

REGISTERED COMPANY NUMBER: 5392860 (England and Wales)

REGISTERED CHARITY NUMBER: 1111303

Report of the Trustees and
Consolidated Financial Statements for the year ended 31st March 2023
for
LifeChurch Manchester
(a company limited by guarantee and not having a share capital)

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

LifeChurch Manchester (Registered number: 5392860)

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For the year ended 31st March 2023

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LifeChurch Manchester (Registered number: 5392860)

Report of the Trustees
For the year ended 31st March 2023

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 31st March 2023. 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)
A J Barclay-Watt
T H Giles Resigned 13th March 2023
P A Flatman
P J Morris
A J Chard

Company Secretary: D J Rolles

Independent Examiner: Mr David Allen
Allen Mills Howard Limited
Chartered Accountants
Lewis House
56 Manchester Road
Altrincham
WA14 4PJ

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

Solicitors: Anthony Collins Solicitors LLP
134 Edmund Street
Birmingham
B3 2ES

Keelys Solicitors LLP
28 Dam Street
Lichfield
WS13 6AA

LifeChurch Manchester (Registered number: 5392860)

Report of the Trustees
For the year ended 31st March 2023

Trustees

M R Smith (Chairman)
A J Barclay-Watt
T H Giles
P A Flatman
P J Morris
A J Chard

Resigned 13th March 2023

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, Derek Hughes, Jon Anelli and Tony Campbell. New SLT members are nominated by the existing SLT and are appointed by Church members. The senior staff are responsible for managing the day-to-day affairs of the Church.

Remuneration of key management personnel

Salaries and other benefits are set by the Trustees' Remuneration Sub-Committee, which is made up of all the non-salaried Trustees. They do so in the light of the latest inflation and pay-related economic indicators, and with reference to salary levels in churches and other similar organisations of a comparable size and complexity.

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. Major risks have been reviewed and systems and procedures have been established to manage those risks.

Related parties and co-operation with other organisations

One Trustee 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 31st March 2023

Objectives and activities during the year

When planning the activities for the year the Trustees have had regard to 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 and 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 £994,740 (2022: £764,504) and the expenditure amounted to £858,769 (2022: £773,892) giving a surplus before taxation for the year, after depreciation charges of £72,582, of £135,971 (2022: deficit of £9,388). Donations and legacies to the group were £648,000 (2022: £479,320) which includes legacies for £112,682 (2022: £nil).

Income for LifeCentre Events Ltd rose by 15.2% to £309,438 (2022: £268,646). Turnover was £309,410 (2022: £257,429). Expenditure before taxation for LifeCentre Events Ltd (excluding parent charity donations of £78,617 (2022: £151,191) rose to £197,182 from £153,067 in 2022.

Reserves policy and 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 £1,911,002 (2022: £1,774,872).

At the end of the year, restricted funds totalled £22,204 (2022: £18,591) and relate to Maximise Sphere (£15,454) and a new fund relating to the Heald Green building (£6,750), mentioned further on page four. The charity also has funds which are designated for other causes, including hardship and youth activities, totalling £9,999 (2022: £13,797). These resources are available to be used at the discretion of the trustees.

Reserves freely available after excluding restricted funds, designated funds and funds which cannot be accessed or are connected to the disposal of fixed assets, amount to £207,278 (2022: £187,359).

The outturn of the 2022/23 financial year was a very good one, with the income budget for the Church being exceeded. We had not been clear how well the LifeCentre Events business would recover after the pandemic, but are pleased to report that its income budget was 25% up on budget. The effect of both of these positive performances was a significant surplus where none had been budgeted. Both the latter and savings made through the year have enabled us to reduce our bank mortgage and other loans.

However in the light of the financial uncertainty brought about by the increases in energy costs and the rising base rate, the Trustees decided to increase LifeChurch's minimum reserves level by 69% to £110,000.

With a strong cash position and realistic plans for the LifeCentre Events business, the Trustees are able to confirm that in their opinion 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 31st March 2023

Plans for Future Periods

During the forthcoming year the Trustees and the church will continue to raise the profile of the charity within the communities of Manchester in order to involve a higher proportion in the activities of the Church and the LifeCentre. In particular, plans are underway to grow LifeChurch's Heald Green Location's community activities, with the formation of a 'community hub' within its building. This will see the latter being used significantly more for both the church's community activities, and by local community groups.

