

Company registration number: CE011670

Charity registration number: 1175269

New Life Church, New Milton

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 March 2021

Westlake Clark Audit LLP
7 Lynwood Court
Priestlands Place
Lymington
Hampshire
SO41 9GA

New Life Church, New Milton

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New Life Church, New Milton

Reference and Administrative Details

Chairman	Dr D M Bargh
Trustees	Dr D M Bargh M C Page Dr N Simmons G M Bird
Principal Office	New Life Christian Centre 34 Gore Road New Milton Hampshire BH25 6RZ The charity is incorporated in England and Wales.
Charity Registration Number	1175269
Bankers	Lloyds TSB Bank PLC Walthamstow branch PO Box 1000 BX1 1LT
Accountants	Westlake Clark Audit LLP 7 Lynwood Court Priestlands Place Lymington Hampshire SO41 9GA

New Life Church, New Milton

Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the year ended 31 March 2021.

Objectives and activities

Objects and aims

The Objects of the CIO are, for the public benefit:

- The advancement of the Christian faith in New Milton, Hampshire and such other parts of the United Kingdom and the world, in such ways as the trustees may from time to time decide.
- To relieve persons who are in condition of need or distress, by means of financial hardship, age, ill-health, disability or such other economic or social disadvantage, in such parts of the United kingdom and the world, in such ways, as the trustees may from time to time decide.

New Life Church, New Milton

Trustees' Report

Public benefit

In planning the activities the Trustees have applied the guidance on public benefit issued by the Charity Commission.

We seek the advancement of the Christian faith for the public benefit by facilitating religious practice, and we seek to relieve persons who are in condition of need (as described in the Objects, above), for the public benefit.

There was an immediate and radical disruption to the activities of the CIO following the 'lock down' imposed by HM Government on 23 March 2020, because of the Covid-19 pandemic, which impacted our activities for the whole of the year covered by this report (the year ended 31 March 2021).

Our activities, for the public benefit, were as follows:

- We carried out regular teaching from the Bible during the year on Sundays, by means of live-streaming via YouTube, based at New Life Christian Centre, raising awareness and understanding of Christian belief, and training in Christian discipleship.
- Government Covid guidance prevented our previous pattern of Sunday morning services, to worship God and enjoy fellowship together. Instead, we live-streamed a worship service throughout the year from New Life Christian Centre (involving only a small production team). The regulations eased for part of the year, so that a small congregation (less than 30 people, because of the requirement for 'social distancing') were able to meet on Sunday mornings for a small part of the year.
- Home groups for Bible study, prayer and fellowship, and prayer meetings, took place throughout the year, by videoconferencing, but the number of groups was reduced compared with our pre-Covid numbers.
- Our ownership and maintenance of the New Life Christian Centre building continued. In 'normal times' we use it as a public place of worship, for religious practice and for teaching and instruction for all ages, and for community activities. Covid regulations permitted our staff to continue to use it as the office and administrative base for the church, but severely limited its use otherwise. In 'normal times' its use includes work associated with the registered charity Christians Against Poverty (CAP), debt advice and support service; this was able to continue, but in a reduced way (several members of New Life Church are involved with the work of CAP, either as CAP debt advisers or as CAP client supporters).
- Our pastoral care team continued to function, but only as permitted by the Covid restrictions; the government regulations prevented our previous regular outreach in local residential homes for the elderly, singing spiritual songs to musical accompaniment.
- Participation in Christian assemblies, and teaching groups, in local schools, wasn't possible this year, because of Covid.
- We were able to continue the relief of poverty and distress, through 'mercy ministry' financial gifts, coordinated by the pastors. The Church was also active in supporting the work of the local food bank, 'Basics Bank'.
- The church supports mission and outreach work in the local community and overseas, by both human involvement and financial aid. This continued uninterrupted.
- Our previous weekly evening youth club on a local housing estate (for teenagers), run by our employed youth worker, together with church volunteers, wasn't able to take place, because of Covid. Our previous weekly meetings as part of our regular youth work for children and young people, at New Life Christian Centre, were discontinued for most of the year because of Covid. Videoconferencing was substituted. For much of the year our children's team produced an excellent weekly recorded children's slot going out on YouTube prior to our Sunday live-stream.
- The charity has a grant-making policy, but essentially this clarifies that grant-making does not form a part of the charity's activities currently.

