

Company registration number: 07435582

Charity registration number: 1139671

Life Church Lancashire

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 December 2021

KM
1st Floor, Block C
The Wharf
Manchester Road
Burnley
Lancashire
BB11 1JG

Life Church Lancashire

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Life Church Lancashire

Reference and Administrative Details

Trustees	Mrs B Baker
	Reverend J Brunton
	Mr M Hirst
	Mr D Randall
	Mrs R Sollis
Charity Registration Number	1139671
Company Registration Number	07435582
Registered Office	Life Church 30 Sycamore Avenue Burnley BB12 6QP
Independent Examiner	KM 1st Floor, Block C The Wharf Manchester Road Burnley Lancashire BB11 1JG
Solicitors:	Geldards LLP Number One Pride Place Pride Park Derby DE24 8QR
Bankers	Kingdom Bank Nottingham Ruddington Fields Business Park Mere Way, Ruddington Nottingham NG11 6JS Yorkshire Bank 25 Manchester Road Burnley Lancashire BB11 1HX

Life Church Lancashire

Trustees' Report

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

Trustees

Mrs B Baker

Reverend J Brunton

Mr M Brunton (resigned 28 January 2022)

Mr M Hirst

Mr D Randall (appointed 28 January 2022)

Mrs R Sollis (appointed 4 August 2021)

Objects, aims and activities

Objects and aims

The objects of the charity as per the Articles of Association are:

To advance the Christian faith in accordance with the Statement in such ways and in such parts of the UK or the world as the directors 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 through the provision of counselling and support in such parts of the UK or the world as the directors from time to time think fit, and

To advance education in such ways and in such parts of the UK or the world as the directors from time to time may think fit.

To further the work of the gospel of Jesus Christ at home and overseas.

We also provide assistance to the community including support of a Food Bank, Women's Refuge, Asylum seekers, Money Management, Parenting and Marriage Courses and local schools. In the early part of the year much of these activities were online but were increasingly in-person as the year progressed.

Regular activities for children, youth, the elderly and those recovering from addiction.

Activities

Financial assistance and volunteering at local schools, Burnley Together Food Bank and Women's Refuge.

The training and improvement of life skills of the church and wider community.

During the year our income from conferencing increased significantly on the previous year but is still well below pre pandemic levels.

Public benefit

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

Life Church Lancashire

Trustees' Report

Financial review

We ended another challenging year, due to the pandemic, with reserves in excess of £100,000.

The organisation is therefore able to continue its activities in the short term, maintain staff levels and cover ongoing overhead costs.

Future plans

We will endeavor to further increase our reserves in 2022 in order to complete the first floor of the building in 2023. There are no other significant plans other than the ongoing operation of the charity.

Structure, governance and management

Nature of governing document

The charity is governed by its Articles of Association dated 10th November 2010.

Recruitment and appointment of trustees

The trustees comprise the Senior Minister of the church together with such persons as the Senior Minister shall nominate and the trustees shall from time to time appoint.

Trustees remuneration

Remuneration of the Senior Minister is permitted by the Articles of Association along with remuneration to other trustees as long as the majority of trustees do not benefit.

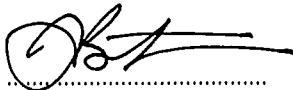
Risk management

The trustees have risk management policies in place, which are reviewed from time to time. One of the major risks is safeguarding and the trustees are satisfied that appropriate policies and training are in place, and that all DBS checks are carried out.

Small companies provision statement

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

The annual report was approved by the trustees of the charity on 12/9/22 and signed on its behalf by:



Reverend J Brunton
Trustee

Life Church Lancashire

Independent Examiner's Report to the trustees of Life Church Lancashire ("the Company")

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 December 2021.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of Life Church Lancashire are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.


Independent examiner's statement

Since the 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 Charity Independent Examiners, 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 were not kept in respect of Life Church Lancashire as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.


.....
Mark Heaton FCCA FCIE DChA
KM
1st Floor, Block C
The Wharf
Manchester Road
Burnley
Lancashire
BB11 1JG

