

MANCHESTER FOUNTAIN OF LIFE CHRISTIAN CHURCH

Charity No. 1125314

Trustees' Report and Unaudited Accounts

31 December 2020

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MANCHESTER FOUNTAIN OF LIFE CHRISTIAN CHURCH
Trustees Annual Report

The Trustees present their report with the unaudited financial statements of the charity for the year ended 31 December 2020.

REFERENCE AND ADMINISTRATIVE DETAILS

Charity No. 1125314

Principal Office

7 Lisburn Avenue

Chorlton

Manchester

Lancashire

M21 0TQ

Trustees

The following Trustees served during the year:

J. Colley

B. Laird

E. Richardson

S.O. Sackey

S. Sackey

Accountants

RAK ACCOUNTING SOLUTIONS LIMITED

11 LOUVAINE CLOSE

ABBAY HEY

MANCHESTER

M16 8SJ

Bankers

NATIONAL WESTMINSTER BANK

Sale Branch

19 School Road

Sale

Cheshire

M33 7ZA

OBJECTIVES AND ACTIVITIES

The objects of the charity are for public benefit

To advance the Christian faith (in accordance with the statement of beliefs) in such ways and in such parts of the United Kingdom or the world as the trustees from time to time may think fit. To relieve sickness and financial hardship and to promote and preserve good health by the provision of funds, goods or services of any kind, including the provision of counselling and support in such parts of the United Kingdom and the world as the trustees from time to time may think fit. To advance education in such ways and in such parts of the United Kingdom or the world as the trustees from time to time may think fit. The trustees' objectives for each year are determined by reference to the overall objects.

To advance the Christian faith (in accordance with the statement of beliefs) in such ways and in such parts of the United Kingdom or the world as the trustees from time to time may think fit. To relieve sickness and financial hardship and to promote and preserve good health by the provision of funds, goods or services of any kind, including the provision of counselling and support in such parts of the United Kingdom and the world as the trustees from time to time may think fit. To advance education in such ways and in such parts of the United Kingdom or the world as the trustees from time to time may think fit. The trustees' objectives for each year are determined by reference to the overall objects.

During the height of the pandemic, we nominated a total of 10 representatives (6 males and 4 females) from our membership with the responsibility of undertaking a survey to understand the impact of the pandemic on our membership and people from the various communities they were part of. It transpired that some had suffered bereavement, others job losses and others still had been impacted mentally. We ascertained the needs of these individuals and determined to support them. We recognised that there was a strong need for food packages, assistance with utilities and sometimes financial support. Our representatives worked hard to plan, purchase and deliver the much-needed goods/assistance (The Covid 19 Relief Packages) to various household in Manchester. We delivered in excess of 70 packages in August, September, October, November and December 2020.

ACHIEVEMENTS AND PERFORMANCE

In promoting the Christian faith the church has managed to generate a total income of £12,525 (2019 £15,340) through holding regular weekly meetings, conferences and joint conferences with other churches. These funds were effectively utilised in the year under review. Finally, the Charity was able to claim an amount of £3,165 (2019 £2,825) from HMRC through gift aid claims for the 2020 fiscal year. The charity also got a grant of £10,000 from The Big Lottery for COVID 19 Response and also 2,40 from Manchester City Council as COVID Grant.

Promotion of education has been achieved through regular Bible studies and the continuation of monthly leadership training to help equip Elders, Deacons, Heads of Department as well as those aspiring to be leaders. Members were offered advice and guidance to enhance their career prospects through one to one support, workshops and publicising job opportunities.

As in previous years, the Board administered funds where appropriate to help members with legal costs, unanticipated hardship, redundancies, accommodation support, child care costs, and marriage costs.

