

Charity registration number: 1168142

# The Lighthouse Family Church

Annual Report and Financial Statements

for the Year Ended 31 March 2021

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## **Reference and Administrative Details**

### **Trustees**

Philip Edward Read  
Phillip Keith Game  
Mr Michael John Mason  
Christopher John Burton  
David Arthur Lings  
Ian Lawrence Burton  
Rachel Rous

### **Principal Office**

Unit D22, Admiralty Park  
Station Road  
Holton Heath  
Poole  
BH16 6HX

### **Charity Registration Number**

1168142

### **Independent Examiner**

Kolade Andrew Alli ACMA  
KARE Financial Management Consultants Ltd  
10 Gatcombe Gardens  
West End  
Hampshire  
SO18 3NA

## **Trustees' Report**

The Trustees have pleasure in presenting their report and the financial statements for the charity for the year ended 31 March 2021. The Trustees have adopted the provisions of 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 the Republic of Ireland (FRS 102) (effective 1 January 2015).

### **OBJECTS**

The primary aims of the Trust are to fulfill the role of a Christian Church in the Poole, Dorset area and to provide help to others in promoting the Christian faith in the United Kingdom and overseas.

### **THE CHURCH: ITS AIMS AND OBJECTIVES**

The Church is not a building, but a gathering of ordinary people of different ages and backgrounds whose lives have been changed by Jesus Christ, the Son of God. The New Testament reveals the Church as a community of people, properly taught and cared for, who by loving and serving Jesus Christ, were also committed to love and care for each other and to bring a blessing to the area in which they lived. The Lighthouse Family Church, its trustees, leaders and members are committed to the restoration of those New Testament principles. It is not alone in this, it is one of many Churches in the area, country and all over the world that is rediscovering the excitement of knowing Jesus Christ. The vision is to see the people of Lytchett Matravers and the surrounding area come into this experience of knowing Jesus Christ as their Lord, Saviour and friend

The Lighthouse Family Church has a long-standing relationship with several other local Churches that pursue similar objectives in the UK and overseas and is developing relationships with other churches in planning joint ventures within the area.

Directions relating to the charitable trust are made by the Trustees in consultation with the church leaders who are responsible for governing the life and teaching of the church. Day to day decisions on expenditure and activities are decided by the church leaders, staff and volunteers in charge of different areas of the church. The power of appointment or removal of Trustees rests with the Trustees. New Trustees are primarily selected from the members of the church since this means that the Trustee body is whole heartedly involved in seeing the mission of the church worked out in practice. On being appointed, new Trustees spend time with the existing Trustees to ensure they understand their responsibilities and the legal and financial framework in which the church operates.

Whilst the church currently employs nine staff, both full and part time, it is the work of every member of the church, whether employed or not, that will make the difference in the church achieving its great commission. This is done by being 'salt and light' amongst the people they interact with every day; by praying, by visiting the sick and others in need, in being involved in training others, in public teaching and worship, and also in administration. The financial resources of the church, to a very large extent, are given by the members and their private assets and resources are regularly used in the work of the church. Much of this work is done privately, without recognition, and the hours and value of the time cannot be quantified.

## **Trustees' Report**

### **THE YEAR: ITS OBJECTIVES, ACHIEVEMENTS & EVENTS**

During the year ending 31st March 2021 Covid-19 has had a significant impact on the way the church has operated. Whilst the objectives of the church have remained the same, all activity has either been halted or moved online.

#### ***General Church Activities***

The Lighthouse continued with a programme of training, equipping and pastoral care for the Lighthouse Church Family. The pastoral care team continued to provide care and prayer for those in need within the church and community. Regular Sunday services have been streamed across YouTube and a regular program of additional content has been made available.

It is anticipated that regular church activity may be able to resume from September 2021, following Covid-19 regulations and guidance in force at the time.

#### ***Church Growth***

Although the church doesn't have a formal membership there are some 250 people who consider themselves part of the Lighthouse Family Church. The church has been meeting primarily online or small groups have been encouraged to meet face to face within the Covid-19 restrictions in force at the time. The online activity has allowed us to reach a far wider group of people geographically and the aim will be to continue to streaming online content after normal activity is resumed.

#### ***Kingdom Life School***

The Lighthouse Church started Kingdom Life School in September 2017, a programme of training aiming to equip students to boldly share and demonstrate the Kingdom of God. The school has not been able to run this year due to Covid-19 however regular content has been produced online and a successful online conference has been held with more planned for later in 2021. The school aims to restart in January 2022.

