

CHARITY REGISTRATION NUMBER 1170211

COMPANY REGISTRATION NUMBER 09971964

LIFEHOUSE CHURCH

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

LIFEHOUSE CHURCH

LEGAL AND ADMINISTRATIVE INFORMATION

| | | |
|--------------------------|---|------------------------------|
| Trustees | Mr P Hollingworth - Senior Pastor Mr J Needham Mrs J Meakin Mrs A Needham - Secretary Mr M Steele | (Appointed 7 September 2020) |
| Secretary | Mrs A Needham | |
| Members | Mr P Hollingworth Mrs S Hollingworth Mr J Needham Mr D Woolf | |
| Senior Pastors | Mr P Hollingworth Mrs S Hollingworth | |
| Charity number | 1170211 | |
| Company number | 09971964 | |
| Registered office | 90 Chatsworth Road Chesterfield Derbyshire S40 2AN | |
| Auditors | UHY Hacker Young 6 Broadfield Court Broadfield Way Sheffield S8 0XF | |
| Bankers | Royal Bank of Scotland 2 Stephenson Place Chesterfield Derbyshire S40 1XL | |
| Solicitors | Robinsons 10-11 St James Court Friargate Derby DE1 1BT | |

LIFEHOUSE CHURCH

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LIFEHOUSE CHURCH

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2020

The trustees present their report and financial statements for the year ended 31 December 2020.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charitable company's Memorandum and Articles, the Companies Act 2006 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 (FRS 102) (effective 1 January 2019)".

Objectives and activities

The charitable company's objectives are to advance the faith in Jesus Christ in our community, to relieve sickness and financial hardship and to ensure that our services teach and equip people for life.

Our vision

We as a church exist and are intentional in creating access to the life-changing message of Jesus Christ. We understand that we have to be prepared to explore, experiment and expand to make Church accessible.

We are making a stand by raising up a community of people who will demonstrate the extraordinary God we serve everything we do, will point people towards God.

The aim is to influence this generation with this message. Creatively developing ways that will impact people locally, nationally and across the world.

By practical generosity, our aim is to demonstrate the importance of our key mandate, which is to equip, bless and resource others. That all our services teach and equip people for life.

Our aims

We are seeking:

To become a relevant expression of the Church to the community in the 21st Century;

To bring expansion of the Christian faith in all that we do;

To remain firm in our beliefs but flexible in our structures;

To provide relevant programmes for all age groups;

To develop and raise up men and women who will lead in all areas of society;

To generously support and partner with organisations who will hold similar objectives;

To build an influential structure that will be a beacon of hope in this town and country.

We are committed to ensuring that we generously provide for all those we come into contact with. We believe this is a fundamental key of the Christian faith.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charitable company should undertake.

The part played by volunteers in achieving our objectives is huge. We rely on numerous volunteers to assist us in developing policies, procedures, systems and running the many outreach groups we have. Without the many volunteers that serve the charity, we would not be able to carry out the wide variety of community engagement that Lifehouse currently delivers.

We have not put a monetary value on the considerable number of hours our volunteers have provided.

The majority of help is provided by volunteers of the Church, both practically and financially.

LIFEHOUSE CHURCH

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

Achievements and performance

As a result of the COVID19 pandemic that hit in March 2020, our strategy and focus was significantly impacted which resulted in key changes to our achievement and performance goals:

We were thankful for the following:

We were able to continue to reach the community of Chesterfield, despite physical restrictions by -

- Immediately investing into creating an online church experience. This involved the development of a new team, and the purchasing of new equipment.
- We have seen a significant increase in the number of people now engaging with church activities as a result.
- Set up an innovate pastoral care programme that included:
 1. Weekly calls to combat mental health and loneliness issues
 2. Regular food parcels & doorstep delivery gifts
 3. Made Lifegroups (fortnightly gatherings) available online
- We introduced Zoom meetings across all departments.
- The development of the main church auditorium was upgraded both in its décor and a new multimedia LED screen was installed.
- We continued to support local charities & agencies, in particular we partnered with Jacksons Bakery to ensure that all 2000 NHS staff at Chesterfield Royal Hospital received a small gift of encouragement.
- We developed and put into place a COVID secure system that enabled the use of the church building. This included a one way system, social distancing markers, hand sanitizer stations, fogging machine and a re design of the seating arrangements with an online booking in system.
- Lifepoint had to restructure in the way it operated by providing personal practical assistance to the vulnerable that we engaged with during this season.
- We continued partnerships with organisations both in the UK and Worldwide. This includes the ongoing support of Compassion and multiple others.
- The Youth & Young Adults Department adapted to making use of online Zoom gatherings to ensure engagement.
- We had to postpone our now annual church conference, by 12 months.
- The creative music department excelled in the production of online church, by having recorded services and music videos.

