

Life Church



**Trustee's Annual Report, and
Unaudited Financial Statements**

For the financial period ending 30th September 2020

Scottish Registered Charity SC010956

Peter Hall Finance & Accounting Solutions
Certified Public Accountant UK 10227712A



Life Church

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TRUSTEES ANNUAL REPORT

For the Financial Year Ending 30th September 2020

The trustees present their annual report and financial statements of the charity for the year ended 30th September 2020. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) “Accounting and Reporting by Charities issued in March 2015.

Reference and administrative information

Charity Trustee:	Chris Greenhalgh Ruth Greenhalgh Irene Gillies Peter Wallerstein Phil Arbon.
Registered Charity Name:	Life Church
Registered Charity Number:	SC010956
Constitutional Form:	Unincorporated Association
Principal Address:	35 Moss Street, Paisley, Renfrewshire PA1 1DL
Bankers:	Bank of Scotland, Bridgewater Shopping Centre, Erskine PA8 7AA, and CAF Bank Ltd, 25 Kings Hill Avenue, Kings Hill West Malling, Kent, ME19 4JQ
Independent Examiner:	Peter Hall Finance & Accounting Solutions of Tillicoultry, Clackmannanshire FK13 6DR

Structure, Governance and Management

Affiliations and connections: Life Church is part of the Assemblies of God in Great Britain, and is also a member of Churches Together Renfrewshire, the local expression of the “Evangelical Alliance”.
<https://www.churchestogetherrenfrewshire.org>

Governing document: The Charity is controlled by its Governing Document, a deed of trust, and constitutes an unincorporated charity. The trust was set up by the Rev. John Fletcher and was incorporated as a Scottish Registered Charity on the 11th March 1988. The trust is administered in accordance with the trust deed. On the 13th May 2010, the trust received permission from the “Office of the Scottish Charity Regulator” (OSCR) to change its name to “Life Church”, and to update its trust deed in line with the model “Assemblies of God” deed currently recommended. This change was ratified at the Annual General Meeting on 27th October 2010.

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Recruitment and appointment of new trustees: Appointment and removal of trustees is carried out in accordance with the decisions of the Assembly Council of “Life Church”. The Assembly Council comprises of the leaders of the Assembly whose names are recorded in the Assembly Records. Trustees must first be members of the Assembly to be eligible for appointment as trustees.

Induction and training of new trustees: Induction and training of new trustees is carried out by existing trustees as necessary to enable new trustees to effectively perform their duties.

Organisational structure: The main office bearers of the charity are the Chairman, Secretary and Treasurer who are members of the Assembly Council. The Senior Pastor is usually the Chairman and is responsible for ensuring that the daily activities of the charity are in accordance with the charity objectives, with salaried staff and unpaid volunteers reporting to him.

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. It is considered by the Trustees that there is no foreseeable risk where “Life Church” is exposed. The Trustees meet on a monthly basis and constantly review any principal risks and uncertainties. The charities financial system is adequate to ensure appropriate supervision. Non-financial risks such as health & safety and volunteer management are also reviewed monthly.

Objectives and activities

As set out in the constitution;

- The advancement of the Christian faith in accordance with the statement of faith of the Assemblies of God, as approved by the General Council of the Assemblies of God, from time to time and in such parts of the United Kingdom, or the world as the Assembly Council, may from time to time think fit.
- To relieve sickness and financial hardship, and to promote and preserve good health, by the provision of funds, goods or services of any kind, through the provision of counselling and support in such parts of the United Kingdom or the world as the Assembly Council, may from time to time think fit, and to advance education in such ways and in such parts of the United Kingdom or the world as the Assembly Council, may from time to time think fit
- Such other charitable purposes as shall further the attainment of the above objects of the Assembly or any of them.

Significant activities: The charity’s main activities are as follows;

- The provision of weekly worship services
- Sunday school programmes
- Home groups
- Pastoral services
- Local outreaches
- Youth work, and
- The support of missionary work
- The provision of community facilities to local groups

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Volunteers: Many of the charity's activities are carried out by unpaid volunteers. The Trustees would like to thank all volunteers for their invaluable contribution to the life of the charity. The Trustees acknowledge that service to the public benefit would not be possible without these volunteers.