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 2023/24.

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.

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 11th September 2023.

.....
M R Smith – Trustee

Independent Examiner's Report to the Members of
LifeChurch Manchester

I report to the trustees on my examination of the consolidated financial statements of the group comprising LifeChurch Manchester (the 'parent charitable company') and its subsidiary undertaking for the year ended 31st March 2023.

Responsibilities and basis of report

As the trustees of the company (and also its directors for the purposes of company law) you are responsible for the preparation of the consolidated financial statements of the group in accordance with the requirements of the Companies Act 2006 ('the 2006 Act'). You have chosen to prepare consolidated accounts for the group and you are satisfied that the accounts of both the parent charitable company and the group are not required by charity law to be audited.

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the consolidated 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.

An independent examination does not involve gathering all the evidence that would be required in an audit and consequently does not cover all the matters that an auditor considers in giving their opinion on the accounts. The planning and conduct of an audit goes beyond the limited assurance that an independent examination can provide. Consequently, I express no opinion as to whether the consolidated accounts present a 'true and fair' view and my report is limited to those specific matters set out in the independent examiner's statement.

Independent examiner's statement

Since the parent charitable company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Association of Chartered Certified Accountants (ACCA), which is one of the listed bodies.

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, with respect to the group, were not kept as required by section 386 of the 2006 Act; or
2. the financial statements do not accord with those records; or
3. the financial statements 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 financial statements 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.

David K Allen FCCA FCA
Allen Mills Howard Limited
Chartered Accountants
Lewis House
56 Manchester Road
Altrincham
Cheshire
WA14 4PJ

12th September 2023

LifeChurch Manchester (Registered number: 5392860)

Consolidated Statement of Financial Activities
(Incorporating a consolidated Income and Expenditure Account)
For the year ended 31st March 2023

	Notes	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £	Total Funds 2022
Income from:					
Donations and legacies	3	614,444	33,556	648,000	479,320
Charitable activities	6	30,478	2,694	33,172	23,165
Other trading activities	4	309,410	-	309,410	257,429
Investments	5	3,819	-	3,819	1,981
Other	7	339	-	339	2,609
		<hr/>	<hr/>	<hr/>	<hr/>
Total income		958,490	36,250	994,740	764,504
		<hr/>	<hr/>	<hr/>	<hr/>
Expenditure on:					
Raising funds					
Cost of goods sold and other costs	4	197,182	-	197,182	153,067
Charitable activities:					
Church operating expenses	8	628,950	32,637	661,587	620,825
		<hr/>	<hr/>	<hr/>	<hr/>
Total expenditure		826,132	32,637	858,769	773,892
		<hr/>	<hr/>	<hr/>	<hr/>
Net movement in funds before taxation		132,358	3,613	135,971	(9,388)
Taxation	11	159	-	159	(1,081)
		<hr/>	<hr/>	<hr/>	<hr/>
Net movement in funds after taxation		132,517	3,613	136,130	(10,469)
RECONCILIATION OF FUNDS					
Total funds brought forward		1,756,281	18,591	1,774,872	1,785,341
		<hr/>	<hr/>	<hr/>	<hr/>
Total funds carried forward		1,888,798	22,204	1,911,002	1,774,872
		<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 31st March 2023

	Notes	2023 Group £	2022 Group £	2023 Charity £	2022 Charity £
FIXED ASSETS					
Tangible assets	15	2,660,868	2,729,841	2,652,261	2,720,152
Investments	16	-	-	1	1
		<hr/>	<hr/>	<hr/>	<hr/>
		2,660,868	2,729,841	2,652,262	2,720,153
CURRENT ASSETS					
Stock	17	869	1,365	-	-
Investments	18	-	100,711	-	100,711
Debtors	19	79,670	47,528	27,354	27,534
Cash at bank and in hand		216,166	117,962	206,544	116,518
		<hr/>	<hr/>	<hr/>	<hr/>
		296,705	267,566	233,898	244,763
CREDITORS					
Amounts falling due within one year	20	185,800	690,952	162,520	672,955
		<hr/>	<hr/>	<hr/>	<hr/>
NET CURRENT ASSETS/(LIABILITIES)		110,905	(423,386)	71,378	(428,192)
		<hr/>	<hr/>	<hr/>	<hr/>
TOTAL ASSETS LESS CURRENT LIABILITIES		2,771,773	2,306,455	2,723,640	2,291,961
CREDITORS					
Amounts falling due in more than one year	21	859,347	530,000	859,347	530,000
PROVISIONS FOR LIABILITIES		1,424	1,583	-	-
		<hr/>	<hr/>	<hr/>	<hr/>
TOTAL NET ASSETS		1,911,002	1,774,872	1,864,293	1,761,961
		<hr/>	<hr/>	<hr/>	<hr/>
FUNDS OF THE CHARITY	23				
Unrestricted funds:					
General		1,878,799	1,742,484	1,832,090	1,729,573
Designated		9,999	13,797	9,999	13,797
Restricted funds:		22,204	18,591	22,204	18,591
		<hr/>	<hr/>	<hr/>	<hr/>
TOTAL FUNDS		1,911,002	1,774,872	1,864,293	1,761,961
		<hr/>	<hr/>	<hr/>	<hr/>