This whole season has resulted in the training and releasing of multi skilled people in the life of this church.

Our regular midweek indoor programme had to be suspended due to COVID restrictions, however we produced a new midweek online magazine style show.

Christmas 2020 included new online productions that reached young people, Shine Ladies, the Kids Community and a town wide online Carol service.

Our car park unfortunately didn't generate the expected revenue due to the COVID lockdown.

LIFEHOUSE CHURCH

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

Financial review

Total income decreased by 18% from £375,393 in 2019 to £306,118 in 2020. All income streams showed decreases from the previous year. Total expenditure decreased by 22% from £366,237 to £283,676. This resulted in a surplus for the year of £22,442 (2019: £9,156).

At 31 December 2020, total reserves were £801,373 (2019: £778,931). This was made up of restricted funds of £128,478 (2019: £123,414), designated funds of £45,560 (2019: £64,643) and unrestricted funds of £627,335 (2019: £590,874). The freely available reserves at 31 December 2020 were £166,468 (2019: £161,806).

It is the policy of the charitable company that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The trustees considers that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charitable company's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

Historically it has been the aim to hold in reserves £35,000 for the Church running. The Trustees will be reviewing this policy in the next financial year to conclude if this level is still appropriate or if a different level is required. The Church Board consider it appropriate to hold reserves above the target level as they have plans for future expansion that will utilise these.

We continue to strive to manage our finances to the best of our ability. We ensure that we fulfil our objectives which are to advance the faith in Jesus Christ, to relieve sickness and financial hardship and to make available our services to all. With the aim of teaching and equipping people for life. The continued culture of Lifehouse is to breed generosity which then flows down into everything we do as a church. We continue to invest into introducing key individuals who will help to shape and influence the church as we move forward.

We stand alongside people and encourage them through current life issues, whilst also ensuring that Lifehouse does everything to the best of its ability.

The trustees has assessed the major risks to which the charitable company is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

The Church Board have reviewed and considered the major risks affecting Lifehouse Church and have taken steps to mitigate those risks. Church Board has enlisted the help of Citation plc, a specialist company to undertake the Health and Safety and Employment Law concerns of the Church. This contract was taken out on a long-term undertaking.

The child Protection/Safeguarding Policy and procedures are maintained/updated annually by Daniel Woolf and Jane Meakin and overseen by the Church Board.

LIFEHOUSE CHURCH

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

Risks to the Charity through COVID 19

In March 2020 Lifehouse had to close its doors to physical church attendance following the outbreak of the COVID pandemic. This could have had a major effect on our income. However, as we already had a good structure for online giving in place and many of our congregation gave that way, this didn't have such a negative impact.

Within the week our media team had recorded church services and put them onto social media. Through online church, teaching was given on how to donate via QR codes or by visiting the 'giving' page on our website. People adapted to this very quickly and soon the majority of people were continuing to, or starting to give online.

During the period of COVID March to May we actually saw an increase in general donations.

Moving forward, there hasn't been a drop in giving since March 2020. The Church Board are confident that the systems we have in place are sufficient to mitigate the risk and will continue to monitor this situation.

Structure, governance and management

The Church was previously a charitable organisation (number 105636) governed by a model deed. On 27 January 2016 the charity incorporated as a limited company by guarantee (company number 09971964 and charity number 1170211) and is governed by its Memorandum and Articles of Association.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mr P Hollingworth - Senior Pastor

Mr J Needham

Mrs J Meakin

Mrs A Needham - Secretary

Mr B Dowding (Resigned 10 September 2020)

Mr M Steele (Appointed 7 September 2020)

New Church Board members are appointed by current Church Board members.

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

Senior Leaders are responsible for the spiritual vision and direction of the Church.

There are 2 Senior Pastors/Leaders:

Paul Hollingworth - Senior Pastor

Sarah Hollingworth - Senior Pastor

The Church is managed operationally through its Church Board (Trustees) which currently has 5 directors.