FINANCIAL REVIEW

Voluntary unrestricted income totalled £18,793 (2019 £18,195) and has been achieved through the efforts of the spiritual leadership of the church. The significant inadequacy in income has allowed us to review our income generating activities and our out-going operations to relieve financial hardship on the organisation. The charity did receive a grant to promote ethnic minority activities in the year under review. In 2020, the charity received £10,000 from The Big Lottery Funds to support with the impact of COVID 19 where the Charity was able to help people in need. Moving forward, we have established our gift aid management to enhance future incoming activities by engaging our accountants to help with a well established process of making the gift aid claims. It is expected that the financial position will increase over the subsequent years. Also, the charity is pursuing strict budgetary and prudent ways of reducing the cost of running the charity. It is the Trustees objective to build up sufficient reserves to cover one year's expenditure. In the Trustees opinion, it will take a number of years to achieve this objective. One major outgoings is the rent paid due to the new worship location. A total of £3,956 (2017 £4740) was incurred.

PLANS FOR FUTURE PERIODS

Enhance welfare offering including, employment help, counselling, visitation, prayers, family friendly policy, and support. Welfare to keep track of all requests and how they are handled.

Undertake activities external to the church Food bank, helping the homeless/membership support, providing training and Advice. Finally, the aim for the charity in the short to medium term is "Raise and Build" up church funds and savings to help with the church acquiring its own premises.

We intend to continue with similar activities as above in furtherance of the objects of the church. This includes organising conferences and seminars, to promote the Christian Faith, Singles Retreat, Married Couples' Dinner and Regular Leadership Training. We will continue to develop our community engagement activities and maintain good working relationship with key stakeholders in the local community including the Local Authority and Statutory agencies. Discussions are ongoing for developing community projects that will be run regularly providing hot food to the less privilege in the society. We will continue to explore offering welfare support to individuals in the community.

As in previous years, we will continue to build our capacity for spiritual, numerical and financial growth in furtherance of the above objectives. The Leadership will carry regular reviews and where appropriate make necessary improvements in our activities and services in our bid to offer more tailor-made activities and services that will suit our members' needs.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Manchester Fountain of Life Christian is a registered charity and is governed by the trust deed dated 12th August 2006. The Church was registered as charity with the Charity Commission on August 1, 2008. The charity is governed by the trust deeds which states that the appointment of new trustees is at the discretion of the spiritual leadership of the church. Trustees retire from office at each Annual General Meeting and are automatically eligible for re-election. An election is held with Trustees required to receive a simple majority of those present to be elected. New trustees with the necessary skills to contribute to the charity's management and development are nominated by members of the board of Trustees, interviewed by a panel and appointment by a resolution taken by the trustees. When new trustees are appointed they are given an introduction to the work of the Charity and provided with the information they need to fulfil their roles, which includes information about the role of trustees and charity law.

The Board of Trustees administers the charity, meeting . The Chief Executive is appointed by the trustees to manage the day to day operations of the charity, reporting on the performance against the strategic plans of the establishment.

The Trustees consider the risk affecting the Charity and its activities as part of its short and long term planning procedures. These are renewed regularly and plans amended accordingly to mitigate those risks. The Risk Register we have created helps us consider the level of risk being faced and to reduce the higher risks to a level acceptable to Manchester Fountain of Life Christian Church governing body. In assessing risk, the trustees recognise that some areas of our work require the acceptance and management of risk if our key objectives are to be achieved.

Statement of trustees' responsibilities in relation to the financial statements

The charity trustees are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102).

The trustees are also responsible for safeguarding the assets of the charity and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

Signed on behalf of the charity's trustees

S.O. Sackey

Trustee

31 December 2020

Independent Examiner's Report to the trustees of MANCHESTER FOUNTAIN OF LIFE CHRISTIAN CHURCH

I report on the accounts of MANCHESTER FOUNTAIN OF LIFE CHRISTIAN CHURCH for the year ended 31 December 2020 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes.

Respective responsibilities of trustees and examiner

As the charity's trustees you are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulation 2006. The trustees consider that an audit is not required for this year under the Regulation 10(1) (a) to (c) of the 2006 Accounts Regulations.

