VAT	-	359	-	-
	<b>47,528</b>	75,500	<b>27,534</b>	26,557

Other debtors includes insurance proceeds of £nil (2021: £34,000) relating to a loss of income claim due to Covid-19.

**LifeChurch Manchester (Registered number: 5392860)**

**Notes to the Financial Statements**  
**For the year ended 31<sup>st</sup> March 2022**

20. **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>2022 Group</b>	<b>2021 Group</b>	<b>2022 Charity</b>	<b>2021 Charity</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Trade creditors	<b>8,185</b>	5,301	<b>4,708</b>	3,617
Taxation and social security	<b>8,234</b>	3,991	<b>8,234</b>	3,991
Other creditors	<b>6,262</b>	4,478	<b>5,082</b>	4,089
Accruals and after date payments	<b>12,909</b>	12,824	<b>10,215</b>	10,190
Deferred income	<b>8,236</b>	12,712	-	-
Bank loan	<b>644,716</b>	52,158	<b>644,716</b>	52,158
VAT	<b>2,410</b>	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
	<b>690,952</b>	91,464	<b>672,955</b>	74,045
	<hr/>	<hr/>	<hr/>	<hr/>

Income is deferred when a service, such as the hiring of a conference room, has been invoiced in advance of the date that the room is hired for. If, at the year end, the hire has not taken place but the invoice has been raised, the income is carried forward and released when the hire takes place.

The bank loan is to be repaid in full by 31<sup>st</sup> January 2023. The interest rate on the loan is 2.17% over Barclays Base Rate.

The bank loan is secured on the LifeCentre building.

21. **CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

**Group & Charity**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Bank loan (repayable by instalments) in 2-5 years	-	644,132
Concessionary loans:		
– falling due (not repayable by instalments) in more than 5 years	<b>530,000</b>	530,000
	<hr/>	<hr/>
	<b>530,000</b>	1,174,132
	<hr/>	<hr/>

Concessionary loans of £530,000 (2021: £530,000) are interest free and secured on the LifeCentre building.

**LifeChurch Manchester (Registered number: 5392860)**

**Notes to the Financial Statements**  
**For the year ended 31<sup>st</sup> March 2022**

22. **SECURED DEBTS**

**Group & Charity**

The following secured debts are included in creditors:

	2022 £	2021 £
Bank loan	644,716	696,290
Concessionary loan	530,000	530,000
	<hr/>	<hr/>
	1,174,716	1,226,290
	<hr/>	<hr/>

All secured debts are secured on the land & buildings of the charitable company.

23. **RESERVES**

**Group**

	1 <sup>st</sup> April 2021 £	Incoming Resources £	Resources Expended £	Movement in provisions £	Transfers £	31 <sup>st</sup> March 2022 £
<b>Unrestricted funds:</b>						
General fund	1,758,330	729,890	(744,655)	(1,081)	-	1,742,484
Designated funds	15,463	3,625	(5,291)	-	-	13,797
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	1,773,793	733,515	(749,946)	(1,081)	-	1,756,281
<b>Restricted funds</b>	11,548	30,989	(23,946)	-	-	18,591
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	1,785,341	764,504	(773,892)	(1,081)	-	1,774,872
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

Designated funds relate to reserves that are earmarked by the Trustees for use towards future Church activities, as well as a number of local and wider community causes. Restricted funds relate to fund held on behalf of Maximise Sphere.

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

	1 <sup>st</sup> April 2020 £	Incoming Resources £	Resources Expended £	Movement in provisions £	Transfers £	31 <sup>st</sup> March 2021 £
<b>Unrestricted funds:</b>						
General fund	1,624,351	702,240	(567,718)	(502)	(41)	1,758,330
Designated funds	11,702	19,462	(15,742)	-	41	15,463
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	1,636,053	721,702	(583,460)	(502)	-	1,773,793
<b>Restricted funds</b>	13,314	18,552	(20,318)	-	-	11,548
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	1,649,367	740,254	(603,778)	(502)	-	1,785,341
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

**LifeChurch Manchester (Registered number: 5392860)**

**Notes to the Financial Statements**  
**For the year ended 31<sup>st</sup> March 2022**

**24. ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS**

	General £	Designated £	Restricted £	Total Funds £
Tangible fixed assets	2,729,841	-	-	2,729,841
Cash at bank and in hand	89,951	13,797	14,214	117,962
Other net current assets/(liabilities)	(545,725)	-	4,377	(541,348)
Creditors of more than one year	(530,000)	-	-	(530,000)
Provisions for liabilities	(1,583)	-	-	(1,583)
	<hr/>	<hr/>	<hr/>	<hr/>
	1,742,484	13,797	18,591	1,774,872
	<hr/>	<hr/>	<hr/>	<hr/>

