

**ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2021**

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 2021

REFERENCE AND ADMINISTRATIVE DETAILS:

REGISTERED CHARITY NUMBER 1148013

REGISTERED COMPANY NUMBER 08087254

START OF FINANCIAL YEAR 1st January 2021

END OF FINANCIAL YEAR 31st December 2021

**DIRECTORS AT 31ST DECEMBER 2021
(also Trustees under charity law)** Mr David Cornelius - Chairman
Mr Luke Ellis
Mrs Catherine Peirce
Ms Elizabeth Monger (appointed 9th June 2021)
Mr Oluwasegun Olojo-Kosoko (appointed 11th July 2021)
Mrs June Bugenyi (resigned 9th February 2022)

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 2021

The Directors are pleased to present their annual directors' report together with the financial statements of the charity for the year ending 31 December 2021 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 had been limited by the restrictions of Coronavirus regulations, they continued as far as possible in an adapted form and with easing of restrictions have returned to pre-Covid activity levels. 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 had very much been adaption to the way things are done, rather than any wholesale ceasing of the activities and a number of things introduced as a result of Covid-19 restrictions have continued, since they have enhanced the reach and impact of the church.

2021 had begun with the expectation that the restrictions would gradually ease and despite some changes the general stability of the regulations meant that it was possible. Activities within the Pavilion building began after appropriate risk assessments, culminating in the Sunday service being in-person as well as online. Revenue from hires remained low, but the 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.

Café 12 was also able to open in line with the Government guidance and the free drinks on the Pavilion steps continued as due to its success in providing a listening ear to those passing and to the local community. Other community work has also continued, adapting to the needs and restrictions throughout and as expected, some of these adaptations have been so successful they have continued once restrictions were lifted.

Overall, God has shown his provision in 2021 which has been a challenging, but still successful year where LifeSpring has continued to show that it can adapt and flourish even in difficult circumstances.

LIFESPRING'S ORGANISATIONAL STRUCTURE AND MANAGEMENT

A number of organisational changes took place during 2021 with Liz Monger and Segun Olojo-Kosoko joining as directors and trustees. We are extremely grateful for valuable support and hard work that they bring to the team. Dan and Katharine Hollands returned from their year in Columbia at the beginning of 2021, deciding that they would not be returning to their positions after their sabbatical and Tamlyn Quirk agreed to remain on whilst the church reviewed what was the appropriate way forward for the children's ministry. We are very grateful to Tamlyn, Dan and Katharine all the time and dedication in overseeing this important ministry. We were very pleased to appoint Sarah Lawrence as the new permanent Junior Church Overseer in August.

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

LIFESPRING CHURCH

DIRECTORS REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

Youth Work: James Hollands*
Sarah Lawrence*
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 2021 accounts in light of the easing and opening up of life from the COVID-19 pandemic and are of the view that this is a non-adjusting post balance sheet event for LifeSpring Church. Whilst government restrictions had placed some limitations on the Pavilion building as a place of worship, Café and events venue, the prudent steps taken to manage the loss of income resulting and the continued level of giving through direct bank transfer has meant that income and expenditure remain in comfortable balance. 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 surplus of £51,735 in 2021 (compared to a deficit of £73,207 in 2020), much of the deficit in 2020 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 2021 remain healthy and we finished the 2021 year with a total cash balance of £174,325.

POLICIES

Reserves

At the balance sheet date the charitable company unrestricted free reserves totalled: £ 1,532,120
This excludes £19,219 which has been ringfenced by the Trustees as unrestricted designated funds.