#### ***Overseas Mission Support***

The Lighthouse Church is currently support mission projects in 3 areas: Uganda, Japan (and South East Asia) and the Philippines. The Trustees aim to be giving at least 10% of donations towards mission.

## **Trustees' Report**

### ***New Building***

Having been located in the leased building at Admiralty Park for some 12 years the leaders of the church began to look towards developing a larger church centre to cater for growth that has been happening amongst adults, children and youth. A 5-acre plot of land was identified and purchased January 2018 on a site close to the current building on Station Road. Demolition of existing building began in early in 2020 although work was forced to stop due to the Covid-19 pandemic and lockdown that was imposed towards the end of March. Further work on demolition, site clearance and initial groundworks took place in the latter part of 2020.

### **PLANS FOR THE NEW YEAR**

Lockdown restrictions are due to ease during Spring and Summer of 2021. Some face-to-face gatherings are planned before and during the summer holidays with the aim to restart full services at some point after the summer holidays. A primary focus will remain looking after those in need within the church and wider community. There will continue to be a fair amount of church activity done online.

The key strategies for the church are to remain the same but will be reviewed by the Church leadership team on a regular basis. Fundraising will continue for the building project and plans for the next stages of development are in process. The church will continue to explore, in consultation with local churches and Christian agencies, other ways to assist the poorer sections of the community, both in the financial sense of the word but also in others. The church will also review its current support commitments and explore further overseas opportunities, including response to any appeals following emergencies and/or natural disasters around the world. Now that it is well established in its leased premises the church is open to explore opportunities for the building to be used more widely within the community.

# **Trustees' Report**

## **FINANCIAL REVIEW**

The level of donations has fallen slightly over the year but remains good providing steady income. The church has made use of various government schemes including the Coronavirus Job Retention Scheme and a Bounce Back Loan.

The church has been gifted a property in a will and this is currently on the market with the aim of using the proceeds to pay back various loans and progress with developing the new building.

## **GRANT MAKING POLICY**

Gifts to external organisations and individuals are considered by the Trustees on the basis of need and fulfilment of the charitable objectives. There are no upper or lower limits of support

## **RISK MANAGEMENT**

All major insurable risks are subject to normal Churches and employers' insurance. Contractual risks are reviewed before entering into to assess that they could not significantly impact upon the church's ability to fulfil its objectives.

## **GOVERNANCE**

In 2017 the trustees set up a new charitable body for the governance of the Lighthouse Church. The new charity is a charitable incorporated organisation (CIO). The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and to enable them to ensure that the accounts comply with the Charities Acts. 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 Trustees confirm that the accounts comply with current statutory requirements and those of the Charity's trust deed.

## Statement of Trustees' Responsibilities

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

The law applicable to charities 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 the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 proper accounting records that 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 applicable Charities (Accounts and Reports) Regulations, and the provisions of the constitution. The trustees 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.

Approved by the trustees of the charity on 7 June 2021 and signed on its behalf by:



.....  
Christopher John Burton  
Trustee



## **Independent Examiner's Report to the trustees of The Lighthouse Family Church**

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 March 2021 which are set out on pages 8 to 18.

### **Respective responsibilities of trustees and examiner**

As the charity's trustees of The Lighthouse Family Church you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of The Lighthouse Family Church'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**

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

1. accounting records were not kept in respect of The Lighthouse Family Church as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting 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.



.....  
Kolade Andrew Alli ACMA

KARE Financial Management Consultants Ltd  
10 Gatcombe Gardens  
West End  
Hampshire  
SO18 3NA

7 June 2021

## Statement of Financial Activities for the Year Ended 31 March 2021

	Note	Unrestricted £	Restricted £	Total 2021 £	Total 2020 £
<b>Income and Endowments from:</b>					
Charitable activities		226,225	-	226,225	412,513
<b>Expenditure on:</b>					
Charitable activities		(264,306)	-	(264,306)	(235,673)
Total expenditure		(264,306)	-	(264,306)	(235,673)
Net (expenditure)/income		(38,081)	-	(38,081)	176,840
Gross transfers between funds		156,261	(156,261)	-	-
Net movement in funds		118,180	(156,261)	(38,081)	176,840
<b>Reconciliation of funds</b>					
Total funds brought forward		203,976	512,593	716,569	539,729
Total funds carried forward	13	322,156	356,332	678,488	716,569

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

The funds breakdown for 2020 is shown in note 13.