For the year ended 31st March 2023 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

LifeChurch Manchester (Registered number: 5392860)

Consolidated Balance Sheet
For the year ended 31st March 2023

The 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 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 11th September 2023 and were signed on its behalf by:

.....
M R Smith – Trustee

.....
P J Morris – Trustee

LifeChurch Manchester (Registered number: 5392860)

Statement of Cash Flows and Consolidated Statement of Cash Flows
For the year ended 31st March 2023

	Notes	2023 Group £	2022 Group £	2023 Charity £	2022 Charity £
Cash flows from operating activities					
Cash generated from operations	28	207,293	101,592	197,474	114,971
Government grants		-	15,854	-	7,441
		<hr/>	<hr/>	<hr/>	<hr/>
Cash used in operating activities		207,293	117,446	197,474	122,412
		<hr/>	<hr/>	<hr/>	<hr/>
Cash flows from investing activities					
Purchases of tangible fixed assets		(3,609)	(11,539)	(1,968)	(3,666)
Purchases of investments		-	(40,711)	-	(40,711)
Interest from investments		3,819	1,981	3,819	1,981
Sales of investments		100,711	-	100,711	-
		<hr/>	<hr/>	<hr/>	<hr/>
Cash used in investing activities		100,921	(50,269)	102,562	(42,396)
		<hr/>	<hr/>	<hr/>	<hr/>
Cash flows from financing activities					
Repayments of borrowing		(305,010)	(67,407)	(305,010)	(67,407)
Loans received		95,000	-	95,000	-
		<hr/>	<hr/>	<hr/>	<hr/>
Cash used in financing activities		(210,010)	(67,407)	(210,010)	(67,407)
		<hr/>	<hr/>	<hr/>	<hr/>
Increase/(decrease) in cash and cash equivalents in the year		98,204	(230)	90,026	12,609
		<hr/>	<hr/>	<hr/>	<hr/>
Cash and cash equivalents at the beginning of the year		117,962	118,192	116,518	103,909
		<hr/>	<hr/>	<hr/>	<hr/>
Total cash and cash equivalents at the end of the year		216,166	117,962	206,544	116,518
		<hr/>	<hr/>	<hr/>	<hr/>
Analysis of cash and cash equivalents					
		2023 Group £	2022 Group £	2023 Charity £	2022 Charity £
Cash at bank and in hand		216,166	117,962	206,544	116,518
		<hr/>	<hr/>	<hr/>	<hr/>
		216,166	117,962	206,544	116,518
		<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 31st March 2023

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 Trustees have reviewed the circumstances of the charitable group and consider that adequate resources continue to be available to fund the activities of the Church, and of the LifeCentre, for the foreseeable future. The Trustees are of the opinion, therefore, that it remains appropriate to prepare the consolidated accounts on a 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.

Legacy income is recognised when sufficient evidence to claim entitlement to the legacy has been received, receipt is probable, and the account can be measured reliably. Receipt is probable when there has been grant of probate, the executors have established that sufficient assets to the estate will enable the legacy to be paid and any conditions attached to the legacy are either within the control of the charity or have been met.

LifeChurch Manchester (Registered number: 5392860)

Notes to the Financial Statements
For the year ended 31st March 2023

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.

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 and 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 31st March 2023

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.

Concessionary loans

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 and website, photocopying, stationery and office costs.

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.

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.

