

LIFE CHURCH (EUROPE)

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025**

LIFE CHURCH (EUROPE)
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for the year ended 31 August 2025

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LIFE CHURCH (EUROPE)
COMPANY INFORMATION
for the year ended 31 August 2025

REGISTERED NUMBER: 07288147

DIRECTORS/ TRUSTEES: D. McLaughlin
M.H.J. Wattis
L. Beedham
Rev. D.P. Murphy

SENIOR MANAGEMENT PERSONNEL:

Rev. D.P. Murphy
N. C. Murphy
E. Jackson

REGISTERED OFFICE AND OPERATIONAL ADDRESS:

: The Christian Centre
Bulkington Road
Bedworth
Warwickshire
CV12 9DG

CHARITY NUMBER: 1138461

INDEPENDENT AUDITORS: Dafferns Audit Limited
Chartered Accountants
Statutory Auditors
One Eastwood
Harry Weston Road
Binley Business Park
Coventry
CV3 2UB

BANKERS: Lloyds Bank
17/23 Coventry Street
Nuneaton
Warwickshire
CV11 5TD

SOLICITORS: Ellis-Fermur & Negus
2 Devonshire Avenue
Beeston
Nottinghamshire
NG9 1BS

LIFE CHURCH (EUROPE)
TRUSTEES' REPORT
(Including Directors' Report)
for the year ended 31 August 2025

The Directors, who are also the Trustees under charity law, present their annual report along with the financial statements of the charitable company for the year ended 31 August 2025. The Trustees have adopted the provisions of Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual reports and financial statements of the charity.

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published in October 2019.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Life Church (Europe) is a company limited by guarantee governed by its Memorandum and Articles of Association dated 17 June 2010. It is a registered charity, number 1138461.

The Trustees (who are also the directors of the company) who served during the year and since the period end are set out on page 1. Trustees are appointed by the board and meet every 2 months.

During September 2025, the charity formally rebranded from Life Church to **United Church**. United Church is now the working name listed with the Charity Commission. The charity remains legally constituted as Life Church Europe at this time.

The Trustees continue to oversee the governance of the charity in line with its governing document and Charity Commission guidance. The Senior Leadership Team manages the day-to-day operations of the church, with regular reporting to Trustees to ensure appropriate oversight, compliance, and strategic direction.

United Church remains part of the Assemblies of God, actively contributing to and serving within the wider denominational family. Our Lead Pastor continues to serve on the National Leadership Team with direct responsibility for churches across Central England.

Induction and Training of Trustees

New Trustees undergo training as to their legal obligations under charity and company law and are presented with copies of the Memorandum and Articles of Association as well as Life Church (Europe) policy documents which have been approved by the Board. The induction process involves meeting the senior leader. Trustees have a review with the senior leader periodically.

Risk Management

The Trustees have considered the major risks to which the Charity is exposed and have reviewed those risks and established systems and procedures to manage them.

OBJECTIVES AND ACTIVITIES

The charity exists to advance the Christian faith and to demonstrate the love of Christ through worship, discipleship, community engagement, and practical support.

Our principal activities include:

- Public worship services and Christian teaching
- Discipleship and leadership development programmes
- Children's and Youth Ministries
- Community outreach and social action initiatives
- Pastoral care and wellbeing support
- National and international mission support

LIFE CHURCH (EUROPE)
TRUSTEES' REPORT
(Including Directors' Report)
for the year ended 31 August 2025

OBJECTIVES AND ACTIVITIES (continued...)

Trustees have had due regard to the Charity Commission's public benefit guidance and are satisfied that the charity's activities continue to provide clear and measurable public benefit to individuals and the wider community.

ACHIEVEMENTS AND PERFORMANCE

Church Growth

The last financial year has seen significant growth across all areas of church life.

- Average weekly attendance has increased to approximately 650 people, with over 800 individuals identifying United Church as their church home.
- Our children's ministry, United Kids, is thriving, with over 100 children regularly engaged in weekly programmes.
- Our youth ministry continues to grow, with over 100 young people attending our Friday night provision on a regular basis.
- Our volunteer pool has grown to over 300 active volunteers.

This sustained growth reflects both spiritual vitality and increasing community engagement.

Discipleship and Leadership Development

We continue to prioritise spiritual formation and holistic wellbeing through structured discipleship pathways, including:

- Alpha courses
- Equip Bible & Leadership Academy
- Life Groups
- Marriage Courses
- Parenting Courses

These initiatives remain well-attended and impactful, supporting individuals and families in their faith journey, leadership development, relational health, and overall wellbeing.