Ps Paul Hollingworth also took on a Directorship with New India Church of God. We have had a relationship with Ps Abraham for many years.

LIFEHOUSE CHURCH

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

To ensure health and accountability we invite an external advisor to attend regularly.

The Trustees meet quarterly to decide on current issues and practical matters arising. A finance meeting is held weekly to oversee current financial matters.

For any financial request from a department of Lifehouse, a Finance Request Sheet is sent to the Finance Manager which is then discussed at the finance meeting.

An A.G.M. is held annually with the current Board (Trustees) and invited observers.

The pastoral team has the responsibility for the planning and development of the services and strategies for Lifehouse Church. The Church Board ensure that staff are recruited and supported to provide the skills and expertise needed to run a successful organisation.

The Church Board has the overall responsibility for the church database, constitutional matters and training. The church database is purchased through a recognised company - ChurchSuite. This ensures effective and safe management of data. The office is managed by the Office Manager.

Remuneration was paid to 2 Senior Pastors (Senior Leaders), 1 Finance/Office Manager, 1 Part time admin staff, 1 Cleaning staff, 1 Youth and Young Adults Pastor, 1 Part time Associate Pastor and conference staff.

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The trustees' report was approved by the Board of Trustees.

Mr J Needham

Trustee

Dated: 22 September 2021

Mrs J Meakin

Trustee

Dated: 22 September 2021

LIFEHOUSE CHURCH

STATEMENT OF TRUSTEES' RESPONSIBILITIES FOR THE YEAR ENDED 31 DECEMBER 2020

The trustees, who are also the directors of Lifehouse Church for the purpose of company law, 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).

Company Law 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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 UK 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 charitable company will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

6 Broadfield Court
Broadfield Way
Sheffield
S8 0XF

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LIFEHOUSE CHURCH

Opinion

We have audited the financial statements of Lifehouse Church (the 'charitable company') for the year ended 31 December 2020 which comprise the statement of financial activities, the balance sheet and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 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 Companies Act 2006.

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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC'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

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LIFEHOUSE CHURCH CONTINUED

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LIFEHOUSE CHURCH CONTINUED

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charitable company for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, 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 charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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 auditor's 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LIFEHOUSE CHURCH CONTINUED

Based on our understanding of the charity and the sector in which it operates, we identified the principal risks of non-compliance with laws and regulations related to the acts by the charity, which were contrary to applicable laws and regulations including fraud, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to inflated revenue and the charity's net income for the year.

Audit procedures performed included: review of the financial statement disclosures to underlying supporting documentation, review of correspondence with and reports to the regulators, including correspondence with the Charity Commission, review of correspondence with legal advisors, enquiries of management and review of internal audit reports in so far as they related to the financial statements, and in testing of journals and evaluating whether there was evidence of bias by the trustees that represented a risk of material misstatement due to fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Roland Givans (Senior Statutory Auditor)
for and on behalf of UHY Hacker Young

22 September 2021

Chartered Accountants
Statutory Auditor

LIFEHOUSE CHURCH

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2020

| | | Unrestricted funds general £ | Unrestricted funds designated £ | Restricted funds £ | Total 2020 £ | Unrestricted funds general £ | Unrestricted funds designated £ | Restricted funds £ | Total 2019 £ |
|--|-------|---------------------------------------|--|--------------------------|--------------------|---------------------------------------|--|--------------------------|--------------------|
| | Notes | | | | | | | | |
| <u>Income and endowments from:</u> | | | | | | | | | |
| Donations and legacies | 3 | 283,643 | - | 10,723 | 294,366 | 299,886 | - | 27,075 | 326,961 |
| Charitable activities | 4 | 1,955 | - | - | 1,955 | 7,683 | - | - | 7,683 |
| Other trading activities | 5 | 7,932 | - | 855 | 8,787 | 32,151 | - | 4,164 | 36,315 |
| Investments | 6 | 755 | - | 255 | 1,010 | 700 | - | - | 700 |
| Other income | 7 | - | - | - | - | 3,591 | - | 143 | 3,734 |
| Total income | | 294,285 | - | 11,833 | 306,118 | 344,011 | - | 31,382 | 375,393 |
| <u>Expenditure on:</u> | | | | | | | | | |
| Raising funds | 8 | 4,443 | - | 1,561 | 6,004 | 24,510 | - | 3,982 | 28,492 |
| Charitable activities | 9 | 245,223 | 27,241 | 5,208 | 277,672 | 276,591 | 47,133 | 14,021 | 337,745 |
| Total resources expended | | 249,666 | 27,241 | 6,769 | 283,676 | 301,101 | 47,133 | 18,003 | 366,237 |
| Net incoming resources before transfers | | 44,619 | (27,241) | 5,064 | 22,442 | 42,910 | (47,133) | 13,379 | 9,156 |

