

**ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2020**

LIFESPRING CHURCH

A COMPANY LIMITED BY GUARANTEE

**REGISTERED COMPANY No: 08087254
REGISTERED CHARITY No: 1148013**

Independent Examiners Ltd
Unit 2 The Broadbridge Business Centre
Delling Lane
Bosham
West Sussex
PO18 8NF

LIFESPRING CHURCH

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LIFESPRING CHURCH

DIRECTORS REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

REFERENCE AND ADMINISTRATIVE DETAILS:

REGISTERED CHARITY NUMBER	1148013
REGISTERED COMPANY NUMBER	08087254
START OF FINANCIAL YEAR	1st January 2020
END OF FINANCIAL YEAR	31st December 2020
DIRECTORS AT 31ST DECEMBER 2020 (also Trustees under charity law)	Mr David Cornelius - Chairman Mr Luke Ellis Mrs Catherine Peirce Mrs June Bugenyi Mr Kim Wheeler (resigned 8th August 2020) Mr Richard Matthews (resigned 31st December 2020)
DIRECTORS APPOINTED AFTER THE BALANCE SHEET DATE	Ms Elizabeth Monger (appointed 9th June 2021)
REGISTERED ADDRESS	143-145 Oxford Road Reading, RG1 7UY.
PRIMARY BANKERS	HSBC 26-28 Broad Street Reading, RG1 2BU.
SOLICITORS	Hewetts 55/57 London Street Reading, RG1 4PS.
ACCOUNTANTS	Independent Examiners Ltd Unit 2 The Broadbridge Business Centre Delling Lane, Bosham West Sussex PO18 8NF

GOVERNANCE:

The existing directors/Directors appoint any new directors/Directors following the provisions laid out in the organisation's governing instrument. The selection method is that appointments are made by the leadership team headed by the Pastor.

GOVERNING INSTRUMENT Memorandum And Articles Incorporated 29/05/2012

LEGAL STATUS Incorporated Charity

OBJECTS

The charity's objects ("the objects") are for the public benefit and are restricted to the following: (a) to advance the Christian faith in accordance with the statement of beliefs in the schedule hereto attached in such parts of Reading, the United Kingdom or the world as the Directors may from time to time think fit and to fulfil such other purposes which are exclusively charitable according to the law of England and Wales and are connected with the charitable work of the charity; (b) to relieve persons who are in conditions of need, financial hardship or sickness and who may be aged and to relieve the distress caused thereby in the said location and in such other parts of the United Kingdom or the world as the Directors may from time to time think fit including but not by way of limitation the support of those recovering from addictions; (c) to further Christian education in such parts of Reading, the United Kingdom and the world as the Directors may from time to time think fit; (d) to provide or assist in the provision of facilities in the interests of social welfare for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disability, financial hardship or social circumstances with the object of improving their conditions of life.

LIFESPRING CHURCH

DIRECTORS REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

The Directors are pleased to present their annual directors' report together with the financial statements of the charity for the year ending 31 December 2020 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, 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 (FRS102) (effective 1 January 2015) - (Charities SORP (FRS102)).

OBJECTIVES AND ACTIVITIES

LifeSpring Church is based in The Pavilion, close to Reading town centre but is a 'cell church' which places a significant emphasis on the support and care we can give each other in small groups. During the week these cells (or LifeGroups) meet in a variety of locations across Reading and we currently have about twenty-five LifeGroups for men, women, youth and children.

We continue to cater for all ages, with groups ranging from Mother and Toddler to the weekly Over-60s lunch at Café 12, all reaching out and providing valuable support for the local community. Whilst many of these activities have been limited by the restrictions of Coronavirus regulations, they have continued as far as possible in an adapted form. Further afield, the Church continues to assist a number of Churches, ministries and missionaries overseas, particularly in Africa with financial, prayer and practical support.

The Directors confirm that they have referred to the Charity Commission's guidance on public benefit when reviewing the charity's aims and objectives, in planning future activities, and in setting the policies for the year.