Property Expansion

In response to sustained growth, Trustees have continued progressing plans to expand our existing church property.

- Planning permission was granted in March 2025.
- All required documentation has been received from Nuneaton & Bedworth Borough Council.
- Funding continues to be raised and secured to enable the expansion.
- Development is projected to begin by the end of 2026, subject to final financial readiness.

This expansion will provide increased capacity for worship, discipleship, children's and youth provision, and community engagement.

LIFE CHURCH (EUROPE)
TRUSTEES' REPORT
(Including Directors' Report)
for the year ended 31 August 2025

ACHIEVEMENTS AND PERFORMANCE (continued...)

The Harbour Centre — Community Impact

Our Harbour Centre, a rented town-centre property, continues to play a vital role in serving the local community.

Through our:

- Community Grocery (addressing food poverty)
- Community Coffee Shop (providing connection and belonging)
- Community Support Hub (offering short courses and advice)

we now **welcome over 2,000 different visitors per month.**

Our community endeavours have strengthened relationships with the local authority and neighbouring charities. We actively partner to deliver support services focused on:

- Financial wellbeing
- Employability support
- Bereavement care

These partnerships have enhanced our ability to meet tangible community needs and extend meaningful support to vulnerable individuals.

Care for Senior Citizens

Our ministry to older adults continues to grow in strength and impact:

- Vintage Ministry provides pastoral care, fellowship gatherings, and supportive group sessions.
- Unforgotten Ministry offers activities and relational support for those directly affected by Alzheimer's and Dementia, as well as their families and carers.

These initiatives provide social connection, emotional support, and dignity to senior members of our community.

Mission and Global Partnerships

United Church remains committed to global mission support. We continue to provide financial and relational support to mission partners in other countries around the world.

In addition, we are proud to partner with:

- Compassion International
- Open Doors
- Samaritan's Purse

Through these partnerships, the church contributes to humanitarian relief, church planting, leadership development, and support for persecuted Christians worldwide.

LIFE CHURCH (EUROPE)
TRUSTEES' REPORT
(Including Directors' Report)
for the year ended 31 August 2025

FINANCIAL REVIEW

Total incoming resources for the year amounted to £1,229,118 (2024: £993,309). Total resources expended were £968,733 (2024: £801,153). The net incoming resources for the year amounted to a surplus of £260,385 (2024: £192,156).

Significant Events, Risks and Factors Affecting Future Financial Performance

The charity remains financially stable and well-governed. Income streams continue to be diversified and responsibly managed.

Significant focus during the year has been placed on raising and securing designated funds for the planned property expansion. Trustees continue to monitor income, expenditure, reserves, and capital commitments carefully to ensure prudent stewardship and long-term sustainability

Reserves Policy

The unrestricted funds of the charity are separated into accumulated income and designated funds as shown in note 14 to the financial statements. The designated fund of £159,102 (2024: £119,307) represents funds held following the sale of a property and is to be used for future building spend.

It is the policy of the Charity to maintain the accumulated income fund within unrestricted funds at a level equivalent to approximately three month's salary costs. The available free reserves now stand at £50,493 (2024: £12,815), being the accumulated income fund less tangible fixed assets.

At the year end the charity had total funds of £3,634,172 (2024: £3,373,787), of which £704,503 (2024: £527,565) relates to restricted funds.

PLANS FOR THE FUTURE

United Church is in a season of strong health and sustainable growth. Trustees' priorities for the coming year include:

- Continuing growth in discipleship and leadership development
- Commencing the property expansion project (subject to funding milestones)
- Expanding community partnerships and outreach through the Harbour Centre
- Strengthening pastoral care across all age groups
- Continuing denominational service and international mission partnerships

The Trustees believe the charity is well-positioned for continued expansion in both spiritual impact and community transformation.

We are working over the next year in subsuming what is currently Connections Church North Solihull which will become United Church North Solihull once that is completed. We will also be pursuing the possibility of other locations.

The Trustees are grateful for the continued faithfulness, generosity, and commitment of our members, volunteers, staff, and partners. United Church remains confident in its mission and is expectant for continued growth and lasting impact in the years ahead.