LIFEHOUSE CHURCH

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2020

| | | | | | | | | |
|---|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Net incoming resources before transfers | 44,619 | (27,241) | 5,064 | 22,442 | 42,910 | (47,133) | 13,379 | 9,156 |
| Gross transfers between funds | (8,158) | 8,158 | - | - | (29,883) | 31,523 | (1,640) | - |
| | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> |
| Net income for the year/ Net movement in funds | 36,461 | (19,083) | 5,064 | 22,442 | 13,027 | (15,610) | 11,739 | 9,156 |
| Fund balances at 1 January 2020 | 590,874 | 64,643 | 123,414 | 778,931 | 577,847 | 80,253 | 111,675 | 769,775 |
| | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> |
| Fund balances at 31 December 2020 | 627,335 | 45,560 | 128,478 | 801,373 | 590,874 | 64,643 | 123,414 | 778,931 |
| | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> |

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

LIFEHOUSE CHURCH

BALANCE SHEET

AS AT 31 DECEMBER 2020

| | | 2020 | | 2019 | |
|---|-------|----------|---------|----------|---------|
| | Notes | £ | £ | £ | £ |
| Fixed assets | | | | | |
| Tangible assets | 13 | | 460,867 | | 429,068 |
| Current assets | | | | | |
| Stocks | 14 | 200 | | 500 | |
| Debtors | 15 | 5,462 | | 4,629 | |
| Cash at bank and in hand | | 347,800 | | 363,131 | |
| | | | | | |
| | | | 353,462 | | 368,260 |
| Creditors: amounts falling due within one year | 16 | (12,956) | | (18,397) | |
| | | | | | |
| Net current assets | | | 340,506 | | 349,863 |
| | | | | | |
| Total assets less current liabilities | | | 801,373 | | 778,931 |
| | | | | | |
| Income funds | | | | | |
| Restricted funds | 18 | | 128,478 | | 123,414 |
| <u>Unrestricted funds</u> | | | | | |
| Designated funds | 19 | 45,560 | | 64,643 | |
| General unrestricted funds | | 627,335 | | 590,874 | |
| | | | | | |
| | | | 672,895 | | 655,517 |
| | | | | | |
| | | | 801,373 | | 778,931 |
| | | | | | |

The financial statements were approved by the Trustees on 22 September 2021

Mr J Needham
Trustee

Mrs J Meakin
Trustee

Company Registration No. 09971964

LIFEHOUSE CHURCH

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

1 Accounting policies

Charity information

Lifehouse Church is a private company limited by guarantee incorporated in England and Wales. The registered office is 90 Chatsworth Road, Chesterfield, Derbyshire, S40 2AN.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charitable company's Memorandum and Articles, the Companies Act 2006 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 (FRS 102) (effective 1 January 2019)". The charitable company is a Public Benefit Entity as defined by FRS 102.

The charitable company has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the charitable company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. In making that assessment, the trustees have specifically considered the impact of the coronavirus on the operations of the charity, alongside actions taken to mitigate the impact. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Designated funds comprise funds which have been set aside at the discretion of the trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

Restricted funds are subject to specific conditions by donors as to how they may be used. The costs of raising and administering such funds are charged against the specific fund. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the charitable company is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

LIFEHOUSE CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

Cash donations are recognised on receipt. Other donations are recognised once the charitable company has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charitable company has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Grants are recognised in full in the Statement of Financial Activities in the year in which they are receivable.

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.

1.5 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.

Costs of raising funds are costs incurred in attracting voluntary income and those incurred in trading activities that raise funds.

All expenditure is inclusive of irrecoverable VAT.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

| | |
|-----------------------------|----------------------|
| Freehold land and buildings | Not depreciated |
| Fixtures and fittings | 25% reducing balance |
| Computers | 33.3% straight line |

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

No depreciation is provided on the freehold land and buildings. The trustees consider that the freehold property is maintained in such a state of repair that its residual value is at least equal to the net book value. As a result the corresponding depreciation would not be material, therefore, it is not charged in total resources expended.

