

LIVING WORD CHURCH NETWORK
(CHARITY NUMBER : 1184540)

REPORT AND UNAUDITED ACCOUNTS
FOR THE PERIOD ENDED 31 DECEMBER 2022

Living Word Church Network

Trustees Annual Report

1 January 2022 – 31 December 2022

Charity Name: Living Word Church Network

Charity registration number: 1184540

Address: 18 High Street, Titchfield, Fareham. PO14 4AF

Trustees in post during 2022:	Appointed
Colin Gallagher	23 July 2019
Tracey Wickland	23 July 2019
Peter Halsey	25 April 2020
Rebecca Day	25 April 2020 (resigned 22 January 2022)

Salaried Staff as at 31 December 2022:

Senior Pastor	Christopher Wickland
Senior Pastor	Tracey Wickland
Pastor	Stephen Millsom
Pastor	Christopher Swindells
Administrator	Mercedesz Hibberd

Bankers: CAF Bank Ltd, 25 Kings Hill Avenue, Kings Hill, West Malling. Kent. ME19 4JQ

Accountants: Knight Goodhead Ltd, Chartered Accountants, 7 Bournemouth Road, Chandlers' Ford, Eastleigh. Hampshire. SO53 3DA.

Object, vision and mission: To advance the Christian faith to all people both children and adults and to teach sound biblical doctrine by all means possible and under the guidance of the Holy Spirit at any time and anywhere in the world including through the administration of all existing and future churches forming part of the Living Word Church Network. To provide support to those in need including the alleviation of poverty, suffering and persecution anywhere in the world.

Main activities: Teaching preaching, discipleship, training, equipping, educational, worship, pastoral care, prayer ministry, evangelism and other outreach activities,

community projects, church planting and publishing (in hard copy and digitally). Leading a participating in mission teams, both in the UK and overseas.

Networking and engaging with other churches, organisations and people sharing our vision, values and doctrine.

Governance: The Charity is a CIO with a Foundation Constitution. The Trustees are responsible for the policy and strategy of Living Word Church Network. They have regard to the guidance issued by the Charity Commission on public benefit. Selection of new Trustees are through recommendation to the Chair of Trustees by the existing Trustees. Trustees are committed members of the Network who are well known to the Trustees and Senior Pastors.

Activities undertaken for the Public Benefit:

This year saw us continuing congregational worship at our Titchfield and Purbrook plants. Our Fareham congregation held two Sunday services at 2pm and 6pm and in February we planted a new congregation at Bridgemary.

The new congregation has grown over the year and has hosted a number of guest speakers and community events including a BBQ, cream tea and quiz night.

We continued our 'Feed My Sheep' initiative with a two pronged approach - both spiritual and practical.

Spiritually we continued to produce recorded material including topically and sequential bible studies via You Tube, Facebook and Podbean. We made contacts within wider church circles and were involved in provision of in-person, zoom and pre-recorded materials to Christians both nationally and globally. We provided online devotionals periodically during the year and throughout advent.

We hosted a prayer ministry course which produced, trained and equipped new leaders within the network. This enabled us to increase our one-to-one pastoral care, hospital and home visits.

We appointed 2 new pastors and 4 new deacons within the network.

Practically we moved into our second year of the allotment project which saw the addition of chickens to the plot. Volunteers joined the project from our network, other churches and the general community. From the produce we supplied our own church congregations, family, friends, neighbours and an overflow food bank from the church building steps in Titchfield. We had a number of interested community and church leaders visit the site to see the initiative with a number of articles being produced by a national Christian newspaper on the project.

Our Titchfield building is also a collection point for our local food bank with donations from our congregations and the wider community being delivered regularly to the Hub.

This year we also began providing a free cooked meal between our services which has proved very popular.

Week on week we run a community coffee morning and warm space, a ladies sewing group, bible studies, prayer meetings and home groups.

This year saw the beginning of our weekly whole day of prayer in the form of 'Prayer School' which teaches and engages in different forms of prayer.

We enjoyed a number of one off events such as the celebration of Passover, Pentecost and Tabernacles.