Date: 24/2

Life Church Lancashire

Statement of Financial Activities for the Year Ended 31 December 2021 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted £	Total 2021 £	Unrestricted £	Total 2020 £
Income from:					
Donations	3	226,656	226,656	248,514	248,514
Other trading activities	4	39,594	39,594	15,542	15,542
Investment income	5	118	118	341	341
Total income		<u>266,368</u>	<u>266,368</u>	<u>264,397</u>	<u>264,397</u>
Expenditure on:					
Charitable activities	6	<u>(256,523)</u>	<u>(256,523)</u>	<u>(249,984)</u>	<u>(249,984)</u>
Total expenditure		<u>(256,523)</u>	<u>(256,523)</u>	<u>(249,984)</u>	<u>(249,984)</u>
Net income		<u>9,845</u>	<u>9,845</u>	<u>14,413</u>	<u>14,413</u>
Net movement in funds		9,845	9,845	14,413	14,413
Reconciliation of funds					
Total funds brought forward		<u>1,258,393</u>	<u>1,258,393</u>	<u>1,243,980</u>	<u>1,243,980</u>
Total funds carried forward	16	<u><u>1,268,238</u></u>	<u><u>1,268,238</u></u>	<u><u>1,258,393</u></u>	<u><u>1,258,393</u></u>

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2020 is shown in note 16.

The notes on pages 7 to 13 form an integral part of these financial statements.

Life Church Lancashire

(Registration number: 07435582)
Balance Sheet as at 31 December 2021

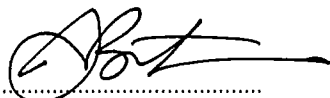
	Note	2021 £	2020 £
Fixed assets			
Tangible assets	11	2,020,352	2,054,472
Current assets			
Debtors	12	8,027	2,501
Cash at bank and in hand		<u>104,658</u>	<u>85,456</u>
		112,685	87,957
Creditors: Amounts falling due within one year	13	<u>(21,538)</u>	<u>(20,132)</u>
Net current assets		<u>91,147</u>	<u>67,825</u>
Total assets less current liabilities		2,111,499	2,122,297
Creditors: Amounts falling due after more than one year	14	<u>(843,261)</u>	<u>(863,904)</u>
Net assets		<u>1,268,238</u>	<u>1,258,393</u>
Funds of the charity:			
Unrestricted income funds			
Unrestricted funds		<u>1,268,238</u>	<u>1,258,393</u>
Total funds	16	<u>1,268,238</u>	<u>1,258,393</u>

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

Directors' responsibilities:

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

The financial statements on pages 5 to 13 were approved by the trustees, and authorised for issue on 21/12/21 and signed on their behalf by:



Reverend J Brunton
Trustee

The notes on pages 7 to 13 form an integral part of these financial statements.

Life Church Lancashire

Notes to the Financial Statements for the Year Ended 31 December 2021

1 Charity status

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

The address of its registered office is:

Life Church
30 Sycamore Avenue
Burnley
BB12 6QP

These financial statements were authorised for issue by the trustees on 12 August 2022.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

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

Statement of compliance

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)) (issued in October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Basis of preparation

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

Going concern

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

Exemption from preparing a cash flow statement

The charity is exempt from preparing a cash flow statement.

Income

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

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including independent examination, strategic management and trustees's meetings and reimbursed expenses.

Life Church Lancashire

Notes to the Financial Statements for the Year Ended 31 December 2021

Taxation

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

Tangible fixed assets

Individual fixed assets costing £1,000.00 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation

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

Asset class	Depreciation method and rate
Freehold property	1% per annum on straight line basis
Fixtures and fittings	10% per annum on cost

Trade debtors

Trade debtors are amounts due for services performed in the ordinary course of business.

Fund structure

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

Designated funds are unrestricted funds set aside for specific purposes at the discretion of the trustees.

Pensions and other post retirement obligations

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

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

Life Church Lancashire

Notes to the Financial Statements for the Year Ended 31 December 2021

3 Income from donations

	Unrestricted		
	General	Total	Total
	£	2021	2020
		£	£
Donations from individuals	182,768	182,768	194,766
Gift aid reclaimed	43,888	43,888	38,819
Grants - CJRS claims	-	-	14,929
	<u>226,656</u>	<u>226,656</u>	<u>248,514</u>

4 Income from other trading activities

	Unrestricted		
	General	Total	Total
	£	2021	2020
		£	£
Impact conferencing	<u>39,594</u>	<u>39,594</u>	<u>15,542</u>

5 Investment income

	Unrestricted		
	General	Total	Total
	£	2021	2020
		£	£
Interest receivable on bank deposits	<u>118</u>	<u>118</u>	<u>341</u>

6 Expenditure on charitable activities

		Unrestricted			
		Designated	General	Total	Total
	Note	£	£	2021	2020
				£	£
Charitable activities		-	73,949	73,949	57,657
Depreciation		28,308	-	28,308	28,308
Staff costs	9	-	105,173	105,173	114,203
Bank interest payable		48,463	-	48,463	49,216
Governance costs	7	<u>-</u>	<u>630</u>	<u>630</u>	<u>600</u>
		<u>76,771</u>	<u>179,752</u>	<u>256,523</u>	<u>249,984</u>

In addition to the expenditure analysed above, there are also governance costs of £630 (2020 - £600) which relate directly to charitable activities. See note 7 for further details.