LIFEHOUSE CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

1.7 Impairment of fixed assets

At each reporting end date, the charitable company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell after making due allowance for obsolete and slow-moving stocks.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.10 Financial instruments

The charitable company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charitable company's balance sheet when the charitable company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

LIFEHOUSE CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

Impairment of financial assets

Financial assets, other than those held at fair value through income and expenditure, are assessed for indicators of impairment at each reporting date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected.

If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in net income/(expenditure) for the year.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in net income/(expenditure) for the year.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the charitable company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charitable company's contractual obligations expire or are discharged or cancelled.

1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charitable company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

LIFEHOUSE CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies (Continued)

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Critical accounting estimates and judgements

In the application of the charitable company's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods. There are no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities.

3 Donations and legacies

| | Unrestricted funds general 2020 £ | Restricted funds 2020 £ | Total 2020 £ | Unrestricted funds general 2019 £ | Restricted funds 2019 £ | Total 2019 £ |
|---|---|----------------------------------|--------------------|---|----------------------------------|--------------------|
| Donations and gifts | 261,272 | 10,723 | 271,995 | 299,886 | 27,075 | 326,961 |
| Government Coronavirus Job Retention Scheme | 22,371 | - | 22,371 | - | - | - |
| | <u>283,643</u> | <u>10,723</u> | <u>294,366</u> | <u>299,886</u> | <u>27,075</u> | <u>326,961</u> |

4 Charitable activities

| | 2020 £ | 2019 £ |
|------------------------------------|--------------|--------------|
| Sales within charitable activities | <u>1,955</u> | <u>7,683</u> |

LIFEHOUSE CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

5 Other trading activities

| | Unrestricted funds general 2020 £ | Restricted funds 2020 £ | Total 2020 £ | Unrestricted funds general 2019 £ | Restricted funds 2019 £ | Total 2019 £ |
|---------------------------------------|---|----------------------------------|--------------------|---|----------------------------------|--------------------|
| Fundraising events | 907 | 855 | 1,762 | 10,853 | 4,164 | 15,017 |
| Letting and licensing arrangements | 3,720 | - | 3,720 | 12,610 | - | 12,610 |
| Trading activity income: Car park | 3,305 | - | 3,305 | 8,688 | - | 8,688 |
| Other trading activities | 7,932 | 855 | 8,787 | 32,151 | 4,164 | 36,315 |

6 Investments

| | Unrestricted funds general 2020 £ | Restricted funds 2020 £ | Total 2020 £ | Unrestricted funds general 2019 £ | Restricted funds 2019 £ | Total 2019 £ |
|---------------------|---|----------------------------------|--------------------|---|----------------------------------|--------------------|
| Interest receivable | 755 | 255 | 1,010 | 700 | - | 700 |

7 Other income

| | Unrestricted funds general 2020 £ | Restricted funds 2020 £ | Total 2020 £ | Unrestricted funds general 2019 £ | Restricted funds 2019 £ | Total 2019 £ |
|--------------|---|----------------------------------|--------------------|---|----------------------------------|--------------------|
| Other income | - | - | - | 3,591 | 143 | 3,734 |

LIFEHOUSE CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

8 Raising funds

| | Unrestricted funds general £ | Restricted funds £ | Total 2020 £ | Unrestricted funds general £ | Restricted funds £ | Total 2019 £ |
|--------------------------------------|---------------------------------------|--------------------------|--------------------|---------------------------------------|--------------------------|--------------------|
| <u>Fundraising and publicity</u> | | | | | | |
| Staging fundraising events | 3,117 | 1,121 | 4,238 | 22,558 | 3,966 | 26,524 |
| Advertising | 1,326 | 440 | 1,766 | 1,952 | 16 | 1,968 |
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> | <u> </u> | <u> </u> |
| Fundraising and publicity | 4,443 | 1,561 | 6,004 | 24,510 | 3,982 | 28,492 |
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> | <u> </u> | <u> </u> |
| | <u>4,443</u> | <u>1,561</u> | <u>6,004</u> | <u>24,510</u> | <u>3,982</u> | <u>28,492</u> |