ACHIEVEMENTS AND PERFORMANCE

There is no doubt that Covid-19 has had a significant impact on the work of the church, but the effect has very much been adaption to the way things are done, rather than any wholesale ceasing of the activities.

2020 had begun with the expectation that this would be our busiest year yet for external event hire and the building bookings for January to March 2020 bore this out. The changes in regulation and guidance meant that the activities within the Pavilion building either ceased entirely or were severely curtailed and that has been the case for the remainder of the year. Revenue from hires was a significant income item supporting the planned work of the church, but judicious use of furlough to reduce people costs and taking all appropriate economic support from central government has mitigated this impact to the point where it has not been a factor in prudent financial management during the year.

The ministries of the church, from Sunday services to children's work moved largely online after March but throughout the year, as the regulations varied, we have tried to make as much use of the building as possible within the limits of the law and guidance. Post-July, support groups such as AA and Recovery group were allowed to meet – and continued to do so throughout the remainder of 2020. Limitations on activities for under-18s also became less stringent and youth activities have been taking place at the Pavilion for much of the second half of 2020.

Café 12 has only been able to open sporadically throughout 2020, depending on the various stages of lockdown. This has not by any means meant that the work ceased, since even when unable to open as a café, this moved onto the steps of the Pavilion, providing free hot drinks together with a listening ear to those passing and making it a key opportunity to offer support directly to the local community. Other community work has also continued, adapting to the needs and restrictions throughout, a good example being the Over-60s lunch that became a delivery service each week, providing a hot meal and sense of community to a vulnerable group that that might otherwise have been isolated. Some of these adaptations have been so successful, it is planned that they will continue once restrictions are lifted.

Overall, God has shown his provision in 2020 which has been a challenging, but successful year where LifeSpring has shown that it can adapt and flourish even in difficult circumstances.

LIFESPRING'S ORGANISATIONAL STRUCTURE AND MANAGEMENT

A number of organisational changes took place during 2020 with both Kim Wheeler and Richard Matthews stepping down as directors and trustees. We are extremely grateful for their valuable support and hard work over the years they were active in this role.

The organisational structure consists of:

Directors/Trustees:	(see above) - responsible for management of the charity.
Church Leaders:	
▪	Neville* Hollands*
▪	Jackie* Hollands*
▪	Jamie Burnham
▪	Heather Herring
▪	James Hollands*
▪	Jon Hollands
▪	Craig Lawrence
Events Manager:	Mckensy Gardner
Charity Bookkeeper:	Marion Shepherd*
Communications Manager:	James Hollands*
Treasurer:	Luke Ellis

LIFESPING CHURCH

DIRECTORS REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

Youth Work:	Dan Hollands (on sabbatical)* James Hollands* Katherine Hollands (on sabbatical)* Tamlyn Quirk*
Community Team Leader:	Jackie Jackson*
Door of Hope Managers:	Jim Herring* Heather Herring*

* = employed, either full or part-time

POST BALANCE SHEET EVENTS (COVID-19)

The Directors have reviewed the 2020 accounts in light of the ongoing COVID-19 pandemic, which is a non-adjusting post balance sheet event for LifeSpring Church. Whilst government restrictions have limited the Pavilion building as a place of worship, Café and events venue for much of the period since March 2020, we believe we have taken prudent steps to manage the loss of income resulting. The level of giving through direct bank transfer has not reduced markedly from the equivalent period in previous years and we have taken advantage of all appropriate government support, including government grants, loans and appropriate furloughing of employees. As of the signature date of these accounts, we continue to have sufficient reserves to cover anticipated expenses for the foreseeable future and as a result believe that LifeSpring Church remains a going concern.

FINANCIAL REVIEW

Any funds in deficit, reasons and any action being taken

The Church had an accounting deficit of £91,448 in 2020 (compared to a deficit of £45,514 in 2019), much of this is due to an accounting charge of £67,945 to reflect diminishing value of capital refurbishment of the Pavilion. However the church's finances at the end of 2020 remain healthy and we finished the 2020 year with a total cash balance of £110,798.