LifeChurch Manchester (Registered number: 5392860)

Notes to the Financial Statements
For the year ended 31st March 2023

3. **DONATIONS AND GRANTS RECEIVED**

	Unrestricted Funds £	Restricted Funds £	2023 Total £	2022 Total £
Gifts and offerings	418,812	33,556	452,368	393,701
Gift aid	82,950	-	82,950	69,765
Grants received	-	-	-	15,854
Legacies	112,682	-	112,682	-
	<hr/>	<hr/>	<hr/>	<hr/>
	614,444	33,556	648,000	479,320
	<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 31st March 2023

4. INCOME FROM TRADING ACTIVITIES

	As reported in subsidiary financial statements	
	2023	2022
	£	£
Turnover	309,410	257,429
Cost of sales	(44,360)	(17,050)
	<hr/>	<hr/>
Gross profit	265,050	240,379
Other income	28	11,217
Operating costs	(32,781)	(25,898)
Staff costs	(119,181)	(109,289)
Governance costs (see note 9)	(860)	(830)
Taxation	159	(1,081)
Parent charity donation	(78,617)	(151,191)
	<hr/>	<hr/>
Profit/(loss)for the year	33,798	(36,693)
	<hr/>	<hr/>

The charitable company owns 100% of the share capital of LifeCentre Events Limited, a company registered in England and 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.

At the 31st March 2023 the aggregate amount of this company's assets, liabilities, share capital and reserves was:

	2023	2022
	£	£
Fixed assets	8,607	9,689
Current assets	62,805	22,803
Creditors: amounts falling due within one year	(23,279)	(17,998)
Provisions for liabilities	(1,424)	(1,583)
	<hr/>	<hr/>
	46,709	12,911
	<hr/>	<hr/>
Share capital and reserves	46,709	12,911
	<hr/>	<hr/>

LifeChurch Manchester (Registered number: 5392860)

Notes to the Financial Statements
For the year ended 31st March 2023

5. INVESTMENT INCOME

All unrestricted funds

2023	2022
£	£

Deposit account interest	3,819	1,981
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3,819	1,981
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6. CHARITABLE ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	2023 Total £	2022 Total £
Maximise	-	2,694	2,694	-
LifeTots	4,502	-	4,502	2,089
LifeKids and LifeYouth	3,586	-	3,586	2,786
Life Church Heald Green	13,357	-	13,357	10,541
Journey counselling	1,865	-	1,865	2,412
YLD income	4,229	-	4,229	4,000
Other	2,939	-	2,939	1,337
	30,478	2,694	33,172	23,165

7. OTHER INCOME

All unrestricted funds

2023 Total £	2022 Total £
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Insurance proceeds	-	2,294
Other income	339	315

339	2,609
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LifeChurch Manchester (Registered number: 5392860)

Notes to the Financial Statements
For the year ended 31st March 2023

8. CHURCH OPERATING EXPENSES

	Unrestricted Funds £	Restricted Funds £	2023 Total £	2022 Total £
Travel	4,311	-	4,311	2,698
Mission and outreach	52,864	32,637	85,501	71,093
Gifts and donations	19,240	-	19,240	17,979
Youth, children and students	17,879	-	17,879	16,572
Staff costs (Note 10)	238,357	-	238,357	201,899
Use of premises	43,491	-	43,491	34,886
Insurance	7,146	-	7,146	6,074
Building maintenance	25,599	-	25,599	32,382
Bank loan interest	24,641	-	24,641	15,833
Bank and finance charges	2,778	-	2,778	327
Legal and professional fees	10,362	-	10,362	2,407
Sundry expenses	6,961	-	6,961	5,486
Depreciation	69,859	-	69,859	76,048
Support and governance costs (Note 9)	105,462	-	105,462	136,227
Loss on disposal of fixed assets	-	-	-	914
	<hr/>	<hr/>	<hr/>	<hr/>
	628,950	32,637	661,587	620,825
	<hr/>	<hr/>	<hr/>	<hr/>

LifeChurch Manchester (Registered number: 5392860)

