
LIFESPRING

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2020

LIFESPRING

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REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 AUGUST 2020

Trustees

Mr Philip Brewer
Mr Keith Brooks
Mr Jonathan Brydon
Mrs Joanna McCulloch (resigned 5 October 2020)
Mr Sean Potter (resigned 24 November 2020)
Mr Andrew Robinson
Michaela Sargeant
Mr Matthew Straughton

Charity registered number

1160962

Principal office

Jubilee House
Worthing Road
Southwater
West Sussex
RH13 9JB

Independent auditors

Baldwin Scofield Ltd
Chartered Accountants
Statutory auditors
3 Newhouse Business Centre
Old Crawley Road
Horsham
West Sussex
RH12 4RU

Bankers

HSBC Plc
6 West Street
Horsham
West Sussex
RH12 1PE

Scottish Widows Bank
67 Morrison Street
Edinburgh
EH3 8YJ

Solicitors

Anthony Collins Solicitors LLP
134 Edmund Street
Birmingham
B3 2ES

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TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2020

The Trustees present their annual report together with the audited financial statements of the charity for the 1 September 2019 to 31 August 2020.

Objectives and activities

- **Policies and objectives**

Objects

The Object of the CIO is, for the public benefit, the advancement of the Christian faith in accordance with the Statement of Faith in Horsham, West Sussex and in such other parts of the United Kingdom and the world as the charity trustees may from time to time decide.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

- **Strategies for achieving objectives**

Our Vision

'Love God, Love People, Love Horsham' is the updated vision statement for Lifespring launched in January 2019 to reflect that we are a community of people from every walk of life who are shaped by the love and presence of God. Our passion is to see every individual, whatever their age or social standing, knowing their individual identity, living to their full potential and expressing the love, joy and power of God's kingdom wherever they are.

How our vision delivers value to the public

The Trustees have considered the Charity Commission's guidance on providing public benefit. For us, the Christian faith is not just about words, but also about action. So, our faith needs an outward expression – most notably in loving other people and caring holistically for their well-being, reflecting a God who loves wholly and unconditionally. The services we provide are of benefit to those who access them, regardless of whether they go on to become Christians themselves. We believe that providing such services are of benefit to the individual and to society.

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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

Objectives and activities (continued)

• Activities for achieving objectives

Worship and Teaching

Worshipping God is an integral part of Christianity and a focal point to corporate gatherings. We are passionate about educating our members and visitors in theology and the practical outworking of the Christian faith.

Evangelism

We believe that the gospel of Jesus Christ is good news for our friends, family, neighbours, community, country and our world. As evangelical Christians, we are passionate about sharing that with everyone in an unpressured way. We are keen to see others come into relationship with Christ and so our evangelism plays an integral part in church life.

Pastoral Care

We believe that, as a church family, we are called to live life together, actively promoting each other's well-being and spiritual growth. So, we encourage our members to meet regularly in each other's homes. We know too that Christianity is a continual journey and try to address the life controlling pastoral needs of those in our church community through activities and courses.

As a multi-generational church, we want to ensure that every member or guest – no matter their age or family make-up – is valued and encouraged to grow in their Christian faith. So, we hold a number of events and activities, including:

- A mum and toddlers group.
- Children – groups for all ages up to year 6.
- Youth – a range of activities aimed at school years 7 to 13.

Lifespring also offer the following activities and courses that are available to members and the local community as required:

- A children's after-school club.
- Parenting Children Course.
- Parenting Teenagers Course.
- Pre-Marriage Preparation.
- Marriage Course.
- Recovering from Divorce and Separation.
- CAP (see Community Involvement).

• Staff and Volunteers

Staff appointments are agreed by the Trustees in consultation with the spiritual leadership of Lifespring. Without a dedicated team of volunteers, we would not be able to meet our objectives so we are dependent on members of the church who give selflessly of their time in our various activities throughout the week.

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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

Achievements and performance

• Main achievements of the charity

We have six core values at Lifespring, which help us live out what we believe and become what we're created to be.