Achievements and performance

The performance of the charity for the year was consistent with its objects.

Summary of the charitable activities in relation to these objects: During the year, the charity's main activities in Paisley were as follows;

- Weekly worship services and Children's Church classes
- Home groups for Bible Study and prayer
- Weekly Café to help persons with life-controlling problems
- An addiction support group
- A parent and toddler group
- Courageous Kids Outreach
- Men's fellowship
- Daily prayer at noon in café, which became a daily 7pm prayer meet on Zoom, and
- Mid-week club for seniors.
- Café lounge meeting.
- Occasional community projects

Many of these activities ceased due to the Coronavirus outbreak, or were transferred online.

Fundraising activities: The charity engages in fundraising for specific charitable projects as they arise.

Internal and external facilities: There are no other internal or external factors affecting the performance of the charity.

Financial Review

General review: The Charity is solvent. The cash at bank at the end of the financial year was £155,796. Total receipts were £105,833 (£110,264 in 2019). Payments were £124,049 (£129,031 in 2019). Net payments were £18,216. Financial performance has been impacted by COVID19 lockdown restrictions. Rental income reduced from £29,428 to £16,810. However, donations increased under difficult conditions from £75,018 to £79,043.

The charity is in a strong financial position which will allow it to continue to fulfil its objects.

Cash deposits is designated for future property purchase. The current occupancy in Moss Street is on a leased basis until 2023. The cash funds will allow flexibility to purchase a property in the future.

The financial effect of significant events: There were no significant events during the financial period.

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Investment policy & objectives set: Objectives for the next financial year are to continue to grow the charity by continuing to engage with volunteers, the community by community events and maintenance of the charity's assets. The charity invests funds that are excess of short term operational requirements in order to obtain a satisfactory and safe return.

Charities Policy on Reserves: The unrestricted funds represent income earned but not yet utilised in supporting charitable activities. At the 30th September 2019, the charity held £166,071 in cash reserves which includes cash proceeds of the building previous owned by the charity. However, the Reserves policy of the charity is that that cash reserves to be held that would cover the value of three months' worth of running expenses of the charity. The reserves policy is reviewed by the Trustees on a regular basis throughout the year.

Restricted funds: Restricted funds normally relate to short term projects where income is restricted, received and expended within the financial year. At 30th September 2019, restricted funds did not form a significant part of total funds of the charity.

Funds in deficit: There were no funds in deficit as at the 30th September 2020.

Principle funding sources: The principle funding source of income is from the offerings of the members of "Life Church".

Going Concern: As at the date of approval of this report, and the financial accounts, the Directors have assessed, in compliance with paragraph 25 of IAS 1 (International accounting Standards), that the accounts of "Life Church" has been prepared on a "Going Concern" basis. The Trustees have no intention of liquidating the charity's assets or to cease operating.

Statement of disclosure of the Independent Examination: In so far as the Trustees are aware at the time of approving our Trustee's annual report, there is no relevant information, being information needed by the Independent Examiner in connection with preparing their report, of which the Independent Examiner is unaware.

Future Plans

The charity plans to continue to develop its activities in accordance with its objectives.

The church operates from 35 Moss Street, Paisley, Renfrewshire PA1 1DL and intends to do so at least until its current lease of that property expires in September 2023. Trustees are currently in discussion with the owner to negotiate a sale of the property at the end of the lease period.

Factors likely to affect financial performance or position going forward: The Trustees have no plans for future significant outlay, and therefore believe there is no need to ring fence any funds.

The Trustees believe that this report is a fair, balanced and an understandable review of the charity's structure, legal purposes, objectives and activities, financial performance & financial position.

