



**Life Church Ministries
(A Company Limited by Guarantee)
Consolidated Financial Statements
For the year ended 29 December 2021**

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Consolidated Financial Statements
For the Year ended 29 December 2021**

**Charity number: 1185953
Company number: 11973632**



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Charity information

Charity registration number	1185953
Company registration number	11973632
Governing instrument	Memorandum And Articles Incorporated 1 May 2019
Trustees	P F Manchester Pastor J M James Pastor L Bryant (appointed 29 June 2022) J Dowds (appointed 29 June 2022) R V Atkin (appointed 28 September 2022) J Barnes (appointed 28 September 2022) M A Walker (resigned 29 June 2022) E M F Ajayi (resigned 28 September 2022) S D Gambill (resigned 14 December 2022)
Registered Office	Life Church Ministries Wapping Road Bradford BD3 0EQ
Independent Auditor	Watson Buckle Limited Statutory Auditor and Chartered Accountants York House Cottingley Business Park Bradford BD16 1PE
Bankers	Barclays Bank Plc 10 Market Street Bradford BD1 1EG



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Trustees' Annual Report

The Trustees present their report and the audited financial statements of the charity for the year ended 29 December 2021. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" in preparing the annual report and financial statements of the charity.

Trustees of the charity

The directors of the charitable company are its trustees for the purposes of charity law. The trustees who have served during the year and since the year end were as follows:

P F Manchester
Pastor J M James
Pastor L Bryant (appointed 29 June 2022)
J Dowds (appointed 29 June 2022)
R V Atkin (appointed 28 September 2022)
J Barnes (appointed 28 September 2022)
M A Walker (resigned 29 June 2022)
E M F Ajayi (resigned 28 September 2022)
S D Gambill (resigned 14 December 2022)

Life Church is one Church based at 4 locations, Belfast, Bradford, Leeds and Warsaw. Day to day responsibility for the running of the charity was delegated to the Lead Pastors Steve and Charlotte Gambill, supported by an executive team made up of senior pastoral staff.

The Trustees meet four times a year to review strategy and financial performance.

Strategic Review

Objectives and activities

The Charity's objective are set out by the Memorandum and Articles of Association:

- The advancement of the Christian faith;
- The relief of persons who are in conditions of need, hardship or distress or who are aged or sick; and
- The advancement of education based on Christian principles

The mission and vision of our House is to help as many as possible to believe in Jesus, find belonging in God's house and become all they can be.

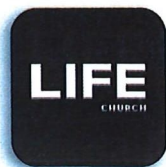
The vision of our House is to do whatever it takes to help people find Jesus and build their lives on the truth of his word. To create a Home where all feel welcome, included, and find a place to belong.

The vision of our House is to create a Home where everyone contributes, everyone cares, and everyone is growing to make a difference.

A House where dreams are awakened, and purposes are fulfilled. The vision of our House is to see generations setting one another up to win, united to make a difference in the world, empowering each other into massive endeavours that demonstrate the greatness of God.

The vision of our House is that we will be motivated by love and moved by compassion, to be a Church that serves all and gives all. A house filled with the sound of thanksgiving, passion, and faith. A place where generosity abounds, and miracles happen.

The vision of our house is that what we build will bring honour to God and make his name known across the earth.



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Public benefit

The trustees have referred to the Charity Commission's guidance on reporting on public benefit (section 17 of Charities Act 2011) when reviewing the Charity's aims and objectives, and when planning the Charity's activities. The Trustees are therefore confident that the Charity meets the public benefit requirements. In particular, the Trustees try to enable ordinary people to live out their faith as part of the community through:

- a) Worship and prayer, learning about the Gospel and developing their knowledge and trust in God;
- b) Provision of pastoral care for people living in the community; and
- c) Missionary and outreach work.

Principal Activities

This past 12 months has seen a continuation of our principal activities limited however due to the significant impact of the Covid-19 pandemic and related control measures. On 23 March 2020 the UK Government announced various control measures in response to Covid-19 which continued in this period to impact the charity. The main impact of these measures was the restriction of our principal activity of regular church services. From this date, all in house gatherings, were not permitted to be held. In 2021, as a result of the restrictions imposed in the prior year the main Church activity including church services continued to be broadcast on online platforms. In June 2021 in line with UK Government restrictions at the time, physical meetings re-commenced, starting with Sunday church services.

Achievements and performance

The Church through its main activities continued in its objectives to advance the Christian faith across all our various activities, from children to senior citizens, to providing relief and assistance to those in need and for those in hardship and in furthering education by serving followers of Christ with the tools required to be net contributors to society and live a fulfilled and productive life, as well as reaching new people with the Gospel.

2021 has seen a return to in person services and the Church has made special provision for vulnerable individuals including the provision of separate seating facilities. Whilst the attendances have not yet reached pre-pandemic levels, the number of people returning has seen a continued increase.

Objective 1 - The advancement of the Christian faith.

The activities of the Church continue to be impacted by the Covid-19 pandemic, with ministry activities being adapted to reflect best practice in public spaces and in providing support to families and individuals. The continued provision of remote access to Church services was supported by our digital team.

Daycare

Life Day-care is our Day-care facility and supports our objectives of advancement of Christian faith and the advancement of education on the basis of Christian principles. Again, during the pandemic, the facility was not able to function for most of the year. During the period that this unit was allowed to function towards the tail end of the year, the team worked hard and all of their hard work continues to yield positive results in 2021. The Parents constantly remark on the high level of pastoral care their children receive.

Objective 2 - The relief of persons who are in conditions of need, hardship or distress or who are aged or sick.

Relief programmes supporting the vulnerable and those in need continued during the year with strong relationship links continuing with supporting supermarkets and working alongside key charity partners and funding continuing through the in-house Covid Relief fund.



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The Church, at its four locations continued to provide pastoral support for the relief of the congregation who are in conditions of need, hardship distress and who are aged or sick.

