

**King's Community Church Lancaster**

**Financial Statements**

**Year Ended 31 March 2021**

**King's Community Church Lancaster  
formerly known as  
Lancaster Christian Fellowship  
Financial Statements  
Year Ended 31 March 2021**

Charity registration number: 1008391

# **King's Community Church Lancaster**

## **Financial Statements**

**Year Ended 31 March 2021**

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## **King's Community Church Lancaster**

### **Charity Reference and Administrative Details**

**Year Ended 31 March 2021**

**Charity registration number**

1008391

**Trustees**

Stephen Smith (Chairman)  
Christopher Strahan (Treasurer)  
Ifeolu Akintunde (Secretary)  
Katy Allen  
Mathew Cook

**Registered office**

The King's House  
Phoenix Street  
Lancaster  
LA1 1DD

**Independent Examiner**

Christine Harwood ACMA  
Accounts Matters Ltd  
White Cross  
South Road  
Lancaster  
LA1 4XF

**Solicitor**

Fiona Bruce Solicitors  
Justice House  
3 Grappenhall Road  
Stockton Heath  
Warrington  
WA4 2AH

**Bankers**

Royal Bank of Scotland  
New Street  
Lancaster  
LA1 1EG

## **King's Community Church Lancaster**

### **Trustees' Annual Report**

#### **Year Ended 31 March 2021**

The Trustees present their report and the audited financial statements of the charity for the year ended 31 March 2021. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" in preparing the annual report and financial statements of the charity.

The Trust is constituted by Deed and Trust dated 21<sup>st</sup> March 1986 and is a registered charity No.1008391. Its address is The King's House, Phoenix Street, Lancaster where meetings and administration are based.

Mr Stephen Smith (Chairman), Mr Christopher Strahan (Treasurer), Dr Ifeolu Akintunde (Secretary), Ms Katy Allen and Mr Mathew Cook were Trustees throughout the year to 31<sup>st</sup> March 2021.

Christine Harwood ACMA of Accounts Matters Ltd, Cameron House, White Cross, Lancaster is the Independent Examiner; Royal Bank of Scotland, New Street, Lancaster the Bankers; and Fiona Bruce and Co of Stockton Heath, Warrington, the Solicitors.

#### **Aims and Organisation**

The object of the charity, for the public benefit, is the propagation of the Christian faith throughout Lancaster and surrounding areas, including evangelism, pastoral care, poor relief and counselling promoting Christian doctrine; printing and distribution of the Bible and Christian literature, providing meetings, equipment and other means of support for these activities.

The trustees confirm that they have complied with the requirements of section 4 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Policies in force are provision of public meetings, outdoor meetings and involvement in the community. The trust exists to spread the gospel of Jesus Christ and to support people in times of spiritual need. It also exists to perform charitable acts and services. There has been no material change in these policies since the previous report.

The Church is divided into a number of small groups, each with designated group 'leaders'. An element of the responsibility for the pastoral care of the members of each group is delegated to the designated group leaders, although prime responsibility and authority in this area of Church life rests with the Church elder and other key members of the core leadership team.

Responsibility for other areas of Church life, such as children's ministry, outreach and music ministry, is also delegated to designated leaders with the Church elder retaining overall responsibility for oversight.

Significant decisions with regard to the spiritual life of the Church are taken by the Church elder after consultation with other leaders. The trustees take responsibility for day-to-day practical decisions. Matters of significance continue to be discussed with the wider Church via special meetings and through the small group structure.

Trustees meet regularly as prescribed by the trust deed. Responsibility for the appointment of new trustees rests with the existing board of trustees. The trustees have acknowledged that the Treasurer has been facing significant demands on his time and to alleviate this a wider finance team has been created.

Chris Strahan, the elder in the Church, served as the Church's pastor throughout the year, assisted by James Carr who was employed by the Church on a part time basis. 'Apostolic oversight' of the Church throughout the year was provided by Mr Keri Jones of Ministries Without Borders.

#### **Relationships**

The Church relates to a number of Churches in the UK and other countries, who together make up Ministries Without Borders.



## **King's Community Church Lancaster**

### **Trustees' Annual Report**

#### **Year Ended 31 March 2021**

##### **Reserves**

The Trustees have a policy of carrying minimum reserves of two thousand pounds, in addition to any restricted funds held, to provide funding for unforeseen property repairs and other emergencies. The total unrestricted reserves currently amount to £733,541 (2020: £257,188), however, this amount includes a revaluation reserve of £467,808 (2020: £nil).

##### **Review of Activities**

Responsibility for pastoral care rested with Chris Strahan who was also responsible for overall leadership of the Church, assisted by James Carr, together with Rose Starkey and Katy Allen, deacons in the Church throughout this period.

