

Life Church Ministries
Consolidated Financial Statements
For the Year ended 29 December 2022

Charity number: 1185953
Company number: 11973632

Life Church Ministries
(A Company Limited By Guarantee)
Consolidated Financial Statements
For the Year Ended 29th December 2022

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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	Torevell Dent (Audit) LLP Statutory Auditors and Chartered Certified Accountants 1-3 St Ann's Place Pellon Lane Halifax HX1 5RB
Bankers	Barclays Bank Plc 10 Market Street Bradford BD1 1EG

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Trustee Report

The trustees present their report and the audited financial statements of the charity for the year ended 29 December 2022. 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 based in Bradford. During the year there was a restructuring of Life Church operations following a strategic and financial review. The charity previously had 4 locations, Belfast, Bradford, Leeds and Warsaw. Belfast was closed as it was no longer deemed to be core to the strategic direction of the charity. Leeds church was released to re-brand as North Church, and Warsaw was also released to follow a different path in their Ministry.

Day to day responsibility for the running of the charity was delegated to the Lead Pastors Jock and Shirley James, supported by an executive team made up of senior pastoral staff.

The trustees meet a minimum of four times a year to review strategy and financial performance.

Strategic review

The Charity's objectives 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 **Grow** disciples; to **Create** community and to **Impact** society.
- to help as many as possible to believe in Jesus, find belonging in God's house and become all they can be.
- 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.
- to create a space where everyone contributes, everyone cares, and everyone is growing to make a difference.

Trustee Report continued

- a place where dreams are awakened, and purposes are fulfilled. We want to see generations setting one another up to succeed and thrive, united to make a difference in our local community, empowering each other into massive endeavours that demonstrate the greatness of God.
- we will be motivated by love and moved by compassion, to be a church that serves all and gives all.
- we will continue to facilitate a house filled with the sound of thanksgiving, passion, and faith. A place where generosity abounds, and miracles happen.
- that what we build will bring honour to God and make his name known across our city and nation.

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:

- Worship and prayer, learning about the gospel and developing their knowledge and trust in God.
- Provision of pastoral care for people living in the community, and
- Missionary and outreach work.

Principal activities

The principal activities of the church have remained the same. It was however a year of rebuilding following the COVID pandemic, with restrictions on church attendance lifted in March 2022.

Annual review of the Charity

Recovery from COVID and Rebuild

The church went through a period of rebuilding during 2022. COVID restrictions were finally lifted in March 2022.

Church attendance gradually increased over the remaining three quarters of the year as congregation confidence grew. By the end of 2022 attendance figures were back to, if not beyond, pre-pandemic levels. By early 2022 we had seen a **39%** growth in our Sunday attendance, a **102%** growth in our children's ministry; we **created** community for **546** individuals to engage across **52** LIFE groups and our online church feed saw **259,777** views.

Through our commitment to **grow** disciples, we saw **151** first time salvations in 2022; **54** individuals were water baptised; **25** individuals completed the Alpha Course and **103** individuals completed our Growth Track programme.

Likewise, the conference and events business re-commenced from Q3. There was a gradual growth in this area of the Charity, as consumer confidence took time to re-establish. During 2023, there has been significant growth, with further expected in 2024.

Life church college was heavily restricted due to travel restrictions around the world but we have continued to adapt, developing a new short course structure and developing our evening college to make the course as accessible as possible. We have also established a new partnership with Wrexham University which enables our students to earn accreditation for their studies.

Trustee Report continued

During the year a full strategic and financial review of the Charity was carried out and decisions were taken on restructuring operations for the future benefit of the organisation. The church transitioned to new lead pastors, Jock and Shirley James, with the support of outgoing lead pastors Steve and Charlotte Gambill. In addition, the campuses in Leeds, and Belfast ceased being part of the entity. Leeds was released to rebrand as North Church, and Belfast was closed as we encouraged members to partner with a new church being established in the area. There was also a full review of the commercial activities of the organisation. Decisions were taken to focus the coffee shop on Sundays only to support Church services, close the day care and focus church conference activity to RockNations and Xcel. The above actions have been completed and were essential in focusing the Bradford church on its purpose, as well as setting up the organisation to be sustainable and ready to grow to support the local community.