POLICIES

Reserves

At the balance sheet date the charitable company unrestricted free reserves totalled: £ 1,477,867

The Directors have considered the level of reserves they wish to retain, appropriate to the charity's needs. This is based on the charity's size and the level of financial commitments held. The Directors aim to ensure the charity will be able to continue to fulfil its charitable objectives even if there is a temporary shortfall in income or unexpected expenditure. The Directors will endeavour not to set aside funds unnecessarily.

Grant-making

Approximately 10% of the Charity's income is given away to other Christian organisations and individuals recommended by the Leadership Team, both home and abroad.

Investments selection

The Charity does not have a policy to select specific investments apart from for the use of the Charity itself.

Directors Responsibilities

The Charities Act and the Companies Act require the Board of Directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity as at the end of the financial year and of the surplus or deficit of the charity. In preparing those financial statements the Board is required to :-

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements.

The Directors/Directors are also responsible for maintaining adequate accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which are sufficient to show and explain the charity's transactions and enable them to ensure that the financial statements comply with the Companies Act 2006 and comply with regulations made under the Charities Act. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors/ Directors are also responsible for the contents of the Directors' report, and the responsibility of the independent examiner in relation to the Directors' report is limited to examining the report and ensuring that, on the face of the report, there are no inconsistencies with the figures disclosed in the financial statements. These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

Declaration: I declare, in my capacity of Charity Trustee, that:

- the Directors have approved the report above; and
- have authorised me to sign it on their behalf.

Signature: D Cornelius

Full name : Mr David Cornelius Date : 31/08/2021

LIFESPRING CHURCH

STATEMENT OF FINANCIAL ACTIVITIES
(including income and expenditure account)
For The Year Ended 31st December 2020

	Notes	Unrestricted Funds £	Restricted Funds £	TOTAL 2020 £	TOTAL 2019 £
Income					
Donations and legacies	3	387,331	18,621	405,952	438,963
Income from charitable activities	4	40,194	5	40,199	34,233
Income from other trading activities	5	25,950	-	25,950	95,243
Investment income	6	-	-	-	-
Total income		453,475	18,626	472,101	568,439
Expenditure					
Costs of Raising Funds	7a	15,559	-	15,559	31,940
Expenditure on charitable activities	7b	537,363	10,627	547,990	582,013
Total Expenditure		552,922	10,627	563,549	613,953
Net income/expenditure		(99,447)	7,999	(91,448)	(45,514)
Transfers between funds	18	260	(260)	-	-
Net movement in funds		(99,187)	7,739	(91,448)	(45,514)
Reconciliation of funds:					
Total Funds Brought Forward		1,577,054	27,826	1,604,880	1,650,394
Total Funds Carried Forward		1,477,867	35,565	1,513,432	1,604,880

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derives from continuing activities.

LIFESPRING CHURCH
BALANCE SHEET
As At 31 December 2020

Company registration number: 08087254

	Note	Unrestricted Funds £	Restricted Funds £	31-Dec-20 Total £	31-Dec-19 Total £
Fixed Assets					
Tangible assets	14	1,954,998	-	1,954,998	2,022,943
Total fixed assets					
Current Assets					
Debtors	15	-	-	-	1,412
Cash at bank and in hand		75,233	35,565	110,798	82,255
Total Current Assets		75,233	35,565	110,798	83,667
Liabilities					
Creditors: falling due within 1 year	16	52,364	-	52,364	1,730
Net Current assets		22,869	35,565	58,434	81,937
Total assets less current liabilities		1,977,867	35,565	2,013,432	2,104,880
Creditors: amounts falling due after more than 1 year	17	500,000	-	500,000	500,000
Net assets		1,477,867	35,565	1,513,432	1,604,880
Funds of the Charity	19				
Unrestricted income funds		1,477,867	-	1,477,867	1,577,054
Restricted Funds		-	35,565	35,565	27,826
Total Charity Funds		1,477,867	35,565	1,513,432	1,604,880

The directors are satisfied that for the year ended on 31 December 2020 the charitable company was entitled to exemption from the requirement to obtain an audit under section 477 of the Companies Act 2006 and that no member or members have required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Act. However, in accordance with section 145 of the Charities Act 2011, the accounts have been examined by an Independent Examiner whose report appears on page 17.