During the period Church gatherings took place utilising 'on-line platforms' due to government restrictions on public gatherings as a response to the Covid-19 pandemic. Around 50 adults regularly attended the main Sunday meeting during the period, with students inflating numbers during university term time.

Notwithstanding the impact of the Covid-19 pandemic, the church continued to reach out to the community, hosting regular social events using online platforms. The Church also provided a Christmas Carol presentation and 'doorstep nativity play' which was broadcast via YouTube. The Church continued to have an involvement with the local branch of Christians Against Poverty, an organisation providing debt counselling services.

Room hire income in the period was much reduced due to the Church building facilities being closed for large parts of the year because of national and local 'lockdown' restrictions.

The charity's commitment to poor relief funding in Lancaster and India was maintained and further donations were made in respect of poor relief both locally and internationally, as well as donations to support the work of local charities and various projects around the world undertaken by Ministries Without Borders.

The Church welcomed a number of 'visiting' speakers during the year, who filmed their messages remotely during the year, including Tim Jones, James Topliss, Roger Aubrey, David Gregg and Ezekiel Shibemba.

During the period, an unutilised area of the King's House facility was conveyed to a developer of student housing in exchange for works carried out to improve facilities in the parts of the building which are actively used. The transaction was based on an independent valuation and supervised by Vincents solicitors.

##### **Future Plans**

It is the intention of the Charity to continue to pursue the objects stated in its trust deed with regard to the propagation of the Christian faith throughout Lancaster and the surrounding areas.

A number of outreach events have been planned for the coming year, including further community outreach events and gospel presentations. It remains the aim of the Church to continue to see the King's House used by the wider community as well as to retain a strong involvement in the various charitable activities outlined in this report.

The area around the King's House property is in the process of being redeveloped to provide good quality student accommodation. Against the background of these proposals, further discussions with developers are ongoing around the potential construction of further accommodation above the rear portion of the King's House.


**King's Community Church Lancaster**

**Trustees' Annual Report**

**Year Ended 31 March 2021**

This report and the accompanying accounts were approved by the board on 3<sup>rd</sup> January 2022.

Signed on behalf of the board

  
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Stephen Smith, Chairman

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## **King's Community Church Lancaster**

### **Independent Examiner's Report to the Trustees of King's Community Church Lancaster**

**Year Ended 31 March 2021**

I report to the charity trustees on my examination of the accounts of the charity for the year ended (date) which are set out on pages 7 to 18.

#### **Responsibilities and basis of report**

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

I report in respect of my examination of the charity's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

#### **Independent examiner's statement**

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

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

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

Signed:



Christine Harwood ACMA  
Chartered Institute of Management Accountants

Accounts Matters Ltd  
7-1-10 Cameron House  
White Cross  
South Road  
Lancaster  
LA1 4XF

5/04/22

# King's Community Church Lancaster

## Statement of Financial Activities

Year Ended 31 March 2021

		2021			2020
		Unrestricted funds	Restricted funds	Total	Total
	Note	£	£	£	£
<b>Income from:</b>					
Voluntary income:					
Donations and offerings received	2	87,242	3,413	90,655	82,718
Activities for generating funds:					
Mothers & Toddlers Donations					147
Room Hire		660	-	660	10,837
Interest	3	2	-	2	111
Other income	4	12,096	-	12,096	
<b>Total income</b>		<b>100,000</b>	<b>3,413</b>	<b>103,413</b>	<b>93,813</b>
<b>Expenditure on:</b>					
Costs of generating funds:					
Bible Week		-	-	-	1,854
Mother & Toddler Expenses		-	-	-	359
		-	-	-	2,213
Charitable activities:	5				
Missionary, Ministry & Worship		48,513	3,506	52,019	58,405
Centre Expenses		37,324	306	37,630	43,703
Poor Relief & Foreign Aid		3,213	2,605	5,818	21,909
		<b>89,050</b>	<b>6,417</b>	<b>95,467</b>	<b>114,517</b>
<b>Total expenditure</b>		<b>89,050</b>	<b>6,417</b>	<b>95,467</b>	<b>116,730</b>
<b>Net income / (expenditure)</b>		<b>10,950</b>	<b>(3,004)</b>	<b>7,946</b>	<b>(22,917)</b>
<b>Transfers between funds</b>		<b>(2,405)</b>	<b>2,405</b>	<b>-</b>	<b>-</b>
<b>Other recognised gains and losses</b>					
Gains on revaluation of fixed assets	12	467,808	-	467,808	-
<b>Net movement in funds</b>	17	<b>476,353</b>	<b>(599)</b>	<b>475,754</b>	<b>(22,917)</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward	17	257,188	1,355	258,543	281,460
<b>Total funds carried forward</b>	17	<b>733,541</b>	<b>756</b>	<b>734,297</b>	<b>258,543</b>

All income and expenditure derive from continuing activities and all gains and losses recognised during the year are included above.