Each one is rooted in Jesus' teachings. He said he came to bring us life in all its fullness, whether that's in how we relate to one another, how we use our time and money or what we give our lives to pursuing. These values are: -

- Authentic Followers - Learning to live like Jesus
- Generosity - Living generously in every part of life
- Kingdom Advance - Partnering with God's purpose for the world
- Mission - Introducing Jesus to those who don't know him
- Family - Connected to the Father and committed to one another
- Encounter - Experiencing the God who knows us and pursuing relationship with him

• Key performance indicators

The Elders have established a series of performance indicators to monitor performance ensuring that we are fulfilling our strategies in line with our vision, core values and public benefit. We also undergo periodic review by peer apostolic and prophetic ministries and our relationships reflect this.

There is a regular review of how the church is fulfilling its charitable objectives. The statistics recorded serve to determine the impact of an activity, particularly in delivering public benefit and as a reflection of our core values. The review is centred around how well the church's activities emphasise our core values and this is also the basis on which the continuance of an activity comes into discussion.

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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

Achievements and performance (continued)

● Review of activities

We are confident that each of the activities described below are of particular benefit and match well against our core values of Authentic Followers, Generosity, Kingdom Advance, Mission, Family and Encounter and our overall vision to Love God, Love People, Love Horsham.

For this financial year our activities in the second half have been severely restricted by the Coronavirus pandemic restrictions.

Sunday services

In the pre-Covid period the church continued to meet together weekly on Sundays for worship and teaching. These services taking place at the Capitol Theatre and open to the public. The attendance of Sunday services held at the Capitol Theatre was a monthly average of 198 (12 month rolling average in the previous year was 208). At these services there was an encouragement from the platform to join Sunday evening prayer meetings, sign up to small groups and engage with other areas of church life. There was a ministry team available to pray with people in response to the content of the service or other matters.

With the Covid national lockdown and restrictions on public gatherings, the trustees approved additional unplanned expenditure to enable our services to be 'live streamed' from our premises in Southwater across a number of media platforms. This transition has been particularly successful with access through You Tube, Facebook and our website. The approximate average real time participation has been estimated to be 80 live views/connections but the content remains available online with many of the overall views exceeding 200. At the end of the financial year Lifespring hosted the Christ Central international conference through its streaming capability. This event was accessed by 275 churches across 25 nations reaching thousands of people.

Currently a total of 157 people (age 16+) are considered members of the Lifespring family (previous year end was 161).

Evangelism

Lifespring aims to share the Christian faith through our services, personal friendships, courses, being involved with the community and various events. Examples, where permitted, of this are:-

- o Christmas Carol service (412 attended the most recent 2019 event)
- o Easter event (326 attended the most recent 2019)
- o Small groups meeting mid-week
- o The Alpha Course – Introduction to Christianity
- o Kids Connect (mother and toddlers group meeting Monday mornings term-time)
- o Youth activities (our youth meet regularly on a Friday evening as well as have their own regular Sunday service and enjoy a trip to an annual camp. Average 28 attend Fridays and average 23 attend Sundays)
- o Supply of various courses as the need arises (eg. parenting children, parenting teenagers, recovering from addiction, marriage guidance, recovering from divorce/separation). The range of activities/courses facilitated is based on community need and do not necessarily all take place in one year

In most cases these activities were suspended during the second half of the year due to Covid restrictions.