The directors acknowledge their responsibility for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

The accounts have been prepared in accordance with the provisions in Part 15 of the Companies Act 2006 applicable to companies subject to the small companies regime and in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2015) - (Charities SORP (FRS102)).

The directors acknowledge their responsibility for ensuring that the company keeps proper accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and if its profit and loss for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as applicable to the company.

The notes on pages 8 to 15 form part of these financial statements.

Approved by the Directors on the : 31-Aug-21

Signed on their behalf by Director D Cornelius

Print Name: MR DAVID CORNELIUS

Company Registration Number: 08087254

**LIFESPRING CHURCH
NOTES TO THE FINANCIAL STATEMENTS**

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) Basis of preparation

The accounts have been prepared in accordance with the provisions in Part 15 of the Companies Act 2006 applicable to companies subject to the small companies regime and in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2015) - (Charities SORP (FRS102)).

Advantage has been taken of Section 396(5) of The Companies Act 2006 to allow the format of the financial statements to be adapted to reflect the special nature of the charity's operation and in order to comply with the requirements of the SORP.

Lifespring Church meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost unless otherwise stated in the relevant accounting policy notes.

Preparation of accounts on a going concern basis

Preparation of the accounts is on a going concern basis. The Directors are of the view that the level of reserves will support the charity going forward.

Changes to prior period accounts

There have been no changes to previous accounts.

b) Income

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

c) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank.

d) Fund accounting

Unrestricted funds are available to spend on activities that further any purposes of the charity. Designated funds are unrestricted funds of the charity which the Directors have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity. Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

e) Expenditure

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost 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. Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

f) Allocation of support costs

Support costs include central functions and where material have been allocated to each activity cost category on a basis consistent with the use of resources.

LIFESPRING CHURCH
NOTES TO THE FINANCIAL STATEMENTS

g) Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation. Depreciation is not charged on freehold land.

Depreciation on other tangible fixed assets is provided at rates calculated to write off the cost of those assets, less their estimated residual value, over their expected useful lives on the following basis:

Freehold property	-	0%
Freehold property refurbishment		5% straight line
Plant and machinery	-	25% straight line
Motor vehicles	-	25% straight line
Office equipment	-	25% straight line

Tangible fixed assets for use by the charity are capitalised if they can be used for more than one year, and cost at least £1,500. They are valued at cost or, if gifted, at the value to the charity on receipt.

h) Employee benefits

Short term benefits including holiday pay are recognised as an expense in the period in which the service is received.

i) Operating leases

Rental charges payable under operating leases are charged on a straight line basis over the terms of the lease.

j) Taxation

The charity is exempt from tax on its charitable activities.

2. Legal status of the charity

The charity is a company limited by guarantee and has no share capital. 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.

3. Income from donations and legacies

Donations	Notes	Unrestricted Funds £	Restricted Funds £	TOTAL 2020 £	TOTAL 2019 £
Donations and gifts		277,636	-	277,636	315,303
Special offerings		5,230	8,977	14,207	48,919
Gift aid received		50,621	1,000	51,621	61,768
Grants		53,277	-	53,277	-
Post box		-	5,077	5,077	10,309
Other		567	3,567	4,134	2,664
Total		387,331	18,621	405,952	438,963

4. Income from charitable activities

	Unrestricted Funds £	Restricted Funds £	TOTAL 2020 £	TOTAL 2019 £
Church events, activities and fundraising	912	5	917	2,923
Car Parking	857	-	857	1,724
Youth	130	-	130	1,099
Donated Services (Door of Hope - salary support)	38,295	-	38,295	28,217
Sundry and Miscellaneous	-	-	-	270
Total	40,194	5	40,199	34,233