Approved by order of the board of trustees, and signed on its behalf by:



Name: Chris Greenhalgh Trustee

Date: 26/2/2021

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Independent Examiner's Report For the Financial Period ended on 30th September 2020

I report on the accounts of the charity for the year ended 30th September 2020 which are set out on pages 9 to 17.

Respective responsibilities of Trustees and Auditors

The charity's trustees are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) 2005 Act and the Charities Accounts (Scotland) Regulations 2006. The charity trustees consider that the audit requirement of Regulation 10(1) (a) to (c) of the Accounts Regulations does not apply. It is my responsibility to examine the accounts as required under section 44(1) (c) of the Act and to state whether particular matters have come to my attention.

Basis of audit opinion

My examination is carried out in accordance with Regulation 11 of the Charities Accounts (Scotland) Regulations 2006. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts and seeks explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and, consequently, I do not express an audit opinion on the accounts.

Independent Examiner's statement

In the course of my examination, no matter has come to my attention

1. Which gives me reasonable cause to believe that in any material respect the requirements:
 - to keep accounting records in accordance with section 44(1) (a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations, and
 - to prepare accounts which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulations

Have not been met, or

2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Peter Hall
Fellow Certified Public Accountant UK 10227712A
Peter Hall Finance & Accounting Solutions
Tillicoultry, Clackmannanshire. FK13 6DR

Date: 4/3/2021

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Statement of Financial Activities
For the year ended 30th September 2020

	Unrestricted funds	Restricted funds	Total funds	Prior period total funds	Notes
	£	£	£	£	
INCOMING RESOURCES					
Incoming resources from generated funds					
Voluntary income	74,287	4,756	79,043	75,018	2
Activities for generating funds	16,810		16,810	29,428	3
Investment income	174		174	233	4
Other incoming resources	9,806		9,806	5,585	
Total incoming resources	101,077	4,756	105,833	110,264	
RESOURCES EXPENDED					
Charitable activities					
Building running costs	2,616		2,616	2,235	
Catering department	2,020		2,020	3,083	
Children's church department	648		648	606	
Depreciation	5,759	1,019	6,778	8,050	
Local events & outreach	3,976		3,976	4,423	
Loss on sale of assets					
Ministry costs	2,782	100	2,882	3,909	
Office costs	20,162		20,162	29,656	
Overseas mission support	6,840		6,840	4,847	
Pensions	7,302		7,302	6,241	
Preaching Fees	200		200	1,100	
Rent	24,000		24,000	24,000	
Sundries	1,035		1,035	100	
Training	335		335	596	
Wages	16,098		16,098	10,489	
Governance costs	785		785	1,323	5
Other resources expended	28,372		28,372	28,372	
Total resources expended	122,930	1,119	124,049	129,031	
NET INCOMING RESOURCES BEFORE TRANSFERS					
	(21,853)	3,637	(18,216)	(18,767)	

These notes form part of the financial statements

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Gross transfers between funds

	_____	_____	_____	_____
New incoming/(outgoing) resources	(21,853)	3,637	(18,216)	(18,767)

RECONCILIATION OF FUNDS

Total funds bought forward	104,022	98,106	220,896	220,896
TOTAL FUNDS CARRIED FORWARD	82,169	101,743	183,912	202,129
	=====	=====	=====	=====

CONTINUING OPERATIONS

All incoming resources and resources expended arise from continuing activities

COVID 19 Impact Statement.

COVID19 had a minor impact on the financial performance of the Church. Rental income reduced due to the lessee’s income reducing from the Pandemic. However, donations increased. Overall, net income reduced approximately £5,000, while expenses were reduced by the same amount.

The Charity will continue to be a going concern. This assessment is made by taking into account all of the available information about the future which is at least, but not limited to, 12 months from the date when the financial statements were authorised. (FRS 102.3.8).

At the time of writing, there is no impairment in asset values.

The biggest impact was non-financial, in that Church meetings and operations included digital content, and the implementation of Covid19 safety protocols. The Church will continue to adhere to Government Guidelines and look forward to the resumption of meetings in the buildings albeit with all the necessary precautions in place.