**(Registration number: 1168142)**  
**Balance Sheet as at 31 March 2021**

	<b>Note</b>	<b>2021 £</b>	<b>2020 £</b>
<b>Fixed assets</b>			
Tangible assets	6	496,249	220,046
Investments	7	771,933	-
		<u>1,268,182</u>	<u>220,046</u>
<b>Current assets</b>			
Stocks	8	-	21
Debtors	9	4,721	602,774
Cash at bank and in hand	10	41,806	2,719
		<u>46,527</u>	<u>605,514</u>
<b>Creditors: Amounts falling due within one year</b>	11	<u>(3,173)</u>	<u>(13,991)</u>
<b>Net current assets</b>		<u>43,354</u>	<u>591,523</u>
<b>Total assets less current liabilities</b>		1,311,536	811,569
<b>Creditors: Amounts falling due after more than one year</b>	12	<u>(194,737)</u>	<u>(95,000)</u>
<b>Net assets</b>		<u>1,116,799</u>	<u>716,569</u>
<b>Funds of the charity:</b>			
<b>Restricted income funds</b>			
Restricted funds		794,643	657,171
<b>Unrestricted income funds</b>			
Unrestricted funds		<u>322,156</u>	<u>59,398</u>
<b>Total funds</b>	13	<u>1,116,799</u>	<u>716,569</u>

The financial statements on pages 8 to 18 were approved by the trustees, and authorised for issue on 7 June 2021 and signed on their behalf by:

.....  
Christopher John Burton  
Trustee

# **Notes to the Financial Statements for the Year Ended 31 March 2021**

## **1 Accounting policies**

### **Statement of compliance**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

### **Basis of preparation**

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

### **Exemption from preparing a cash flow statement**

The charity opted to early adopt Bulletin 1 published on 2 February 2016 and have therefore not included a cash flow statement in these financial statements.

### **Going concern**

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

## **Income and endowments**

### **Expenditure**

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

### **Charitable activities**

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

## **Notes to the Financial Statements for the Year Ended 31 March 2021**

### **Taxation**

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

### **Tangible fixed assets**

Individual fixed assets costing £0.00 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

### **Depreciation and amortisation**

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

33% straight line depreciation policy for computer equipment

20% straight line depreciation policy on furniture, fittings, plant and machinery

### **Fixed asset investments**

Fixed asset investments, other than programme related investments, are included at market value at the balance sheet date. Realised gains and losses on investments are calculated as the difference between sales proceeds and their market value at the start of the year, or their subsequent cost, and are charged or credited to the Statement of Financial Activities in the period of disposal.

Unrealised gains and losses represent the movement in market values during the year and are credited or charged to the Statement of Financial Activities based on the market value at the year end.

### **Stock**

Stock is valued at the lower of cost and estimated selling price less costs to complete and sell, after due regard for obsolete and slow moving stocks. Cost is determined using the first-in, first-out (FIFO).

### **Trade debtors**

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

## Notes to the Financial Statements for the Year Ended 31 March 2021

### Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

### Fund structure

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

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

## 2 Income from charitable activities

	<b>Unrestricted</b>		
	<b>General</b>	<b>Total</b>	<b>Total</b>
	<b>£</b>	<b>2021</b>	<b>2020</b>
		<b>£</b>	<b>£</b>
General Donations	-	-	141,013
General Donations	209,750	209,750	170,447
Donations (Support)	-	-	49,669
Gift Aid tax reclaimed	-	-	3,565
Gift Aid tax reclaimed	-	-	28,200
Charges (Events)	710	710	7,144
Kingdom Life School - Fees	316	316	11,618
Other "Sales" Income	6	6	856
Other income	15,442	15,442	-
Bank interest receivable	1	1	1
	226,225	226,225	412,513

## Notes to the Financial Statements for the Year Ended 31 March 2021

### 3 Expenditure on charitable activities

	<b>Unrestricted</b>		
	<b>General</b>	<b>Total</b>	<b>Total</b>
<b>Note</b>	<b>£</b>	<b>2021</b>	<b>2020</b>
		<b>£</b>	<b>£</b>
Other fundraising costs	388	388	-
Wages and salaries	92,740	92,740	117,999
Sundry expenses	-	-	1,094
Event costs & Expenses	36,365	36,365	17,162
Kingdom Life School Costs	229	229	3,558
Kids & Youth Expenses	1,610	1,610	897
Other Purchases for Distribution	-	-	1,437
Telephone and Computer charges	3,785	3,785	1,699
Recruitment expenses	358	358	-
Training	-	-	1,866
Depreciation of long leasehold	61,198	61,198	-
Depreciation of office equipment	2,599	2,599	1,619
Catering & Refreshments	-	-	1,732
Travelling Expenses	-	-	374
Printing, Postage, and Stationery	2,155	2,155	2,554
Professional Fees	7,216	7,216	6,564
Rent	32,199	32,199	32,100
Utilities	4,273	4,273	5,895
Premises Expenses	9,578	9,578	10,840
Equipment Hire and Rental	1,580	1,580	5,513
Motor Vehicle Costs	-	-	141
Support for missions	-	-	21,385
Independent examiner's fee	600	600	600
Bank charges	297	297	644
Loan interest	7,136	7,136	-
	<u>264,306</u>	<u>264,306</u>	<u>235,673</u>

