

**REPORT OF THE TRUSTEES AND
AUDITED FINANCIAL STATEMENTS FOR THE YEAR
ENDED 31 DECEMBER 2020
FOR
NEW LIFE TRUST
OPERATING AS
CHRISTCHURCH**

**NEW LIFE TRUST
OPERATING AS
CHRISTCHURCH**

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FOR THE YEAR ENDED 31 DECEMBER 2020**

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**NEW LIFE TRUST
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**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2020**

The trustees present their report with the financial statements of the charity for the year ended 31 December 2020. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The aims and objectives of the charity are to promote the advancement of the Christian faith and the worship of God in the county of Gwent and elsewhere, and it has its principal office in Newport.

Significant activities

The Trust's work is all undertaken in pursuance of its objective of the advancement of the Christian Faith and the worship of God.

Grantmaking

As in past years the church has contributed financially to other ministries which hold to shared objectives. The Trustees approve all grants made.

Volunteers

While employing a number of full time staff the charity also has numerous volunteer helpers who are responsible for the support of many activities in the church. It is not possible to place a monetary value on the contributions made by volunteers nor are figures available that show how many hours of service they provide.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

When considering our activities for the year, the church has considered the Charity Commission's guidance on public benefit and in particular the specific guidance on charities for the advancement of religion.

This year, like everyone, we have experienced unprecedented times and unforeseen challenges throughout the Covid-19 pandemic. All of our services and projects were abruptly stopped during the national lockdown, with only a few key ministries that were able to be delivered through online provision.

The Sunday morning services were considered a priority for the New Life Trust and pre-recorded services were streamed over the internet. We are grateful for the resilience of our members and the adaptability of our staff and volunteers to provide an online service every week through the pandemic. Regular weekly activities that gathered members and visitors together were stopped: these included Legacy Ministry, Teens Ministry and Mother and Toddler groups.

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ACHIEVEMENT AND PERFORMANCE

Charitable activities – continued

The Foodbank Project on the other hand saw a huge increase in demand for its services as people were furloughed or lost their jobs. During this crisis a new partnership was established with Newport City Council and other agencies across the city, coming together to set up an emergency telephone helpline to support families in Food crisis. The Foodbank continued to operate from a central distribution centre at the Citizens Advice Bureau Centre (CAB) in Newport Town Centre. Unfortunately, because of restriction and Covid-19 secure working practices, the foodbank was not able to provide food to the public directly. Through the hard work of all involved, the agencies working with the most vulnerable in the city delivered food parcels to their clients. Subsequently volunteers from churches in Newport also assisted in the delivery of food to those in need. In 2020 the Newport Foodbank project fed 3,064 adults and 1,938 children. It is expected that this project will continue into 2021 with a similar demand as the effect of the Covid-19 pandemic continues to impact people's lives in Newport.

New Life Trust continued the initiative called "Gospel Communities" developing a network of small groups across the church. This provision was moved online with groups connecting for bible studies, prayer meetings, book clubs and social events. It has been wonderful to witness our church members continuing to care for one another even through online meeting platforms.

Ministries like Legacy and Mercy Multiplied continued to operate by simply connecting with our members and those in the community with regular phone calls and check in points. We were able to serve the most vulnerable with shopping and medicine deliveries.

The Christchurch Centre and the church office were able to be maintained by our church administrator covering the essentials like building security, finance, health and safety, as well as offering support to furloughed staff and volunteers in the Foodbank.

The Trustees would like to express their gratefulness for the staff and volunteers who have gone the extra mile in their preparation to allow the church to meet together in person where possible within Government Guidelines. We would also like to express our gratitude for the church members who have faithfully and generously supported the church financially throughout this challenging year.

Trading subsidiary

In 2009 the Trustees formed a new company, Christchurch Conference Centre Limited, for the purpose of processing the income generated by the hire of conference facilities and related services at the charity's premises to local businesses and interest groups.

The company, which is limited by guarantee and controlled by the Trustees of New Life Trust, was set up in line with current Charity Commission guidance which states that a trading subsidiary must be used in order to remove any significant risk to the assets of the Charity which would arise if the charity were to carry on non-primary purpose trading itself.