New Life Church, New Milton

Trustees' Report

Achievements

The charity has carried out the activities described above. Impacts have been seen, at the individual level, in young people and adults professing the Christian faith for the first time, and in established Christians growing in, and living out, their faith. The charity has been active in seeking to relieve persons who are in condition of need or distress (interpreted widely as in the charity's objects) and these needs are often of a confidential nature. We believe that in seeking to represent Jesus Christ in our activities, the charity has had a beneficial impact more widely in the community.

As already mentioned, the sudden 'lock down' imposed on 23 March 2020 because of the Covid-19 pandemic, resulted in an immediate disruption to the activities of the CIO.

Our Youth and Community Worker, Rae Hicks, resigned in August 2020, because she got married and then moved away. Rae was instrumental in setting up and coordinating the team running the weekly youth club, as mentioned above. A significant number of local teenagers had gospel encounters through Rae and her work, and her enthusiasm commended her and God, to those she met!

Because of Covid disrupting our activities and, to some extent our finances, it became clear in the second half of the reporting year that we needed to restructure our employed staff. Natasha Bagga, Children & Family Worker, and Vicki Houldridge, Church Administrator, took voluntary redundancy in early March 2021. We are grateful for their faithful service while on the staff team.

The trustees confirm that:

a) they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales, and

b) there were no serious incidents relating to the charity during the year.

Financial review

Income for 2020-2021 was down by £31,164 compared to 2019-2020, and expenses were down by £22,805 for the same period. This resulted in an operating loss of £8,324.

We had expected giving to be reduced, as a consequence of the impact of Covid on personal finances for many people.

The closing level of funds, at 31st March 2021 was:

Total funds: £191,538 (Total unrestricted funds: £96,604; Total restricted funds: £94,934).

The Gift Aid Small Donations Scheme continues to provide gift aid tax for the church.

Policy on reserves

As in previous years general reserves from giving continue to be held to cover continuity of activity and for projects. These 'ring fenced' reserves amounting to approximately three months of income (£40,000) are held in a ready-access bank account. These are held to cover major income loss and demands from contractual legal obligations. The Designated Reserve fund was kept at £40,000. Additionally, we have a 'Kingdom fund' reserve, holding £10,000, to build up funds to be available if an opportunity arises to purchase a property suitable for use by the church for Sunday worship, and as a contingency for disruption to our normal Sunday place of worship.

The Trustees have reviewed the financial accounts and are satisfied that they represent a true and fair view of the current position.

Plans for future periods

Aims and key objectives for future periods

The Church's aim is to continue to work in our local and wider community, as above.

As already mentioned, the sudden 'lock down' imposed by HM Government on 23 March 2020, resulted in a disruption to the activities of the CIO for the whole of this reporting year, and the restrictions on social interaction have continued into the reporting year 2021-22, only finally easing in July 2021.

The Trustees are very grateful to God for His complete provision for us, and for all the staff in pastoral, youth and children and families work. The many volunteers who support this are vital to our activities and we are very grateful for their dedicated service, which cannot easily be quantified.

New Life Church, New Milton

Trustees' Report

Activities planned to achieve aims

At the time of writing this report (October 2021), the Covid restrictions have eased and we have resumed some of our pre-Covid activities. We continue to live-stream our Sunday morning gatherings, because there is clearly a need for it (both for those of our congregation who are not yet comfortable with returning to our Sunday gatherings while the risk of Covid is still real, and for interested watchers, wherever in the world they may be).

We are now hiring the main hall and some classrooms at Arnewood School (the local Comprehensive) for our Sunday morning gatherings. This has excellent internet access and parking capacity. We are encouraged by the significant number of new attenders who are joining us on Sunday mornings at Arnewood. We hope to resume providing pre-service refreshments soon.

The church continues to support the work of Christians against Poverty (CAP), locally expressed through debt counselling, a job club, and a Life Skills course (in association with Lymington Baptist Church).

In recent months we have started a small food bank based at New Life Centre (the Salter Storehouse, named in memory of Bob Salter, sadly deceased charity trustee), as a Community support and outreach initiative. This is not aiming to compete with the local long-established 'Basics Bank' (food bank); clients are invited for a coffee and chat, and if appropriate, prayer, when collecting food boxes, to build relationships with the community.

We relaunched home groups meeting in person in July 2021, and we look to increase the proportion of regular church attenders belonging to home groups, by expanding the number of groups, subject to the availability of group leaders.

Since August 2021 we are employing a Family and Community Leader, Liz Bastable, who is leading our children's work and will be restarting a Parent and Toddler group in January 2022. Liz is also planning an initiative to support workers in the local care homes with gift parcels pre-Christmas, and to record a Christmas service for care home residents this Christmas.