LIFEHOUSE CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

9 Charitable activities

| | 2020 £ | 2019 £ |
|---|----------------|----------------|
| Staff costs | 157,514 | 164,216 |
| Depreciation and impairment | 11,418 | 9,593 |
| Donations - Missionary societies | 36,941 | 53,673 |
| Bank charges | 1,057 | 1,434 |
| Printing and stationery | 1,146 | 1,029 |
| Miscellaneous costs | 7,242 | 8,863 |
| Church running expenses | 18,479 | 24,393 |
| Church maintenance | 10,358 | 17,606 |
| Coffee shop expenditure | 2,739 | 6,881 |
| Travel expenses | 2,005 | 6,265 |
| Legal and professional fees | 2,592 | 2,211 |
| Blessings and speakers | 11,783 | 20,864 |
| Hardship funds | 232 | 1,695 |
| Pastoral care and hospitality | 2,613 | 9,011 |
| Training costs | 5,570 | 4,466 |
| Subscriptions | 1,423 | 987 |
| | <u>273,112</u> | <u>333,187</u> |
| Share of governance costs (see note 10) | 4,560 | 4,558 |
| | <u>277,672</u> | <u>337,745</u> |
| Analysis by fund | | |
| Unrestricted funds - general | 245,223 | 276,591 |
| Unrestricted funds - designated | 27,241 | 47,133 |
| Restricted funds | 5,208 | 14,021 |
| | <u>277,672</u> | <u>337,745</u> |

LIFEHOUSE CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

10 Support costs

| | Support costs £ | Governance costs £ | 2020 £ | Support costs £ | Governance costs £ | 2019 £ |
|---|-----------------------|--------------------------|--------------|-----------------------|--------------------------|--------------|
| Audit fees | - | 4,560 | 4,560 | - | 4,558 | 4,558 |
| | <u>-</u> | <u>4,560</u> | <u>4,560</u> | <u>-</u> | <u>4,558</u> | <u>4,558</u> |
| Analysed between Charitable activities | - | 4,560 | 4,560 | - | 4,558 | 4,558 |
| | <u>-</u> | <u>4,560</u> | <u>4,560</u> | <u>-</u> | <u>4,558</u> | <u>4,558</u> |

Governance costs includes payments to the auditors of £4,560 (2019- £4,558) for audit fees.

LIFEHOUSE CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

11 Trustees

The total amount of donations received from trustees without conditions was £48,355 (2019: £98,422).

P Hollingworth (Member and Trustee) received remuneration of £42,345 (2019: £48,952), employers' NI contributions of £4,637 (2019: £5,572) and employer's pension contributions of £1,162 (2019: £1,021) in respect of his employment with the church.

J Meakin (Trustee) received remuneration of £25,047 (2019: £23,832), employers' NI contributions of £2,250 (2019: £2,105) and employer's pension contributions of £751 (2019: £656) in respect of her employment with the church.

S Hollingworth (Member), who is the wife of P Hollingworth, received remuneration of £23,445 (2019: £26,513), employers' NI contributions of £2,029 (2019: £2,475) and employer's pension contributions of £703 (2019: £438) in respect of her employment with the church.

D Woolf (Member) received remuneration of £26,475 (2019: £25,462), employers' NI contributions of £2,447 (2019: £2,330) and employer's pension contributions of £794 (2019: £700) in respect of his employment with the church.

P Hollingworth and S Hollingworth have led and served Lifehouse Church for the past eight years and as a Board we decided to honour them with a bonus to the total of £12,000 in 2019. This was shown as an increase in their salaries in 2019. They have gone above and beyond the requirements of any normal job and brought about a positive cultural shift within the body of the church. By the grace of God, they have been instrumental in the numerical growth of the church.

The above individuals are the senior management team of the Church.

B Hollingworth, who is the father of P Hollingworth, received remuneration of £10,843 (2019: £10,029), employers' NI contributions of £289 (2019: £200) in respect of his employment with the church.

These payments are authorised under the terms of the charity's governing document.

LIFEHOUSE CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

12 Employees

The average monthly number of employees during the year was:

| | 2020 Number | 2019 Number |
|-----------|----------------|----------------|
| Trustees | 5 | 5 |
| Employees | 5 | 5 |
| Total | 10 | 10 |

| Employment costs | 2020 £ | 2019 £ |
|-----------------------|-----------|-----------|
| Wages and salaries | 145,714 | 151,121 |
| Social security costs | 8,043 | 9,983 |
| Other pension costs | 3,757 | 3,112 |
| | 157,514 | 164,216 |

There were no employees whose annual remuneration was £60,000 or more.