For the year to 31 December 2020 the company has made rental and other payments to the Trust and is repaying a loan that the Trust made to it upon which it is paying interest.

**NEW LIFE TRUST
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**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2020**

ACHIEVEMENT AND PERFORMANCE

FINANCIAL REVIEW

Financial position

Total incoming resources for the year of £620,438 (2019 - £591,961) consists largely of donations received of £513,857 (2019 - £472,919) and tax refunds of £81,704 (2019 - £90,098). A significant proportion of the total expenditure of £560,356 (2019 - £565,825) relates to ministry support and salaries, ministry expenses and grants to institutions and individuals.

Income exceeded resources expended by £60,082 (2019 income exceeded resources expended by £26,136).

The charity has sufficient funds to meet all its financial requirements. At 31 December 2020 the charity's funds totalled £1,434,375 (2019 - £1,374,293).

Reserves policy

The trustees have examined the level of reserves held at the year end in light of the main risks facing the organisation. A policy has been established to maintain sufficient free reserves equivalent to up to one month's operating costs where possible. This is estimated to be approximately £47,000.

The free reserves of a charity represent the funds that are freely available to spend. In calculating the free reserves the trustees have deducted from the total of unrestricted funds any funds designated at the year end and the net book value of the freehold property and other tangible fixed assets as detailed in the accounts after adjusting for associated borrowing. At 31 December 2020 free reserves were £393,314 (2019 - £358,918) which is greater than the target set. No funds were designated at the year end (2019 - £nil).

The policy is reviewed by the trustees on an ongoing basis.

Going concern

Having considered budget and cash flow projections for the next twelve months and after making due allowance for the impact of the Covid-19 pandemic on the Trust, the Trustees are confident that the Trust will continue to meet its liabilities as they fall due for the foreseeable future and consider that there are no material uncertainties about the Trust's ability to continue as a going concern. It is therefore considered appropriate by the Trustees to prepare the financial statements on a going concern basis.

FUTURE PLANS

The church is committed to its objectives of advancing the Christian faith and the worship of God in the county of Gwent and elsewhere. Its Trustees believe that its existing activities have begun to achieve these ends. Consequently no significant changes in activities are planned for the forthcoming year.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes an unincorporated charity.

The charitable trust was formed on 6 April 1984 and registered as a charity on 28 March 1985.

The trust is governed by its Trust Deed, which establishes the objects and powers of the charity. Under the Trust Deed, the Trustees are elected to serve for an indefinite period.

Recruitment and appointment of new trustees

The Trust Deed provides for a minimum of three Trustees. Each Trustee must be appointed by a resolution of the Trustees passed at a special meeting.

**NEW LIFE TRUST
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**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2020**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Organisational structure

The Charity controls a non-charitable Subsidiary, Christchurch Conference Centre Limited, a company limited by guarantee, the activities and trading performance of which are discussed at page 3 and page 22 notes 22 and 24.

The charity is governed by its Trustees, who meet regularly to review reports presented to them by the administrative team which is entrusted with the implementation of the Trustees' decisions.

Induction and training of new trustees

The Trustees are responsible for the induction of any new Trustee. This involves making them aware of a Trustee's responsibilities and of the nature of the governing document and administrative procedures. A new Trustee would receive a copy of the charity's Trust Deed together with a copy of the charity's latest Annual Report and Accounts.

Key management remuneration

The board of Trustees together with those exercising an ordained ministry to the church are considered to be the key management personnel of the charity. Details of payments to Trustees under contracts for services are disclosed in note 9 to the accounts. Payments to other key management personnel are given at note 22.

The level of payments made to all key management personnel is reviewed annually by those Trustees who receive no payment from the church. In view of the nature of the church, the Trustees consider that payments to key management personnel should be bench-marked against salaries paid to teachers and others working in schools. It should be noted however, that payments to be made by the church are to be set at a discount against the remuneration of staff in the state education sector.