This has been achieved by partnering with other Charities such as Compassion and Hope for Justice to help alleviate social injustice and poverty both at home and abroad and Mercy Ministries who support and teach women with controlling issues. Through our partnership with Streetwise and the Immanuel project both of which are organisations for the homeless we have been able to deliver food parcels to families in our local community on a weekly basis throughout 2021.

The Church continued to provide food, clothing, shoes, and hygiene products to people who are homeless, at risk of losing their homes and many of the marginalised and vulnerable adults. This has been consistent for years now and over the pandemic, the team have done a great job to find imaginative ways to continue serving the people in our communities who often get overlooked.

The Christmas box initiative in December also saw great involvement with the church as they sponsored, packed, and delivered Christmas food parcels all over our communities with multitudes of families being blessed.

We were also able to put on a Christmas spectacular event which is an extravaganza of non-stop singing, dancing, music, humour, and variety. It's a fast-moving celebration of the festive season featuring an eclectic mix of both seasonal and year-round favourites. This was a free event for the benefit of our community of which hundreds of families attended at our Bradford and Leeds locations.

Objective 3 - The advancement of education on the basis of Christian principles.

Life Church runs a series of training events to satisfy this objective such as:

- Mercy Mpower: A training day that educates the team on common life controlling issues and equips with tools for effective people helping.
- CAP Money: a revolutionary money management course designed for anyone that wants to take control of their finances.
- Keys To Freedom: an interactive discipleship course.
- Alpha: A series of interactive sessions that explore the basics of Christian life.
- Growth Track: a disciple course that leads to the identification of one's redemptive purpose and live the life God created for us to live.

For a great part of 2021 these programmes were delivered virtually until we were able to re-start in persons gatherings. During this recovery, we have continued to facilitate people coming to Christ and being baptised. People are being pastored, encouraged, built up, finding freedom, and being equipped to make a difference.

Leadership College

The Church continues with emphasis of building on the registered charity's aim with the Life Church Leadership College. The Church in Europe is growing and in need of dynamic leaders who can build healthy churches. Life Church Leadership College will develop the gifts God has placed within its students, grow their faith, and introduce students to a faith filled community. The college offers both full time and part time programmes and students choose from one of our three ministry specific electives to choose from. These are Pastoral & community care, Kids, Youth and Young Adults, worship, and production ministry.

The college was founded in 2001 and we have seen hundreds of students graduate to date with many leaders trained and developed from across the globe who have then been able to draw on the education they have received to strengthen the church in their locality.

During the pandemic the college delivered lectures over digital channels.



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Conferences

The Church is committed to hosting 4 major conferences in the year, Cherish which is our Women's conference which would on average host 8,000 delegates and is hosted at the Leeds Arena. Our Young Adults conference which would host about 350 18-30-year-olds. Unfortunately, the Cherish conference was moved to an on-line platform and the Young adults conference was cancelled.

We were however fortunate to host our Youth Conference in August and the Men's conference in November:

- **Rocknations:** Rocknations is our annual youth conference and over the past few years we have seen it go from strength to strength. To accommodate the growth we have expanded into a weeklong back-to-back conference at the start of the second week in August. The conference has one priority - to create an incredible environment where young people can connect with God. Within this there are two key elements - the spiritual element and the fun element. Both of which are highly charged to give young people the experience of a lifetime. An aspect that has become an important part of our Rocknations conference is our honour moment. To "Honour one another above yourselves", is a selfless concept that brings recognition where it is due and highlights success in the face of adversity. Each year we honour young people and support ministries starting out, to have what they need to succeed in ministry, and reaching this generation.
- **Xcel:** the men's conference, happened in Bradford in November and was sold out with 1,000 men in attendance. Delegates attended from across the country and Europe.

These combined events, emphasise a unique aspect of growth that represents the heart and intention of the Church to serve the wider body of Christ.

Going concern

The events of the past two years namely the Covid-19 control measures, which prohibited public gatherings, has had an impact on the charity.

The main impact was the inability to hold any meetings, key being Sunday services, mid-week activities and the 4 main Conferences; Cherish, Xcel, RockNations and the Young Adults conferences, until mid-2021.

Equally the revenues of our trading company Abundant Life Resources Limited were also impacted as we were unable to run our external events company, the Coffee shop, Bookshop and Daycare facility. This on the back of approximately £1m investment into the building over the past 2 years.

The above risk has been further impacted by the general economic conditions such as inflation and the cost-of-living impact.

Hence the main risk to the charity as a result from the above was mainly financial as income was significantly impacted which had the knock on effect of eroding cashflow.

Mitigation of Risks

In order to control the risks highlighted above and ensure that the charity has a good chance of survival into the future the Trustees along with senior management have taken steps to review:

- all costs and keeping expenditure to necessary items only;
- restructuring of loans; and
- detailed planning and financial forecasting.



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Given the charity's current ability to reduce costs and respond to income levels and its retention of cash reserves, the trustees are of the opinion that the charity will continue as a going concern.

Trustees Formal Activities

Operational Review

During the year the Trustees initiated a review of the operations and leadership of Life Church Ministries. The Trustees appointed a board sub-committee, co-opting independent participants, tasked with drafting a scoping document and terms and conditions for the engagement of an independent reviewer. This aspect of the review was successfully completed and following a brief tendering process, an independent reviewer was appointed. At the end of 2021 this work remains ongoing with commitment from the Board to ensure all aspects of good governance are covered.

Campus Structures

In addition, during 2021, the Trustees initiated activity to formally enable the current Leeds campus, its staff, congregation, and resources to become an independently functioning church in its own right. At the end of 2021 this work remains on-going. The Trustees have engaged with appropriate representation to consider the lease reassignment, TUPE, financial and other practical matters.

Financial Review

On 1 January 2021 Life Church UK, registered charity number 701289, transferred its net assets to Life Church Ministries in line with the terms set out in the Transfer Agreement signed by both parties. Life Church Ministries continues the activities of Life Church UK, its aims and objectives being the same as Life Church UK. The transfer was seamless and there was no disruption to activities.