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BALANCE SHEET AT 30th September 2020

	2020	2019	
	£	£	
FIXED ASSETS			
Tangible assets	20,333	24,151	8
CURRENT ASSETS			
Debtors	18,891	12,805	9
Cash	155,830	166,071	
	174,721	178,876	
CREDITORS			
Amounts falling due within one year	(11,142)	(898)	10
	163,579	177,978	
NET CURRENT ASSETS			
	183,912	220,899	202,129
TOTAL ASSETS LESS CURRENT LIABILITIES			
	183,912	202,129	
NET ASSETS	183,912	202,129	
	=====	=====	
FUNDS			
Unrestricted	82,169	104,022	12
Restricted	101,743	98,107	
TOTAL FUNDS	183,912	220,129	

These notes form part of the financial statements

The financial statements were approved by the Board of Trustees on
And were signed on its behalf by;



_____ Trustee Name: Chris Greenhalgh

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30th SEPTEMBER 2020

1. ACCOUNTING POLICIES

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the Year.

Accounting convention

The financial statements have been prepared under the historical cost convention, the charities and Trustee investment (Scotland) Act 2005 and the requirements of the Statement of Recommended Practice: Accounting and Reporting by charities.

Financial reporting standard number 1

Exemption has been taken from preparing a cash flow statement on the grounds that the charity qualifies as a small charity.

Incoming resources

All incoming resources are included under Statement of Financial Activities when the charity is legally entitled to the income and the amount quantified with reasonable accuracy. No amounts are included in the financial statements for services donated by volunteers. The following specific policies are applied to particular categories of income.

Voluntary income is received by way of donations and is included in full in the Statement of Financial Activities when receivable.

Investment income is included when receivable.

Resources expended

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs 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.

Charitable expenditure comprises those costs directly incurred by the charity in delivery of its activities and services for its beneficiaries.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity.

Other resources expended comprise support costs for central functions that you might be allocated directly to the individual charitable activities.

Tangible fixed assets

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

Fixtures & fittings: 25%

Tenant's improvements: Straight line over 7 years

Fixtures and fittings are capitalised at cost subject to a £500 de minimus.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30th SEPTEMBER 2020

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.

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 time and benefits

The charity operates the 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. VOLUNTARY INCOME

Voluntary income mainly comprises income received by the Assembly from weekly offerings
Income for restricted funds generally arises through donations being received for specific projects.

	Unrestricted	Restricted	2020	2019
	£	£	£	£
Offerings	56,487	4,756	61,243	58,949
Grants	2,000		2,000	
Tax recovered on Gift Aid	17,800		17,800	16,069
	<u>76,287</u>	<u>4,756</u>	<u>81,043</u>	<u>75,018</u>

3. ACTIVITIES FOR GENERATING FUNDS

	£	£
Letting income	16,810	29,428

4. INVESTMENT INCOME

	£	£
Deposit account interest	174	233

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5. GOVERNANCE COSTS

	2019	2019
	£	£
Accountancy	785	1,286
Leadership team		37
Other		
	<u>785</u>	<u>1,323</u>

Scrutiny costs payable to the independent Examiner at 30th September 2020 amounted to £400 (£400 in 2019)

6. TRUSTEE'S REMUNERATION AND BENEFITS

The following trustees received a salary from the charity:

	2019	2019
	£	£
C. Greenhalgh	28,372	28,372

The following trustee benefited from pension costs paid by the charity:

C. Greenhalgh	7,302	6,241
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Trustee expenses

During the year ended 30th September 2020, 1 trustee was re-imbursed for travel expenses and business calls amounting to £233 (£1,232.41 in 2019)

7. STAFF COSTS

	2020	2019
	£	£
Wages & Salaries	41,521	35,912
Social security costs	2,949	2,949
Other pension costs	7,302	6,241
	<u>51,772</u>	<u>45,102</u>