FUNDRAISING STANDARDS INFORMATION

Life Church (Europe) does not contract to a third party to undertake any fundraising on its behalf, consequently we have received no fundraising complaints during the year

LIFE CHURCH (EUROPE)
TRUSTEES' REPORT
(Including Directors' Report)
for the year ended 31 August 2025

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also directors of Life Church (Europe) for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with 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 affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company 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 Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable 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 operation.

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

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the Trustees are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each trustee has taken all the steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Going Concern

After making enquiries, the Trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in note 1 of the financial statements.

In approving the Trustees Annual Report, we also approve the Strategic Report included therein in our capacity as Company directors. This report has been prepared having taken advantage of the small companies exemption in the Companies Act 2006.

ON BEHALF OF THE BOARD

M Wattis:



Dated: 25 March 2026

LIFE CHURCH (EUROPE)
INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEES AND MEMBERS OF LIFE CHURCH (EUROPE)

Opinion

We have audited the financial statements of Life Church (Europe) (the "charitable company") for the year ended 31 August 2025 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows 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, including Financial Reporting Standard 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 August 2025, and of its incoming resources and application of resources, including income and expenditure, 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity 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 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.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the trustees annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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 course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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.

LIFE CHURCH (EUROPE)
INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEES AND MEMBERS OF LIFE CHURCH (EUROPE)

Opinions 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 trustees' report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the directors' report included within the Trustees' Report; or
- adequate and proper 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; or
- certain disclosures of directors' 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 prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, set out on page 5, the trustees (who are also the directors of the charitable company 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 company'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 company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed auditor under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts.

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 an auditor's report 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.

LIFE CHURCH (EUROPE)
INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEES AND MEMBERS OF LIFE CHURCH (EUROPE)

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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

- Enquiry of management, those charged with governance around actual and potential litigation and claims;
- Enquiry of entity staff in compliance functions to identify any instances of non-compliance with laws and regulations;
- Reviewing minutes of meetings of those charged with governance;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the rationale of significant transactions outside the normal course of activities and reviewing accounting estimates for bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance.

The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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. This description forms part of our auditor's report.

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 and its trustees those matters we are required to state to them in an auditor's 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 and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Signed:



Geoffrey Cox BA FCA (Senior Statutory Auditor)
For and on behalf of Dafferns Audit Limited
Chartered Accountants
Statutory Auditor
One Eastwood
Harry Weston Road
Binley Business Park
Coventry
CV3 2UB

Date: 25 March 2021

LIFE CHURCH (EUROPE)

**STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING INCOME AND EXPENDITURE ACCOUNT)
for the year ended 31 August 2025**

	<u>Notes</u>	Unrestricted Funds 2025 £	Restricted Funds 2025 £	Total Funds 2025 £	Total Funds 2024 £
Income and endowments from:					
Donations and grants	2	606,352	325,720	932,072	734,498
Income from charitable activities	3	224,048	-	224,048	189,819
Other trading activities	4	72,998	-	72,998	68,992
Total income and endowments		903,398	325,720	1,229,118	993,309
Expenditure on:					
Raising funds		21,903	5,269	27,172	21,474
Charitable activities	5	829,051	112,510	941,561	779,679
Total expenditure		850,954	117,779	968,733	801,153
Net income / expenditure		52,444	207,941	260,385	192,156
Net movement in funds					
Transfers between funds		31,003	(31,003)	-	-
Net movement in funds		83,447	176,938	260,385	192,156
Reconciliation of funds:					
Total funds brought forward		2,846,222	527,565	3,373,787	3,181,631
Total funds carried forward	14,15	2,929,669	704,503	3,634,172	3,373,787

All income and expenditure derive from continuing activities.

The statement of financial activities includes all gains and losses recognised during the period.

The notes on pages 13 to 21 form part of these financial statements

LIFE CHURCH (EUROPE)

BALANCE SHEET
as at 31 August 2025

	Notes	£	2025	£	£	2024	£
FIXED ASSETS							
Tangible assets	11			2,720,074			2,714,100
CURRENT ASSETS							
Debtors	12	19,633			3,248		
Cash at bank and in hand		910,401			670,424		
			930,034			673,672	
CREDITORS							
Amounts falling due within one year	13	(15,936)			(13,985)		
NET CURRENT ASSETS							
				914,098			659,687
NET ASSETS							
				3,634,172			3,373,787
FUNDS OF THE CHARITY:							
Restricted funds	15			704,503			527,565
Unrestricted income funds							
Accumulated income fund	14			2,770,567			2,726,915
Designated funds	14			159,102			119,307
TOTAL CHARITY FUNDS							
				3,634,172			3,373,787