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The Trustees have conducted their own review to identify the major risks to which the charity is exposed and, where at unacceptable levels, have taken steps to mitigate those risks. These procedures are periodically reviewed to ensure that they still meet the needs of the charity. The principal risks facing the charity and a summary of the key mitigation actions, are noted in the table below.

Risk	Mitigating Actions
A safeguarding failure	<ul style="list-style-type: none">- Recruitment policies and controls in place for staff and volunteers.- The provision of Safeguarding training.- DBS checks are undertaken
A major property incident	<ul style="list-style-type: none">- Implementation of ongoing property and grounds maintenance plan.
Loss of key personnel	<ul style="list-style-type: none">- Regular appraisals and team meetings- Team bonding and development activities.
Reduction in church membership	<ul style="list-style-type: none">- The development of activities and community projects to attract new members.
Changes in Government policy in respect of Gift Aid	<ul style="list-style-type: none">- Setting budgets which do not leave the church financially dependent on Gift Aid receipts.

**NEW LIFE TRUST
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**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2020**

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

516297

Principal address

BT Compound
Malpas Road
NEWPORT
NP20 5PP

Trustees

P Greasley

D Reed

S Martin

(resigned 3 August 2021)

R McCan

S Woolley

V Morse

S Morris

(appointed 2 June 2020)

A Rees

(appointed 2 June 2020)

A Woods

(appointed 2 June 2020)

Auditors

Gordon Down & Partners

Statutory Auditor

144 Walter Road

Swansea

SA1 5RW

Bankers

Barclays plc

121 Queen Street

Cardiff

CF10 2XU

**NEW LIFE TRUST
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**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2020**

STATEMENT OF TRUSTEES RESPONSIBILITIES

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

The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the board of trustees on 29 October 2021 and signed on its behalf by:

R McCan - Trustee

**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF
NEW LIFE TRUST
OPERATING AS
CHRISTCHURCH**

Opinion

We have audited the financial statements of New Life Trust (the 'charity') for the year ended 31 December 2020 which comprise the statement of financial activities, balance sheet, cash flow statement and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2020 and of 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 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's responsibilities for the audit of the financial statements section of our report. We are independent of the charity 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 charity's ability to continue as a going concern for a period of at least twelve months from the date 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 trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF
NEW LIFE TRUST
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Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report.

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

- the information given in the trustees' report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; 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 6, the trustees 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 145 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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:

Our audit procedures were designed to respond to the identified risks, including non-compliance with laws and regulations (irregularities) and fraud that are material to the financial statements.

Our audit procedures included, but were not limited to:

- discussing with the trustees and management their policies and procedures regarding laws and regulations;
- remaining alert to any indications of non-compliance throughout our audit;
- considering the risk of acts by the Charity which were contrary to applicable laws and regulations, including fraud;
- making enquires of the trustees and management on whether they had knowledge of any actual, suspected or alleged fraud;
- gaining an understanding of the internal controls established to mitigate the risks related to fraud and
- addressing the risks of fraud through management override of controls by performing journal entry testing.

**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF
NEW LIFE TRUST
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Auditor's responsibilities for the audit of the financial statements (continued)

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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 charity's trustees, as a body, in accordance with Section 145 of the Charities Act 2011 and regulations made under Section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's 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 charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Gordon Down & Partners
Statutory Auditor
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006
144 Walter Road
Swansea
SA1 5RW

Date: 29 October 2021

**NEW LIFE TRUST
OPERATING AS
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**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2020**

		Unrestricted funds	Restricted funds	31.12.20 Total funds	31.12.19 Total funds
	Notes	£	£	£	£
INCOME AND ENDOWMENTS FROM					
Donations	2	479,565	127,391	606,956	563,017
Other trading activities	3	643	-	643	1,599
Investment income	4	<u>12,839</u>	<u>-</u>	<u>12,839</u>	<u>27,345</u>
Total		493,047	127,391	620,438	591,961
EXPENDITURE ON					
Charitable activities					
Advancement of the Christian faith	5	<u>454,307</u>	<u>106,049</u>	<u>560,356</u>	<u>565,825</u>
NET INCOME		38,740	21,342	60,082	26,136
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>1,356,222</u>	<u>18,071</u>	<u>1,374,293</u>	<u>1,348,157</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>1,394,962</u></u>	<u><u>39,413</u></u>	<u><u>1,434,375</u></u>	<u><u>1,374,293</u></u>

CONTINUING OPERATIONS

All income and expenditure has arisen from continuing activities.