Community support and outreach

We said that we would impact society, some of the ways that we did this in 2022 was through our community outreach:

PARTNERS: In 2022 we continued to build on our existing relationships with our community partners, and also formed some new ones. Our partners this year included HTB - Love Christmas; Kids Out!; Stewardship; Jermyn Court; Octavia Court; the Afghan and Ukraine refugees temporarily housed within hotels across the city of Bradford; St. Stephen's Church; The Light Church; Bradford Foodbank; Sunbridge Road Mission; Bradford Children's Services; St. Christophers; the RAF cadets; Gianna Baby Bank; St. Johns; Community Works; the Millside Centre; Wetherby HMYOI and Westminster Primary School.

EASTER: At Easter, aside from our Easter Sunday service at which we retell the account of the Gospel, we also distributed 953 Easter eggs to our local community partners.

CHRISTMAS: At Christmas we are known in the city for our 'Christmas Spectacular', which is a show that we put on free of charge for our community. 2,873 people attended the spectacular across 4 showings. 497 of whom took away the Christmas booklet which outlined the account of the Gospel.

At Christmas we place a focus on our local community. From our partnership with a national children's charity, we received and distributed 4,501 toys into our local community network for free. Through a partnership with Stewardship we were able to help tackle fuel poverty by helping local families with their gas and electric top-up. And through our partnership with HTB- Love Christmas, we were able to help 310 families with Christmas groceries, which included an ASDA food voucher towards their Christmas food shop.

UKRAINE: Following Russia's invasion of Ukraine, the Bradford Church worked closely with our Warsaw campus to support refugee families fleeing the war. At the outset of the war, we responded to a critical need by delivering 120 tons of baby formula to maternity wards in the Ukraine in partnership with Warner Bros Poland, Love Does and David Kwiatkowski.

During the initial period of refugees fleeing the conflict, we gave 1,300 kids packs to children sleeping in train stations.

Through a multi-agency partnership with a local refugee centre we provided regular support to over 600 children and their families including fun days and regular activities. We were also able to provide equipment for a youth centre/gym.

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Trustee Report continued

Through partnership with 'Love Does' we have been able to establish a school in the refugee centre. While many of the children had no access to education, we have been able to make a huge difference by providing a full curriculum for **170** children with **8** qualified teachers.

FURTHER AFIELD: In 2022 we partnered with Open Doors and Christian Aid to help the relief effort following the tragic earthquake in Syria & Turkey.

Through our ongoing partnership with Compassion International, we saw a further **94** children sponsored.

Through the 'We Are One' initiative we were able to partner with a number of organisations that continue to impact the lives of so many. These partners included: Youth For Christ International; *Myanmar*; Hope For Justice; Acts 435; Serving In Mission; *Faithful Witness*; Mercy Ministries; Trauma Recovery Centre; Ukraine Crisis through LIFE Church Warsaw; Restored UK; Prison Fellowship UK; Christian Aid and Compassion UK.

CONFERENCES: In 2022 we continued to serve and support the wider church body through the hosting of our major conferences. The conferences bring thousands to the city of Bradford and through our local, national and international relationships we are able to bring much sought after keynote speakers to teach from the Word of God.

Cherish: In June 2022 we celebrated 20 years of our Cherish Women's Conference. Cherish has been a special part of our church history, however as the theme 'Everything is beautiful in its time' this year explained, we marked the end of this particular journey as Pastor Charlotte, founder of Cherish, announced it as the last Cherish conference.

Over the 20 years of Cherish it's good to celebrate: over **3,000** salvations; over **40,000** delegates came and over **4,000** volunteers gave their time freely to help us deliver the conferences.

RockNations: In August 2022, over **700** young people from over 50 different churches gathered together to encounter Jesus!

The conference has one priority which is to create an incredible environment where young people can connect with God. Within this there are two key elements: spiritual and fun. 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. We were overwhelmed with the success of the event following COVID and the appetite from the young people to seek God.