Community involvement

Lifespring has a commitment to practically serve the wider community locally, nationally and globally. There are a number of ways this is outworked:-

- o Financial contributions/gifts are made to community programmes such as Oasis crisis pregnancy, Streetlight human trafficking (total £4,390 p/a plus additional general hardship fund for specific situations)
- o Lifespring provides programmes under the CAP organisation providing debt advice, help with finding employment through a Job Club, help with addiction and learning basic life skills (The job club is proving popular as the effects of the covid recession begin to be seen)
- o Lifespring Pantry - a food bank style setup which uses donations of food/drink items to create hampers for people in need (There has been a significant increase due to the Covid crisis)

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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

Achievements and performance (continued)

- o A fund is available to provide extra help with paying for utilities and food
- o Each year a group of volunteers give their time to work with Horsham Churches Together to provide shelter for the homeless over the Christmas period and colder months
- o Christmas shoe boxes for children/families in Romania (380 in 2019, 450 in 2018)
- o Building relationship with Dayspring Church in Kitwe, Zambia and responding to general and specific needs as part of our support in that relationship, resourcing teams of people from Lifespring to travel to Zambia on a regular basis. Part of this most notably has included raising funds to build a new nursery and school. During the covid crisis we funded the connection of the school to the internet allowing them to be one of the few schools in Zambia capable of providing online learning.

• Fundraising activities and income generation

The church raises its funds from members of the church. Income is also derived from the activities of the church attended by members. While all are welcome to the activities of the church it does not raise funds from the general public. As a result the charity does not actively fundraise or engage anyone in that capacity and so does not need to comply with policies aimed at protecting vulnerable members of the public.

• Factors relevant to achieve objectives

Restrictions imposed in response to the Covid 19 pandemic have limited the scope of our activities. There is also a dependency upon sufficient financial resources and volunteers.

• Investment policy and performance

No investments held.

Financial review

• Going concern

After making appropriate enquires, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. As reported below under "Future developments in the light of the Coronavirus pandemic" the Trustees have paid particular attention to its impact in reaching this conclusion. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

• Reserves policy

The Trustees consider it prudent to have general cash reserves equivalent to 13 weeks expenditure as an objective. At the balance sheet date, general cash reserves stood at the equivalent of 14 weeks expenditure.

The Trustees have set a more modest budget for 2020/21 recognising the impact of Covid upon activities which places some reliance upon reserves. This budget will be flexed during the year with the expectation that the 13 week cash reserve threshold is not breached. The Trustees are confident that the level of donations and other income will continue to support the activities of the charity.

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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

• Principal risks and uncertainties

The Trustees have developed a "risk map" to assess and manage risk which is reviewed periodically, and where appropriate policies and guidance are published. In addition, risk assessments are conducted on a rotational basis on all key areas and activities by a Risk Management Committee constituted to support the trustees in the management of risk. The Trustees are satisfied that appropriate systems are in place to manage, monitor and mitigate the church's exposure to major risks.

As a result of the Covid pandemic additional risk assessments have been undertaken and specific policy guidance developed to mitigate this additional risk.

In addition, Safeguarding or other incidents are reported to the trustees and appropriate referral made where necessary. For this financial year there were no incidents requiring escalation to the Charity Commissioners.

• Asset management

The CIO purchased Jubilee House in 2015 with the intention of increasing the range of community services provided as well as for our administrative centre supporting our 7 staff and additional volunteers. In addition, we rented the Capitol theatre for our public services on a Sunday morning in the first half of the year. Our rented and owned premises are adequate for our needs however significant growth will require larger or additional premises over the medium term.

• Financial review and results

During this financial year 95% (2019: 93%) of income came from voluntary donations and associated income tax recovery under the "gift aid" scheme. The remaining 5% of income came from other activities. The principal areas of expenditure were staff costs; premises costs and support for church-based activities in the Horsham area and nationally. In addition, 10% of income has been given away to external individuals, organisations with complementary objectives and other charities. The net profit/(loss) for 2019/20 was £(88,121) (2019: £28,966).

At the balance sheet date the general reserve stood at £231k (2019: £306k).

Structure, governance and management

• Constitution

Lifespring is a registered charity, number 1160962, and is constituted under a CIO constitution.

The principal object of the charity is to advance the Christian faith in accordance with the Statement of Faith in Horsham, West Sussex and in such other parts of the United Kingdom and the world as the charity trustees may from time to time think fit.

• Methods of appointment or election of Trustees

Trustees are appointed for a term of three years by a resolution passed at a properly convened meeting of the charity trustees.