The net assets received from Life Church UK are included within donations and legacies in the Statement of Financial Affairs (note 3).

At the end of the year, the consolidated net assets were £6,015,694, of which £317,568 were restricted funds.

The charity made a surplus of £6,015,694 (2020 - £nil).

The Charity's main source of income remains the tithes and offerings from church attendees.

The impact of the pandemic continued to affect revenue streams derived from Church and external conference activity. However, it did, where appropriate, benefit from the Governments covid relief schemes and other available funding.

Overall, we are very pleased with these results for the year ended 29 December 2021 and the charity is in a healthy financial position.

Reserves Policy

The trustees have reviewed the reserves of the charity, in particular the nature of the income and expenditure streams and the need to match variable income with fixed commitments. The Trustees are confident that future income will enable the charity to meet its foreseeable needs based on planned activity and consequently are satisfied with the current level of reserves, which have been built up to fund the future expansion plans of the charity.

As at 29 December 2021, the charity had resources freely available for its general purpose amounting to £3,509,471. This comprises the balance in unrestricted funds, excluding those funds which could only be realised by disposal of functional fixed assets and also designated funds.



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Risk Management

The Trustees, review the risk management process which assesses business risks and implements risk management strategies. This involves identifying the types of risks the charity faces, their potential impact, likelihood of occurrence and means of mitigating the risks. As part of this process the Trustees review the adequacy of the charity's current internal controls.

The Trustees are confident that the financial controls, in particular, conform with guidelines issued by the Charity Commission.

Risks are regularly reviewed, and a risk register maintained by the Trustees.

The Risk Management Register presents the principal risks facing the charity in the following categories:

- Governance Risks
- Financial risks
- External risks
- Health & Safety risks (including the safeguarding of children and vulnerable adults)

These risks have been offset by the following measures:

- appointment of a diverse Board of Trustees with relevant skill sets;
- appointment of qualified and appropriate experienced employees;
- regular reporting on areas of risk to the Trustees; and
- regular review of policies and procedures.

Structure, Governance and Management

Life Church Ministries was constituted by Memorandum and Articles of Association as a Private Limited Company on the 1 May 2019 and is a registered charity.

Any person, being a member of the church and who accepts the Statement of Doctrines of the church, may be appointed to the Trusteeship. Trustees are selected based on the contribution that they will make to the governance of the organisation and the skills that they will contribute. They are provided with copies of the Charity Commission's Guidance to Trustees and are also provided with training as and when required. All trustees give of their time voluntarily.

Key operational decisions are made by the Board appointed Executive Pastors who are helped and supported by the various heads of departments.

The remuneration of key management personnel is reviewed and approved by the Trustees during the budget approval. Key management personnel are paid in accordance with the going rate for similar positions within the wider market marketplace.

Plans for the future

Looking to the future, Life Church aims to continue within the three strategic aims of the trust deed. In addition to these aims the church has developed a discipleship process known as "Growth Track" which has streamlined the way we engage with new and existing church members to see them cared for, engaged in the community of the church as well as finding their key strengths and gifting's to enable them to make a difference.



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Disclosure of information to auditors

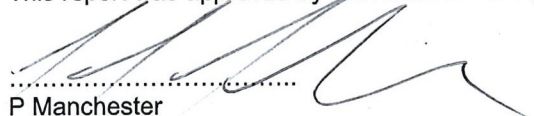
We, the trustees of the charitable company who held office at the date of approval of these Financial Statements as set out above each confirm, so far as we are aware, that:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- we have taken all the steps that we ought to have taken as trustees in order to make ourselves aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

In approving the Trustees' Annual Report, we also approve the Strategic Report included therein, in our capacity as company directors.

On behalf of the board

This report was approved by the Board on 17 April 2023 and signed on its behalf.



.....
P Manchester



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Statement of trustees' responsibilities

The trustees, who are also directors of Life Church Ministries for the purposes of company law, are responsible for preparing the Trustees' Annual Report (including the Strategic 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. 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 the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

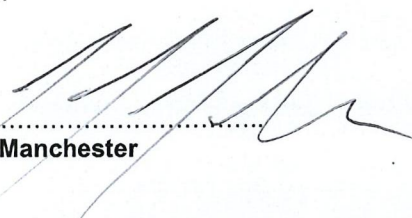
The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding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

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by order of the members of the board of Trustees and signed on its behalf on 17 April 2023 by:


.....
P Manchester



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Independent Auditor's Report to the Trustees of Life Church Ministries

Opinion

We have audited the financial statements of Life Church Ministries (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 29 December 2021 which comprise the consolidated statement of financial activities, the consolidated balance sheet, the charity balance sheet, the consolidated statement of cash flows and the related 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 Financial Reporting Standard 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 group's and parent charitable company's affairs as at 29 December 2021 and of the group's incoming resources and application of resources, including its income and expenditure, 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 and the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent 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 group and parent 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.

Other information

The other information comprises the information included in the trustees 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.



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Independent Auditor's Report to the Trustees of Life Church Ministries

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report (incorporating the strategic report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have 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 group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Act 2011 requires us to report to you if, in our opinion:

- adequate and sufficient accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement (set out on page 9), the trustees (who are also the directors of the parent charitable company for the purposes 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 group and parent 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 group or parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor responsibilities for the audit of the financial statements

We have been appointed auditor under the Companies Act 2006 and section 151 of the Charities Act 2011.

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.

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Independent Auditor's Report to the Trustees of Life Church Ministries

In planning and designing our audit tests, we identify and assess the risks of material misstatement within the financial statements, whether due to fraud or error. Our assessment of these risks includes consideration of the nature of the industry and sector, the control environment and the business performance along with the results of our enquiries of management, about their own identification and assessment of the risks of irregularities. We are also required to perform specific procedures to respond to the risk of management override.

Following this assessment we considered the opportunities and incentives that may exist within the group for fraud and identified the greatest potential for fraud in evaluating the revenue recognition and processing of cash transactions.