As examiner it is my responsibility to:

- examine the accounts under s.44(1) (c) of the Charities and Trustee Investment (Scotland) Act 2005;
- to state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with Regulation 11 of the Accounts Regulations 2006. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a "true and fair" view and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

(1) which gives me reasonable cause to believe that in any material respect the requirements:

- to keep accounting records in accordance with section 44(1) (a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations
- to prepare accounts which accord with the accounting records and comply with Regulation 8 of the Accounts Regulations

have not been met: or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Nii Otu Quaye

Institute of Financial Accountants

RAK ACCOUNTING SOLUTIONS LIMITED

11 LOUVAIN CLOSE

ABBAY HEY

MANCHESTER

M16 8SJ

31 December 2020

MANCHESTER FOUNTAIN OF LIFE CHRISTIAN CHURCH

Statement of Financial Activities

for the year ended 31 December 2020

		Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
	Notes			
Income and endowments from:				
Donations and legacies	2	12,525	12,525	15,340
Investments	3	103	103	1
Other	4	16,165	16,165	2,852
Total		28,793	28,793	18,193
Expenditure on:				
Raising funds	5	1,240	1,240	200
Charitable activities	6	3,189	3,189	6,496
Other	7	11,806	11,806	16,377
Total		16,235	16,235	23,073
Net gains on investments		-	-	-
Net income/(expenditure)		12,558	12,558	(4,880)
Transfers between funds		-	-	-
Net income/(expenditure) before other gains/(losses)		12,558	12,558	(4,880)
Other gains and losses				
Net movement in funds		12,558	12,558	(4,880)
Reconciliation of funds:				
Total funds brought forward		16,148	16,148	21,028
Total funds carried forward		28,706	28,706	16,148

MANCHESTER FOUNTAIN OF LIFE CHRISTIAN CHURCH

Balance Sheet

at 31 December 2020

Charity No. 1125314	Notes	2020 £	2019 £
Current assets			
Cash at bank and in hand		28,706	16,148
		<u>28,706</u>	<u>16,148</u>
Net current assets		28,706	16,148
Total assets less current liabilities		<u>28,706</u>	<u>16,148</u>
Net assets excluding pension asset or liability		<u>28,706</u>	<u>16,148</u>
Total net assets		<u>28,706</u>	<u>16,148</u>
The funds of the charity			
Unrestricted funds			
General funds		28,706	16,148
		<u>28,706</u>	<u>16,148</u>
Total funds		<u>28,706</u>	<u>16,148</u>

Approved by the trustees on 31 December 2020

And signed on their behalf by:

Samuel Okaijah Sackey

S.O. Sackey

Trustee

31 December 2020

1 Accounting policies

Basis of preparation

The financial statements have been prepared in accordance with Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

Change in basis of accounting or to previous accounts

There has been no change to the accounting policies (valuation rules and method of accounting) since last year and no changes have been made to accounts for previous years.

Fund accounting

Unrestricted funds	These are available for use at the discretion of the trustees in furtherance of the general objects of the charity.
Designated funds	These are unrestricted funds earmarked by the trustees for particular purposes.
Revaluation funds	These are unrestricted funds which include a revaluation reserve representing the restatement of investment assets at their market values.
Restricted funds	These are available for use subject to restrictions imposed by the donor or through terms of an appeal.

Income

Recognition of income	Income is included in the Statement of Financial Activities (SoFA) when the charity becomes entitled to, and virtually certain to receive, the income and the amount of the income can be measured with sufficient reliability.
Income with related expenditure	Where income has related expenditure the income and related expenditure is reported gross in the SoFA.
Donations and legacies	Voluntary income received by way of grants, donations and gifts is included in the the SoFA when receivable and only when the Charity has unconditional entitlement to the income.
Tax reclaims on donations and gifts	Income from tax reclaims is included in the SoFA at the same time as the gift/donation to which it relates.
Donated services and facilities	These are only included in income (with an equivalent amount in expenditure) where the benefit to the Charity is reasonably quantifiable, measurable and material.
Volunteer help	The value of any volunteer help received is not included in the accounts.
Investment income	This is included in the accounts when receivable.
Gains/(losses) on revaluation of fixed assets	This includes any gain or loss resulting from revaluing investments to market value at the end of the year.
Gains/(losses) on investment assets	This includes any gain or loss on the sale of investments.