5. Income from other trading activities

	Unrestricted Funds £	Restricted Funds £	TOTAL 2020 £	TOTAL 2019 £
Letting of property held for functional use	13,669	-	13,669	72,416
Café 12 - trading income	12,281	-	12,281	22,827
Total	25,950	-	25,950	95,243

LIFESPRING CHURCH
NOTES TO THE FINANCIAL STATEMENTS

6. Investment income

	Unrestricted Funds £	Restricted Funds £	TOTAL 2020 £	TOTAL 2019 £
Interest received	-	-	-	-
The investment income arises from money held in interest bearing deposit accounts.	-	-	-	-
Total	-	-	-	-

7a. Cost of raising funds

	Unrestricted Funds £	Restricted Funds £	TOTAL 2020 £	TOTAL 2019 £
Hire and Event expenses	6,898	-	6,898	10,305
Café expenses	8,661	-	8,661	21,635
Total	15,559	-	15,559	31,940

7b. Expenditure on charitable activities

	Notes	Unrestricted Funds £	Restricted Funds £	TOTAL 2020 £	TOTAL 2019 £
Buildings		45,757	1,200	46,957	52,231
Community		1,825	-	1,825	2,453
Depreciation		67,945	-	67,945	67,941
Donated services *	11	70,348	-	70,348	84,384
Employment	10	268,810	-	268,810	278,401
Miscellaneous		484	-	484	2,062
Mission and grants	12	26,578	9,333	35,911	47,928
Office and administration		15,912	94	16,006	15,968
Pastoral, Church and Counselling		34,997	-	34,997	19,949
Youth and children		3,059	-	3,059	7,983
Governance Costs (see note 7c)		1,560	-	1,560	2,593
Support Costs (see note 7c)		88	-	88	120
Total		537,363	10,627	547,990	582,013

* The expenditure on donated services represents £70,348 of mortgage payments paid by Lifespring Church on behalf of Lifespring Trust (2019: £83,368 mortgage payments and £1,016 accountancy fees).

7c) Analysis of governance and support costs

	Support £	Governance £	Total £	Basis of Apportionment
Independent examiners fees	-	1,560	1,560	Actual cost
Professional Fees	88	-	88	Actual cost
	88	1,560	1,648	

LIFESPRIING CHURCH
NOTES TO THE FINANCIAL STATEMENTS

8. Summary analysis of expenditure on charitable activities

This table shows the cost of the main charitable activities including support costs and grant funding to third parties.

Activity or programme	Church activities and community initiatives £	Grant making activities £	Total £
Direct charitable activities	510,431	-	510,431
Charitable grants (note 12)	-	35,911	35,911
Governance costs	1,560	-	1,560
Support costs	88	-	88
	<u>512,079</u>	<u>35,911</u>	<u>547,990</u>

9. Net income/(expenditure) for the year

This is stated after charging:	Unrestricted Funds £	Restricted Funds £	TOTAL 2020 £	TOTAL 2019 £
Depreciation	67,945	-	67,945	67,941
Independent Examiner's remuneration (paid)	-	-	-	1,063
Independent Examiner's remuneration (accrued)	1,560	-	1,560	1,530
	<u>69,505</u>	<u>-</u>	<u>69,505</u>	<u>70,534</u>

10. Analysis of staff costs, trustee remuneration and expenses and the cost of key management personnel

	2020 £	2019 £
Salaries and wages	234,283	238,542
Employers National Insurance Contributions	14,290	17,540
Employers Pension Contributions	17,467	17,553
Expenses and allowances	2,258	4,368
Staff Training Costs	512	397
	<u>268,810</u>	<u>278,400</u>
DOH Contribution to salary costs	(38,295)	(28,217)

Social security costs are shown net of the current HMRC annual employment allowance. No employee had employment benefits in excess of £60,000 (2019 : nil). Pensions are wholly charged to unrestricted funds.