XCEL: In November 2022, we gathered for our men's conference. XCEL brought over **1,000** sons, brothers, fathers and men from all over the country to Bradford for a focused weekend of teaching and worship.

Going concern

The covid pandemic has had an impact on the charity. This has continued following the lifting of restrictions, as the church has rebuilt.

All income streams were impacted throughout the year, although gradually improved as the year went on as congregation and consumer confidence returned.

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Trustee Report continued

The cost-of-living crisis and inflation have also impacted negatively on the organisation with costs escalating.

Trustees and senior management have worked hard to mitigate the challenges faced and have done a full review of the financial position. This has led to closing of unprofitable business units and reducing expenditure significantly, following the change in the organisational structure.

Steps were also taken with our funding partners to restructure loans, which was supported.

Following the work above and the forecasting for the coming year, the trustees are of the opinion that the charity will continue as a going concern.

Trustees Formal Activities

Operational review

During 2021 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, to oversee the review. The work was concluded in 2022, with all recommendations considered and actioned, as appropriate, to ensure all aspects of good governance are covered.

Campus structures

During 2022, the transfer of assets of the Leeds campus to North Church was completed. It was decided that the Belfast church would close in 2023 and the lease has now been exited.

Financial review

At the end of the year, the consolidated net assets were £5,552,234, (2021:£6,015,694) of which £377,793 (2021:£317,568) were restricted funds.

The charity made a loss of £463,460 (2021: profit of £6,015,694).

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

The impact of the pandemic continued to affect revenue streams, however, this recovered through the year.

It was a significantly challenging year, with many external factors including cost of living, inflation and COVID all having an impact. The hard work done by the trustees and senior management have positioned the charity for a stronger performance in 2023 and working towards a sustainable future.

Trustee Report continued

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 2022, the charity had resources freely available for its general purpose amounting to £3,027,226 (2021:£3,550,911). 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.

Risk management

The trustees review the risk management process which assesses business risks and implements risk and 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 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 1 May 2019 and is a registered charity.

Any person, 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 their time voluntarily.

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Trustee Report continued

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 marketplace.

Plans for the future

Life church plans to continue with the three strategic aims of the trust deed. The trustees will focus on continuing the rebuilding work that started in 2022 and positioning the charity on a sound sustainable footing for the future. The Church will continue to meet the needs of the community and connect people with God.

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 Trustee's annual report, we also approve the Strategic report included therein, in our capacity as company directors.

This report was approved by the board on 20/9/2023 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 purpose 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 Practise)

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 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 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 20/9/2023 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 2022 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 2022 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 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

Opinion 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 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 directors of the parent charity 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 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 responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

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

In planning and designing our audit tests, we identify and assess the risk 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 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 and 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 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 for 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 above. The more removed from 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 conclusion.

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 companies 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 auditors report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Samantha Sutcliffe
Senior Statutory Auditor
For and on behalf of

Torevell Dent (Audit) LLP
Statutory Auditor and Chartered Certified Accountants

Date 20/09/23

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Consolidated Statement of Financial Activities for the year ended 29 December 2022
(including Income and Expenditure Account)

	Notes	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £	Total Funds 2021 £
Income					
Donation and Legacies	3	1,418,648	158,033	1,576,681	7,870,392
Other Trading Activities	4a	247,207	30	247,237	402,841
Charitable Activities	5	71,698	15,440	87,138	106,827
Investments	6	130	-	130	35
Other	7	(57,401)	-	(57,401)	279,906
Total Income		<u>1,680,282</u>	<u>173,503</u>	<u>1,853,785</u>	<u>8,660,001</u>
Expenditure					
Charitable Activities	8	1,666,138	113,278	1,779,416	2,249,730
Other Expenditure	4b	537,829	-	537,829	394,577
		<u>2,203,967</u>	<u>113,278</u>	<u>2,317,245</u>	<u>2,644,307</u>
Net Income/(Expenditure)	20	(523,685)	60,225	(463,460)	6,015,694
Transfers Between Funds	20	-	-	-	-
		<u>(523,685)</u>	<u>60,225</u>	<u>(463,460)</u>	<u>6,015,694</u>
Reconciliation Of Funds					
Total Funds B/Fwd	20	5,698,126	317,568	6,015,694	-
Total Funds C/Fwd	20	<u>5,174,441</u>	<u>377,793</u>	<u>5,552,234</u>	<u>6,015,694</u>