We joined with the local village community for the Queen's Jubilee and hosted a day of Messy Church, face painting, puppet shows culminating in an evening of musical talent.

Youth group and Sunday school continued from the Titchfield Building with the youth group enjoying a weekend away in June. The youth group also provided a monthly church service to a local Rest Home.

We hosted a weekend church camp in September at the allotment field with attendees from our own as well as other churches.

In September we hosted a well attended MacMillan Coffee morning and also joined a local Relay for Life Cancer event. We regularly supported a missionary family in Kenya and another in Guatemala. As the need arose we undertook several fundraisers for the people of Ukraine.

In December we hosted a Christmas Day Dinner for singles and elderly people in the local community and delivered plated meals to the housebound. We also hosted a mobile Carol service around the village with a live nativity.

We maintained relationships with Jewish charities, and international missions and Christian lobbying groups remotely and in person.

We gave 10% of our income to community and Christian projects outside of our network and set up an additional specific relief fund for individuals in need predominantly through provision of supermarket vouchers.

We undertook both funerals and weddings this year and held a number of baptism services throughout the year at the Titchfield Building.

We continue to be involved in several local Churches Together communities and took part in Easter and Christmas services together and hope to extend our joint participation in the future.

Charities Financial position at the end of December 2022:

An income of £191,524 was received during the period and expenditure was £212,821, generating a deficit of £21,297 (2021: £10,346 deficit). At the reporting date the charity had total reserves of £1,095,213 of which £13,041 was restricted and £981,330 represents the book value of the property held by the church.

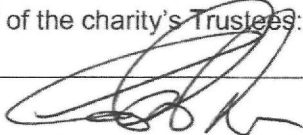
Reserves policy:

The Charity aims to maintain sufficient reserves to cover a minimum of six months running expenses (approximately £100,000). Amount of reserves held: £100,842 excluding restricted reserves and the property, of which the general fund balance is £51,078.

Declarations

The Trustees declare that they have approved the Trustees report above.

Signed on behalf of the charity's Trustees:

Signature	
Full name	COLIN GALLAGHER
Position	HEAD TRUSTEE
Date	26/10/2023

Statement of Trustees' Responsibilities

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

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that year.

In preparing these accounts, 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 accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity 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 charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT EXAMINERS REPORT TO THE TRUSTEES ON THE UNAUDITED ACCOUNTS OF LIVING WORD CHURCH NETWORK

I report to the trustees on my examination of the accounts of Living Word Church Network for the period ended 31 December 2022, which are set out on pages 7 to 15.

Responsibilities and basis of report

As the trustees of the Charity you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

Having satisfied myself that the accounts of the Charity are not required to be audited under the Charities Act 2011 and are eligible for an independent examination, I report in respect of my examination of the trustee's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

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

- (1) accounting records were not kept in respect of the Charity as required by section 130 of the Act; or
- (2) the accounts do not accord with those records; or
- (3) the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



C J Goodhead FCA
Knight Goodhead Limited
Chartered Accountants

7 Bournemouth Road
Chandler's Ford, Eastleigh
Hampshire, SO53 3DA

Dated: 30 October 2023

LIVING WORD CHURCH NETWORK

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	Unrestricted funds £	Restricted funds £	Total funds 2022 £	Total funds 2021 £
INCOME					
Donations	3	169,632	21,892	191,524	158,536
Charitable activities	3	-	-	-	-
TOTAL INCOME		169,632	21,892	191,524	158,536
EXPENDITURE ON CHARITABLE ACTIVITIES					
Church costs and related activities	4	126,740	-	126,740	89,447
Outreach and publicity	5	16,610	-	16,610	17,046
Administration costs	6	40,477	-	40,477	42,937
Donations made	7	17,074	11,920	28,994	19,452
TOTAL EXPENDITURE		200,901	11,920	212,821	168,882
NET INCOME / (EXPENDITURE) FOR YEAR BEFORE TRANSFERS		(31,269)	9,972	(21,297)	(10,346)
TRANSFERS BETWEEN FUNDS		-	-	-	-
NET INCOME / (EXPENDITURE)		(31,269)	9,972	(21,297)	(10,346)
TOTAL FUND BALANCES BROUGHT FORWARD		1,113,441	3,069	1,116,510	1,126,856
TOTAL FUND BALANCES CARRIED FORWARD		1,082,172	13,041	1,095,213	1,116,510