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 :** 22/09/22



LIFESPRING CHURCH

STATEMENT OF FINANCIAL ACTIVITIES
(including income and expenditure account)
For The Year Ended 31st December 2021

	Notes	Unrestricted Funds £	Designated Funds £	Restricted Funds £	TOTAL 2021 £	Restated TOTAL 2020 £
Income						
Donations and legacies	3	429,112	6,654	8,867	444,633	405,952
Income from charitable activities	4	44,878	-	-	44,878	40,199
Income from other trading activities	5	24,425	-	-	24,425	25,950
Investment income	6	1	-	-	1	-
Total income		498,416	6,654	8,867	513,937	472,101
Expenditure						
Costs of Raising Funds	7a	14,752	-	-	14,752	15,559
Expenditure on charitable activities	7b	445,047	3	2,400	447,450	529,749
Total Expenditure		459,799	3	2,400	462,202	545,308
Net income/(expenditure)		38,617	6,651	6,467	51,735	(73,207)
Transfers between funds	18	(2,605)	12,568	(9,963)	-	-
Net movement in funds		36,012	19,219	(3,496)	51,735	(73,207)
Reconciliation of funds:						
Total Funds Brought Forward		1,496,108	-	35,565	1,531,673	1,604,880
Total Funds Carried Forward		1,532,120	19,219	32,069	1,583,408	1,531,673

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 2021

Company registration number: 08087254

	Note	Unrestricted Funds £	Designated Funds £	Restricted Funds £	31-Dec-21 Total £	Restated 31-Dec-20 Total £
Fixed Assets						
Tangible assets	14	1,907,048	-	-	1,907,048	1,973,239
Total fixed assets						
Current Assets						
Debtors	15	3,945	-	-	3,945	-
Cash at bank and in hand		123,037	19,219	32,069	174,325	110,798
Total Current Assets		126,982	19,219	32,069	178,270	110,798
Liabilities						
Creditors: falling due within 1 year	16	1,910	-	-	1,910	52,364
Net Current assets		125,072	19,219	32,069	176,360	58,434
Total assets less current liabilities		2,032,120	19,219	32,069	2,083,408	2,031,673
Creditors: amounts falling due after more than 1 year	17	500,000	-	-	500,000	500,000
Net assets		1,532,120	19,219	32,069	1,583,408	1,531,673
Funds of the Charity	19					
Unrestricted income funds		1,532,120	-	-	1,532,120	1,496,108
Restricted Funds		-	19,219	32,069	51,288	35,565
Total Charity Funds		1,532,120	19,219	32,069	1,583,408	1,531,673

The directors are satisfied that for the year ended on 31 December 2021 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 : 22/09/22

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

The previous accounts have been restated for the following reason:

Fixed assets purchased totalling £20,733.77 were not capitalised to the Fixed Asset Register in financial year end 31st December 2020 and instead were written off in year as expenditure. In accordance with the Church fixed asset accounting policy 1.g), a correction has been made to the 2020 figures to capitalise the assets and reflect the correct position. Relevant depreciation of those fixed assets of £2,492.65 has also been charged to the financial year ended 31st December 2020.

The overall effect on reserves is

	As originally stated 31-Dec-20	As restated 31-Dec-20
	£	£
Net expenditure	(91,448)	(73,207)
Net assets	1,513,432	1,531,673

There have been no other 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 £	Designated Funds £	Restricted Funds £	TOTAL 2021 £	TOTAL 2020 £
Donations and gifts		313,573	6,654	80	320,307	277,636
Special offerings		971	-	6,499	7,470	14,207
Gift aid received		57,731	-	-	57,731	51,621
Grants		50,583	-	-	50,583	53,277
Post box		-	-	2,288	2,288	5,077
Other		6,254	-	-	6,254	4,134
Total		429,112	6,654	8,867	444,633	405,952

4. Income from charitable activities

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	TOTAL 2021 £	TOTAL 2020 £
Church events, activities and fundraising	4,988	-	-	4,988	917
Car Parking	561	-	-	561	857
Youth	218	-	-	218	130
Donated Services (Door of Hope - salary support)	39,111	-	-	39,111	38,295
Total	44,878	-	-	44,878	40,199

5. Income from other trading activities

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	TOTAL 2021 £	TOTAL 2020 £
Letting of property held for functional use	10,757	-	-	10,757	13,669
Café 12 - trading income	13,668	-	-	13,668	12,281
Total	24,425	-	-	24,425	25,950

LIFESPRING CHURCH
NOTES TO THE FINANCIAL STATEMENTS

6. Investment income

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	TOTAL 2021 £	TOTAL 2020 £
Interest received	1	-	-	1	-
Total	1	-	-	1	-

The investment income arises from money held in interest bearing deposit accounts.