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 – 33 form an integral part of these financial statements

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Consolidated Balance Sheet for the year ended 29 December 2022

	Notes	Group Funds YE 2022	Group Funds YE 2021
Fixed Assets			
Tangible Assets	13	6,920,737	7,284,932
Investments	14	-	-
		<u>6,920,737</u>	<u>7,284,932</u>
Current Assets			
Stock	15	14,150	9,089
Debtor	16	96,141	208,427
Cash and Bank	17	93,697	740,211
		<u>203,988</u>	<u>957,727</u>
Liabilities			
Creditors due within 1yr	18	(977,322)	(1,068,122)
Net Current (Liabilities/Assets)		(773,334)	(110,395)
Creditors due after 1yr	19	(595,169)	(1,158,843)
Total		<u>5,552,234</u>	<u>6,015,694</u>
The Funds of the Charity			
Unrestricted Funds	20	3,027,226	3,550,911
Revaluation Reserve	20	2,147,215	2,147,215
Total Unrestricted Funds		5,174,441	5,698,126
Restricted Funds		377,793	317,568
	20	<u>5,552,234</u>	<u>6,015,694</u>

The Charity's net movement in funds for the year was £495,260.

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 20/9/2023 and signed on their behalf by:-

P Manchester
Trustee

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

Life Church Ministries
(A Company Limited By Guarantee)
Consolidated Financial Statements
For the Year Ended 29th December 2022

Charity Balance Sheet for the year ended 29 December 2022

		Group Funds YE 2022	Group Funds YE 2021
	Notes		
Fixed Assets			
Tangible Assets	13	6,750,597	7,072,039
Investments	14	3	3
		<u>6,750,600</u>	<u>7,072,042</u>
Current Assets			
Stock	15	-	-
Debtor	16	33,729	246,284
Cash and Bank	17	89,326	659,662
		<u>123,055</u>	<u>905,946</u>
Liabilities			
Creditors due within 1yr	18	(730,951)	(825,595)
Net Current (Liabilities/Assets)		(607,896)	80,351
Creditors due after 1yr	19	(590,470)	(1,136,699)
Total		<u>5,552,234</u>	<u>6,015,694</u>
The Funds of the Charity			
Unrestricted Funds	20	3,027,226	3,550,911
Revaluation Reserve	20	2,147,215	2,147,215
Total Unrestricted Income Funds		<u>5,174,441</u>	<u>5,698,126</u>
Restricted Funds	20	377,793	317,568
Total Charity Funds		<u>5,552,234</u>	<u>6,015,694</u>

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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Life Church Ministries
(A Company Limited By Guarantee)
Consolidated Financial Statements
For the Year Ended 29th December 2022

Consolidated Statement of Cashflows

	Notes	2022	2021
Cashflows from operating activities			
Net (outgoing)/incoming resources before other recognised gains/(losses)		(463,460)	6,015,694
Depreciation		218,164	202,977
(Gain)/Loss on disposal of fixed assets			(2,140)
Interest received	6	(130)	(35)
Interest paid	12	29,906	14,754
(Increase)/decrease in stock		(5,061)	5,550
Decrease in debtors		58,685	75,107
(Decrease) in creditors		(31,080)	(305,815)
Gifts of net assets from Life Church UK		384,848	(5,719,849)
Net cash inflow from incoming resources		191,872	286,243
Cashflows from investing activities			
Interest received	6	130	35
Purchase of tangible fixed assets		(2,300)	(61,062)
Proceeds from sale of tangible fixed assets			2,428
		(2,170)	(58,599)
Cashflows from financing activities			
Proceeds from new loans			540,000
Repayment of loans		(50,188)	(150,948)
Repayment of finance lease liability		(15,911)	(13,328)
Interest paid	12	(29,906)	(14,754)
Net cashflow from financing activities		(96,005)	360,970
Net increase in cash and cash equivalents		93,697	588,614
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 2022	17	<u>93,697</u>	<u>740,211</u>

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

**Life Church Ministries
(A Company Limited By Guarantee)
Consolidated Financial Statements
For the Year Ended 29th December 2022**

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 a 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 October 2019, the Financial Reporting Standard applicable in the UK 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 2022. 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.