13 Tangible fixed assets

| | Freehold land and buildings £ | Fixtures and fittings £ | Computers £ | Total £ |
|------------------------------------|-------------------------------------|-------------------------------|----------------|------------|
| Cost | | | | |
| At 1 January 2020 | 400,000 | 168,379 | 27,688 | 596,067 |
| Additions | - | 41,418 | 1,799 | 43,217 |
| At 31 December 2020 | 400,000 | 209,797 | 29,487 | 639,284 |
| Depreciation and impairment | | | | |
| At 1 January 2020 | - | 144,415 | 22,584 | 166,999 |
| Depreciation charged in the year | - | 7,860 | 3,558 | 11,418 |
| At 31 December 2020 | - | 152,275 | 26,142 | 178,417 |
| Carrying amount | | | | |
| At 31 December 2020 | 400,000 | 57,522 | 3,345 | 460,867 |
| At 31 December 2019 | 400,000 | 23,964 | 5,104 | 429,068 |

LIFEHOUSE CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

13 Tangible fixed assets

(Continued)

The freehold land and buildings comprise the church and premises with adjacent car park. These were subject to a professional valuation in 2016 which gave an existing use value of £350,000, however in the view of the trustees a sale with planning permission would value the building at approximately £400,000.

14 Stocks

| | 2020 £ | 2019 £ |
|------------------|-----------|-----------|
| Goods for resale | 200 | 500 |

15 Debtors

| | 2020 £ | 2019 £ |
|---|-----------|-----------|
| Amounts falling due within one year: | | |
| Trade debtors | 980 | 1,989 |
| Other debtors | 3,762 | 2,640 |
| Prepayments and accrued income | 720 | - |
| | 5,462 | 4,629 |

16 Creditors: amounts falling due within one year

| | 2020 £ | 2019 £ |
|------------------------------------|-----------|-----------|
| Other taxation and social security | 4,263 | 2,604 |
| Trade creditors | 1,732 | 5,918 |
| Other creditors | 2,267 | 5,315 |
| Accruals and deferred income | 4,694 | 4,560 |
| | 12,956 | 18,397 |

17 Retirement benefit schemes

Defined contribution schemes

The charitable company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charitable company in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £3,757 (2019 - £3,112).

LIFEHOUSE CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

18 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

| | Movement in funds | | | | Movement in funds | | | |
|------------------------|------------------------------|-----------------------|-----------------------|----------------|------------------------------|-----------------------|-----------------------|-----------------------------------|
| | Balance at 1 January 2019 | Incoming resources | Resources expended | Transfers | Balance at 1 January 2020 | Incoming resources | Resources expended | Balance at 31 December 2020 |
| | £ | £ | £ | £ | £ | £ | £ | £ |
| Lift | 1,335 | - | - | (1,335) | - | - | - | - |
| Lifepoint | 2,072 | 6,260 | (7,389) | 144 | 1,087 | 5,635 | (4,228) | 2,494 |
| Chapel | 3,233 | 1,242 | (475) | (983) | 3,017 | 548 | (678) | 2,887 |
| Youth and young adults | 1,437 | 2,262 | (592) | (1,463) | 1,644 | 358 | (504) | 1,498 |
| Kids church | 307 | 539 | (292) | (277) | 277 | - | (246) | 31 |
| Shine | 122 | 2,507 | (1,845) | (652) | 132 | 479 | (1,039) | (428) |
| Spokes | 1,792 | - | (1,015) | 1,020 | 1,797 | - | - | 1,797 |
| Building fund | 98,191 | 17,184 | - | - | 115,375 | 4,369 | - | 119,744 |
| Missions | 3,186 | 195 | (3,432) | 136 | 85 | - | - | 85 |
| Macmillan | - | 205 | (205) | - | - | - | - | - |
| Ashgate Hospice | - | 988 | (2,758) | 1,770 | - | - | - | - |
| Youth | - | - | - | - | - | 327 | (74) | 253 |
| Totslife | - | - | - | - | - | 117 | - | 117 |
| | <u>111,675</u> | <u>31,382</u> | <u>(18,003)</u> | <u>(1,640)</u> | <u>123,414</u> | <u>11,833</u> | <u>(6,769)</u> | <u>128,478</u> |

LIFEHOUSE CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

18 Restricted funds

(Continued)

Lift - Funding towards the cost of removing and installing a new hydraulic passenger lift.