In selecting individuals for appointment as charity trustees, the charity trustees must have regard to the skills, knowledge and experience needed for the effective administration of the CIO.

All charity trustees must subscribe and adhere to, in belief and lifestyle, the Statement of Faith.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020**

Structure, governance and management (continued)

● **Organisational structure and decision-making policies**

The spiritual government and leadership of the Church for the purposes of which the CIO has been established shall remain with the Spiritual Leadership and to the extent to which the charity trustees are not synonymous with the Spiritual Leadership their powers shall be confined to the proper management and administration of the CIO in accordance with the provisions of this Constitution and in furtherance of the Objects and in so doing they shall have full and proper regard to the Spiritual Leadership provided always that they shall not act outside their powers as conferred by this Constitution and by general law.

The Agenda for each Trustee meeting includes a Governance item drawing attention to relevant items from the Charity Commission's website, including the wider lessons from Inquiry Reports. These are included to help train, develop and maintain the competence of the Trustees and deliver good governance of the CIO.

● **Policies adopted for the induction and training of Trustees**

The charity trustees will make available to each new charity trustee, on or before his or her first appointment:

- a copy of this constitution and any amendments made to it; and
- a copy of the CIO's latest Trustees' Annual Report and statement of accounts; and
- relevant Charity Commission published guidance.

● **Pay policy for key management personnel**

Employment terms and conditions, including remuneration, are considered by a sub-committee of trustees that makes recommendation to the wider trustee for decision which excludes any staff members who are trustees thereby avoiding any conflict of interest. Compensation levels are assessed annually and benchmarked externally from time to time against comparable job roles requiring similar skills and experience.

● **Related party relationships**

We are part of the Newfrontiers family of churches. Underneath the Newfrontiers umbrella, we are a part of ChristCentral, a group of churches connected together through relationship, served by a number of apostolic teams, who aim to equip churches to raise pioneering disciples that see God's kingdom fill the earth.

● **Financial risk management**

The Trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the charity, and are satisfied that systems and procedures are in place to mitigate exposure to the major risks.

Plans for future periods

In the opinion of the Trustees the CIO has had a successful year in challenging circumstances brought about by the Covid pandemic. Future plans will need to be considered in the light of government guidance and restrictions.

Members' liability

The Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up.

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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

Statement of Trustees' responsibilities

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

The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the . 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.

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Auditors

The auditors, Baldwin Scofield Ltd, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

Approved by order of the members of the board of Trustees on 3 June 2021 and signed on their behalf by:

Mr Philip Brewer

LIFESPRING

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LIFESPRING

Opinion

We have audited the financial statements of Lifespring (the 'charity') for the year ended 31 August 2020 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

The financial statements have been prepared in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

This has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 August 2020 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LIFESPRING (CONTINUED)

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our Auditors' report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Trustees' report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees are responsible for the preparation of the financial statements and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

LIFESPRING

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LIFESPRING (CONTINUED)

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' report.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and its trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

Baldwin Scofield Ltd
Chartered Accountants
Statutory auditors
3 Newhouse Business Centre
Old Crawley Road
Horsham
West Sussex
RH12 4RU

3 June 2021

Baldwin Scofield Ltd are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

LIFESPRING

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2020**

	Note	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	<i>Total funds 2019 £</i>
Income from:					
Donations and legacies	3	408,582	87,634	496,216	570,032
Charitable activities	4	19,678	100	19,778	129,990
Investments	5	237	57	294	604
Total income		428,497	87,791	516,288	700,626
Expenditure on:					
Charitable activities	7	486,300	118,109	604,409	671,660
Total expenditure		486,300	118,109	604,409	671,660
Net (expenditure)/income					
Transfers between funds	16	(57,803) (11,667)	(30,318) 11,667	(88,121) -	28,966 -
Net movement in funds		(69,470)	(18,651)	(88,121)	28,966
Reconciliation of funds:					
Total funds brought forward		300,686	836,521	1,137,207	1,108,241
Net movement in funds		(69,470)	(18,651)	(88,121)	28,966
Total funds carried forward		231,216	817,870	1,049,086	1,137,207

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 15 to 28 form part of these financial statements.