Notes to the consolidated financial statements continued

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 costs 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 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.

Income from grants is 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. Rental income is recognised when the charity's right to receive payment is established.

Other income includes amounts 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 when 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 incurred on directly undertaking the activities that further the charity's objectives; and
- Other expenditure representing those items not falling into the categories above.

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

Life Church Ministries
(A Company Limited By Guarantee)
Consolidated Financial Statements
For the Year Ended 29th December 2022

Notes to the consolidated financial statements continued

Activities in furtherance of the charity's objectives include the direct costs of staff and property 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 and support costs of the charity.
All members of staff are active in fulfilling the objectives of the charity.

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 grant. 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. Costs 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 cost and estimated selling price less costs to complete and sell. Cost includes all cost 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 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.

Life Church Ministries
(A Company Limited By Guarantee)
Consolidated Financial Statements
For the Year Ended 29th December 2022

Notes to the consolidated financial statements continued

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.

Foreign currency

Foreign currency transactions are initially recognised by applying to the foreign currency the amount of 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, therefore meeting 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. 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.

Notes to the consolidated financial statements continued

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 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 £6,920,737 (2021 - £7,284,932)

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 the assumptions around anticipated saleability of finished goods. The carrying amount is £14,150 (2021:£9,089)

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 consider factors which include the current credit rating of the debtor, the ageing profile of debtors and historical experience. The carrying amount is £49,119 (2021 - £107,804)

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 of 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 financial 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 measure at amortised cost are assessed for objective evidence or 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 risk 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.

Life Church Ministries
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For the Year Ended 29th December 2022

Notes to the consolidated financial statements continued

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 financial 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 Donation and legacies

	Unrestricted	Restricted	Total 2022	Total 2021
	£	£	£	£
Gifts from charities or organisations	854	28,901	29,755	5,719,849
Gift Aid recovered	147,884	1,020	148,904	223,531
Regular giving and capital donations	1,269,910	128,112	1,398,022	1,927,012
	<u>1,418,648</u>	<u>158,033</u>	<u>1,576,681</u>	<u>7,870,392</u>

4. Income from trading activities of subsidiary

The Chairty 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 a 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.

	Unrestricted	Restricted	2022	2021
			£	£
4a. Income resources				
Merchandising and events (other trading activities in SOFA)	247,207	30	247,237	402,841
Other operating income (other income in SOFA)	-	-	-	81,185
Profit on disposal of fixed assets (Other income on SOFA)	-	-	-	30
	<u>247,207</u>	<u>30</u>	<u>247,237</u>	<u>484,056</u>
4b. Expenditure				
Merchandising, events and administration costs			537,829	394,577
			<u>537,829</u>	<u>394,577</u>

Life Church Ministries
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Consolidated Financial Statements
For the Year Ended 29th December 2022

Notes to the consolidated financial statements continued

5. Income from charitable activities

	Unrestricted	Restricted	2022	2021
			£	£
Educational and training activities	55,795	15,440	71,235	98,031
Worship, celebration, and youth events	15,903	-	15,903	8,796
	<u>71,698</u>	<u>15,440</u>	<u>87,138</u>	<u>106,827</u>

6. Income from charitable activities

	2022	2021
	£	£
Interest received	130	35
	<u>130</u>	<u>35</u>

7. Other Income

	2022	2021
	£	£
Government Grant Job Retention Scheme	-	239,708
Other income	81,642	38,058
Profit on disposal of fixed assets	(139,043)	2,140
	<u>(57,401)</u>	<u>279,906</u>