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

The financial statements were approved and authorised for issue by the Board:

ON BEHALF OF THE BOARD:

Rev. D.P. Murphy: 

M. Wattis: 

Date: 25 March 2026

The notes on pages 13 to 21 form part of these financial statements

LIFE CHURCH (EUROPE)
STATEMENT OF CASHFLOWS
for the year ended 31 August 2025

	<u>Notes</u>	<u>2025</u> £	<u>2024</u> £
Cash flow from operating activities			
Net income/(expenditure) for period		260,385	192,156
Depreciation	11	23,135	10,233
Decrease/(Increase) in debtors	12	(16,385)	75
(Decrease)/increase in creditors	13	1,951	3,429
Net cash flow from operating activities		<u>269,086</u>	<u>205,893</u>
Cash flow from investing activities			
Purchase of tangible fixed assets	11	<u>(29,109)</u>	<u>(46,550)</u>
Net cash flow from investing activities		<u>(29,109)</u>	<u>(46,550)</u>
Net increase/(decrease) in cash and cash equivalents		239,977	159,343
Cash and cash equivalents at 01 September 2024		670,424	511,081
Cash and cash equivalents at 31 August 2025		<u>910,401</u>	<u>670,424</u>
Cash and cash equivalents consist of:			
Cash at bank and in hand		910,401	670,424
Cash and cash equivalents at 31 August 2025		<u>910,401</u>	<u>670,424</u>
	<u>2024</u> £	Cashflow £	<u>2025</u> £
Cash and cash equivalents	670,424	239,977	910,401
Total net debt	<u>670,424</u>	<u>239,977</u>	<u>910,401</u>

The notes on pages 13 to 21 form part of these financial statements

LIFE CHURCH (EUROPE)
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2025

1. ACCOUNTING POLICIES

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

a) General information and basis of preparation

Life Church (Europe) is a charity that is a company limited by guarantee in England/Wales. The address of the registered office is given in the charity information on page 1 of these financial statements.

The nature of the charity's operations and principal activities are to advance the Christian faith, to relieve sickness and financial hardship and promote and preserve good health in the United Kingdom or the World.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with applicable accounting standards, the Companies Act 2006, 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 United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, and UK Generally Accepted Accounting Practice.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in Pound Sterling (£) which is the functional currency of the charity and rounded to the nearest £1.

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

b) Fund accounting

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise of unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are used in accordance with specific restrictions imposed by the donors, or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Details of the nature and purpose of each fund is set out in notes 14 and 15.

The amount held in the Income Reserve Fund is entirely at the discretion of the Trustees.

LIFE CHURCH (EUROPE)

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2025

1. ACCOUNTING POLICIES (CONTINUED)

c) Income recognition

All income is included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably, and it is probable that the income will be received.

For donations to be recognised the Charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained, then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the Charity, and it is probable that they will be fulfilled. Cash donations are recognised upon receipt.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102).

Income from trading activities is received in exchange for supplying goods and services or rental income in order to raise funds and is recognised when entitlement has occurred.

d) Cash flow statement

The charity's cash flow statement reflects the presentation requirements of FRS102

e) Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required, and the amount of the obligation can be measured reliably.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

f) Support cost allocation

Costs incurred to support church activities, are allocated accordingly to costs for charitable activities. These costs compose primarily of staff and office costs and are allocated based on an estimate of staff time spent per charitable activity.

g) Governance costs

Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs comprise of legal fees, together with an allocation of support costs.

h) Tax

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

i) Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received. Termination benefits are recognised immediately as an expense when the Charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits

j) Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense to the Statement of Financial Activities as they fall due.

LIFE CHURCH (EUROPE)

**NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2025**

1. ACCOUNTING POLICIES (CONTINUED)

k) Fixed assets and depreciation

Fixed assets are stated at cost less accumulated depreciation, and accumulated impairment losses.

Costs, include costs directly attributable to making the asset capable of operating as intended.