LIVING WORD CHURCH NETWORK

BALANCE SHEET AT 31 DECEMBER 2022

		2022		2021	
	Notes	£	£	£	£
FIXED ASSETS					
Tangible assets	9		992,628		1,014,201
CURRENT ASSETS					
Debtors	10	39,993		17,129	
Cash at bank and in hand		<u>71,791</u>		<u>91,972</u>	
		111,784		109,101	
CREDITORS: amounts falling due within one year	11	<u>(9,199)</u>		<u>(6,792)</u>	
NET CURRENT ASSETS			102,585		102,309
NET ASSETS			<u>1,095,213</u>		<u>1,116,510</u>
FUNDS					
Unrestricted funds	12	1,082,172		1,113,441	
Restricted funds	13	13,041		3,069	
TOTAL FUNDS			<u>1,095,213</u>		<u>1,116,510</u>

Approved by the Trustees on 26 October 2023
and signed on their behalf by

COLIN GALLAGHER.



....., Trustee

LIVING WORD CHURCH NETWORK

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2022

1 ACCOUNTING POLICIES

(a) Accounting convention

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 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The charity meets the definition of the 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 note. The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts are rounded to the nearest £.

The accounts have been prepared on the going concern basis. There are no material uncertainties about the charity's ability to continue.

(b) Fund accounting

- Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.
- Restricted funds are subjected to restrictions on their expenditure imposed by the donor.

(c) Incoming resources

All income is included in the Statement of Financial Activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

Donations and legacies are received by way of grants, donations, legacies and gifts and are included in full in the Statement of Financial Activities when receivable. Grants, when entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.

Charitable activities income is included in the accounts when receivable.

Investment income is included when receivable.

Resources are deferred when, at the end of an accounting period, they have been received but the charity has yet to become unconditionally entitled to them.

(d) Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred. It includes any VAT paid.

Costs are apportioned in line with the income received from that source during the period.

Charitable activities expenditure comprises of 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.

LIVING WORD CHURCH NETWORK

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2022

1 ACCOUNTING POLICIES (continued)

(e) Fixed assets

Fixed assets are capitalised for ongoing use within the charity, where the individual cost of the asset exceeds £300.

Depreciation is provided on fixed assets to spread the cost over the estimated useful lives of the relevant assets at the following rates:

Computer equipment	25% Reducing Balance
Buildings and fixtures	2.5% Straight Line
Land	nil

(f) Pension costs

Contributions in respect of the charity's defined contribution scheme are charged to the Statement of Financial Activities for the year in which they are payable to the scheme. Differences between contributions payable and contributions actually paid in the year are shown as either accruals or prepayments at the year end.

(g) Financial instruments

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price. Financial assets classified as receivable within one year are not amortised. Basic financial liabilities, including creditors, are initially measured at transaction price unless the arrangement constitutes a financing transaction. Financial liabilities classified as payable within one year are not amortised.

2 LEGAL STATUS

The Charitable Incorporated Organisation was registered with the Charity Commission in England and Wales on 23 July 2019 and the activity and assets were transferred from its predecessor unincorporated charity (charity number 1170104) on 1 September 2019. The charity is a public benefit entity.

The registered office of the charity is Living Word Church Network, 18 High Street, Titchfield, Fareham, PO14 4AF.