We also obtained an understanding of the legal and regulatory frameworks that the group operates in, through discussions with directors, trustees and other management, and from our commercial knowledge and experience of the sector in which the group operates, to enable us to identify the key laws and regulations applicable to the group. We focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Charities Act 2011, the Companies Act 2006, taxation legislation, data protection, anti-bribery, employment, environmental and health and safety legislation.

We then performed audit procedures after consideration of the above risks which included the following:

- performing sales completeness testing to ensure income has been recognised in the year in line with the event is held;
- obtaining a detailed understanding of the system for processing cash transactions;
- obtaining a detailed understanding of the system for authorising expense invoices and credit card transactions;
- enquiring of management concerning actual and potential litigation and claims;
- reviewing correspondence with HMRC, and the company's legal advisors;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments, assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

All engagement team members were informed of the relevant laws and regulations and potential fraud risks at the planning stage and reminded to remain alert to any indications of fraud or non-compliance with laws and regulations throughout the audit. The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify such items.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the FRC's website at: <https://www.frc.org.uk/auditors/audit-assurance/auditor-s-responsibilities-for-the-audit-of-the-fi/description-of-the-auditor%E2%80%99s-responsibilities-for>. This description forms part of our auditor's report.



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Independent Auditor's Report to the Trustees of Life Church Ministries

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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 and to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's members and its trustees those matters we are required to state to them in an auditor's 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 and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

A handwritten signature in black ink, appearing to read "S. Armitage", written over a dotted line.

Selina Armitage FCA (Senior Statutory Auditor)

For and on behalf of

Watson Buckle Limited

Statutory Auditor & Chartered Accountants
Bradford

17 April 2023



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Consolidated Statement of Financial Activities for the year ended 29 December 2021 (including Income and Expenditure Account)

	Notes	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Income				
Donations and Legacies	3	7,258,925	611,467	7,870,392
Other trading activities	4(a)	402,841	-	402,841
Charitable activities	5	106,827	-	106,827
Investments	6	35	-	35
Other	7	279,906	-	279,906
Total Income		8,048,534	611,467	8,660,001
Expenditure				
Charitable activities	8	2,121,274	128,456	2,249,730
Other expenditure	4(b)	394,577	-	394,577
Total Expenditure		2,515,851	128,456	2,644,307
Net Income/(expenditure)		5,532,683	483,011	6,015,694
Transfers between funds	22	165,443	(165,443)	-
Reconciliation of funds				
Total funds brought forward	22	-	-	-
Total funds carried forward	22	5,698,126	317,568	6,015,694

There are no recognised gains and losses for the year other than the results above.

All of the charity's activities derive from continuing operations.

The notes on pages 18 to 33 form an integral part of these financial statements



Life Church Ministries
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Consolidated Balance Sheet for the year ended 29 December 2021

	Notes	Group Funds 2021 £
Fixed assets		
Tangible assets	13	7,284,932
Investments	14	-
		<u>7,284,932</u>
Current assets		
Stock	15	9,089
Debtors	16	208,427
Cash at bank in hand	17	740,211
		<u>957,727</u>
Liabilities		
Creditors: due within one year	18	(1,068,122)
Net current (liabilities)/assets		<u>(110,395)</u>
Total assets less current liabilities		
Less: Creditors – due after one year	19	(1,158,843)
		<u>6,015,694</u>
The funds of the charity		
Unrestricted income funds	22	3,550,911
Revaluation reserve	22	2,147,215
Total unrestricted income funds		<u>5,698,126</u>
Restricted funds	22	317,568
Total charity funds		<u>6,015,694</u>

The charity's net movement in funds for the year was £6,015,694.

The trustees acknowledge their responsibilities for complying with the requirements of the Act in respect to accounting records and preparation of the financial statements.

The financial statements were approved and authorised for issue by the Trustees on 17 April 2023 and signed on their behalf by:


P Manchester
Trustee

The notes on pages 18 to 33 form an integral part of these financial statements



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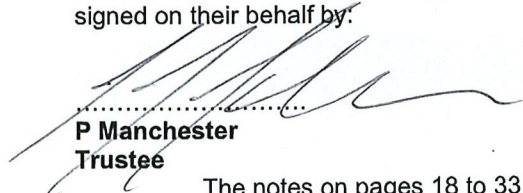
Charity Balance Sheet for the year ended 29 December 2021

	Notes	Charity Funds 2021 £	Charity Funds 2020 £
Fixed assets			
Tangible assets	13	7,072,039	-
Investments	14	3	-
		<u>7,072,042</u>	<u>-</u>
Current assets			
Stock	15	-	-
Debtors	16	246,284	-
Cash at bank in hand	17	659,662	-
		905,946	-
Liabilities			
Creditors: due within one year	18	(825,595)	-
Net current (liabilities)/assets		80,351	-
Total assets less current liabilities			
Less: Creditors – due after one year	19	(1,136,699)	-
		<u>6,015,694</u>	<u>-</u>
The funds of the charity			
Unrestricted income funds	22	3,550,911	-
Revaluation reserve	22	2,147,215	-
Total unrestricted income funds		<u>5,698,126</u>	<u>-</u>
Restricted funds	22	317,568	-
Total charity funds		<u>6,015,694</u>	<u>-</u>

The charity's net movement in funds for the year was £6,015,694.

The trustees acknowledge their responsibilities for complying with the requirements of the Act in respect to accounting records and preparation of the financial statements.