## **Notes to the Financial Statements for the Year Ended 31 March 2021**

### **4 Trustees remuneration and expenses**

During the year the charity made the following transactions with trustees:

#### **Philip Edward Read**

Philip Edward Read received remuneration of £24,934 (2020: £40,000) during the year, for duties carried out as minister of the church.



## Notes to the Financial Statements for the Year Ended 31 March 2021

### 5 Taxation

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

### 6 Tangible fixed assets

	Land and buildings £	Furniture and equipment £	Total £
<b>Cost</b>			
At 1 April 2020	156,249	25,993	182,242
Additions	340,000	-	340,000
At 31 March 2021	496,249	25,993	522,242
<b>Depreciation</b>			
At 1 April 2020	-	23,394	23,394
Charge for the year	-	2,599	2,599
At 31 March 2021	-	25,993	25,993
<b>Net book value</b>			
At 31 March 2021	496,249	-	496,249
At 31 March 2020	156,249	2,599	158,848

### 7 Fixed asset investments

	<b>2021</b>
	<b>£</b>
Other investments	771,933

## Notes to the Financial Statements for the Year Ended 31 March 2021

### Other investments

	Unlisted investments £	Total £
<b>Cost or Valuation</b>		
At 1 April 2020	771,933	771,933
At 31 March 2021	771,933	771,933
<b>Net book value</b>		
At 31 March 2021	771,933	771,933
At 31 March 2020	771,933	771,933

### 8 Stock

	2021 £	2020 £
Stocks	-	21

### 9 Debtors

	2021 £	2020 £
Prepayments	2,455	599,843
Other debtors	2,266	2,931
	4,721	602,774

### 10 Cash and cash equivalents

	2021 £	2020 £
Cash at bank	41,806	2,719

### 11 Creditors: amounts falling due within one year

	2021 £	2020 £
Other creditors	2,573	13,991
Accruals	600	-
	3,173	13,991

### 12 Creditors: amounts falling due after one year

	2021 £	2020 £
Other loans	194,737	95,000

# Notes to the Financial Statements for the Year Ended 31 March 2021

## 13 Funds

	Balance at 1 April 2020 £	Incoming resources £	Resources expended £	Transfers £	Other recognised gains/(los ses) £
<b>Unrestricted</b>					
General	203,976	226,225	(264,306)	156,261	-
<b>Restricted</b>	512,593	-	-	(156,261)	438,311
<b>Total funds</b>	716,569	226,225	(264,306)	-	438,311
					<b>Balance at 31 March 2021 £</b>
<b>Unrestricted</b>					
General					322,156
<b>Restricted</b>					794,643
<b>Total funds</b>					1,116,799
	Balance at 1 April 2019 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2020 £
<b>Unrestricted</b>					
General	51,536	267,935	(235,673)	(24,400)	59,398
<b>Restricted</b>	488,193	144,578	-	24,400	657,171
<b>Total funds</b>	539,729	412,513	(235,673)	-	716,569

## Notes to the Financial Statements for the Year Ended 31 March 2021

### 14 Analysis of net assets between funds

	<b>Unrestricted funds General £</b>	<b>Restricted funds £</b>	<b>Total funds 2021 £</b>
Tangible fixed assets	340,000	156,249	496,249
Fixed asset investments	-	771,933	771,933
Current assets	46,527	-	46,527
Current liabilities	(3,173)	-	(3,173)
Creditors over 1 year	-	(194,737)	(194,737)
Total net assets	383,354	733,445	1,116,799
	<b>Unrestricted funds General £</b>	<b>Restricted funds £</b>	<b>Total funds 2020 £</b>
Tangible fixed assets	2,599	217,447	220,046
Current assets	310,368	295,146	605,514
Current liabilities	(13,991)	-	(13,991)
Creditors over 1 year	(95,000)	-	(95,000)
Total net assets	203,976	512,593	716,569

### 15 Related party transactions

The charity made the following related party transactions during the year.

#### **Mr Ian Burton**

Provided the church with a loan to support the new building project, which is currently been paid back with interest.

As at the balance sheet date the amount due was £64,137 (2020 - £75,000)