The average head count was 13.5 during this financial year. The number of full-time equivalent employees (including casual and part-time staff) during the year were as follows:

	2020	2019
Charitable activities	6.75	6.75
	<u>6.75</u>	<u>6.75</u>

Trustee and related party transactions

	2020 £	2019 £
Number of Directors who were paid out of income	-	-
Nature of the expense - direct employment	-	-
Nature of the expense - travel allowance	-	-
Number of Related Parties who were paid out of income	-	2
Nature of the expense - related party expenses	-	3,600
Nature of the expense - related party employment and expenses	1,112	1,818
Total amount paid	<u>1,112</u>	<u>5,420</u>

For the 12 months ended 31 December 2020 payments to Directors and Related Parties as disclosed above were as follows:

£1,112 was paid to Spotty Dog Strategy Ltd a company owned by Richard and Catherine Matthews (R Matthews was a Director until 31st December 2020) for training, reimbursement of website domain and an insurance claim for damaged items - note the damaged item was covered by an insurance policy and therefore the cost was recouped by the charity (2019: £1,818 for employee cover during long-term sick absence).

LIFESPRING CHURCH
NOTES TO THE FINANCIAL STATEMENTS

No payments were made to K Hollands. (2019: £3,600 was paid to Katharine Hollands, a related party to one of the Church Leaders, to support a missions trip in Armenia Colombia whilst on sabbatical for 2020 with her family.)

These payments were in accordance with the charitable company governing document.

No other payments were made to Directors or any persons connected with them during this financial period. No material transaction took place between the organisation and a Director or any person connected with them. There were no outstanding balances with related parties as at 31 December 2020.

The key management personnel of the charity comprise the Directors and Church Leaders. No Directors received remuneration. The total employee benefits (including employer national insurance and employer pension contributions) of key management personnel of the charity were £104,068 (2019: £123,517, note the Centre Manager was also considered key management personnel for the first quarter of 2019 only and payments to them are also included in the 2019 figure). The Church paid an annual life assurance policy in 2020 costing £893 which includes covers all staff members. It is not possible to calculate the amounts relating specifically to each staff member, thus it is disclosed here for transparency purposes only.

Six directors donated an aggregate amount of £38,296 (2019: £39,491) to Lifespring Church during this financial year.

The charity operates a government backed defined contribution pension scheme. Contributions are charged to the Statement of Financial Activities as they become payable in accordance with the rules of the scheme. The charity is under no further obligation to make any extra payments irrespective of how that pension fund performs.

11. Donated Services

On the 1st November 2012 all activities from Lifespring Trust (registered charity number 296276) started to be transferred to Lifespring Church.

In 2013 the first transfer comprised the newly purchased property asset 'The Pavilion', Reading. In 2014 all other activity bar that of the project 'Door of Hope', was transferred.

In this financial year the following transactions between the two entities have been recorded:

Lifespring Trust paid salary support payments to Lifespring Church

Donated Services - Received

£	38,295
£	38,295

Lifespring Church paid mortgage support payments on behalf of Lifespring Trust

Donated Services - Paid

(70,348)
(70,348)

LIFESPRING CHURCH
NOTES TO THE FINANCIAL STATEMENTS

12. Grants

	Unrestricted Funds £	Restricted Funds £	TOTAL 2020 £	TOTAL 2019 £
Gifts and grants to individuals over £1,000:				
Spirit Connect - J & C Noble	1,200	-	1,200	1,200
Mozambique - Tracey	3,000	-	3,000	3,000
Uganda - Pastor Fred	4,146	-	4,146	7,503
Sudan - Manny Sharland	-	-	-	-
Pastor Caesar	2,100	-	2,100	-
Post box out (gifts and grants under £1,000)	-	5,127	5,127	16,399
Total	8,346	5,127	15,573	28,102
Ministry support grants and activities:				
LifeSpring mission	-	-	-	-
Faith Christian Group	3,600	-	3,600	3,600
Lifeline	100	-	100	600
G12 Gifts	-	1,800	1,800	5,000
Reading RCN	600	-	600	600
K Sullivan	2,500	-	2,500	1,000
Poor Fund	7,837	-	7,837	430
Gifts - other	545	-	545	2,396
Little Lambs	450	-	450	600
K & D Hollands Ministry Trip 2020	-	-	-	3,600
International Apostolic House of Prayer Missions	-	2,406	2,406	1,000
Rahab via Mustard Tree	-	-	-	1,000
Christian Community Action	500	-	500	-
Total	15,632	4,206	20,338	19,826
Total gifts and grants	23,978	9,333	35,911	47,928