LIFESPRING

BALANCE SHEET AS AT 31 AUGUST 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	12	870,812	868,387
Current assets			
Debtors	13	44,360	47,636
Cash at bank and in hand		144,277	250,296
		<u>188,637</u>	<u>297,932</u>
Creditors: amounts falling due within one year	14	(10,363)	(29,112)
Net current assets		<u>178,274</u>	<u>268,820</u>
Total net assets		<u><u>1,049,086</u></u>	<u><u>1,137,207</u></u>
Charity funds			
Restricted funds	16	817,870	836,521
Unrestricted funds	16	231,216	300,686
Total funds		<u><u>1,049,086</u></u>	<u><u>1,137,207</u></u>

The financial statements were approved and authorised for issue by the Trustees on 03 June 2021 and signed on their behalf by:

Mr Philip Brewer

The notes on pages 15 to 28 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

1. General information

Lifespring is a Charitable Incorporated Organisation registered with the Charity Commission in England & Wales. The charity's registered number and registered office address can be found on the Reference and Administrative details page.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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) (effective 1 January 2015), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Lifespring 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.

2.2 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 income receivable can be measured reliably.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

2.3 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the charity's objectives, as well as any associated support costs.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

2. Accounting policies (continued)

2.3 Expenditure (continued)

All expenditure is inclusive of irrecoverable VAT.

2.4 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 institution with whom the funds are deposited.

2.5 Tangible fixed assets and depreciation

Tangible fixed assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Freehold property	- 2% straight line
Office equipment	- 25%, 20% or 10% straight line
Computer equipment	- 25% straight line

2.6 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.7 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.8 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of financial activities as a finance cost.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020

2. Accounting policies (continued)

2.9 Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.10 Pensions

The charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the charity to the fund in respect of the year.

2.11 Fund accounting

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

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

Investment income, gains and losses are allocated to the appropriate fund.

3. Income from donations and legacies

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
Donations	408,582	87,634	496,216
	<i>Unrestricted funds 2019 £</i>	<i>Restricted funds 2019 £</i>	<i>Total funds 2019 £</i>
Donations	<i>543,894</i>	<i>26,138</i>	<i>570,032</i>

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020

4. Income from charitable activities

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
Specific gifts and fee income	<u>19,678</u>	<u>100</u>	<u>19,778</u>

	<i>Unrestricted funds 2019 £</i>	<i>Restricted funds 2019 £</i>	<i>Total funds 2019 £</i>
Specific gifts and fee income	<u>29,042</u>	<u>100,948</u>	<u>129,990</u>

5. Investment income

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
Investment income	<u>237</u>	<u>57</u>	<u>294</u>

	<i>Unrestricted funds 2019 £</i>	<i>Restricted funds 2019 £</i>	<i>Total funds 2019 £</i>
Investment income - local cash	<u>453</u>	<u>151</u>	<u>604</u>

6. Analysis of grants

	Grants to Institutions 2020 £	Total funds 2020 £
Grants to Zambia school project	21,124	21,124
Grants made from gift day donations	64,612	64,612
	<u>85,736</u>	<u>85,736</u>

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020

6. Analysis of grants (continued)

	<i>Grants to Institutions 2019 £</i>	<i>Total funds 2019 £</i>
Grants to Zambia school project	119,955	119,955

7. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
Costs of charitable activities	486,300	53,497	539,797
Grants	-	64,612	64,612
	486,300	118,109	604,409

	<i>Unrestricted funds 2019 £</i>	<i>Restricted funds 2019 £</i>	<i>Total funds 2019 £</i>
Costs of charitable activities	521,934	149,726	671,660