3 INCOME ANALYSIS

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
Donations				
Donations received	148,642	19,607	168,249	142,047
Gift Aid recoverable	20,990	2,285	23,275	16,488
	<u>169,632</u>	<u>21,892</u>	<u>191,524</u>	<u>158,536</u>

LIVING WORD CHURCH NETWORK

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2022

	2022	2021
	£	£
4 CHURCH RUNNING COSTS AND RELATED ACTIVITIES		
Pastors' stipend	59,200	43,272
Pastors' heat and light	519	519
Pensions	1,454	1,231
Speakers fees	2,101	670
Training	775	119
Travel and subsistence	5,672	2,557
Venue hire	12,043	5,946
Depreciation	24,893	23,877
Sunday School expenses	4,667	1,266
Youth work	953	-
Building costs	11,786	7,629
Cleaning	2,679	2,361
	126,740	89,447
5 OUTREACH AND PUBLICITY COSTS		
Publicity	1,476	1,076
Outreach events	5,448	401
Books and DVDs	3,170	985
Refreshments and meals	4,034	616
Entertaining	212	-
Flowers and gifts	2,215	431
Foodbank	55	13,537
	16,610	17,046
6 TELEPHONE, INTERNET, STATIONERY AND OTHER OFFICE COSTS		
Telephone and internet	3,922	2,104
Postage and stationery	181	160
Subscriptions	3,378	2,732
Equipment expensed	6,024	8,695
Administration wages	14,801	20,716
Accountancy	1,920	2,988
Other legal and professional fees	3,025	-
Bank charges	81	50
Sundry	1,084	448
License fees	2,573	2,585
Insurance costs	3,487	2,459
	40,477	42,937

Included above are amounts due to the independent examiners in relation to independent examination of £1,680 (2021: £1,440).

LIVING WORD CHURCH NETWORK

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2022

7	DONATIONS MADE	2022	2021
		£	£
	Other organisations and charities	23,944	11,413
	Church members relief	5,050	8,039
		<u>28,994</u>	<u>19,452</u>

Donations greater than £1,000 were made to the following organisations:

	£	
Stella's Voice	1,977	-

8	STAFF COSTS	2022	2021
		£	£
	Salaries and wages	74,000	62,321
	Pension costs	1,454	1,231
	Total staff costs	<u>75,455</u>	<u>63,552</u>

The average number of staff employed during the year was 5 (2021: 4). No employee received emoluments of £60,000 or more during this year.

Key management personnel were paid remuneration during the year of £57,261 (2021: £43,272).

9	TANGIBLE ASSETS	Land and Buildings	Equipment	Total
		£	£	£
	COST			
	At beginning of year	1,022,453	17,996	1,040,449
	Additions	-	3,320	3,320
	At the end of year	<u>1,022,453</u>	<u>21,316</u>	<u>1,043,769</u>
	DEPRECIATION			
	At beginning of year	20,000	6,248	26,248
	Charge for year	21,123	3,770	24,893
	At end of year	<u>41,123</u>	<u>10,018</u>	<u>51,141</u>
	NET BOOK VALUE			
	At end of year	<u>981,330</u>	<u>11,298</u>	<u>992,628</u>
	At beginning of year	<u>1,002,453</u>	<u>11,748</u>	<u>1,014,201</u>

Trust Property held in connection with Titchfield Evangelical Church (charity number 239492-1) was transferred to Living Word Church Network on 14 July 2020. The valuation of £1,000,000 is the one used for land registry purposes on 4 September 2020. Of this amount, £800,000 is estimated to be the value of the buildings, which are being depreciated over 40 years.

LIVING WORD CHURCH NETWORK

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2022

10 DEBTORS	2022	2021
	£	£
Gift aid debtor	36,626	13,351
Prepayments	3,367	3,778
	<u>39,993</u>	<u>17,129</u>

11 CREDITORS: amounts falling due within one year	2022	2021
	£	£
Tax and social security	2,807	2,651
Other creditors and accruals	6,392	4,141
	<u>9,199</u>	<u>6,792</u>

12 UNRESTRICTED FUNDS	Funds b/fwd	Income	Expenditure	Transfers	Funds c/fwd
	£	£	£	£	£
General funds	83,868	169,632	(176,422)	(26,000)	51,078
Church building	1,002,453	-	(21,123)	-	981,330
Building repair fund	17,120	-	(3,356)	24,000	37,764
Storehouse fund (designated)	10,000	-	-	2,000	12,000
	<u>1,113,441</u>	<u>169,632</u>	<u>(200,901)</u>	<u>-</u>	<u>1,082,172</u>

13 RESTRICTED FUNDS	Funds b/fwd	Income	Expenditure	Transfers	Funds c/fwd
	£	£	£	£	£
Storehouse fund (restricted)	3,069	12,568	(2,596)	-	13,041
Gift Days	-	9,324	(9,324)	-	-
	<u>3,069</u>	<u>21,892</u>	<u>(11,920)</u>	<u>-</u>	<u>13,041</u>

Church Building Fund: This represents the book value of the church building transferred on 14 July 2020.