13. Corporation tax

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.

14. Tangible fixed assets

	Freehold Property Restricted £	Freehold Property Restricted -refurbish. £	Freehold Property General -refurbish. £	Freehold Property General Title No: BK111153 £	Total £
Cost:					
As at 1st January 2020	-	-	1,359,303	1,024,843	2,384,146
Additions	-	-	-	-	-
Transfer between funds	-	-	-	-	-
As at 31 December 2020	-	-	1,359,303	1,024,843	2,384,146
Depreciation:					
As at 1st January 2020	-	-	361,203	-	361,203
Charge for the year	-	-	67,945	-	67,945
Transfer between funds	-	-	-	-	-
As at 31 December 2020	-	-	429,148	-	429,148
Net book value:					
As at 1 January 2020	-	-	998,100	1,024,843	2,022,943
As at 31 December 2020	-	-	930,155	1,024,843	1,954,998

**LIFESPRING CHURCH
NOTES TO THE FINANCIAL STATEMENTS**

15. Debtors & prepayments

	31.12.2020 £	31.12.2019 £
Trade Debtors	-	1,412
	<u>-</u>	<u>1,412</u>

16. Creditors: amounts falling due within 1 year

	31.12.2020 £	31.12.2019 £
Bounce Back Loan	50,000	-
Independent Examiners Fees	1,560	1,530
Other Creditors	604	-
Refundable Deposit	200	200
	<u>52,364</u>	<u>1,730</u>

17. Creditors: amounts falling due in more than 1 year

	31.12.2020 £	31.12.2019 £
Private Member Loans	500,000	500,000
	<u>500,000</u>	<u>500,000</u>

The Private Member Loans were received in 2016, are unsecured, interest free and repayable within a maximum 12 year period.

18. Analysis of charitable funds

Analysis of movements in unrestricted funds:

General fund

The free reserves of the charity after allowing for all designated funds.

	2020	2019
Balance at 1st January	1,577,054	1,632,115
Income	453,475	513,005
Expenditure	(552,922)	(592,269)
Transfers between funds	260	24,203
Movement in funds	<u>(99,187)</u>	<u>(55,061)</u>

Total general reserves at 31st December

£	1,477,867	£	1,577,054
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Analysis of movements in restricted funds:

Building fund - ongoing expenses

This fund is restricted giving for the ongoing expenses of the new building project where the church meets.

		2020	2019
Capital:	Note		
Balance at 1st January		27,826	18,279
Income		12,039	40,975
Expenditure - fixed assets	14	0	(12,394)
Expenditure		(4,020)	(1,135)
Transfer between funds		<u>(280)</u>	<u>(17,899)</u>
Movement in funds		7,739	9,547
Balance as at 31st December		£ 35,565	£ 27,826

The balance at 31st December shown above, is wholly represented by the funds held in the Pavilion Capital bank account.

The transfer figure of £280 represents £1,250 transferred from Pavilion Tithes to Café 12 to assist during the Covid-19 pandemic (as agreed with the donors) minus £970 gift aid transferred into the Building Fund from general funds.

	£
Transfer in	970
Transfer out	<u>(1,250)</u>
Net Transfers	<u><u>(280)</u></u>

LIFESPRING CHURCH
NOTES TO THE FINANCIAL STATEMENTS

Post Box fund

This is a holding account for making transfers between funds.