Notes to the Accounts

Expenditure

Recognition of expenditure	Expenditure is recognised on an accruals basis. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.
Expenditure on raising funds	These comprise the costs associated with attracting voluntary income, fundraising trading costs and investment management costs.
Expenditure on charitable activities	These comprise the costs incurred by the Charity in the delivery of its activities and services in the furtherance of its objects, including the making of grants and governance costs.
Grants payable	All grant expenditure is accounted for on an actual paid basis plus an accrual for grants that have been approved by the trustees at the end of the year but not yet paid.
Governance costs	These include those costs associated with meeting the constitutional and statutory requirements of the Charity, including any audit/independent examination fees, costs linked to the strategic management of the Charity, together with a share of other administration costs.
Other expenditure	These are support costs not allocated to a particular activity.

Taxation

The charity is exempt from tax on its charitable activities.

Freehold investment property

Investment properties are measured initially at cost and subsequently at fair value at each balance sheet date and are not depreciated. All gains or losses are taken to the Statement of Financial Activities as they arise.

Stocks

Stock is included at the lower of cost or net realisable value. Donated items of stock are recognised at fair value which is the amount the charity would have been willing to pay for the items on the open market.

Trade and other 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 and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. In the statement of financial position, bank overdrafts are shown within borrowings or current liabilities. In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the company's cash management.

Trade and other creditors

Short term creditors are measured at the transaction price. Other 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 normally recognised at their settlement amount after allowing for any trade discounts due.

Research and development

Expenditure on research and development is written off in the year in which it is incurred.

Foreign currencies

Monetary assets and liabilities denominated in currencies other than the functional currency of the charity are translated at the rates of exchange prevailing at the end of the reporting period.

Transactions in currencies other than the functional currency of the charity are recorded at the rate of exchange on the date that the transaction occurred.

All exchange differences are taken into account in arriving at net income/expenditure.

Leased assets

Where the charity enters into a lease which entails taking substantially all the risks and rewards of ownership of an asset, the lease is treated as a finance lease.

Leases which do not transfer substantially all the risks and rewards of ownership to charity are classified as operating leases.

Assets held under finance leases are initially recognised as assets of the charity at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet date as a finance lease obligation.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the charity's policy on borrowing costs.

Assets held under finance leases are depreciated in the same way as owned assets.

Operating lease payments are recognised as an expense on a straight-line basis over the lease term.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis.

Pension costs

The charity operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the charity pays fixed contributions into a separate entity. Once the contributions have been paid the charity has no further payments obligations. The contributions are recognised as expenses when they fall due. Amounts not paid are shown in accruals in the balance sheet. The assets of the plan are held separately from the charity in independently administered funds.

Receipt of donated goods, facilities and services

All donated goods, facilities and services received are recognised within incoming resources and expenditure at an estimate of the value to the charity.

2 Income from donations and legacies

	Unrestricted	Total 2020	Total 2019
	£	£	£
Voluntary donations	12,525	12,525	15,340
	<u>12,525</u>	<u>12,525</u>	<u>15,340</u>

3 Income from investments

Unrestricted	Total 2020	Total 2019
£	£	£
103	103	1
<u>103</u>	<u>103</u>	<u>1</u>

4 Other income

	Unrestricted	Total 2020	Total 2019
	£	£	£
The Big Lottery	12,400	12,400	-
Manchester City Council	3,165	3,165	2,852
Covid-19 Response	600	600	-
HMRC Gift Aid	<u>16,165</u>	<u>16,165</u>	<u>2,852</u>

5 Expenditure on raising funds

	Unrestricted	Total 2020	Total 2019
	£	£	£
<i>Fundraising trading costs</i>	1,240	1,240	200
	<u>1,240</u>	<u>1,240</u>	<u>200</u>

6 Expenditure on charitable activities

	Unrestricted	Total 2020	Total 2019
	£	£	£
<i>Expenditure on charitable activities</i>	3,189	3,189	6,496
<i>Governance costs</i>	<u>3,189</u>	<u>3,189</u>	<u>6,496</u>

7 Other expenditure

	Unrestricted	Total 2020	Total 2019
	£	£	£
Employee costs	8,850	8,850	9,600
Premises costs	1,540	1,540	4,190
General administrative costs	500	500	1,102
Legal and professional costs	916	916	1,485
	<u>11,806</u>	<u>11,806</u>	<u>16,377</u>

MANCHESTER FOUNTAIN OF LIFE CHRISTIAN CHURCH

Notes to the Accounts

8 Staff costs

Salaries and wages	8,850	9,600
	<u>8,850</u>	<u>9,600</u>

No employee received emoluments in excess of £60,000.