The notes form part of these financial statements

**NEW LIFE TRUST
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**BALANCE SHEET
AT 31 DECEMBER 2020**

		Unrestricted funds £	Restricted funds £	31.12.20 Total funds £	31.12.19 Total funds £
Notes					
FIXED ASSETS					
Tangible assets	12	1,010,559	965	1,011,524	1,019,640
CURRENT ASSETS					
Stocks		-	4,550	4,550	6,386
Debtors	14	139,045	1,923	140,968	164,932
Cash at bank and in hand		<u>278,375</u>	<u>52,880</u>	<u>331,255</u>	<u>241,521</u>
		417,420	59,353	476,773	412,839
CREDITORS					
Amounts falling due within one year	15	(33,017)	(20,905)	(53,922)	(49,238)
		<u>384,403</u>	<u>38,448</u>	<u>422,851</u>	<u>363,601</u>
NET CURRENT ASSETS					
TOTAL ASSETS LESS CURRENT LIABILITIES					
		1,394,962	39,413	1,434,375	1,383,241
CREDITORS					
Amounts falling due after more than one year	16	-	-	-	(8,948)
		<u>1,394,962</u>	<u>39,413</u>	<u>1,434,375</u>	<u>1,374,293</u>
NET ASSETS					
FUNDS					
Unrestricted funds	20			1,394,962	1,356,222
Restricted funds				<u>39,413</u>	<u>18,071</u>
TOTAL FUNDS					
				<u>1,434,375</u>	<u>1,374,293</u>

The financial statements were approved by the Board of Trustees on 29 October 2021 and were signed on its behalf by:

R McCan -Trustee

**NEW LIFE TRUST
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**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Notes	31.12.20 £	31.12.19 £
Cash flows from operating activities:			
Cash generated from operations	1	108,704	932
Interest paid		<u>(564)</u>	<u>(1,093)</u>
Net cash provided by/(used in) operating activities		<u>108,140</u>	<u>(161)</u>
Cash flows from investing activities:			
Purchase of tangible fixed assets		(20,557)	(10,224)
Disposal proceeds from sale of fixed assets		-	-
Interest received		2,412	1,161
Gift aid donations from group undertaking		<u>-</u>	<u>10,000</u>
Net cash (used in)/provided by investing activities		<u>(18,145)</u>	<u>937</u>
Cash flows from financing activities:			
Loan repayments in year		(11,656)	(11,128)
Government grant income		<u>11,395</u>	<u>-</u>
Net cash (used in) financing activities		<u>(261)</u>	<u>(11,128)</u>
Change in cash and cash equivalents in the reporting period		89,734	(10,352)
Cash and cash equivalents at the beginning of the reporting period		<u>241,521</u>	<u>251,873</u>
Cash and cash equivalents at the end of the reporting period	2	<u><u>331,255</u></u>	<u><u>241,521</u></u>

The notes form part of these financial statements

**NEW LIFE TRUST
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**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2020**

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	31.12.20	31.12.19
	£	£
Net income for the reporting period (as per the statement of financial activities)	60,082	26,136
Adjustments for:		
Depreciation charges	28,667	27,839
Government grant income	(11,395)	-
Loss on disposal of fixed assets	6	-
Interest received	(2,412)	(1,161)
Interest paid	564	1,093
Gift aid donation from group undertaking	(-)	(10,000)
Decrease in stock	1,836	2,464
Decrease/(Increase) in debtors	23,964	(60,037)
Increase in creditors	<u>7,392</u>	<u>14,598</u>
Net cash provided by operating activities	<u>108,704</u>	<u>932</u>

2. ANALYSIS OF CASH AND CASH EQUIVALENTS

	31.12.20	31.12.19
	£	£
Cash at bank and in hand	<u>331,255</u>	<u>241,521</u>

**NEW LIFE TRUST
OPERATING AS
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention.

The financial statements have been prepared to give a "true and fair view" and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a "true and fair view". This departure has involved following Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective 1 April 2005 which has since been withdrawn.