Notes to the Financial Statements
For the year ended 31st March 2023

9. SUPPORT AND GOVERNANCE COSTS

Group	Support costs £	Governance costs £	2023 Total £	2022 Total £
Telephone and website	3,717	-	3,717	4,088
Photocopying, stationery and office	10,030	-	10,030	12,224
Staff costs	86,459	-	86,459	113,002
Legal and professional fees	-	-	-	1,550
Independent examiner's/Auditors' fees: Independent examination	-	4,376	4,376	3,780
Independent examiner's/Auditors' fees: Other services	-	1,740	1,740	2,413
	<u>100,206</u>	<u>6,116</u>	<u>106,322</u>	<u>137,057</u>
Charity	Support costs £	Governance costs £	2023 Total £	2022 Total £
Telephone and website	3,717	-	3,717	4,088
Photocopying, stationery and office	10,030	-	10,030	12,224
Staff costs	86,459	-	86,459	113,002
Legal and professional fees	-	-	-	1,550
Independent examiner's/Auditors' fees: Independent examination	-	4,376	4,376	3,780
Independent examiner's/Auditor's fees: Other services	-	880	880	1,583
	<u>100,206</u>	<u>5,256</u>	<u>105,462</u>	<u>136,227</u>

LifeChurch Manchester (Registered number: 5392860)

Notes to the Financial Statements
For the year ended 31st March 2023

10. STAFF COSTS

All unrestricted funds

	2023	2022	2023	2022
	Group	Group	Charity	Charity
	£	£	£	£
Wages and salaries	382,698	352,333	277,462	256,504
Social security costs	29,006	23,164	24,135	18,415
Pensions	32,293	34,672	23,219	25,961
Termination costs	-	14,021	-	14,021
	443,997	424,190	324,816	314,901

There were no employees with employee benefits of £60,000 or more in the year (2022: 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 £230,826 (2022: £200,173).

The average number of employees was as follows:

	2023	2022
Charitable activities	9	6
Support activities	21	20
	30	26

11. 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

	2023	2022	2023	2022
	Group	Group	Charity	Charity
	£	£	£	£
Accelerated capital allowances	(159)	1,081	-	-

LifeChurch Manchester (Registered number: 5392860)

Notes to the Financial Statements
For the year ended 31st March 2023

12. TRUSTEES' REMUNERATION AND EXPENSES

	Gross salary £	Employer NI £	Employer pension £	Total 2023 £	Total 2022 £
Mr A J Barclay-Watt	48,692	5,595	4,869	59,156	58,382
Mr A Cutteridge	-	-	-	-	11,834
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	48,692	5,595	4,869	59,156	70,216

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

One (2022: one) Trustee was reimbursed £3,274 (2022: £2,193) for travel and subsistence 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:

	2023	2022
Money purchase schemes	1	1
	<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 £102,332 (2022: £26,223).

LifeChurch Manchester (Registered number: 5392860)

Notes to the Financial Statements
For the year ended 31st March 2023

14. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted Funds	Restricted Funds	Total Funds 2022
	£	£	£
Income from:			
Donations and grants received	448,331	30,989	479,320
Charitable activities	23,165	-	23,165
Other trading activities	257,429	-	257,429
Investment income	1,981	-	1,981
Other income	2,609	-	2,609
	<hr/>	<hr/>	<hr/>
Total income	733,515	30,989	764,504
	<hr/>	<hr/>	<hr/>
Expenditure on:			
Cost of raising funds			
Cost of goods sold and other costs	43,778	-	43,778
Staff costs	109,289	-	109,289
Charitable activities:			
Staff costs	314,901	-	314,901
Church operating expenses	281,978	23,946	305,924
	<hr/>	<hr/>	<hr/>
Total expenditure	749,946	23,946	773,892
	<hr/>	<hr/>	<hr/>
Net movement in funds before taxation	(16,431)	7,043	(9,388)
Taxation	(1,081)	-	(1,081)
	<hr/>	<hr/>	<hr/>
Net movement in funds after taxation	(17,512)	7,043	(10,469)
RECONCILIATION OF FUNDS			
Total funds brought forward	1,773,793	11,548	1,785,341
	<hr/>	<hr/>	<hr/>
Total funds carried forward	1,756,281	18,591	1,774,872
	<hr/>	<hr/>	<hr/>

LifeChurch Manchester (Registered number: 5392860)

Notes to the Financial Statements
For the year ended 31st March 2023

15. TANGIBLE FIXED ASSETS

All unrestricted funds

Group	Freehold property £	Plant and machinery £	Fixtures, fittings and equipment £	Total £
COST:				
At 1 st April 2022	3,298,883	4,436	191,046	3,494,365
Additions	-	-	3,609	3,609
At 31 st March 2023	3,298,883	4,436	194,655	3,497,974
DEPRECIATION:				
At 1 st April 2022	590,503	4,436	169,585	764,524
Charge for year	65,978	-	6,604	72,582
At 31 st March 2023	656,481	4,436	176,189	837,106
NET BOOK VALUE:				
At 31 st March 2023	2,642,402	-	18,466	2,660,868
At 31 st March 2022	2,708,380	-	21,461	2,729,841

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 £6,909,991.