Depreciation is at the following annual rates in order to write off the cost of each asset over its estimated useful life:

Freehold property	Not depreciated
Assets in the course of construction	Not depreciated
Fixtures and fittings	20% straight line
Motor vehicles	33% straight line

Fixtures and fittings were depreciated at 20% reducing balance basis prior to the current financial year.

l) Financial Instruments

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

m) Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight-line basis over the term of the relevant lease.

n) Going concern

The financial statements have been prepared on a going concern basis as the Trustees believe that no material uncertainties exist. The Trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the Charity to be able to continue as a going concern.

o) Critical accounting judgements and key sources of estimation uncertainty

In the application of the charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The Trustees do not consider there are any critical judgements or sources of estimation uncertainty requiring disclosure beyond the accounting policies listed above.

LIFE CHURCH (EUROPE)

**NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2025**

2. INCOME FROM DONATIONS AND GRANTS

	<u>2025</u> £	<u>2024</u> £
Donations for expansion fund	249,109	205,698
General donations	603,301	468,036
Donations for overseas	37,119	27,731
Other	42,543	33,033
	<u>932,072</u>	<u>734,498</u>

For 2025, £606,352 was unrestricted income (2024: £425,340) and £325,720 was restricted income (2024: £309,068).

3. INCOME FROM CHARITABLE ACTIVITIES

	<u>2025</u> £	<u>2024</u> £
Families	38,894	26,042
Discipleship	14,340	15,525
General Ministries	9,591	4,903
Harbour shop	126,846	117,728
Conferences	34,377	25,621
	<u>224,048</u>	<u>189,819</u>

All income from charitable activities for the current and prior year is unrestricted.

4. INCOME FROM OTHER TRADING ACTIVITIES

	<u>2025</u> £	<u>2024</u> £
Galley coffee shop	63,304	53,115
Property income	847	398
Other sales	8,847	15,479
	<u>72,998</u>	<u>68,992</u>

All income from other trading activities for the current and prior year is unrestricted.

LIFE CHURCH (EUROPE)

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2025

5. EXPENDITURE ON CHARITABLE ACTIVITIES

	Activities undertaken directly	Support costs	2025 <u>Total</u>	2024 <u>Total</u>
	£	£	£	£
Families	51,738	74,468	126,206	100,523
Discipleship	12,957	24,823	37,780	37,348
General Ministries	28,722	297,874	326,596	285,169
Harbour shop	202,051	74,468	276,519	243,100
Conferences	23,879	24,823	48,702	28,914
Global Missions	92,345	-	92,345	70,609
Other	33,413	-	33,413	14,016
	<u>445,105</u>	<u>496,456</u>	<u>941,561</u>	<u>779,679</u>

For 2025, £829,051 of the above were attributable to unrestricted funds (2024: £723,124) and £112,510 of the above to restricted funds (2024: £56,555)

6. SUPPORT COSTS

	Families £	Discipleship £	General Ministries £	Harbour shop £	Conferences £	2025 Total £
Salaries	42,469	14,156	169,873	42,468	14,156	283,122
Other staff costs	1,750	584	7,003	1,751	584	11,672
Office costs	13,660	4,553	54,638	13,660	4,553	91,064
Professional fees	326	109	1,307	327	109	2,178
Property costs	9,575	3,191	38,299	9,574	3,191	63,830
Depreciation	3,470	1,157	13,881	3,470	1,157	23,135
Other	1,598	533	6,393	1,598	533	10,655
Governance costs	1,620	540	6,480	1,620	540	10,800
	<u>74,468</u>	<u>24,823</u>	<u>297,874</u>	<u>74,468</u>	<u>24,823</u>	<u>496,456</u>

For 2025, £469,296 of the above were attributable to unrestricted funds and £27,160 of the above to restricted funds.

7. GOVERNANCE COSTS

	2025 £	2024 £
Audit and accountancy fee	10,800	5,178
	<u>10,800</u>	<u>5,178</u>

LIFE CHURCH (EUROPE)

**NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2025**

8. NET INCOME IS STATED AFTER CHARGING

	<u>2025</u> £	<u>2024</u> £
Depreciation	23,135	10,233
Audit fee	9,000	3,000
Other accountancy services	1,800	2,178
Pension costs	6,084	5,192

9. TRUSTEES REMUNERATION AND KEY MANAGEMENT PERSONNEL

During the year, no trustees received any remuneration or benefit in kind for their duties as trustee (2024: £nil). No trustees had expenses met by the charity in fulfilling their duties as a trustee and the total amount reimbursed to two trustees or paid to third parties was £1,632.

The total amount of employee benefits received by key management personnel is £124,132.