The Trustees have opted to report expenditure using categories based on the nature of costs incurred rather than on an activity basis.

Going Concern

After giving due consideration to the impact of the Covid-19 pandemic on the Trust, the Trustees consider that there are no material uncertainties about the Trust's ability to continue as a going concern. It is therefore considered appropriate by the Trustees to prepare the financial statements on a going concern basis.

Income recognition

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Volunteers and donated goods and services

The value of services provided by volunteers is not incorporated into these financial statements.

Where goods or services are provided to the charity as a donation that would normally be purchased from suppliers, this contribution is included in the financial statements at an estimate based on the value of the contribution to the charity.

Goods donated and held as stock for distribution by the charity, including food items donated to a food bank, are recognised as incoming resources within voluntary income when received. An equivalent amount is included as part of resources expended when stock is distributed.

Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

Allocation and apportionment of costs

Overhead and support costs have been allocated directly or apportioned on an appropriate basis between Charitable Activities and Governance Costs where appropriate.

Financial instruments

The Trust's financial assets and financial liabilities are all of a kind that qualify as basic financial instruments which are recognised initially at transaction value and are subsequently valued at their settlement value.

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**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2020**

1. ACCOUNTING POLICIES - continued

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold land & property	- 0% on land and 2% on buildings
Fixtures, fittings and equipment	- 25% on cost
Motor vehicles	- 25% on cost

Fixed assets are stated at cost less accumulated depreciation. The costs of minor additions or those costing below £100 are not capitalised. Fixed assets are subject to review for impairment when there is an indication of a reduction in their carrying value. Any impairment is recognised in the Statement of Financial Activities in the year in which it occurs.

Taxation

The charity is exempt from tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the Trustees.

Included within the charity's unrestricted funds are any designated funds. These are amounts earmarked by the Trustees to be used for particular purposes in the future. The Trustees have the power to re-designate such funds within unrestricted funds.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

The charity operates a defined contribution pension scheme. Contributions payable to the charity's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

2. DONATIONS

	Unrestricted £	Restricted £	Total 2020 £	Total 2019 £
Advancement of the Christian Faith				
Donations	398,841	126,411	525,252	472,919
Tax reclaims on donations	80,724	980	81,704	90,098
	<u>479,565</u>	<u>127,391</u>	<u>606,956</u>	<u>563,017</u>

Restricted income noted above consists of £5,555 given to the Mercy Fund and £120,856 given to the Food Bank. A substantial proportion of Food Bank income is received in the form of food for distribution to beneficiaries of the scheme.

3. OTHER TRADING ACTIVITIES

	31.12.20 £	31.12.19 £
Fundraising events	643	1,599
Room hire	-	-
	<u>643</u>	<u>1,599</u>

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**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2020**

4. INVESTMENT INCOME

	31.12.20	31.12.19
	£	£
Service charge - trading subsidiary	6,427	12,184
Rental for telecom mast	4,000	4,000
Gift Aid donation from group undertaking	-	10,000
Deposit account interest	307	771
Interest receivable	<u>2,105</u>	<u>390</u>
	<u>12,839</u>	<u>27,345</u>

5. CHARITABLE ACTIVITIES COSTS

	Direct costs (See note 6)	Grant funding of activities (See note 7)	Support costs (See note 8)	Totals
	£	£	£	£
Advancement of the Christian faith	<u>325,345</u>	<u>16,715</u>	<u>218,296</u>	<u>560,356</u>

6. DIRECT COSTS OF CHARITABLE ACTIVITIES

	31.12.20	31.12.19
	£	£
Ministry support	202,587	193,830
Ministry expenses	11,288	12,559
Church management, development & planning	712	1,071
Catering	4,124	5,248
Children's and youth work	3,824	7,210
Church outings and activities	5,378	36,037
Books and cds	2,344	2,199
Lighting and heating	13,415	15,855
Evangelism	17,946	15,397
Food Bank	59,684	59,701
Motor expenses	3,478	2,334
Loan interest	<u>564</u>	<u>1,093</u>
	<u>325,345</u>	<u>352,534</u>