Lifepoint - To provide assistance to and support of the underprivileged in society and other community involvement that accord with the aims and objectives of the charity.

Chapel - To fulfil the aims and objectives of the charity amongst people over the age of 55.

Youth and young adults - To fulfil the aims and objectives of the charity amongst young people associated with and outside the church.

Kids church - To fulfil the aims and objectives of the charity amongst the children of parents involved in the church and children outside the family of the church.

Shine - Women meeting together and discovering all that God has for them. A group where they can bring their friends with confidence. The goals of Shine are to empower women and help them meet with God and reach their potential. At 31 December 2020, this fund was in deficit, but more income will be collected relating to this fund in the future to resolve this.

Spokes - This charity project was established in the winter of 2009. Spokes is an integral project that aims to identify young people between the ages of 10 and 16 who have made incredible progress, despite challenging circumstances. Just for one day a Champion Culture is created to ensure the young people get the encouragement they deserve. Through the support of local businesses, people and agencies we plan to develop this project so that many generations to come will hear the words, 'well done.'

Building fund - The building fund was set up in Autumn 2014. This is part of the vision to build/develop a spacious place, that will be a great resource and influence to this community. It will create many ways for people to access the Christian Faith.

LIFEHOUSE CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

18 Restricted funds

(Continued)

Missions - The purpose of this fund is to support the specific missions set by the church. Previous missions have included, 'Youth to Poland,' and, 'Team to Ghana.'

Macmillan - Funds were raised by Lifehouse Chapel to support the work that Macmillan does.

Ashgate Hospice - This is a local charity that we prioritise every year to support them financially.

Transfers between funds are to agree the balance carried forward to bank and cash balances held by each individual restricted fund. Unrestricted bank account monies are often used to fund small group expenditure and the transfers represent a reimbursement of this.

LIFEHOUSE CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

19 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

| | Balance at 1 January 2019 | Resources expended | Transfers | Balance at 1 January 2020 | Resources expended | Transfers | Balance at 31 December 2020 |
|------------------|------------------------------|-----------------------|---------------|------------------------------|-----------------------|--------------|-----------------------------------|
| | £ | £ | £ | £ | £ | £ | £ |
| Building fund | 75,531 | (16,000) | 1,042 | 60,573 | - | (18,645) | 41,928 |
| Giving | 4,722 | (31,133) | 30,481 | 4,070 | (27,241) | 26,803 | 3,632 |
| | <u>80,253</u> | <u>(47,133)</u> | <u>31,523</u> | <u>64,643</u> | <u>(27,241)</u> | <u>8,158</u> | <u>45,560</u> |

Building fund - Monies set aside by the trustees towards the building fund as described in restricted funds.

Giving fund - To fulfil the aims and objectives of the charity by supporting organisations and individuals seeking to promote these aims and objectives in the United Kingdom and other countries.

LIFEHOUSE CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

20 Analysis of net assets between funds

| | Unrestricted funds | Designated funds | Restricted funds | Total | Unrestricted funds | Designated funds | Restricted funds | Total |
|---|-----------------------|------------------|------------------|----------------|-----------------------|------------------|------------------|----------------|
| | 2020 | 2020 | 2020 | 2020 | 2019 | 2019 | 2019 | 2019 |
| | £ | £ | £ | £ | £ | £ | £ | £ |
| Fund balances at 31 December 2020 are represented by: | | | | | | | | |
| Tangible assets | 460,867 | - | - | 460,867 | 429,068 | - | - | 429,068 |
| Current assets/(liabilities) | 166,468 | 45,560 | 128,478 | 340,506 | 161,806 | 64,643 | 123,414 | 349,863 |
| | <u>627,335</u> | <u>45,560</u> | <u>128,478</u> | <u>801,373</u> | <u>590,874</u> | <u>64,643</u> | <u>123,414</u> | <u>778,931</u> |

LIFEHOUSE CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

21 Events after the reporting date

As referred to in the going concern section of the accounting policies, the trustees are monitoring the situation concerning the coronavirus and any impact it may have on the charity. Given the current uncertainties, any longer term financial effect cannot be estimated.