The Leadership team realises there is an increasing need for administrative support as we recover from the effects of the Covid pandemic, and is considering having a new post of Operations Coordinator, in 2022.

It continues to be our policy to give at least 10% of our income to supporting Christian Mission (in the UK and abroad).

New Life Church is a member of the Evangelical Alliance. We are also in Kinetic Network, a relational network of like-minded churches in the UK that has provided New Life Church with ministry and training opportunities in 2020-21.

At the time of writing this report (October 2021), there was a downturn in the Charity's income, associated with the Covid-19 crisis. The Trustees are monitoring the situation, and there are signs of an upturn.

Structure, governance and management

Nature of governing document

New Life Church prior to 2018 related to New Life Fund, an unincorporated charitable trust, whose trustees decided to apply to convert to CIO status. New Life Church New Milton CIO was registered by the Charity Commission 20 October 2017. The assets, liabilities and activities of New Life Fund were subsequently transferred to the CIO, New Life Fund and the CIO merged, and New Life Fund was dissolved and removed from the Charities Register. The trustees of New Life Fund became the trustees of the CIO.

The CIO is a Foundation CIO, which is to say that the only voting members are its charity trustees.

Recruitment and appointment of trustees

The CIO Constitution states that apart from the first trustees, every trustee "must be appointed by a resolution passed at a properly convened meeting of the spiritual leadership of New Life Church" (where 'spiritual leadership' means the Elders of the Church). Also, "in selecting individuals for appointment as charity trustees, the spiritual leadership must have regard to the skills, knowledge and experience needed for the effective administration of the CIO." Trustees are appointed from among the membership of New Life Church.

New Life Church, New Milton

Trustees' Report

Induction and training of trustees

New trustees would normally be familiar with the practical work of the charity, having been involved in the charity and its activities prior to appointment.

Newly appointed trustees are instructed to familiarise themselves with Charity Commission guidance on its website, particularly the guidance “The essential trustee: what you need to know, what you need to do.”

The trustees will make available to a new trustee a copy of the CIO constitution, a copy of the CIO's latest Trustees' annual report and statement of accounts, and copies of the Policies and Procedures of New Life Church, including the safeguarding policy. An enhanced DBS check is required for new trustees.

The charity is organised so that the trustees meet regularly to oversee its affairs.

Gillian Bird was appointed to the charity trustees in July 2020.

Bob Salter, charity trustee, died because of Covid-19, in October 2020. We very much appreciated Bob's valuable service to the Charity and losing him has been a tragic loss.

Financial instruments

Objectives and policies

The charity's activities expose it to cash flow risk and liquidity risk. The reserve account is there to manage liquidity, and the positive financial balance in our current account is used to manage our cash flow risk.

The annual report was approved by the trustees of the charity on 31 January 2022 and signed on its behalf by:

.....
Dr D M Bargh
Chairman and Trustee

New Life Church, New Milton

Statement of Trustees' Responsibilities

The trustees (who are also the directors of New Life Church, New Milton for the purposes of company law) 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.

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company 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 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 business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and 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.

Approved by the trustees of the charity on 31 January 2022 and signed on its behalf by:

.....
Dr D M Bargh
Chairman and Trustee

New Life Church, New Milton

Independent Examiner's Report to the trustees of New Life Church, New Milton

I report to the charity trustees on my examination of the accounts of the charity for the period ended 31 March 2021 which are set out on pages 9 to 21.

Respective responsibilities of trustees and examiner

As the charity's trustees of New Life Church, New Milton (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of New Life Church, New Milton are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination other than that disclosed below, giving me cause to believe:

1. accounting records were not kept in respect of New Life Church, New Milton as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act 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; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

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.