Analysis of group net assets between funds – prior year

	General £	Designated £	Restricted £	Total Funds £
Tangible fixed assets	2,797,747	-	-	2,797,747
Fixed asset investments	60,000	-	-	60,000
Cash at bank and in hand	93,543	15,463	9,186	118,192
Other net current assets/(liabilities)	(18,326)	-	2,362	(15,964)
Creditors of more than one year	(1,174,132)	-	-	(1,174,132)
Provisions for liabilities	(502)	-	-	(502)
	<hr/>	<hr/>	<hr/>	<hr/>
	1,758,330	15,463	11,548	1,785,341
	<hr/>	<hr/>	<hr/>	<hr/>

**25. OPERATING LEASE COMMITMENTS**

**Group & charity**

	2022 £	2021 £
Amounts falling due:		
Less than one year	3,264	1,097
Between two and five years	3,267	4
More than five years	109	110
	<hr/>	<hr/>
	6,640	1,211
	<hr/>	<hr/>

Lease payments recognised in expenditure during the year totals £3,593 (2021: £4,185).

**Notes to the Financial Statements**  
**For the year ended 31<sup>st</sup> March 2022**

**26. RELATED PARTY DISCLOSURES**

The charity is controlled by the Trustees. See note 12 for details of the Trustees' remuneration and expenses. Pension contributions paid on behalf of Trustees during the year was £6,215 (2021: £10,116). During the year, the Trustees and other related parties made donations to the charity, without conditions, totalling £57,774 (2021: £47,733).

Life Church Heald Green (LCHG) is a registered charity that was controlled by LifeChurch Manchester during the year and had one mutual trustee, P A Flatman. During the year, LifeChurch Manchester paid expenses on behalf of LCHG of 3,887 (2021: £1,966).

During the year, LifeChurch Manchester employed the services of close family members of Trustees A J Barclay-Watt, M R Smith and A J Cutteridge. These related parties received employee benefits during the year totalling £3,367 (2021: £3,647). LifeChurch Manchester also employed the spouse of a member of the group's key management personnel who received employee benefits totalling £13,099 during the year.

Details of the total employee benefits relating to Key Management Employees is detailed in note 8.

**27. FRC ETHICAL STANDARD – PROVISIONS AVAILABLE FOR AUDITS OF SMALL ENTITIES**

In common with many other businesses of our size and nature, we use our auditors to prepare and submit returns to the tax authorities and assist with the preparation of the financial statements.

**28. PENSION COMMITMENTS**

The charity operates defined contribution pension schemes for its employees. The assets of the schemes are held separately from those of the group in independently administered funds. Contributions payable for the year are charged to the Statement of Financial Activities.

The pension charge included in the Statement of Financial Activities for the year was £34,672 (2021: £30,389).

**LifeChurch Manchester (Registered number: 5392860)**

**Notes to the Financial Statements**  
**For the year ended 31<sup>st</sup> March 2022**

29. **RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	<b>2022 Group £</b>	<b>2021 Group £</b>	<b>2022 Charity £</b>	<b>2021 Charity £</b>
Net movement in funds before tax	<b>(9,388)</b>	136,476	<b>26,223</b>	123,870
Depreciation charges	<b>78,531</b>	66,956	<b>76,048</b>	66,345
Loss on disposal of fixed assets	<b>914</b>	-	<b>914</b>	-
Government grants	<b>(15,854)</b>	(92,223)	<b>(7,441)</b>	(48,407)
Finance costs	<b>15,833</b>	16,234	<b>15,833</b>	16,234
Finance income	<b>(1,981)</b>	(967)	<b>(1,981)</b>	(967)
	<b>68,055</b>	126,476	<b>109,596</b>	157,075
(Increase)/decrease in stock	<b>(1,365)</b>	-	-	-
(Increase)/decrease in trade and other debtors	<b>27,972</b>	(16,764)	<b>(977)</b>	3,601
Increase/(decrease) in trade and other creditors	<b>6,930</b>	(62,963)	<b>6,352</b>	(58,716)
Net cash used in operating activities	<b>101,592</b>	46,749	<b>114,971</b>	101,960