8. Expenditure on charitable activities

	Unrestricted	Restricted	2022	2021
	£	£	Total	Total
Charity Objectives				
Ministry support – individuals and organisations	57,317	105,817	163,134	31,617
Staff costs	930,718	1,551	932,269	1,320,450
Marketing and publicity	23,627	571	24,198	13,733
Provision and maintenance of Premises and Equipment	343,827	300	344,127	358,529
Administration cost	104,263	5,039	109,302	290,200
Depreciation	174,686	-	174,686	154,399
	<u>1,634,438</u>	<u>113,278</u>	<u>1,747,716</u>	<u>2,168,928</u>
Governance Costs				
Audit Services	3,700	-	3,700	30,000
Professional Fees	28,000	-	28,000	50,802
Total expenditure on charitable activities	<u>1,666,138</u>	<u>113,278</u>	<u>1,779,416</u>	<u>2,249,730</u>

Life Church Ministries
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Consolidated Financial Statements
For the Year Ended 29th December 2022

Notes to the consolidated financial statements continued

9. Auditors remuneration.

	2022	2021
	Total	Total
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	26,700	30,000
	<u>26,700</u>	<u>30,000</u>

10. Trustees' and key management personnel remuneration and expenses

The trustees did not have any expenses reimbursed during the year (2021 - £nil).

During the year the trustees donated £43,017 (2021 - £39,285) 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 (2021: £56,689). Steve Gambill was employed by the Church as Senior Lead Pastor and was not remunerated for his role as a trustee. The total remuneration paid during the year including employers national insurance was £84,835 (2021: £84,835). Pension contributions paid were £1,311 (2021: £1,311) and £1,319. (2021: £1,319) respectively. Jock James and Steve Gambill were under contract of employment.

There are 2 (2021 : 2) trustees that are accruing pension arrangements.

Key management personnel

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

	2022	2021
Salaries and other short- term employee benefits	247,235	305,141
Social Security costs	32,140	35,466
Defined contribution pension costs	4,945	6,145
	<u>284,320</u>	<u>346,752</u>

Life Church Ministries
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Consolidated Financial Statements
For the Year Ended 29th December 2022

Notes to the consolidated financial statements continued

11 Staff costs and employee benefits

	2022	2021
Wages and salaries	848,964	1,169,069
Social security	76,842	91,674
Defined contribution pension costs	19,210	20,886
Other staff costs	15,505	11,821
	<u>960,521</u>	<u>1,320,450</u>

	2022	2021
Number of employees receiving benefits (excluding employers pension costs) which fell within £80,000 - £90,000	<u>2</u>	<u>2</u>
Average number of employees	<u>40</u>	<u>55</u>

12 Interest Payable and similar expenses

	2022	2021
Bank loan and overdrafts	27,010	12,937
Finance charges payable under finance leases	2,896	1,817
	<u>29,906</u>	<u>14,754</u>

Life Church Ministries
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Consolidated Financial Statements
For the Year Ended 29th December 2022

Notes to the consolidated financial statements continued

13 Tangible Fixed Assets

GROUP	Freehold Land & Buildings £	Leasehold Improvements £	Fixtures, Fittings & Equipment £	Computer & Media Equipment £	Total £
Cost or revaluation					
At 1 January 2022	6,779,709	246,372	312,609	340,442	7,679,132
Additions	-	-	-	2,300	2,300
Disposals	(34,136)	(129,077)	(25,519)	(1,459)	(190,191)
As at 29 December 2022	<u>6,745,573</u>	<u>117,295</u>	<u>287,090</u>	<u>341,283</u>	<u>7,491,241</u>
Depreciation					
At 1 January 2022	58,874	37,228	70,312	227,786	394,200
Charge for year	57,509	24,637	102,879	33,139	218,164
Elim on disposal	-	(23,811)	(17,247)	(802)	(41,860)
As at 29 December 2022	<u>116,383</u>	<u>38,054</u>	<u>155,944</u>	<u>260,123</u>	<u>570,504</u>
Net book value 2022	<u>6,629,190</u>	<u>79,241</u>	<u>131,146</u>	<u>81,160</u>	<u>6,920,737</u>
Net book value 2021	<u>6,720,835</u>	<u>209,144</u>	<u>242,297</u>	<u>112,656</u>	<u>7,284,935</u>

The freehold property had 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 £4,473,620.