.....
Peter Clegg BSc FCA
Westlake Clark Audit LLP

7 Lynwood Court
Priestlands Place
Lymington
Hampshire
SO41 9GA

31 January 2022

New Life Church, New Milton

Statement of Financial Activities for the Year Ended 31 March 2021 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2021 £
Income and Endowments from:				
Donations and legacies	3	153,978	2,195	156,173
Investment income	4	35	-	35
Total income		154,013	2,195	156,208
Expenditure on:				
Charitable activities	5	(162,232)	(2,300)	(164,532)
Total expenditure		(162,232)	(2,300)	(164,532)
Net expenditure		(8,219)	(105)	(8,324)
Net movement in funds		(8,219)	(105)	(8,324)
Reconciliation of funds				
Total funds transferred in (As restated)		104,823	95,039	199,862
Total funds carried forward	13	96,604	94,934	191,538
		(As restated) Unrestricted funds £	Restricted funds £	(As restated) Total 2020 £
Income and Endowments from:				
Donations and legacies	3	182,874	4,108	186,982
Investment income	4	390	-	390
Total income		183,264	4,108	187,372
Expenditure on:				
Charitable activities	5	(181,927)	(5,410)	(187,337)
Total expenditure		(181,927)	(5,410)	(187,337)
Net income/(expenditure)		1,337	(1,302)	35
Net movement in funds		1,337	(1,302)	35
Reconciliation of funds				
Total funds brought forward (As restated)		103,486	96,341	199,827
Total funds carried forward	13	104,823	95,039	199,862

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.

New Life Church, New Milton

(Registration number: CE011670)
Balance Sheet as at 31 March 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	10	77,014	79,975
Current assets			
Debtors	11	3,339	4,713
Cash at bank and in hand		<u>117,400</u>	<u>119,711</u>
		120,739	124,424
Creditors: Amounts falling due within one year	12	<u>(6,215)</u>	<u>(4,537)</u>
Net current assets		<u>114,524</u>	<u>119,887</u>
Net assets		<u>191,538</u>	<u>199,862</u>
Funds of the charity:			
Restricted income funds			
Restricted funds	13	94,934	95,039
Unrestricted income funds			
Unrestricted funds		<u>96,604</u>	<u>104,823</u>
Total funds	13	<u>191,538</u>	<u>199,862</u>

For the financial year ending 31 March 2021 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements on pages 9 to 21 were approved by the trustees, and authorised for issue on 31 January 2022 and signed on their behalf by:

.....
Dr D M Bargh
Chairman and Trustee

New Life Church, New Milton

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

1 Charity status

The charity is limited by guarantee, incorporated in England and Wales, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £Nil towards the assets of the charity in the event of liquidation.

The address of its registered office is:

New Life Christian Centre
34 Gore Road
New Milton
Hampshire
BH25 6RZ

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

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). They also comply with the Companies Act 2006 and Charities Act 2011.

Basis of preparation

New Life Church, New Milton 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.

The charity's presentational currency is pounds sterling, rounded to the nearest £1.

Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

Exemption from preparing a cash flow statement

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

Changes in circumstances

Transfer from a registered charity

On 1 April 2018, the financial assets and liabilities, including staff, have been transferred from New Life Fund, a registered charity, to New Life Church, a Charitable Incorporated Organisation.

Income and endowments

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 the income receivable can be measured reliably.

New Life Church, New Milton

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

Donations and legacies

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

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.

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 £250.00 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:

Asset class	Depreciation method and rate
Fixtures, fittings, and equipment	15% reducing balance basis
Buildings	2% straight line basis

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.

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

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Statement of Financial Activities over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the charity has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

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.

Designated funds are unrestricted resources that are set aside for specific purposes at the discretion of the trustees.

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.

Financial instruments

Classification

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument. Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting all of its liabilities.

Recognition and measurement

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the charity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

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

Debt instruments

Debt instruments which meet the following conditions are subsequently measured at amortised cost using the effective interest method:

(a) The contractual return to the holder is (i) a fixed amount; (ii) a positive fixed rate or a positive variable rate; or (iii) a combination of a positive or a negative fixed rate and a positive variable rate.

(b) The contract may provide for repayments of the principal or the return to the holder (but not both) to be linked to a single relevant observable index of general price inflation of the currency in which the debt instrument is denominated, provided such links are not leveraged.

(c) The contract may provide for a determinable variation of the return to the holder during the life of the instrument, provided that (i) the new rate satisfies condition (a) and the variation is not contingent on future events other than (1) a change of a contractual variable rate; (2) to protect the holder against credit deterioration of the issuer; (3) changes in levies applied by a central bank or arising from changes in relevant taxation or law; or (ii) the new rate is a market rate of interest and satisfies condition (a).

(d) There is no contractual provision that could, by its terms, result in the holder losing the principal amount or any interest attributable to the current period or prior periods.

(e) Contractual provisions that permit the issuer to prepay a debt instrument or permit the holder to put it back to the issuer before maturity are not contingent on future events, other than to protect the holder against the credit deterioration of the issuer or a change in control of the issuer, or to protect the holder or issuer against changes in levies applied by a central bank or arising from changes in relevant taxation or law.

(f) Contractual provisions may permit the extension of the term of the debt instrument, provided that the return to the holder and any other contractual provisions applicable during the extended term satisfy the conditions of paragraphs (a) to (c).