LifeChurch Manchester (Registered number: 5392860)

Notes to the Financial Statements
For the year ended 31st March 2023

15. TANGIBLE FIXED ASSETS (cont'd)

Charity	Freehold property £	Fixtures, fittings and equipment £	Total £
COST:			
At 1 st April 2022	3,298,883	144,495	3,443,378
Additions	-	1,968	1,968
At 31 st March 2023	3,298,883	146,463	3,445,346
DEPRECIATION:			
At 1 st April 2022	590,503	132,723	723,226
Charge for year	65,978	3,881	69,859
At 31 st March 2023	656,481	136,604	793,085
NET BOOK VALUE:			
At 31 st March 2023	2,642,402	9,859	2,652,261
At 31 st March 2022	2,708,380	11,772	2,720,152

16. FIXED ASSET INVESTMENTS

	2023 Group £	2022 Group £	2023 Charity £	2022 Charity £
Shares in group undertakings	-	-	1	1
	-	-	1	1

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 31st March 2023

17. STOCKS

	2023	2022	2023	2022
	Group	Group	Charity	Charity
	£	£	£	£
Café stock	869	1,365	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

18. CURRENT ASSET INVESTMENTS

All unrestricted funds

	2023	2022	2023	2022
	Group	Group	Charity	Charity
	£	£	£	£
Fixed term cash deposits	-	100,711	-	100,711
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

19. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022	2023	2022
	Group	Group	Charity	Charity
	£	£	£	£
Trade debtors	52,231	18,166	264	812
Prepayments and accrued income	26,703	23,910	26,354	23,563
Other debtors	736	5,452	736	3,159
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	79,670	47,528	27,354	27,534
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

LifeChurch Manchester (Registered number: 5392860)

Notes to the Financial Statements
For the year ended 31st March 2023

20. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 Group	2022 Group	2023 Charity	2022 Charity
	£	£	£	£
Trade creditors	9,066	8,185	4,543	4,708
Taxation and social security	7,494	8,234	7,494	8,234
Other creditors	10,692	6,262	5,978	5,082
Accruals and after date payments	16,484	12,909	13,027	10,215
Deferred income	5,755	8,236	1,478	-
Bank loan	45,000	644,716	45,000	644,716
VAT	6,309	2,410	-	-
Concessionary loans	85,000	-	85,000	-
	185,800	690,952	162,520	672,955

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. There is no deferred income carried forward at the balance sheet date which has not been received during the current financial year.

The bank loan is to be repaid in full by 7th February 2028. The interest rate on the loan is 2.3% over Barclays Base Rate.

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

Group and Charity

	2023	2022
	£	£
Bank loan (repayable by instalments) in 2-5 years	404,347	-
Concessionary loans:		
– falling due (not repayable by instalments) in 2-5 years	455,000	530,000
	859,347	530,000

Concessionary loans included in notes 20 and 21 are interest free.

LifeChurch Manchester (Registered number: 5392860)

Notes to the Financial Statements
For the year ended 31st March 2023

22. **SECURED DEBTS**

Group and Charity

The following secured debts are included in creditors:

	2023 £	2022 £
Bank loan	449,347	644,716
Concessionary loan	445,000	530,000
	<hr/>	<hr/>
	894,347	1,174,716
	<hr/>	<hr/>

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

23. **RESERVES**

Group

	1 st April 2022 £	Incoming Resources £	Resources Expended £	Movement in provisions £	31 st March 2023 £
Unrestricted funds:					
General fund	1,742,484	954,277	(818,121)	159	1,878,799
Designated funds	13,797	4,213	(8,011)	-	9,999
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	1,756,281	958,490	(826,132)	159	1,888,798
Restricted funds	18,591	36,250	(32,637)	-	22,204
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	1,774,872	994,740	(858,769)	159	1,911,002
	<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 st April 2021 £	Incoming Resources £	Resources Expended £	Movement in provisions £	31 st March 2022 £
Unrestricted funds:					
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/>
	1,773,793	733,515	(749,946)	(1,081)	1,756,281
Restricted funds	11,548	30,989	(23,946)	-	18,591
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	1,785,341	764,504	(773,892)	(1,081)	1,774,872
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