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

	2020	2019
Charitable activities	1	1

No employees received emoluments in excess of £60,000

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30th SEPTEMBER 2020

8. TANGIBLE FIXED ASSETS

	Fixtures and fittings	
	£	
COST		
At 1 October 2019	61,479	
Additions	2,960	
Less: Assets disposed in the year		
At 30 September 2020	<u>64,439</u>	
DEPRECIATION		
At 1 October 2019	37,327	
Charge for the year	6,778	
Less: disposed in the year		
At 30 September 2020	<u>44,105</u>	
NET BOOK VALUE		
At 30 September 2020	20,334	
	=====	
At 30 September 2019	24,152	
	=====	

9. DEBTORS

	2020	2019
	£	£
Trade debtors	170	1,255
Prepayments	8,007	4,319
Gift Aid	10,714	7,231
	<u>18,891</u>	<u>12,805</u>

10. CREDITORS

	£	£
Other creditors	11,142	898

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30th SEPTEMBER 2020

11. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds	Restricted funds	2020 Total funds	2019 Total funds
			£	£
Fixed assets	(17,036)	37,369	20,333	24,151
Current assets	112,832	61,889	174,721	178,876
Current liabilities	(11,142)		(11,142)	(898)
	84,654	99,258	183,912	202,129
	84,654	99,258	183,912	202,129

12. MOVEMENT IN FUNDS

	At 1/10/19	Net movement in funds	Transfers between funds	At 1/10/20
	£	£	£	£
Unrestricted funds				
General fund	104,114	(21,957)	2,499	84,656
Restricted funds				
Discretionary fund	(500)	125	375	
Building fund	92,789	67	200	93,056
Collections				
Icthus fund	399	(19)		380
Media Installation	342		(342)	
Mission Fund	85		(85)	
Restricted Fund	4,993	3,568	(2,739)	5,822
Tiddlywinks	(92)		92	
	98,016	3,741	(2,499)	99,258
TOTAL FUNDS	202,130	(18,216)	-	183,912

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30th SEPTEMBER 2020

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	101,077	(123,034)	(21,957)
Restricted funds			
Discretionary	125		125
Building Fund	67		67
Icthus fund	81	(100)	19
Restricted Fund	4,483	(915)	3,568
Tiddlywinks			
	4,756	(1,015)	3,741
TOTAL FUNDS	105,833	(124,049)	(18,216)

Restricted funds

Restricted funds are funds designated for specific purposes as follows;

The Building fund relates to funds for building improvements

Collections relates to monies collected and disbursed Church expenses.

The Icthus fund relates to monies collected in support of the addiction support group.

The mission fund is for Church missions

13. PENSION COMMITMENTS

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. At 30th September 2020, there was nil owed to the pension scheme. (2019 Nil).

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DETAILED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 30th SEPTEMBER 2020

	2020	2019
	£	£
INCOMING RESOURCES		
Voluntary Income		
General Offerings	29,079	24,475
Donations	32,164	34,474
Grants	2,000	
Gift Aid	17,800	16,069
	81,043	75,018
Activities for generating funds		
Letting income	16,810	29,428
Investment income		
Deposit account interest	174	233
Other incoming resources		
Sundry receipts	7,806	5,586
	105,833	110,265
RESOURCES EXPENDED		
Charitable activities		
Building running costs	2,616	2,235
Catering department	2,020	3,083
Children's church department	648	606
Depreciation	6,778	8,050
Local events & outreach	3,976	4,423
Loss on sale of assets		
Ministry costs	2,882	3,909
Office costs	20,162	29,656
Overseas mission support	6,840	4,847
Pensions	7,302	6,241
Preaching Fee	200	1,100
Rent	24,000	24,000
Social security		
Sundries	1,035	100
Training	335	596
Wages	16,098	10,489
	94,892	99,335

This page does not form part of the statutory accounts financial statements

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Governance costs

Accountancy	785	1,286
Leadership team		37

	785	1,323
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Other resources expended

Trustee's salaries	28,372	28,372
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Total resources expended

	124,049	129,030
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Net Income

	(18,216)	(18,765)
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