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Consolidated statement of cashflows

		£	2021 £
Cashflows from operating activities			
Net incoming resources before other recognised gains/(losses)			6,015,694
Depreciation			202,977
(Gain)/Loss on disposal of fixed assets			(2,140)
Interest received	6		(35)
Interest paid	12		14,754
Decrease in stock			5,550
Decrease in debtors			75,107
(Decrease) in creditors			(305,815)
Gift of net assets from Life Church UK			(5,719,849)
Net cash inflow from incoming resources			<u>286,243</u>
Cashflows from Investing activities			
Interest received	6	35	
Purchase of tangible fixed assets		(61,062)	
Proceeds from sale of tangible fixed assets		<u>2,428</u>	
Net cash flow from investing activities			(58,599)
Cash flows from financing activities			
Proceed from new loans		540,000	
Repayment of loans		(150,948)	
Repayment of finance lease liabilities		(13,328)	
Interest paid	12	<u>(14,754)</u>	
Net cash flows from financing activities			360,970
Net increase in cash and cash equivalents			<u>588,614</u>
Cash and cash equivalents acquired; gift of net assets from Life Church UK 1 January 2021			151,597
Cash and cash equivalents at 29 December 2021	17		<u>740,211</u>

The notes on pages 18 to 33 form and integral part of these financial statements



Life Church Ministries
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Notes to the consolidated financial statements

1 General Information

The entity is an incorporated registered charity governed by their constitution.

Registered address:
Life Church Ministries
Wapping Road
Bradford
BD3 0EQ

2 Accounting policies

General information and basis of preparation

Life Church Ministries is Company Limited by Guarantee registered in England & Wales. The address of the registered office is given in the charity information on page 1 of these financial statements. The nature of the charity's operations and principal activities are the advancement of the Christian faith.

The charity constitutes a public benefit entity as defined by FRS 102. 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 issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the charity.

The Charity has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Financial Activities in these financial statements.

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

Basis of consolidation

The consolidated financial statements include the financial statements of the charity and its subsidiary undertakings made up to 29 December 2021. The acquisitions method of accounting has been adopted. Under this method the group net incoming resources include the results of subsidiaries from the date of acquisition and to the date of sale outside the group in case of disposals of subsidiaries. The purchase consideration has been allocated to the assets and liabilities on the basis of fair value at the date of acquisition.

The charity has taken advantage of the exemption not to disclose any transactions or balances between group entities that have been eliminated on consolidation.

Funds

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

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.



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

Income recognition

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

No amount is included in the financial statements for volunteer time in line with the SORP. Further detail is given in the Trustees' Annual Report.

Fixed asset gifts in kind are recognised when receivable and are included at fair value. They are not deferred over the life of the asset.

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

The charity receives government grants in respect of the Job Retention Scheme. Income from government and other grants are recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met then these amounts are deferred.

Investment income is earned through bank interest received and rental income. It is included when the amount can be measured reliably. Rent income is recognised as the charity's right to receive payment is established.

Other income includes income such as gains on disposals of tangible fixed assets.

Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Expenditure on charitable activities is incurred on directly undertaking the activities which further the charity's objectives; and
- Other expenditure represents those items not falling into the categories above.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

Activities in furtherance of the charity's objectives include the direct costs of staff and properly together with the costs of projects and activities related to the propagation of the Gospel and the relief of poverty.

The trustees consider that management and administration cost of the Charity directly contribute to the furtherance of the charitable activities and so do not separately disclose any support costs of the charity. All members of staff are active in fulfilling the objectives of the charity.



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Governance costs include costs of the preparation and examination of the statutory accounts, the costs of trustee meetings, and the cost of any legal advice to trustees on governance or constitutional matters.

Grants payable to third parties are within the charitable objectives. Where unconditional grants are offered, this is accrued as soon as the recipient is notified of the grant, as this gives rise to a reasonable expectation that the recipient will receive the grants. Where grants are conditional relating to performance then the grant is only accrued when any unfulfilled conditions are outside of the control of the charity.

Tangible assets

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended. Individual fixed assets costing more than £1,000 or more are capitalised at cost.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Freehold Buildings	2% on cost
Leasehold improvements	10% on cost
Fixtures, Fittings & Equipment	15% on cost
Computer & Media Equipment	15% on cost
Motor Vehicles	25% on cost

Investments

Investments in subsidiaries are measured at cost less impairment.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing stock to its present location and condition. Cost is calculated using the first-in, first-out formula. Provision is made for damaged, obsolete, and slow-moving stock where appropriate.

Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

Loans and borrowings

Loans and borrowings are initially recognised at the transaction price including transaction costs. Subsequently, they are measured at amortised cost using the effective interest rate method, less impairment. If an arrangement constitutes a finance transaction it is measured at present value.

Provisions

Provisions are recognised when the charity has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

Leases

Assets acquired under finance leases are capitalised and depreciated over the shorter of the lease term and the expected useful life of the asset. Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding lease liability using the effective interest method. The related obligations, net of future finance charges, are included in creditors.

Rentals payable and receivable under operating leases are charged to the SoFA on a straight line basis over the period of the lease.



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Foreign currency

Foreign currency transactions are initially recognised by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

Monetary assets and liabilities denominated in a foreign currency at the balance sheet date are translated using the closing rate.

Employee benefits

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

The charity operates a defined contribution pension plan for the benefit of its employees. Contributions are expensed as they become payable.

Tax – Charity

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

Tax – Trading subsidiary

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current Corporation tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the financial statements.

Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from the date of authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year include:

Useful economic lives of tangible assets

The annual depreciation charge for tangible assets and their carrying amount is determined by the estimated useful economic lives and residual value of the assets. The useful economic lives and residual values are re-assessed annually and amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. The carrying amount is £7,284,932 (2020 - £nil)

Stock provision

The group makes an estimate of the recoverability of the cost of stock. When calculating the stock provision, management consider the nature and condition of the stock, as well as applying assumptions around anticipated saleability of finished goods. The carrying amount is £9,089 (2020 - £nil).



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Impairment of debtors

The group makes an estimate of the recoverable value of trade and other debtors. When assessing the impairment of trade and other debtors' management considers factors which include the current credit rating of the debtor, the ageing profile of debtors and historical experience. The carrying amount is £107,803 (2020 - £nil).

Business combinations

Business combinations are accounted for using the purchase method. The consideration for each acquisition is measured at the aggregate of the fair values at acquisition date of assets given, liabilities incurred or assumed, and equity instruments issued by the group in exchange for control of the acquired, plus any costs directly attributable to the business combination. When a business combination agreement provides for an adjustment to the cost of the combination contingent on future events, the group includes the estimated amount of that adjustment in the cost of the combination on future events, the group includes the estimated amount of that adjustment in the cost of the combination at the acquisition date if the adjustment is probable and can be measured reliably.