10. STAFF COSTS

	<u>2025</u> £	<u>2024</u> £
Wages and salaries	327,422	288,182
Social security	26,492	15,444
Pension contributions	6,084	5,192
	<u>359,998</u>	<u>308,818</u>

	<u>2025</u>	<u>2024</u>
Average number of staff		
Charitable activities	20	19
	<u>11</u>	<u>11</u>
Full time equivalent		

No employee received remuneration of £60,000 or more.

LIFE CHURCH (EUROPE)
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2025

11. FIXED ASSETS

	Freehold Property £	Assets in Course of Construction £	Fixtures and fittings £	Motor vehicles £	Total £
Cost					
At 1 September 2024	2,588,466	82,493	241,704	5,750	2,918,413
Additions	-	18,000	11,109	-	29,109
Disposals	-	-	-	-	-
At 31 August 2025	2,588,466	100,493	252,813	5,750	2,947,522
Depreciation					
At 1 September 2024	-	-	203,605	708	204,313
Charge for the period	-	-	20,752	2,383	23,135
Released	-	-	-	-	-
At 31 August 2025	-	-	224,357	3,091	227,448
Net book value					
At 31 August 2025	2,588,466	100,493	28,456	2,659	2,720,074
At 1 September 2024	2,588,466	82,493	38,099	5,042	2,714,100

12. DEBTORS FALLING DUE WITHIN 1 YEAR

	<u>2025</u> £	<u>2024</u> £
Other debtors	10,525	-
Prepayments	9,108	3,248
	<u>19,633</u>	<u>3,248</u>

13. CREDITORS FALLING DUE WITHIN 1 YEAR

	<u>2025</u> £	<u>2024</u> £
Trade creditors	4,654	675
Accruals	11,282	13,310
	<u>15,936</u>	<u>13,985</u>

LIFE CHURCH (EUROPE)

**NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2025**

14. UNRESTRICTED FUNDS

	Balance 1 September 2024	Income and gains	Expenditure and losses	Transfers	Balance 31 August 2025
	£	£	£	£	£
Designated funds					
Building works	109,604	-	-	-	109,604
Harbour funds	9,703	190,149	(182,681)	-	17,171
Other	-	3,502	(2,178)	31,003	32,327
Total designated funds	119,307	193,651	(184,859)	31,003	159,102
Total accumulated income fund	2,726,915	709,747	(666,095)	-	2,770,567
	2,846,222	903,398	(850,954)	31,003	2,929,669

Designated funds comprise of reserves held for future building spend, and in relation to operational costs for the Harbour centre.

Accumulated income funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and have not been designated for other purposes.

15. RESTRICTED FUNDS

	Balance 1 September 2024	Income and gains	Expenditure and losses	Transfers	Balance 31 August 2025
	£	£	£	£	£
Expansion fund	442,897	249,110	(21,517)	-	670,490
Restricted general donations	59,921	37,469	(40,548)	(47,288)	9,554
Harbour grants	15,199	17,189	(24,862)	-	7,526
Compassion ministries	3,817	99	(1,209)	-	2,707
Other	5,731	21,853	(29,643)	16,285	14,226
	527,565	325,720	(117,779)	(31,003)	704,503

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Tangible fixed assets £	Net current assets £	Total £
Restricted fund	-	704,503	704,503
Unrestricted funds	2,720,074	209,595	2,929,669
	2,720,074	914,098	3,634,172

LIFE CHURCH (EUROPE)
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2025

17. RELATED PARTY TRANSACTIONS

The Lead Pastor, who is a Trustee, received gross remuneration of £50,700 (2024: £48,526) and pension contributions of £1,321 (2024: £1,257) during the year in his employed capacity. His wife, in her capacity as assistant pastor, received gross remuneration of £8,585 (2024: £7,555) and pension contributions of £nil during the current and prior year.

18. OPERATING LEASE COMMITMENTS

Total future minimum lease payables under non-cancellable operating lease are as follows:

	<u>2025</u> £	<u>2024</u> £
Within one year	9,000	12,000
Within one to five years	-	9,000
	<u>9,000</u>	<u>21,000</u>

Operating lease expenditure recognised in the year was £12,000 (2024: £12,000).

19. PENSIONS AND OTHER POST-RETIREMENT BENEFITS

The charity operates a defined contribution pension plan for its employees. The amount recognised as an expense in the period was £6,084 (2024: £5,192).

The defined contribution liability is allocated to unrestricted funds.

20. CONTROLLING PARTY

The charitable company is under the control of its Board of Directors/ Trustees.