7. GRANTS PAYABLE

	31.12.20	31.12.19
	£	£
Advancement of the Christian faith	<u>16,715</u>	<u>18,496</u>

The total grants paid to institutions during the year was as follows:

	31.12.20	31.12.19
	£	£
Co:Mission UK	-	5,173
Other	<u>50</u>	<u>328</u>
	<u>50</u>	<u>5,501</u>

During the year £16,665 (2019 - £12,995) of the total grants payable were paid to individuals.

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**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2020**

8. SUPPORT COSTS

	Management £	Governance costs £	Totals £
Advancement of the Christian faith	<u>209,943</u>	<u>8,353</u>	<u>218,296</u>

Support costs, included in the above, include:

Governance costs

	31.12.20 Advancement of the Christian faith £	31.12.19 Total activities £
Auditors' remuneration	3,680	3,384
Auditors' remuneration - non-audit services	3,010	2,646
General administrative costs	<u>1,663</u>	<u>2,230</u>
	<u>8,353</u>	<u>8,260</u>

9. TRUSTEES' REMUNERATION AND BENEFITS

The Charity's Trust Deed makes provision for payments to be made to Trustees.

Ministry support of £202,587 (2019 - £193,830) contains support payments to two Trustees who devoted the majority of their time to the service of the church.

The Trustees receiving payments under contracts for services and the amounts paid are as follows:-

		31.12.2020 £	31.12.2019 £
Ministry Support			
P Greasley	Support received	54,581	52,371
	Donations made to New Life Trust	<u>(7,200)</u>	<u>(7,350)</u>
		<u>47,381</u>	<u>45,021</u>
R McCan	Support received	43,959	36,081
	Donations made to New Life Trust	<u>(5,740)</u>	<u>(6,350)</u>
		<u>38,219</u>	<u>29,731</u>

Donations made to New Life Trust

The aggregate value of unconditional donations made by the Trustees in the year to 31 December 2020 including those noted above was £53,825.

Trustees' expenses

There were no Trustees' expenses paid for the year ended 31 December 2020.

In many instances the Trustees act as agents for the charity and make purchases on its behalf, using credit cards to meet the costs of travel or to purchase books or other items in the same way as other personnel of the Charity. Such expenditure is not related to the services provided as a Trustee.

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**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
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10. STAFF COSTS

	31.12.20	31.12.19
	£	£
Wages and salaries	106,946	86,894
Social security costs	1,709	1,823
Other pension costs	<u>4,056</u>	<u>4,179</u>
	<u><u>112,711</u></u>	<u><u>92,896</u></u>

The average monthly number of employees during the year was as follows:

	31.12.20	31.12.19
Management and administration	<u><u>9</u></u>	<u><u>8</u></u>

No employees received emoluments in excess of £60,000.

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations	480,811	82,206	563,017
Other trading activities	1,599	-	1,599
Investment income	<u>27,345</u>	<u>-</u>	<u>27,345</u>
Total	509,755	82,206	591,961
EXPENDITURE ON			
Charitable activities			
Advancement of the Christian faith	<u>477,150</u>	<u>88,675</u>	<u>565,825</u>
Total	<u>477,150</u>	<u>88,675</u>	<u>565,825</u>
NET INCOME	32,605	(6,469)	26,136
RECONCILIATION OF FUNDS			
Total funds brought forward	<u>1,323,617</u>	<u>24,540</u>	<u>1,348,157</u>
TOTAL FUNDS CARRIED FORWARD	<u><u>1,356,222</u></u>	<u><u>18,071</u></u>	<u><u>1,374,293</u></u>

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FOR THE YEAR ENDED 31 DECEMBER 2020**