Only one staff on Stipend throughout the year

9 Movement in funds

	At 1 January 2020	Incoming resources (including other gains/losses) £	Resources expended £	Gross transfers £	At 31 December 2020 £
Restricted funds:					
Unrestricted funds:					
General funds	16,148	28,793	(16,235)	-	28,706
Revaluation Reserves:					
Total funds	<u>16,148</u>	<u>28,793</u>	<u>(16,235)</u>	<u>-</u>	<u>28,706</u>

10 Analysis of net assets between funds

	Unrestricted funds £	Total £
Net current assets	28,706	28,706
	<u>28,706</u>	<u>28,706</u>

11 Reconciliation of net debt

	At 1 January 2020 £	Cash flows £	At 31 December 2020 £
Cash and cash equivalents	16,148	12,558	28,706
	<u>16,148</u>	<u>12,558</u>	<u>28,706</u>
Net debt	<u>16,148</u>	<u>12,558</u>	<u>28,706</u>

MANCHESTER FOUNTAIN OF LIFE CHRISTIAN CHURCH

Detailed Statement of Financial Activities

for the year ended 31 December 2020

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Income and endowments from:			
Donations and legacies			
Voluntary donations	12,525	12,525	15,340
	<u>12,525</u>	<u>12,525</u>	<u>15,340</u>
Investments			
	103	103	1
	<u>103</u>	<u>103</u>	<u>1</u>
Other			
The Big Lottery	12,400	12,400	-
Manchester City Council Covid-19 Response	3,165	3,165	2,852
HMRC Gift Aid	600	600	-
	<u>16,165</u>	<u>16,165</u>	<u>2,852</u>
Total income and endowments	28,793	28,793	18,193
Expenditure on:			
Costs of other trading activities			
	1,240	1,240	200
	<u>1,240</u>	<u>1,240</u>	<u>200</u>
Total of expenditure on raising funds	1,240	1,240	200
Charitable activities			
	3,189	3,189	6,496
	<u>3,189</u>	<u>3,189</u>	<u>6,496</u>
Total of expenditure on charitable activities	3,189	3,189	6,496
Employee costs			
Salaries/wages	8,850	8,850	9,600
	<u>8,850</u>	<u>8,850</u>	<u>9,600</u>
Premises costs			
Rent	1,170	1,170	3,887
Rates	370	370	303
	<u>1,540</u>	<u>1,540</u>	<u>4,190</u>
General administrative costs, including depreciation and amortisation			
Equipment expensed	500	500	811
Equipment repairs and maintenance	-	-	59
Stationery and printing	-	-	232

MANCHESTER FOUNTAIN OF LIFE CHRISTIAN CHURCH
Detailed Statement of Financial Activities

	<u>500</u>	<u>500</u>	<u>1,102</u>
Legal and professional costs			
Audit/Independent examination fees fees	600	600	600
Accountancy and bookkeeping	316	316	885
	<u>916</u>	<u>916</u>	<u>1,485</u>
Total of expenditure of other costs	<u>11,806</u>	<u>11,806</u>	<u>16,377</u>
Total expenditure	16,235	16,235	23,073
Net gains on investments	-	-	-
	<u>12,558</u>	<u>12,558</u>	<u>(4,880)</u>
Net income/(expenditure)			
Net income/(expenditure) before other gains/(losses)	<u>12,558</u>	<u>12,558</u>	<u>(4,880)</u>
Other Gains	-	-	-
Net movement in funds	<u>12,558</u>	<u>12,558</u>	<u>(4,880)</u>
Reconciliation of funds:			
Total funds brought forward	16,148	16,148	21,028
Total funds carried forward	<u>28,706</u>	<u>28,706</u>	<u>16,148</u>