Included in the above net book value is £3,737,500 of non-depreciated assets.

Included in the above net book value of computer and media equipment is £ 43,325 (2021 - £47,351) in respect of assets held under finance leases.

Life Church Ministries
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Consolidated Financial Statements
For the Year Ended 29th December 2022

Notes to the consolidated financial statements continued

13 Tangible Fixed Assets continued - CHARITY

CHARITY	Freehold Land & Buildings £	Leasehold Improvements £	Fixtures, Fittings & Equipment £	Computer & Media Equipment £	Total £
Cost or revaluation					
At 1 January 2022	6,779,709	160,464	225,749	57,451	7,223,373
Additions	-	-	-	-	-
Disposals	(34,136)	(129,077)	(14,922)	-	(178,135)
As at 29 December 2022	<u>6,745,573</u>	<u>31,387</u>	<u>210,827</u>	<u>57,451</u>	<u>7,045,238</u>
Depreciation					
At 1 January 2022	58,874	20,046	48,106	24,308	151,334
Charge for year	57,509	16,046	79,897	21,233	174,685
Elim on disposal	-	(23,811)	(7,567)	-	(31,378)
As at 29 December 2022	<u>116,383</u>	<u>12,281</u>	<u>120,436</u>	<u>45,541</u>	<u>294,641</u>
Net book value 2022	<u>6,629,190</u>	<u>19,106</u>	<u>90,391</u>	<u>11,910</u>	<u>6,750,597</u>
Net book value 2021	<u>6,720,835</u>	<u>140,418</u>	<u>177,643</u>	<u>33,143</u>	<u>7,072,039</u>

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 £4,473,620.

Included in the above net book value is £3,737,500 of non-depreciated assets.

Life Church Ministries
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Consolidated Financial Statements
For the Year Ended 29th December 2022

Notes to the consolidated financial statements continued

14 Investments

	Charity 2022 Total	Charity 2021 Total
Investment in subsidiaries	<u>3</u>	<u>3</u>

Subsidiary Company

	Nature of Business	Number/ 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 Limited 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 £213,055 (2021: £402,841). The profit/loss generated was £nil.

15 Stock

	Group 2022 Total	Group 2021 Total
Stock - All stock held is for resale	<u>14,150</u>	<u>9,089</u>

16 Debtors

	Group 2022 £	Charity 2022 £	Group 2021 £	Charity 2021 £
Trade Debtor	49,118	23,321	107,803	101,073
Other Debtors	28,650	-	23,076	88
Prepayments and accrued income	18,373	1,190	77,548	53,169
Amounts owed by group undertakings	-	9,218	-	91,954
	<u>96,141</u>	<u>33,729</u>	<u>208,427</u>	<u>249,284</u>

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17 Cash and cash equivalents

	Group 2022	Charity 2022	Group 2021	Charity 2021
	£	£	£	£
Cash and cash equivalents in the statement of cashflows	93,697	89,326	740,211	659,662
Cash at bank	<u>93,697</u>	<u>89,326</u>	<u>740,211</u>	<u>659,662</u>

18 Creditors: Amounts falling due within 1 year

	Group 2022	Charity 2022	Group 2021	Charity 2021
	£	£	£	£
Trade creditors	82,541	33,253	113,621	80,737
Other creditors	320	-	56,921	4,147
Bank loans	552,962	552,962	552,962	552,962
Hire purchase	18,674	-	17,140	-
Taxation and social security	95,206	34,078	91,236	24,218
Other loans	100,000	100,000	100,000	100,000
Accruals and deferred income	127,619	10,658	136,241	63,534
	<u>977,322</u>	<u>730,951</u>	<u>1,068,121</u>	<u>825,596</u>

The bank loan of £552,962 (2021 - £552,962) 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 the Bank of England base rate.

Hire purchase liabilities totalling £18,674 are secured on the assets to which they relate. The bank loan is repayable in monthly instalments of £14,115.