Financial Instruments

Financial assets

Basic financial assets, including trade and other receivables, are initially recognised at transaction price, 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 for a similar asset. Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. 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 and any subsequent reversal is recognised in profit or loss.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

Financial liabilities

Basic financial liabilities, including trade and other payables, bank loans, loans from fellow group companies and preference shares that are classified as debt, 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 receipts discounted at a market rate of interest for a similar debt instrument.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method. Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

3 Income from donations and legacies

	Unrestricted £	Restricted £	Total 2021 £
Gifts from charities or organisations	5,501,302	218,547	5,719,849
Gift Aid recovered	214,099	9,432	223,531
Regular giving and capital donations	1,543,524	383,488	1,927,012
	<u>7,258,925</u>	<u>611,467</u>	<u>7,870,392</u>



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4 Income from trading activities of subsidiary

The charity has one wholly owned trading subsidiary. Abundant Life Resources Limited (Note 14) which is incorporated in England and Wales sells merchandise related to the charity's objectives through as shop, mail order and via the internet. Funds are also raised by hosting conferences for external organisations. When available, distributable profits are donated to the charity under Gift Aid.

	2021 £
4 (a) Incoming resources	
Merchandising and events (other trading activities in SOFA)	402,841
Other operating income (other income in SOFA)	81,185
Profit on disposal of fixed assets (other income in SOFA)	30
Total incoming resources	<u>484,056</u>
	2021 £
4(b) Merchandising, event and administration costs	<u>394,577</u>
Other expenditure	<u>394,577</u>

5 Income from charitable activities

	2021 £
Educational and training activities	98,031
Worship, celebration and youth events	8,796
	<u>106,827</u>

6 Income from investments

	2021 £
Interest received	<u>35</u>

7 Other Income

	2021 £
Government Grants Job Retention Scheme	239,708
Other income	38,058
Profit on disposal of fixed assets	2,140
	<u>279,906</u>



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8 Expenditure on Charitable activities

	Unrestricted 2021 £	Restricted 2021 £	2021 £
Charity's objectives			
Ministry Support – individuals and organisations	31,617	-	31,617
Staff costs	1,320,450	-	1,320,450
Marketing and publicity	13,733	-	13,733
Provision and Maintenance of Premises and Equipment	348,234	10,295	358,529
Administration costs	172,039	118,161	290,200
Depreciation	154,399	-	154,399
	<u>2,040,472</u>	<u>128,456</u>	<u>2,168,928</u>
Governance costs			
Audit services	30,000	-	30,000
Professional fees	50,802	-	50,802
	<u>80,802</u>	<u>-</u>	<u>80,802</u>
Total expenditure on charitable activities	<u>2,121,724</u>	<u>128,456</u>	<u>2,249,730</u>

9 Auditor's remuneration

	2021 £
Fees payable to the charity's auditor for the audit of the charity's annual accounts	<u>30,000</u>
Fees payable to the charity's auditor for other services:	
Audit of the charity's subsidiaries	<u>26,600</u>

10 Trustees' and key management personnel remuneration and expenses

The trustees did not have any expenses reimbursed during the year (2020 - £nil).

During the year the trustees donated £39,285 (2020 - £nil) tithes and offerings without conditions, towards the furtherance of Life Church Ministries charitable activities.

Jock James was employed by the Church as Bradford Campus Pastor and was not remunerated for the role as trustee. The total remuneration paid during the year including employers' national insurance was £56,689. Steve Gambill was employed by the Church as Senior Lead Pastor and was not remunerated for the role as trustee. The total remuneration paid during the year including employers' national insurance was £84,835. Pension contributions paid were £1,311 and £1,319 respectively. Jock James and Steve Gambill were under a contract of employment.

2 (2020 - nil) trustees are accruing pension arrangements.



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Key management personnel

The Charity considers its key management personnel comprise of the Lead Pastors, Executive Pastors and the Finance Director. Payments to them were as follows:

	2021
	£
Salaries and other short-term employee benefits	305,141
Social Security costs	35,466
Defined contribution pension costs	6,145
	<u>346,752</u>

11 Staff costs and employee benefits

	2021
	£
Wages and salaries	1,196,069
Social Security	91,674
Defined contribution pension costs	20,886
Other staff costs	11,821
	<u>1,320,450</u>

Number

Number of employees receiving benefits (excluding employer's pension costs) which fell within £80,000 - £90,000	<u>2</u>
---	----------

Average number of employees	<u>55</u>
-----------------------------	-----------

12 Interest payable and similar expenses

	2021
	£
Bank loans and overdrafts	12,937
Finance charges payable under finance leases	1,817
	<u>14,754</u>

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13 Tangible fixed assets

Group	Freehold Land & Buildings £	Leasehold Improvements £	Fixtures Fittings & Equipment £	Computer & Media Equipment £	Total £
Cost or revaluation					
At 1 January 2021	-	-	-	-	-
Gifts from other charities	6,720,272	237,781	318,044	98,455	7,374,552
Additions	59,437	-	1,625	52,612	113,674
Disposals	-	-	(7,060)	-	(7,060)
At 29 December 2021	6,779,709	237,781	312,609	151,067	7,481,166
Depreciation					
At 1 January 2021	-	-	-	-	-
Charge for the year	58,874	28,637	77,085	38,411	203,007
Disposals	-	-	(6,773)	-	(6,773)
At 29 December 2021	58,874	28,637	70,312	38,411	196,234
Net book value					
At 29 December 2021	6,720,835	209,144	242,297	112,656	7,284,932

The freehold property has been revalued in a previous year before being transferred to Life Church Ministries. The building has been treated as a specialised property, valued by the depreciated replacement cost method by an independent valuer. The historical cost of the freehold land and building is £4,573,620.

Included in the above net book value is £3,994,571 of non-depreciated assets.