Building repair fund: This represents monthly funds set aside for the maintenance of the old building.

Storehouse fund (restricted): This consists of funds donated specifically for the provision of food for the poor and needy within the church community.

Storehouse fund (designated): This consists of funds set aside for the Storehouse project.

Gift Days fund: This is a fund for specific requests for the congregations to give at a particular point, for a particular need.

LIVING WORD CHURCH NETWORK

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2022

14 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds £	Restricted funds £	Total 2022 £
Tangible fixed assets	992,628	-	992,628
Debtors	39,993	-	39,993
Bank and cash	58,750	13,041	71,791
Creditors	(9,199)	-	(9,199)
	1,082,172	13,041	1,095,213

15 RELATED PARTY TRANSACTIONS

One trustee received remuneration and benefits as an employee of the charity totalling £28,531 during this year (2021: £20,133). The husband of a trustee received remuneration and benefits as an employee of the charity totalling £28,531 during the year (2021: £20,638) along with travel expenses totalling £2,778 (2021: £nil). The father of a trustee received remuneration and benefits as an employee of the charity totalling £1,800 during the year (2021: £1,200). The son of a trustee was paid travel expenses totalling £2,232 (2021: £nil).

16 PRIOR YEAR COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	Unrestricted funds £	Restricted funds £	Total funds 2021 £
INCOME				
Donations		149,561	8,974	158,536
TOTAL INCOME		149,561	8,974	158,536
EXPENDITURE				
Church costs and related activities		89,447	-	89,447
Outreach and publicity		17,046	-	17,046
Administration costs		42,937	-	42,937
Donations made		9,360	10,092	19,452
TOTAL EXPENDITURE		158,790	10,092	168,882
NET EXPENDITURE FOR YEAR BEFORE TRANSFERS		(9,228)	(1,118)	(10,346)
TRANSFERS BETWEEN FUNDS		300	(300)	-
NET EXPENDITURE		(8,928)	(1,418)	(10,346)
TOTAL FUND BALANCES BROUGHT FORWARD		1,122,369	4,487	1,126,856
TOTAL FUND BALANCES CARRIED FORWARD		1,113,441	3,069	1,116,510

LIVING WORD CHURCH NETWORK

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2022

17 PRIOR YEAR UNRESTRICTED FUNDS

	Funds b/fwd £	Income £	Expenditure £	Transfers £	Funds c/fwd £
General funds	99,916	128,561	(134,910)	(9,700)	83,868
Church building	1,022,453	-	(20,000)	-	1,002,453
Building repair fund	-	21,000	(3,880)	-	17,120
Storehouse fund (designated)	-	-	-	10,000	10,000
	<u>1,122,369</u>	<u>149,561</u>	<u>(158,790)</u>	<u>300</u>	<u>1,113,441</u>

18 PRIOR YEAR RESTRICTED FUNDS

	Funds b/fwd £	Income £	Expenditure £	Transfers £	Funds c/fwd £
Storehouse fund (restricted)	4,487	7,754	(8,872)	(300)	3,069
Car repair fund	-	1,220	(1,220)	-	-
	<u>4,487</u>	<u>8,974</u>	<u>(10,092)</u>	<u>(300)</u>	<u>3,069</u>

19 PRIOR YEAR ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds £	Restricted funds £	Total 2021 £
Tangible fixed assets	1,014,201	-	1,014,201
Debtors	17,129	-	17,129
Bank and cash	88,903	3,069	91,972
Creditors	(6,792)	-	(6,792)
	<u>1,113,441</u>	<u>3,069</u>	<u>1,116,510</u>