Debt instruments that are classified as payable or receivable within one year on initial recognition and which meet the above conditions are measured at the undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

With the exception of some hedging instruments, other debt instruments not meeting these conditions are measured at fair value through profit or loss.

Commitments to make and receive loans which meet the conditions mentioned above are measured at cost (which may be nil) less impairment.

Fair value measurement

The best evidence of fair value is a quoted price for an identical asset in an active market. When quoted prices are unavailable, the price of a recent transaction for an identical asset provides evidence of fair value as long as there has not been a significant change in economic circumstances or a significant lapse of time since the transaction took place. If the market is not active and recent transactions of an identical asset on their own are not a good estimate of fair value, the fair value is estimated by using a valuation technique.

New Life Church, New Milton

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

3 Income from donations and legacies

	Unrestricted funds	Restricted funds	Total 2021	Total 2020
	General £	£	£	£
Donations and legacies;				
Mission and Ministry	3,705	1,095	4,800	4,221
Donations and gifts	115,172	1,100	116,272	132,647
Offertory	9,650	-	9,650	21,507
Gift Aid reclaimed (As restated)	25,451	-	25,451	28,607
	<u>153,978</u>	<u>2,195</u>	<u>156,173</u>	<u>186,982</u>

4 Investment income

	Unrestricted funds	Total 2021	Total 2020
	General £	£	£
Interest receivable and similar income;			
Interest receivable on bank deposits	<u>35</u>	<u>35</u>	<u>390</u>

New Life Church, New Milton

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

5 Expenditure on charitable activities

	Unrestricted funds	Restricted funds	Total 2021	Total 2020
	General £	£	£	£
Mission and ministry	137,057	27	137,084	133,000
Sunday school and teaching resources	407	1,149	1,556	18,665
Human resources	760	-	760	1,764
Establishment	20,300	-	20,300	28,374
General office	1,521	-	1,521	1,810
Depreciation	2,187	1,124	3,311	3,724
	<u>162,232</u>	<u>2,300</u>	<u>164,532</u>	<u>187,337</u>

(2020 - £181,927) £162,232 of the above expenditure was attributable to unrestricted funds and £2,300 (2020 - £5,410) to restricted funds.

6 Net incoming/outgoing resources

Net (outgoing)/incoming resources for the year include:

	2021 £	2020 £
Depreciation of fixed assets	<u>3,311</u>	<u>3,724</u>

7 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

New Life Church, New Milton

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

8 Staff costs

The aggregate payroll costs were as follows:

	2021 £	2020 £
Staff costs during the year were:		
Wages and salaries	105,897	96,406
Social security costs	3,742	4,844
Pension costs	10,628	10,038
	<u>120,267</u>	<u>111,288</u>

The monthly average number of persons (including senior management team) employed by the charity during the year expressed as full time equivalents was as follows:

	2021 No	2020 No
Employees	<u>6</u>	<u>5</u>

No employee received emoluments of more than £60,000 during the year.

The chief executive officer, as the highest paid member of staff, received benefits totalling £25,313 (2020 - £24,898).

9 Taxation

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

New Life Church, New Milton

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

10 Tangible fixed assets

	Land and buildings £	Furniture and equipment £	Total £
Cost			
At 1 April 2020	64,011	23,908	87,919
Additions	-	350	350
At 31 March 2021	64,011	24,258	88,269
Depreciation			
At 1 April 2020	1,580	6,364	7,944
Charge for the year	799	2,512	3,311
At 31 March 2021	2,379	8,876	11,255
Net book value			
At 31 March 2021	61,632	15,382	77,014
At 31 March 2020	62,431	17,544	79,975

11 Debtors

	2021 £	2020 £
Prepayments	745	745
Other debtors	2,594	3,968
	3,339	4,713

12 Creditors: amounts falling due within one year

	2021 £	2020 £
Other taxation and social security	2,155	2,777
Other creditors	2,500	200
Accruals	1,560	1,560
	6,215	4,537