8. Analysis of expenditure by activities

	Activities undertaken directly 2020 £	Grant funding of activities 2020 £	Support costs 2020 £	Total funds 2020 £
Charitable activities	408,500	21,124	110,173	539,797
Grants	-	64,612	-	64,612
	408,500	85,736	110,173	604,409

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020

8. Analysis of expenditure by activities (continued)

	<i>Activities undertaken directly 2019 £</i>	<i>Grant funding of activities 2019 £</i>	<i>Support costs 2019 £</i>	<i>Total funds 2019 £</i>
Charitable activities	455,684	119,955	96,021	671,660

Analysis of direct costs

	Church activities 2020 £	Total funds 2020 £
Staff costs	267,637	267,637
Ministry within Lifespring	14,322	14,322
UK ministry outside Lifespring	65,186	65,186
Hire of premises	51,958	51,958
Youth expenses	9,397	9,397
	408,500	408,500

	<i>Church activities 2019 £</i>	<i>Total funds 2019 £</i>
Staff costs	263,270	263,270
Conference expenses	3,731	3,731
Ministry within Lifespring	15,721	15,721
UK ministry outside Lifespring	72,638	72,638
Hire of premises	71,968	71,968
Youth expenses	14,669	14,669
Lifespring project costs	13,687	13,687
	455,684	455,684

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020

8. Analysis of expenditure by activities (continued)

Analysis of support costs

	Support activities 2020 £	Total funds 2020 £
Building running costs	30,190	30,190
Insurance	5,603	5,603
Bank charges	966	966
Office costs	37,928	37,928
Governance costs	35,486	35,486
	110,173	110,173
	<i>Support activities 2019 £</i>	<i>Total funds 2019 £</i>
Building running costs	28,597	28,597
Insurance	3,077	3,077
Bank charges	519	519
Office costs	27,593	27,593
Governance costs	36,235	36,235
	96,021	96,021

9. Auditors' remuneration

The auditors' remuneration amounts to an auditor fee of £4,000 (2019 - £4,040).

10. Staff costs

	2020 £	2019 £
Wages and salaries	236,344	230,968
Social security costs	16,683	18,897
Contribution to defined contribution pension schemes	14,610	13,405
	267,637	263,270

LIFESPRING

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020

10. Staff costs (continued)

The average number of persons employed by the charity during the year was as follows:

	2020	2019
	No.	No.
Elders and administration	7	8

No employee received remuneration amounting to more than £60,000 in either year.

11. Trustees' remuneration and expenses

During the year, one or more Trustees or their spouses has been paid remuneration or has received other benefits from an employment with the charity. The value of Trustees' remuneration and other benefits was as follows:

		2020	2019
		£	£
Mr Andrew Robinson	Remuneration	48,932	48,449
	Pension contributions paid	3,915	3,263
Mr Jonathan Brydon	Remuneration for Mrs Tanya Brydon	22,470	23,522
	Pension contributions paid	1,798	1,072
Michaela Sargeant	Remuneration	2,526	2,626

During the year ended 31 August 2020, expenses totalling £15,727 were reimbursed or paid directly to 1 Trustee (2019 - £18,473 to 1 Trustee). These expenses were paid in order for A Robinson to exercise his apostolic ministry and related to ministry trips and conferences and covered the costs of others taking part in those trips.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

12. Tangible fixed assets

	Freehold property £	Office equipment £	Computer equipment £	Total £
Cost or valuation				
At 1 September 2019	902,881	110,286	48,144	1,061,311
Additions	22,998	9,814	1,099	33,911
At 31 August 2020	925,879	120,100	49,243	1,095,222
Depreciation				
At 1 September 2019	73,019	95,011	24,894	192,924
Charge for the year	18,386	7,133	5,967	31,486
At 31 August 2020	91,405	102,144	30,861	224,410
Net book value				
At 31 August 2020	834,474	17,956	18,382	870,812
At 31 August 2019	829,862	15,275	23,250	868,387

13. Debtors

	2020 £	2019 £
Due within one year		
Trade debtors	-	800
Other debtors	44,360	43,709
Prepayments and accrued income	-	3,127
	44,360	47,636