LifeChurch Manchester (Registered number: 5392860)

Notes to the Financial Statements
For the year ended 31st March 2023

23. **RESERVES (Cont'd)**

Charity

	1st April 2022 £	Incoming Resources £	Resources Expended £	Movement in provisions £	31st March 2023 £
Unrestricted funds:					
General fund	1,729,573	723,456	(620,939)	-	1,832,090
Designated funds	13,797	4,213	(8,011)	-	9,999
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	1,743,370	727,669	(628,950)	-	1,842,089
Restricted funds	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	18,591	36,250	(32,637)	-	22,204
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	1,761,961	763,919	(661,587)	-	1,864,293
	<hr/> <hr/>	<hr/> <hr/>	<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:

	1st April 2021 £	Incoming Resources £	Resources Expended £	Movement in provisions £	31st March 2022 £
Unrestricted funds:					
General fund	1,708,727	612,435	(591,589)	-	1,729,573
Designated funds	15,463	3,625	(5,291)	-	13,797
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	1,724,190	616,060	(596,880)	-	1,743,370
Restricted funds	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	11,548	30,989	(23,946)	-	18,591
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	1,735,738	647,049	(620,826)	-	1,761,961
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

LifeChurch Manchester (Registered number: 5392860)

Notes to the Financial Statements
For the year ended 31st March 2023

24. ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS

	General £	Designated £	Restricted £	Total Funds £
Tangible fixed assets	2,660,868	-	-	2,660,868
Cash at bank and in hand	192,003	9,999	14,164	216,166
Other net current assets/(liabilities)	(113,301)	-	8,040	(105,261)
Creditors of more than one year	(859,347)	-	-	(859,347)
Provisions for liabilities	(1,424)	-	-	(1,424)
	<hr/>	<hr/>	<hr/>	<hr/>
	1,878,588	9,999	22,204	1,911,002
	<hr/>	<hr/>	<hr/>	<hr/>

Analysis of group net assets between funds – prior year

	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/>

25. OPERATING LEASE COMMITMENTS

Group and charity

	2023 £	2022 £
Amounts falling due:		
Less than one year	3,264	3,264
Between two and five years	4	3,267
More than five years	108	109
	<hr/>	<hr/>
	3,376	6,640
	<hr/>	<hr/>

Lease payments recognised in expenditure during the year totals £3,264 (2022: £3,593).

LifeChurch Manchester (Registered number: 5392860)

Notes to the Financial Statements
For the year ended 31st March 2023

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 £4,869 (2022: £6,215). During the year, the Trustees and other related parties made donations to the charity, without conditions, totalling £39,616 (2022: £57,774).

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 £1,631 (2022: £3,887).

During the year, LifeChurch Manchester employed the services of close family members of Trustees A J Barclay-Watt and M R Smith. These related parties received employee benefits during the year totalling £6,828 (2022: £3,367). LifeChurch Manchester also employed the spouse of a member of the group's key management personnel who received employee benefits totalling £12,367 (2022: £13,099) during the year.

Details of the total employee benefits relating to Key Management Employees is detailed in note 10.

27. 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 £32,293 (2022: £34,672).

LifeChurch Manchester (Registered number: 5392860)

Notes to the Financial Statements
For the year ended 31st March 2023

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

	2023	2022	2023	2022
	Group	Group	Charity	Charity
	£	£	£	£
Net movement in funds before tax	135,971	(9,388)	102,332	26,223
Depreciation charges	72,582	78,531	69,859	76,048
Loss on disposal of fixed assets	-	914	-	914
Government grants	-	(15,854)	-	(7,441)
Finance costs	24,641	15,833	24,641	15,833
Finance income	(3,819)	(1,981)	(3,819)	(1,981)
	<hr/>	<hr/>	<hr/>	<hr/>
	229,375	68,055	193,013	109,596
(Increase)/decrease in stock	496	(1,365)	-	-
(Increase)/decrease in trade and other debtors	(32,142)	27,972	180	(977)
Increase in trade and other creditors	9,564	6,930	4,281	6,352
	<hr/>	<hr/>	<hr/>	<hr/>
Net cash used in operating activities	207,293	101,592	197,474	114,971
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>