	2020	2019
Balance at 1st January	-	-
Income	4,807	10,309
Expenditure	(4,807)	(16,399)
Transfer to/(from) general funds	-	6,090
Movement in funds	-	-
Balance as at 31st December	£ -	£ -

Other restricted reserves

This fund receives and expends other restricted and special offering income of the charity:

	2020	2019
Balance at 1st January	-	-
Income	1,780	4,150
Expenditure	(1,800)	(4,150)
Transfer to/(from) general funds	20	-
Movement in funds	-	-
Balance as at 31st December	£ -	£ -

The transfer figure of £20 represents a transfer from general funds to cover a shortfall.

Total restricted reserves at 31st December

£	35,565	£	27,826
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19. Analysis of net assets between funds

	General Fund £	Designated Reserves £	Restricted Reserves £	TOTAL 31.12.2020 £
Fixed assets:	1,954,998	-	-	1,954,998
Net current assets:				
General	22,869	-	-	22,869
Building fund - ongoing expenses	-	-	35,565	35,565
Post Box fund	-	-	-	-
Long term liabilities:				
General	(500,000)			(500,000)
	<u>1,477,867</u>	<u>-</u>	<u>35,565</u>	<u>1,513,432</u>

20. Café 12

In April 2016 Café 12 (the community cafe based at the Pavilion) opened its own bank account. Prior to this, all Café 12 activity passed through Citylife Community Projects bank account, registered charity number 1117112. As Lifespring Church is the largest user of Café 12, the decision was taken in 2016 by the Trustees, to include the results of Cafe 12 within the financial statements of Lifespring Church.

LIFESPRING CHURCH
STATEMENT OF CASHFLOWS
FOR THE YEAR ENDING 31ST DECEMBER 2020

		2020 £	2019 £
Cash used in operating activities	(a)	<u>28,543</u>	<u>29,752</u>
Cash used from investing activities			
Interest income		-	-
Purchase of tangible fixed assets		-	(12,394)
Cash provided by (used in) investing activities		<u>-</u>	<u>(12,394)</u>
Cash flows from financing activities			
Introduction/(Repayment) of long term borrowing		-	-
Cash used in financing activities		<u>-</u>	<u>-</u>
Increase/(decrease) in cash and cash equivalents in the year		<u>28,543</u>	<u>17,358</u>
Cash and cash equivalents at the start of the year		82,255	64,897
TOTAL cash and cash equivalents at the end of the year	(b)	<u>110,798</u>	<u>82,255</u>

(a) Reconciliation of net movement in funds to net cash flow from operating activities

	2020 £	2019 £
Net movement in funds	(91,448)	(45,514)
Add back depreciation charge	67,945	67,940
Deduct interest income shown in investing activities	-	-
Decrease/(increase) in debtors	1,412	5,796
Increase/(decrease) in creditors	50,634	1,530
Net cash used in operating activities	<u>28,543</u>	<u>29,752</u>

(b) Analysis of cash and cash equivalents

	2020 £	2019 £
Cash at bank and in hand	110,798	82,255
Fixed Term Bond	-	-
Total cash and cash equivalents	<u>110,798</u>	<u>82,255</u>

INDEPENDENT EXAMINER'S REPORT ON THE ACCOUNTS

I report to the Directors on my examination of the accounts of the above charity for the year ended 31 December 2020.

As the charity's Directors (who are also the directors of the company for the purposes of company law), you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ("the Act").

Responsibilities and basis of report

I report in respect of my examination of the Charity's accounts carried out under section 145 of the 2011 Act and in carrying out my examination, I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a fellow member of the Association of Charity Independent Examiners.

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination which gives me cause to believe that in, any material respect:

- the accounting records were not kept in accordance with section 130 of the Charities Act; or
- the accounts did not accord with the accounting records; or
- the accounts did not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 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.

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.

Signed: J Irvinesmith FCIE

Date: 8th September 2021

Independent Examiners Ltd
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