Included in the above net book value of computer and media equipment is £47,351 (2020 - £nil) in respect of assets held under finance leases.

Charity	Freehold Land & Buildings £	Leasehold Improvements £	Fixtures Fittings & Equipment £	Computer & Media Equipment £	Total £
Cost or revaluation					
Gifts from other charities	6,720,272	160,464	231,249	57,451	7,169,436
Additions	59,437	-	-	-	59,437
Disposals	-	-	(5,500)	-	(5,500)
At 29 December 2021	6,779,709	160,464	225,749	57,451	7,223,373
Depreciation					
At 1 January 2021	-	-	-	-	-
Charge for the year	58,874	20,046	53,606	24,308	156,834
Disposals	-	-	(5,500)	-	(5,500)
At 29 December 2021	58,874	20,046	48,106	24,308	151,334
Net book value					
At 29 December 2021	6,720,835	140,418	177,643	33,143	7,072,039



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The freehold property has been revalued in a previous year before being transferred to Life Church Ministries. The building has been treated as a specialised property, valued by the depreciated replacement cost method by an independent valuer. The historical cost of the freehold land and building is £4,573,620.

Included in the above net book value is £3,994,571 of non-depreciated assets.

Included in the above net book value of computer and media equipment is £47,351 (2020 - £nil) in respect of assets held under finance leases.

14 Investments

**Charity
2021
£**

Investment in subsidiaries 3

Subsidiary company	Nature of business	Number and class of shares held	Percentage of authorised share capital
Momentum AV Ltd (Company number 04198813)	Dormant	1 Ordinary	100%
Abundant Life Music Limited (Company number 05194693)	Dormant	1 Ordinary	100%
Abundant Life Resources Limited (Company number 04375729)	Merchandising and conferences	1 Ordinary	100%

Momentum AV Ltd had net assets of £1 at the year end. There was no activity in the profit and loss account due to being dormant.

Abundant Life Music Ltd had net assets of £1 at the year end. There was no activity in the profit and loss account due to being dormant.

Abundant Life Resources Ltd had net assets of £1 at the year end. The turnover for the year was £402,841. The profit/loss generated was £nil.

15 Stock

**Group
2021
£**

Stock 9,089

All stock held is for resale.



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16 Debtors

	Group 2021 £	Charity 2021 £
Trade debtors	107,803	101,073
Other debtors	23,076	88
Prepayments and accrued income	77,548	53,169
Amount owed by group undertakings	-	91,954
	<u>208,427</u>	<u>246,284</u>

17 Cash and cash equivalents

	Group 2021 £	Charity 2021 £
Cash and cash equivalents in the statement of cash flows	740,211	659,662
Cash at bank	<u>740,211</u>	<u>659,662</u>

18 Creditors: Amounts falling due within 1 year

	Group 2021 £	Charity 2021 £
Trade creditors	113,621	80,737
Other creditors	56,921	4,145
Bank loans	552,962	552,962
Hire purchase	17,140	-
Taxation and social security	91,236	24,218
Other loans	100,000	100,000
Accruals and deferred income	136,241	63,534
	<u>1,068,121</u>	<u>825,596</u>

The bank loan of £552,962 (2020 - £nil) is secured by a legal mortgage on the freehold property. The mortgage is repayable by instalments as detailed below. The annual interest rate is 0.95% above Bank of England base rate.

Hire purchase liabilities totalling £17,140 (2020 - £nil) are secured on the assets to which they relate. The bank loan is repayable in monthly instalments of £14,115.

Details of leasing arrangements are provided in note 20.

19 Creditors: Amounts falling due after 1 year

	Group 2021 £	Charity 2021 £
Bank loans	1,136,699	1,136,699
Hire purchase	22,144	-
	<u>1,158,843</u>	<u>1,136,699</u>



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	Group 2021 £	Charity 2021 £
Bank loans:		
1-2 years	146,105	146,105
2-5 years	990,594	990,594
	<u>1,136,699</u>	<u>1,136,699</u>

The bank loan of £1,689,661, of which £552,962 is due within one year, is secured by a legal mortgage on the freehold property. The mortgage is repayable by instalments as detailed below. The annual interest rate is 0.95% above Bank of England base rate.

Hire purchase liabilities totalling £22,144 (2020 - £nil) are secured on the assets to which they relate.

Details of leasing arrangements are provided in note 20.

20 Leases

Finance leases - lessee

Total future minimum finance lease payments are as follows:

Group

	2021 £
Not later than one year	19,960
Later than one and not later than five years	24,950
Later than five years	-
	<u>44,910</u>
Less finance charges	<u>(5,626)</u>
	<u>39,284</u>

Charity

	2021 £
Not later than one year	-
Later than one and not later than five years	-
Less finance charges	-
	<u>-</u>

Operating leases - lessee

Total future minimum lease payments under non-cancellable operating leases are as follows:

	Land & Buildings 2021 £	Other 2021 £
Group		
Not later than one year	186,519	14,417
Later than one and not later than five years	551,021	48,342
Later than five years	666,052	-
	<u>1,403,592</u>	<u>62,759</u>

As a group the amount of lease payments recognised as an expense was £187,176 (2020 - £nil).



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Charity	Land & Buildings 2021 £	Other 2021 £
Not later than one year	186,519	-
Later than one and not later than five years	551,021	-
Later than five years	666,052	-
	<u>1,403,592</u>	<u>-</u>

The charity made lease payments recognised as an expense was £166,181 (2020 - £nil).

21 Deferred income

	Group £	Charity £
Due within one year		
Acquired from gift of net assets from Life Church UK 1 January 2021	283,898	5,908
Additions during the year	41,136	9,157
Amounts released to income	<u>(283,898)</u>	<u>(5,908)</u>
Carried forward 29 December 2021	<u>41,136</u>	<u>9,157</u>

The amount carried forward above is in relation to tickets purchased for future events and course fees.