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020

14. Creditors: Amounts falling due within one year

	2020 £	2019 £
Trade creditors	-	10,123
Other taxation and social security	4,014	5,159
Pension contributions payable	1,385	1,116
Other creditors	484	2,242
Accruals and deferred income	4,480	10,472
	<u>10,363</u>	<u>29,112</u>

15. Financial instruments

	2020 £	2019 £
Financial assets		
Financial assets measured at fair value through income and expenditure	<u>144,277</u>	<u>250,296</u>

Financial assets measured at fair value through income and expenditure comprise bank balances.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020

16. Statement of funds

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or have been raised by the charity for particular purposes. The purposes to which restricted funds are used are as follows:

Building fund

The church specifically raised funds for the purchase of the building and continues to receive funds for the running of the premises.

Zambia school fund

The church supports the work of a school in Zambia and raises funds within the church for specific needs as they arise in that school.

Specific gifts fund

The church holds from time to time gift days which raise funds for specific gifts and projects that the church wishes to support within and outwith the church.

Statement of funds - current year

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 August 2020 £
Unrestricted funds					
General fund	300,686	428,497	(486,300)	(11,667)	231,216
Restricted funds					
Building fund	827,123	7,437	(32,373)	-	802,187
Zambia school fund	-	9,457	(21,124)	11,667	-
Specific gifts	9,398	70,897	(64,612)	-	15,683
	836,521	87,791	(118,109)	11,667	817,870
Total of funds	1,137,207	516,288	(604,409)	-	1,049,086

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

16. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 September 2018 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Balance at 31 August 2019 £</i>
Unrestricted funds					
General fund	240,715	583,313	(521,934)	(1,408)	300,686
Restricted funds					
Building fund	837,740	16,365	(26,982)	-	827,123
Zambia school fund	28,405	100,948	(119,955)	-	9,398
Specific gifts	786	-	(2,194)	1,408	-
Stupini	595	-	(595)	-	-
	867,526	117,313	(149,726)	1,408	836,521
Total of funds	1,108,241	700,626	(671,660)	-	1,137,207

17. Summary of funds

Summary of funds - current year

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 August 2020 £
General funds	300,686	428,497	(486,300)	(11,667)	231,216
Restricted funds	836,521	87,791	(118,109)	11,667	817,870
	1,137,207	516,288	(604,409)	-	1,049,086

LIFESPRING

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020

17. Summary of funds (continued)

Summary of funds - prior year

	<i>Balance at 1 September 2018 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Balance at 31 August 2019 £</i>
General funds	240,715	583,313	(521,934)	(1,408)	300,686
Restricted funds	867,526	117,313	(149,726)	1,408	836,521
	<u>1,108,241</u>	<u>700,626</u>	<u>(671,660)</u>	<u>-</u>	<u>1,137,207</u>

18. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
Tangible fixed assets	68,625	802,187	870,812
Current assets	172,954	15,683	188,637
Creditors due within one year	(10,363)	-	(10,363)
Total	<u>231,216</u>	<u>817,870</u>	<u>1,049,086</u>

Analysis of net assets between funds - prior period

	<i>Unrestricted funds 2019 £</i>	<i>Restricted funds 2019 £</i>	<i>Total funds 2019 £</i>
Tangible fixed assets	41,264	827,123	868,387
Current assets	288,534	9,398	297,932
Creditors due within one year	(29,112)	-	(29,112)
Total	<u>300,686</u>	<u>836,521</u>	<u>1,137,207</u>

19. Pension commitments

The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. The pension cost charge represents contributions payable by the charity to the fund and amounted to £14,610 (2019 - £13,405) £1,385 (2019 - £1,116) was payable to the fund at the balance sheet date and is included in creditors.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020

20. Related party transactions

	2020 £	2019 £
Donations to the charity by all trustees	79,615	77,997
	<u>79,615</u>	<u>77,997</u>

The donations that have been made by the trustees are freely given donations without any conditions.