19 Creditors: Amounts falling due after 1 year

	Group 2022	Charity 2022	Group 2021	Charity 2021
	£	£	£	£
Bank loans	590,470	590,470	1,136,699	1,136,699
Hire purchase	4,699	-	22,144	-
	<u>595,169</u>	<u>590,470</u>	<u>1,158,843</u>	<u>1,136,699</u>

	Group 2022	Charity 2022	Group 2021	Charity 2021
	£	£	£	£
Bank loans				
1 – 2 years	146,105	146,105	146,105	146,105
2 – 5 years	444,365	444,365	990,594	990,594
	<u>590,470</u>	<u>590,470</u>	<u>1,136,699</u>	<u>1,136,699</u>

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19 Creditors: Amounts falling due after 1 year continued

The bank loan of £1,143,432 , (2021:£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 liability totalling £4,699 (2021 - £22,144) are secured on the assets to which they relate.

20 Fund reconciliation

	Balance B/fwd	Net incoming	Transfers	Balance as at 29
	£	resources	£	December 2022
		£		£
Unrestricted				
General	3,509,471	(523,685)	-	2,985,78
Designated				
Cherish Foundation	39,128	-	-	39,128
Christmas Funds	2,312	-	-	2,312
Revaluation Reserve	2,147,215	-	-	2,147,215
	<u>5,698,126</u>	<u>(523,685)</u>	<u>-</u>	<u>5,174,441</u>
Restricted				
SHE Kindness Kitty	18,591	-	-	18,591
We are one	29,009	48,649	(55,184)	22,474
Mortgage	192,954	-	(7,200)	185,754
Compassion	6,800	11	-	6,811
Conferences	3,229	4,475	-	7,704
Uganda	3,238	1,095	(4,826)	(493)
Daycare – CAP collection	33	-	-	33
Barnados	-	550	(550)	-
Life College	-	15,440	-	15,440
YE Movement Hampers	29,570	16	(465)	29,121
Christmas 2020	16,749	-	-	16,749
Ukrainian Crisis	-	89,642	(33,074)	56,568
Rock Nation Vision Rescue	-	22	-	22
Easter 2022	-	1,468	(9,694)	(8,226)
Winter Box Appeal	17,395	2,134	(2,284)	17,245
Christmas 2022	-	10,000	-	10,000
	<u>317,568</u>	<u>173,502</u>	<u>113,277</u>	<u>377,793</u>

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20 Fund reconciliation continued

Designated Funds:

The Trustees have identified certain unrestricted funds that 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 situations of need, as determined by the Women's Ministry Leadership.
- 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 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 that 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 and events, this was split 50:50 between YA & Rn Conferences.
- Uganda; Donations were received from within and outside of the Church to support the missionary duties of a member of the congregation based out in Gulu, Uganda.
- Daycare-Cap Collection; A fundraiser amongst the kids and 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 worthy recipients as explained below.
- Cherish Foundation 2021: The Cherish Foundation offering received during the online conference this year was utilised to provide gifts of kindness to 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 were 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 homeschooled as they had been displaced by Covid-19
- Winter Box Appeal: Winter Box Appeal represents donations taken 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 help to enable each of the identified funds to be applied without any restrictions.

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21. Analysis of group net assets between funds

	Unrestricted £	Designated £	Restricted £	Total £
Funds balances at 29 December 2022 are represented by:				
Tangible fixed assets	6,920,737	-	-	6,920,737
Current assets	(215,245)	41,440	377,793	203,988
Creditors due within one year	(977,322)	-	-	(977,322)
Creditors due after one year	(595,169)	-	-	(595,169)
	<u>5,133,001</u>	<u>41,440</u>	<u>377,793</u>	<u>5,520,434</u>

22. 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 £17,918 (2021 - £20,886)

The defined contribution liability is allocated to unrestricted funds. Contribution totalling £nil (2021 - £nil) were payable to the scheme at the end of the year and are included in creditors.

23. Related Parties

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 are 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.

	2022	2021
Commission received	NIL	1,075
Amounts due from	NIL	22,974