7a. Cost of raising funds

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	TOTAL 2021 £	TOTAL 2020 £
Hire and Event expenses	3,824	-	-	3,824	6,898
Café expenses	10,928	-	-	10,928	8,661
Total	14,752	-	-	14,752	15,559

7b. Expenditure on charitable activities

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	TOTAL 2021 £	Restated TOTAL 2020 £
Notes					
Buildings	47,806	-	-	47,806	46,957
Community	4,266	-	-	4,266	1,825
Depreciation	73,848	-	-	73,848	70,438
Donated services *	11	-	-	-	70,348
Employment	10	272,656	-	272,656	268,810
Gifts and Donations	1,250	-	-	1,250	-
Miscellaneous	610	-	-	610	484
Mission and grants	12	17,339	2,288	19,627	35,911
Office and administration	13,898	3	112	14,013	16,006
Pastoral, Church and Counselling	8,076	-	-	8,076	14,263
Youth and children	3,424	-	-	3,424	3,059
Governance Costs (see note 7c)	1,500	-	-	1,500	1,560
Support Costs (see note 7c)	374	-	-	374	88
Total	445,047	3	2,400	447,450	529,749

* The expenditure on donated services in 2020 represents £70,348 of mortgage payments paid by Lifespring Church on behalf of Lifespring Trust.

7c) Analysis of governance and support costs

	Support £	Governance £	Total £	Basis of Apportionment
Independent examiners fees	-	1,500	1,500	Actual cost
Professional Fees	374	-	374	Actual cost
	374	1,500	1,874	

LIFESPRING 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	425,949	-	425,949
Charitable grants (note 12)	-	19,627	19,627
Governance costs	1,500	-	1,500
Support costs	374	-	374
	427,823	19,627	447,450

9. Net income/(expenditure) for the year

This is stated after charging:	Unrestricted Funds £	Restricted Funds £	TOTAL 2021 £	TOTAL 2020 £
Depreciation	73,848	-	73,848	67,945
Independent Examiner's remuneration	1,500	-	1,500	1,560
	75,348	-	75,348	69,505

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

	2021 £	2020 £
Salaries and wages	237,068	233,221
Employers National Insurance Contributions	13,866	14,290
Employers Pension Contributions	17,961	17,467
Expenses and allowances	2,575	2,258
Staff Training Costs	66	512
Payroll Processing Fees	1,120	1,062
	272,656	268,810
DOH Contribution to salary costs	(39,111)	(38,295)

Social security costs are shown net of the current HMRC annual employment allowance. No employee had employment benefits in excess of £60,000 (2020 : nil). Pensions are wholly charged to unrestricted funds.

The average head count was 15 during this financial year (2020: 13.5). The number of full-time equivalent employees (including casual and part-time staff) during the year were as follows:

	2021	2020
Area employed in: Charitable activities	7.50	6.75
	7.50	6.75

Trustee and related party transactions

In the period the charity has paid remuneration to trustees and related parties to trustees for services supplied to the Church as follows:

Name	Legal Authority	Amounts paid or benefit value		
		Remuneration	2021 Total	2020 Total
		£	£	£
Mrs E Monger (Trustee)	Governing document	3,298	3,298	-
Spotty Dog Strategy (Related Party)	Normal commercial terms	-	-	1,112
		3,298	3,298	1,112

For the 12 months ended 31 December 2021 payments to Directors and Related Parties as disclosed above were as follows:

One Director received remuneration of £3,298 for their role as cafe 12 assistant (2020: £Nil)

**LIFESPRING CHURCH
NOTES TO THE FINANCIAL STATEMENTS**

No payments were paid to related parties in 2021 (2020: £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).