Life Church Lancashire

Notes to the Financial Statements for the Year Ended 31 December 2021

7 Analysis of governance and support costs

Governance costs

	Unrestricted General £	Total 2021 £	Total 2020 £
Independent Examiner's remuneration	630	630	600
	<u>630</u>	<u>630</u>	<u>600</u>

8 Trustees remuneration and expenses

Salaries were paid to Rev J Brunton in his position of Senior Minister as authorised by the Articles of Association.

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

9 Staff costs

The aggregate payroll costs were as follows:

	2021 £	2020 £
Staff costs during the year were:		
Wages and salaries	90,432	98,511
Social security costs	2,011	3,470
Pension costs	12,730	12,222
	<u>105,173</u>	<u>114,203</u>

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

	2021 No	2020 No
Charitable activities	<u>4</u>	<u>4</u>

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

Life Church Lancashire

Notes to the Financial Statements for the Year Ended 31 December 2021

10 Taxation

The charity is a registered charity and is therefore exempt from taxation.

11 Tangible fixed assets

	Land and buildings £	Furniture and equipment £	Total £
Cost			
At 1 January 2021	2,041,318	80,000	2,121,318
Additions	(5,812)	-	(5,812)
At 31 December 2021	<u>2,035,506</u>	<u>80,000</u>	<u>2,115,506</u>
Depreciation			
At 1 January 2021	42,846	24,000	66,846
Charge for the year	20,308	8,000	28,308
At 31 December 2021	<u>63,154</u>	<u>32,000</u>	<u>95,154</u>
Net book value			
At 31 December 2021	<u>1,972,352</u>	<u>48,000</u>	<u>2,020,352</u>
At 31 December 2020	<u>1,998,472</u>	<u>56,000</u>	<u>2,054,472</u>

12 Debtors

	2021 £	2020 £
Trade debtors	6,474	948
Prepayments	<u>1,553</u>	<u>1,553</u>
	<u>8,027</u>	<u>2,501</u>

13 Creditors: amounts falling due within one year

	2021 £	2020 £
Bank loans	18,943	17,242
Other creditors	1,231	961
Accruals	<u>1,364</u>	<u>1,929</u>
	<u>21,538</u>	<u>20,132</u>

Life Church Lancashire

Notes to the Financial Statements for the Year Ended 31 December 2021

14 Creditors: amounts falling due after one year

	2021 £	2020 £
Bank loans	<u>843,261</u>	<u>863,904</u>

Bank loans are secured on the land and buildings owned by the charity.

15 Pension and other schemes

Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the charity to the scheme and amounted to £12,730 (2020 - £12,222).

16 Funds

	Balance at 1 January 2021 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 December 2021 £
Unrestricted funds					
General	85,067	266,368	(179,752)	(61,593)	110,090
Designated	<u>1,173,326</u>	<u>-</u>	<u>(76,771)</u>	<u>61,593</u>	<u>1,158,148</u>
Total funds	<u>1,258,393</u>	<u>266,368</u>	<u>(256,523)</u>	<u>-</u>	<u>1,268,238</u>
	Balance at 1 January 2020 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 December 2020 £
Unrestricted funds					
General	66,567	264,397	(172,460)	(73,437)	85,067
Designated	<u>1,177,413</u>	<u>-</u>	<u>(77,524)</u>	<u>73,437</u>	<u>1,173,326</u>
Total funds	<u>1,243,980</u>	<u>264,397</u>	<u>(249,984)</u>	<u>-</u>	<u>1,258,393</u>

Life Church Lancashire

Notes to the Financial Statements for the Year Ended 31 December 2021

17 Analysis of net assets between funds

	Unrestricted funds		Total funds at 31 December 2021
	General	Designated	
	£	£	£
Tangible fixed assets	-	2,020,352	2,020,352
Current assets	112,685	-	112,685
Current liabilities	(2,595)	(18,943)	(21,538)
Creditors over 1 year	-	(843,261)	(843,261)
Total net assets	<u>110,090</u>	<u>1,158,148</u>	<u>1,268,238</u>

	Unrestricted funds		Total funds at 31 December 2020
	General	Designated	
	£	£	£
Tangible fixed assets	-	2,054,472	2,054,472
Current assets	87,957	-	87,957
Current liabilities	(2,890)	(17,242)	(20,132)
Creditors over 1 year	-	(863,904)	(863,904)
Total net assets	<u>85,067</u>	<u>1,173,326</u>	<u>1,258,393</u>