12. TANGIBLE FIXED ASSETS

	Freehold land & property £	Fixtures, fittings and equipment £	Motor vehicles £	Totals £
COST				
At 1 January 2020	1,368,788	149,991	22,469	1,541,248
Additions	7,785	12,772	-	20,557
Disposals	-	(2,589)	-	(2,589)
At 31 December 2020	<u>1,376,573</u>	<u>160,174</u>	<u>22,469</u>	<u>1,559,217</u>
DEPRECIATION				
At 1 January 2020	361,840	138,550	21,219	521,609
Charge for year	19,531	8,511	625	28,667
Eliminated on disposal	-	(2,583)	-	(2,583)
At 31 December 2020	<u>381,371</u>	<u>144,479</u>	<u>21,844</u>	<u>547,693</u>
NET BOOK VALUE				
At 31 December 2020	<u>995,203</u>	<u>15,695</u>	<u>626</u>	<u>1,011,524</u>
At 31 December 2019	<u>1,006,948</u>	<u>11,442</u>	<u>1,250</u>	<u>1,019,640</u>

At the balance sheet date the charity's property at Malpas Road, Newport was valued at £2,000,000 by the Trustees. This valuation is not reflected in these financial statements.

13. STOCK

	31.12.20 £	31.12.19 £
Food Bank stock	<u>4,550</u>	<u>6,386</u>

14. DEBTORS

	31.12.20 £	31.12.19 £
Amounts falling due within one year:		
Tax reclaims on donations	20,141	20,116
Other debtors and prepayments	27,827	20,298
Amounts due from trading subsidiary	<u>34,797</u>	<u>56,903</u>
	<u>82,765</u>	<u>97,317</u>
Amounts falling due after more than one year:		
Amounts due from trading subsidiary	<u>58,203</u>	<u>67,615</u>
Aggregate amounts	<u>140,968</u>	<u>164,932</u>

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.20 £	31.12.19 £
Bank loans and overdrafts (see note 17)	8,920	11,629
Social security and other taxes	1,339	924
Sundry creditors and accruals	<u>43,663</u>	<u>36,685</u>
	<u>53,922</u>	<u>49,238</u>

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16. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31.12.20	31.12.19
	£	£
Bank loans (see note 17)	<u>-</u>	<u>8,948</u>

17. LOANS

An analysis of the maturity of loans is given below:

	31.12.20	31.12.19
	£	£
Amounts falling due within one year on demand:		
Bank loan	<u>8,920</u>	<u>11,629</u>
	<u>8,920</u>	<u>11,629</u>
Amounts falling due between two and five years:		
Bank loan due between 2 and 5 years	<u>-</u>	<u>8,948</u>
Amounts falling due in more than five years:		
Repayable by instalments:		
Bank loan	<u>-</u>	<u>-</u>

18. OPERATING LEASE COMMITMENTS

The total of future minimum lease payments under non-cancellable operating leases fall due as follows:

	31.12.20	31.12.19
	£	£
Within one year	2,730	2,673
Between one and five years	<u>-</u>	<u>-</u>

The total of operating lease payments recognised as an expense in the year to 31 December 2020 was £2,734 (2019 - £2,031).

19. SECURED DEBTS

The following secured debts are included within creditors:

	31.12.20	31.12.19
	£	£
Bank loans	<u>8,920</u>	<u>20,577</u>

The Charity's bank loan is secured by a first charge over the charity's property and represents some 0.90% (2019 - 2.04%) of the property's net book value at 31 December 2020.

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**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2020**

20. MOVEMENT IN FUNDS

	At 1.1.20 £	Net movement in funds £	Transfers £	At 31.12.20 £
Unrestricted funds				
General Fund	1,356,222	38,740	-	1,394,962
Restricted funds				
Mercy Fund	15,661	(3,756)	-	11,905
Food Bank	<u>2,410</u>	<u>25,098</u>	<u>-</u>	<u>27,508</u>
	18,071	21,342	-	39,413
TOTAL FUNDS	<u>1,374,293</u>	<u>60,082</u>	<u>-</u>	<u>1,434,375</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	493,047	(454,307)	38,740
Restricted funds			
Mercy Fund	6,535	(10,291)	(3,756)
Food Bank	<u>120,856</u>	<u>(95,758)</u>	<u>25,098</u>
	127,391	(106,049)	21,342
TOTAL FUNDS	<u>620,438</u>	<u>(560,356)</u>	<u>60,082</u>