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 2021.

The key management personnel of the charity comprise the Directors and Church Leaders. The total employee benefits (including employer national insurance and employer pension contributions) of key management personnel of the charity were £108,890 (2020: £104,068). The Church paid an annual life assurance policy in 2021 costing £1,131 (2020: £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.

Five directors donated an aggregate amount of £34,993 (2020: Six Directors; £38,296) 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. In 2021 the charity paid employer contributions of £15,561 (2020: £15,267) into that scheme. The charity also paid £2,400 (2020: £2,200) employer contributions into an Aviva personal pension scheme on behalf of one member of key management personnel.

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

£	39,111
£	<u>39,111</u>

LIFESPRING CHURCH
NOTES TO THE FINANCIAL STATEMENTS

12. Grants

	Unrestricted Funds £	Restricted Funds £	TOTAL 2021 £	TOTAL 2020 £
Gifts and grants to individuals over £1,000:				
Spirit Connect - J & C Noble	1,200	-	1,200	1,200
Mozambique - Tracey	4,600	-	4,600	3,000
Uganda - Pastor Fred	2,900	-	2,900	4,146
Pastor Caesar	-	-	-	2,100
Post box out (gifts and grants under £1,000)	-	2,288	2,288	5,127
Total	8,700	2,288	10,988	15,573
Ministry support grants and activities:				
LifeSpring mission	-	-	-	-
Faith Christian Group	3,600	-	3,600	3,600
Lifeline	400	-	400	100
G12 Gifts	-	-	-	1,800
Reading RCN	1,550	-	1,550	600
K Sullivan	2,500	-	2,500	2,500
Poor Fund	589	-	589	7,837
Gifts - other	-	-	-	545
Little Lambs	-	-	-	450
International Apostolic House of Prayer Missions	-	-	-	2,406
Christian Community Action	-	-	-	500
Total	8,639	-	8,639	20,338
Total gifts and grants	17,339	2,288	19,627	35,911

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

	Equipment General £	Freehold Property Restricted -refurbish. £	Freehold Property General -refurbish. £	Freehold Property General Title No: BK111153 £	Total £
Cost:					
As at 1st January 2021 (Restated)	20,734	-	1,359,303	1,024,843	2,404,880
Additions	7,657	-	-	-	7,657
Transfer between funds	-	-	-	-	-
As at 31 December 2021	28,391	-	1,359,303	1,024,843	2,412,537
Depreciation:					
As at 1st January 2021 (Restated)	2,493	-	429,148	-	431,641
Charge for the year	5,907	-	67,941	-	73,848
Transfer between funds	-	-	-	-	-
As at 31 December 2021	8,400	-	497,089	-	505,489
Net book value:					
As at 1 January 2021 (Restated)	18,241	-	930,155	1,024,843	1,973,239
As at 31 December 2021	19,991	-	862,214	1,024,843	1,907,048

LIFESPRING CHURCH
NOTES TO THE FINANCIAL STATEMENTS

15. Debtors & prepayments

	31.12.2021 £	31.12.2020 £
Trade Debtors	3,945	-
	<u>3,945</u>	<u>-</u>

16. Creditors: amounts falling due within 1 year

	31.12.2021 £	31.12.2020 £
Bounce Back Loan	-	50,000
Independent Examiners Fees	1,710	1,560
Other Creditors	-	604
Refundable Deposit	200	200
	<u>1,910</u>	<u>52,364</u>

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

	31.12.2021 £	31.12.2020 £
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.

	2021	2020
Balance at 1st January	1,496,108	1,577,054
Income	498,416	453,475
Expenditure	(459,799)	(534,681)
Transfers between funds	(2,605)	260
Movement in funds	<u>36,012</u>	<u>(80,946)</u>
Balance at 31st December	£ 1,532,120	£ 1,496,108

Designated Circle fund

This is a designated fund for raising funds to help pay off the Member Loan

	2021	2020
Balance at 1st January	-	-
Income	6,654	-
Expenditure	(3)	-
Transfers between funds	<u>12,568</u>	<u>-</u>
Movement in funds	19,219	-
Balance at 31st December	£ 19,219	-

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

Total unrestricted reserves at 31st December

£	1,551,339	£	1,496,108
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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.