New Life Church, New Milton

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

13 Funds

	Balance transferred in £	Incoming resources £	Resources expended £	Balance at 31 March 2021 £
Unrestricted funds				
<i>General</i>				
Unrestricted Income Fund	45,467	150,308	(162,232)	33,543
<i>Designated</i>				
Mercy Ministries	9,356	3,705	-	13,061
Designated Reserve Fund	40,000	-	-	40,000
Kingdom Fund	10,000	-	-	10,000
	<u>59,356</u>	<u>3,705</u>	<u>-</u>	<u>63,061</u>
Total Unrestricted funds	<u>104,823</u>	<u>154,013</u>	<u>(162,232)</u>	<u>96,604</u>
Restricted funds				
Building Fund Appeal	60,227	-	(724)	59,503
Facilities Fund	2,666	-	(400)	2,266
Operation Centurion	316	-	-	316
Youth Worker	30,000	-	-	30,000
Love Gifts for John & Mim	1,937	1,100	-	3,037
Youth groups	(110)	1,095	(569)	416
Outreach (family groups)	3	-	(607)	(604)
	<u>95,039</u>	<u>2,195</u>	<u>(2,300)</u>	<u>94,934</u>
Total restricted funds	<u>95,039</u>	<u>2,195</u>	<u>(2,300)</u>	<u>94,934</u>
Total funds	<u><u>199,862</u></u>	<u><u>156,208</u></u>	<u><u>(164,532)</u></u>	<u><u>191,538</u></u>

New Life Church, New Milton

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

	Balance at 1 April 2019 £ (As restated)	Incoming resources £ (As restated)	Resources expended £ (As restated)	Balance at 31 March 2020 £ (As restated)
Unrestricted funds				
<i>General</i>				
Unrestricted Income Fund	47,971	179,423	(181,927)	45,467
<i>Designated</i>				
Mercy Ministries	5,515	3,841	-	9,356
Designated Reserve Fund	40,000	-	-	40,000
Kingdom Fund	10,000	-	-	10,000
	<u>55,515</u>	<u>3,841</u>	<u>-</u>	<u>59,356</u>
Total unrestricted funds	<u>103,486</u>	<u>183,264</u>	<u>(181,927)</u>	<u>104,823</u>
Restricted funds				
Building Fund Appeal	60,951	-	(724)	60,227
Facilities Fund	3,137	-	(471)	2,666
Operation Centurion	316	-	-	316
Youth Worker	30,000	-	-	30,000
Love Gifts for John & Mim	1,937	-	-	1,937
Youth groups	-	3,395	(3,505)	(110)
Outreach (family groups)	-	713	(710)	3
	<u>96,341</u>	<u>4,108</u>	<u>(5,410)</u>	<u>95,039</u>
Total restricted funds	<u>96,341</u>	<u>4,108</u>	<u>(5,410)</u>	<u>95,039</u>
Total funds	<u>199,827</u>	<u>187,372</u>	<u>(187,337)</u>	<u>199,862</u>

The specific purposes for which the funds are to be applied are as follows:

Mercy Ministries - This represents income being used to fund calls on the church for helping out financially in various situations of poverty or need.

Designated Reserve Fund - This represents a reserve to be held by the charity, equal to three months' expenditure, to cover any unforeseen circumstances.

Kingdom Fund - Funds held for possible property purchase for Sunday worship & contingency for disruption to our normal Sunday place of worship.

Building Fund Appeal - This represents the equity assigned to the purchase of 34 Gore Road in 1999, named New Life Christian Centre.

Facilities Fund - This represents the equity value of capital purchases in terms of equipment.

Operation Centurion - This restricted fund has arisen as a member of our church gives specifically for this project, payment of which is made to UFM Worldwide.

Youth Worker - This restricted fund has arisen from a gift received with the request that it is primarily used for a youth worker.

Love Gifts for John & Mim - Love Gifts for retiring pastor and his wife.

New Life Church, New Milton

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

14 Analysis of net assets between funds

	Unrestricted funds		Restricted funds	Total funds
	General £	Designated £	£	£
Tangible fixed assets	14,230	-	62,784	77,014
Current assets	25,528	63,061	32,150	120,739
Current liabilities	(6,215)	-	-	(6,215)
Total net assets	<u>33,543</u>	<u>63,061</u>	<u>94,934</u>	<u>191,538</u>

	Unrestricted funds		Restricted funds	Total funds at 31 March 2020
	General £	Designated £	£	£
Tangible fixed assets	16,067	-	63,908	79,975
Current assets	33,937	59,356	31,131	124,424
Current liabilities (As restated)	(4,537)	-	-	(4,537)
Total net assets	<u>45,467</u>	<u>59,356</u>	<u>95,039</u>	<u>199,862</u>

15 Related party transactions

During the year the charity made the following related party transactions:

Trustees

During the year, the trustees made donations to the charity totalling £9,710 (2020 - £10,495). At the balance sheet date the amount due to/from Trustees was £Nil (2020 - £Nil).