Mercy fund

The Mercy fund was set up to provide support for the current Mercy Ministry projects that New Life Trust is undertaking in Newport. These include the Night Shelter and Food Bank. It is anticipated that new Mercy projects will be started and supported by this fund. Donations received in the year and the associated Gift Aid receivable, totalled £6,535 (2019 - £7,259). At the year end funds of £11,905 were represented by a bank balance and a debtor.

Food Bank

Prior to 2018 the church had assisted the Gaweda Trust to run a Food Bank for Newport. On 23 March 2018 the assets of the Gaweda Trust were transferred to the church which then agreed to run the Newport Food Bank in partnership with the Trussell Trust. Donations received in the year totalled £120,856 (2019 - £74,947). The majority of Food Bank income is received in the form of grants from the Trussell Trust and of food for distribution to beneficiaries of the scheme. Donated food is translated into monetary terms using figures provided by the Trussell Trust. At the year end funds of £27,508 were represented by the net value of stock, a bank balance, fixed assets, creditors and debtors.

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FOR THE YEAR ENDED 31 DECEMBER 2020**

21. PENSION COMMITMENTS

The charity operates a defined contributions pension scheme for five employees. During the year the company paid £4,056 (2019 - £4,179) into the scheme. At the balance sheet date there were no outstanding or prepaid contributions.

22. RELATED PARTY DISCLOSURES

The following transactions took place between the Charity and its non-charitable trading Subsidiary Christchurch Conference Centre Limited: -

- The company is to pay £18,614 to New Life Trust after the year end for the use of the charity's buildings in accordance with the Rental leasing agreement between the two parties. The company is also to pay the church a total of £6,000 for cleaning costs. These amounts are disclosed under Debtors: Amounts falling due within one year.
- At 1 January 2020 the company owed New Life Trust £74,188 for loans made to part fund the costs of installing a lift. Interest is being charged at 3% per annum with £2,105 being charged in the year to 31 December 2020. Loan repayments totalling £8,000 were made in the year leaving a balance of £68,293 owing to New Life Trust at the year end. A Covid19 payment holiday was granted for September to December 2020. Current monthly repayments would clear the loan balance within eight years. The closing balance is disclosed under Debtors: Amounts falling due within one year and Debtors: Amounts falling due after more than one year.

During the year, Peter Greasley and Robert McCan, who are both Trustees of New Life Trust, incurred expenses as agents of the Charity relating to their work for the Charity. Such expenditure is not related to services they have provided to the Charity as Trustees and represents expenditure paid for by credit card to meet the costs of travel or to purchase books or other items when performing their duties in furtherance of the Charity's objects.

During the year payments totalling £47,976 were made to G Smith an ordained deacon under a contract for services. Payments totalling £40,237 were made to L Roderick an ordained elder under a contract for services.

23. DONATED SERVICES

Much of the work of the charity is carried out voluntarily by its members. No adjustment has been made to the accounts for the estimated value of these services as the Trustees do not consider that any financial cost has been borne by any third party. The Trustees do not permit volunteers to work more than 25 hours per week for the charity.

24. SUBSIDIARY

The Trustees of New Life Trust exercise a dominant influence over Christchurch Conference Centre Limited, a company limited by guarantee which is considered to be a subsidiary of the Trust. The charity has produced accounts which show only the affairs of the charity as the group which it controls falls within the definition of a small group. Christchurch Conference Centre Limited reported a profit after taxation of £5,185 for the year (2019 - £4,972) No Gift Aid payments were made to New Life Trust by the company for the year (2019 - £10,000). The company's net assets at 31 December 2020 totalled £11,026 (2019 - £5,841). No valuation has been placed on the company in the accounts of the Trust as no costs have been borne by the Trust in relation to it. Further details regarding the subsidiary are given above in the note on Related Party Disclosures.