		2021	2020
Capital:	Note		
Balance at 1st January		35,565	27,826
Income		6,579	12,039
Expenditure - fixed assets	14	-	-
Expenditure		(112)	(4,020)
Transfer between funds		<u>(9,963)</u>	<u>(280)</u>
Movement in funds		(3,496)	7,739
Balance as at 31st December		£ 32,069	£ 35,565

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

LIFESPRING CHURCH
NOTES TO THE FINANCIAL STATEMENTS

Building fund - ongoing expenses (continued)

The transfer figure of £9,963 in the building fund represents £5,000 transferred from Pavilion Tithes to Café 12 to assist during the Covid-19 pandemic (as agreed with donors) plus £5,050 transferred from Pavilion Tithes to Member Loan Repayment Account to help raise funds to pay off the loan minus £87 gift aid transferred into the Building Fund from general funds. (2020: 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).

	2021	2020
	£	£
Transfer in	87	970
Transfer out	(10,050)	(1,250)
Net Transfers	<u>(9,963)</u>	<u>(280)</u>

Post Box fund

This is a holding account for making transfers between funds.

	2021	2020
Balance at 1st January	-	-
Income	2,288	4,807
Expenditure	(2,288)	(4,807)
Transfer to/(from) general funds	-	-
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:

	2021	2020
Balance at 1st January	-	-
Income	-	1,780
Expenditure	-	(1,800)
Transfer to/(from) general funds	-	20
Movement in funds	-	-
Balance as at 31st December	£ -	£ -

The transfer figure of £20 in 2020 represents a transfer from general funds to cover a shortfall.

Total restricted reserves at 31st December

£	32,069	£	35,565
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19. Analysis of net assets between funds

	General Fund £	Designated Reserves £	Restricted Reserves £	TOTAL 31.12.2021 £
Fixed assets:	1,907,048	-	-	1,907,048
Net current assets:				
Unrestricted - general	125,072	-	-	125,072
Unrestricted - designated	-	19,219	-	19,219
Building fund - ongoing expenses	-	-	32,069	32,069
General	(500,000)	-	-	(500,000)
	<u>1,532,120</u>	<u>19,219</u>	<u>32,069</u>	<u>1,583,408</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 Café 12 within the financial statements of Lifespring Church.

LIFESPRING CHURCH
STATEMENT OF CASHFLOWS
FOR THE YEAR ENDING 31ST DECEMBER 2021

		2021 £	2020 £
Cash used in operating activities	(a)	<u>71,183</u>	<u>49,277</u>
Cash used from investing activities			
Interest income		1	-
Purchase of tangible fixed assets		(7,657)	(20,734)
Cash provided by (used in) investing activities		<u>(7,656)</u>	<u>(20,734)</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>63,527</u>	<u>28,543</u>
Cash and cash equivalents at the start of the year		110,798	82,255
TOTAL cash and cash equivalents at the end of the year	(b)	<u>174,325</u>	<u>110,798</u>

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

	2021 £	2020 £
Net movement in funds	51,735	(73,207)
Add back depreciation charge	73,848	70,438
Deduct interest income shown in investing activities	(1)	-
Decrease/(increase) in debtors	(3,945)	1,412
Increase/(decrease) in creditors	(50,454)	50,634
Net cash used in operating activities	<u>71,183</u>	<u>49,277</u>

(b) Analysis of cash and cash equivalents

	2021 £	2020 £
Cash at bank and in hand	174,325	110,798
Fixed Term Bond	-	-
Total cash and cash equivalents	<u>174,325</u>	<u>110,798</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 2021.

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 Irvin Smith FCIE

Date: 23 September 2022

Independent Examiners Ltd
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