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22 Fund reconciliation

	Net incoming Resources £	Transfers £	Balance at 29 December 2021 £
Unrestricted			
General	3,301,492	207,979	3,509,471
Designated			
Cherish Foundation	39,128	-	39,128
Christmas Funds	2,312	-	2,312
Vision	42,536	(42,536)	-
Revaluation reserve	2,147,215	-	2,147,215
	<u>5,532,683</u>	<u>165,443</u>	<u>5,698,126</u>
Restricted			
SHE Kindness kitty	18,591	-	18,591
We are one	29,009	-	29,009
Mortgage	357,747	(164,793)	192,954
Compassion	6,800	-	6,800
Conferences	6,458	(3,229)	3,229
Uganda	3,238	-	3,238
Daycare - CAP collection	33	-	33
Cherish	(1,929)	1,929	-
Cherish Foundation 2021	(586)	586	-
YE Movement Hampers -	29,570	-	29,570
Covid 19 Relief Fund			
Christmas 2020	16,749	-	16,749
Leeds electric oven	(44)	44	-
Rock Nations Vision	(21)	21	-
Rescue			
Winter Box Appeal	17,395	-	17,395
	<u>483,011</u>	<u>(165,443)</u>	<u>317,568</u>

Designated funds:

The Trustees have identified that certain unrestricted funds should be ring-fenced as follows:

- A Cherish Foundation offering at the Cherish conference provides funding for life impacting gifts and unique/individual demonstrations of kindness to beneficiaries secretly nominated from across the UK; beneficiaries deemed to have displayed tremendous courage, determination and dignity in adversity.
- Christmas funds are to benefit outreach activities.
- An annual Vision offering is taken up within each campus congregation for development enhancement and community relief projects relevant to the charity over and above the general operation of the church.

Restricted Funds:

- SHE Kindness Kitty represents donations received at certain women's events for the purpose of funding small value purchases as demonstrations of kindness in situation of need, as determined by the women's ministry leadership.



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- We are One birthed from Cherish conference was the 'We are one Foundation' based on the ethos of 'we who are many are never more powerful than when we are one'. This initiative which affords delegates the opportunity to donate £1 each which when added together will make a big difference to recipient organisations. Since its launch over 2,500 women have signed up to give monthly and the monies raised will impact communities around the world from natural disasters, to war torn countries, missionaries doing incredible work far from our "western world view".
- Mortgage was a donation which was received specifically to make repayments towards the mortgage.
- Compassion were donations received at the Rocknations youth conference on behalf of Compassion. Life Church has continually partnered with Compassion UK to sponsor children, to help release them from poverty, in a specific local community in Kenya.
- Conferences; A donation was received from Vineyard Church to go towards youth camps & events, this was split 50:50 between YA & Rn Conferences.
- Uganda; Donations were received from within & outside of Church to support the missionary duties of a member of the congregation based out in Gulu Uganda.
- Daycare-Cap Collection; A fund raiser amongst the kids & their parents in Life Daycare in support of Christians against poverty (CAP).
- Cherish: Cherish & Cherish foundation are part and parcel of the same fund, a donation has been received from the delegates at each of the past conferences in support of worth recipients as explained below.
- Cherish Foundation 2021: The Cherish foundation offering received during the on-line conference this year was utilised to provide gifts of kindness individuals secretly nominated from the UK, these individuals are deemed to have displayed tremendous courage, determination and dignity in the face of adversity.
- YA Movement Hampers-Covid 19 Relief Fund: Donations were received from our Young Adults conference to donate hampers into our local communities to ease hardships brought about by the pandemic.
- Christmas 2020: This represents the balance of unused funds taken at Christmas 2020 that will be utilised in future Christmases'.
- Leeds Electric Oven: The Leeds Campus was in need of an oven to provide meals for the homeless community it hosts on a weekly basis. A donation for this was received from the congregation.
- RN Vision Rescue: Funds were raised at the Youth Conference and was matched funded by a national business organisation. The funds were paid over to Vision Rescue in India. These funds were used to buy tablets used by 1000's of school kids to be home schooled as they had been displaced by covid-19.
- Winter Box Appeal: Winter Box Appeal represents donations taking up from the Church family from across our 4 campuses. In summary these funds are used to fund all our outreach activities at Christmas.

Sufficient cash resources are held to enable each of the identified funds to be applied without any restrictions.

23 Analysis of group net assets between funds

Funds balances at 29 December 2021 are represented by:	Unrestricted £	Designated £	Restricted £	Total £
Tangible fixed assets	7,284,932	-	-	7,284,932
Current assets	598,719	41,440	317,568	957,727
Creditors: amounts falling due within 1 year	(1,068,122)	-	-	(1,068,122)
Creditors: amounts falling due after 1 year	(1,158,843)	-	-	(1,158,843)
	<u>5,656,686</u>	<u>41,440</u>	<u>317,568</u>	<u>6,015,694</u>

The charity's funds at 31 December 2020 were £nil.



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24 Analysis of changes in net debt

An analysis of changes in net debt from the beginning to the end of the reporting period (no comparative required), showing changes resulting from

	Acquired from gift of net assets 1 January 2021	Cash flows	At 29 December 2021
Long term borrowing	1,300,610	389,052	1,689,661
Short term borrowing	100,000	-	100,000
Lease liabilities	-	39,284	39,284
	<u>1,400,610</u>	<u>389,052</u>	<u>1,828,945</u>

25 Pensions

Defined contribution scheme

The charity operates a defined contribution pension plan for its employees. The amount recognised as an expense in the period was £20,886(2020 - £nil).

The defined contribution liability is allocated to unrestricted funds. Contributions totalling £nil (2020 - £nil) were payable to the scheme at the end of the year and are included in creditors.

26 Related party transactions

The below transactions were undertaken with Believes Limited, a company controlled by S D Gambill (trustee) and C Gambill (spouse of S D Gambill) during the year. The amounts arose under an agreement between the two parties whereby Abundant Life Resources sold books belonging to Believes Limited receiving a commission in exchange for acting as an agent.

	2021 £
Commission received from	1,075
Amounts due from	22,974