# King's Community Church Lancaster

## Balance Sheet

Year Ended 31 March 2021

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Freehold Properties & Improvements	12	700,000	232,192
Furniture, Fixtures & Fittings	12	1,392	3,137
		<hr/> 701,392	<hr/> 235,329
<b>Current assets</b>			
Debtors & Prepayments	13	31,550	32,025
Cash at Bank		8,161	4,285
Cash in Hand		203	251
		<hr/> 39,914	<hr/> 36,561
<b>Creditors: amounts falling due within one year</b>	14	(6,908)	(12,799)
<b>Net current assets / (liabilities)</b>		<hr/> 33,006	<hr/> 23,762
<b>Total assets less current liabilities</b>		<hr/> 734,398	<hr/> 259,091
<b>Creditors: amounts falling due after more than one year</b>	15	(101)	(548)
<b>Net assets / (liabilities)</b>		<hr/> 734,297	<hr/> 258,543
<b>Charity Funds</b>			
Unrestricted funds	18	733,541	257,188
Restricted funds	18	756	1,355
<b>Total charity funds / (deficit)</b>	18	<hr/> 734,297	<hr/> 258,543

The financial statements were approved and authorised for issue by the Board on 3 January 2022

Signed on behalf of the board of trustees



Stephen Smith, Chairman

The notes on pages 9 to 18 form part of these financial statements.



# King's Community Church Lancaster

## Notes to the Financial Statements

Year Ended 31 March 2021

### 1 Summary of significant accounting policies

#### (a) General information and basis of preparation

King's Community Church Lancaster is a charity in England. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The address of the registered office is given in the charity information on page 2 of these financial statements. The nature of the charity's operations and principal activities are the propagation of the Christian faith throughout Lancaster and the surrounding areas including evangelism, pastoral care, poor relief and counselling promoting Christian doctrine, printing and distribution of the Bible and Christian literature, providing meetings, equipment and other means of support for these activities.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally Accepted Accounting Practice.

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 the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

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 and rounded to the nearest £.

The charity has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland':

- the requirements of Section 7 Statement of Cash Flows.

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.

#### (b) 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.

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

## **King's Community Church Lancaster**

### **Notes to the Financial Statements**

#### **Year Ended 31 March 2021**

##### **(c) Income recognition**

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

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

Donated facilities and donated professional services are recognised in income at their fair value when their economic benefit is probable, it can be measured reliably and the charity has control over the item. Fair value is determined on the basis of the value of the gift to the charity. For example, the amount the charity would be willing to pay in the open market for such facilities and services. A corresponding amount is recognised in expenditure.

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.

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

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

Investment income is interest only.

##### **(d) Expenditure recognition**

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

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

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

##### **(e) Support costs allocation**

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, administrative and payroll costs. They are incurred directly in support of expenditure on the objects of the charity and include project management carried out at Headquarters. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources.



## **King's Community Church Lancaster**

### **Notes to the Financial Statements**

#### **Year Ended 31 March 2021**

Fund-raising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities.

The analysis of these costs is included in note 6.

#### **(f) Tangible fixed assets**

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

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 property	Nil
Furniture, Fixtures & Fittings	15%
Musical & Electronic Equipment	25%

Land and buildings were revalued during the year to market value by an independent surveyor.

#### **(g) Debtors and creditors receivable / payable within one year**

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

#### **(h) 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.

#### **(i) 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. Obligations under such agreements are included in creditors. The difference between the capitalised cost and the total obligation under the lease represents the finance charges. Finance charges are written-off to the SOFA over the period of the lease so as to produce a constant periodic rate of charge.

#### **(j) 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 plan for the benefit of its employees. Contributions are expensed as they become payable.

#### **(k) 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 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.

# King's Community Church Lancaster

## Notes to the Financial Statements

Year Ended 31 March 2021

### 2 Income from donations

	2021 £	2020 £
Donations from individuals	83,648	65,994
Donations from other charities	-	5,000
Gift Aid	7,007	11,724
	<u>90,655</u>	<u>82,718</u>

Income from donations was £83,648 (2020 - £82,718) of which £3,413 (2020 - £11,035) was attributable to restricted and £80,235 (2020 - £71,683) was attributable to unrestricted funds.

### 3 Interest

	2021 £	2020 £
Bank Interest received	2	2
Interest received on Gift Aid claims	-	109
	<u>2</u>	<u>111</u>

### 4 Other income

	2021 £	2020 £
Furlough	7,097	-
Bank incentives	4,202	-
Council tax refund	797	-
	<u>12,096</u>	<u>-</u>

### 5 Analysis of expenditure on charitable activities

Charitable activities 2021	Activities undertaken directly 2021 £	Grant funding of activities 2021 £	Support costs 2021 £	Total 2021 £
Mission, Ministry & Worship	25,693	-	26,326	52,019
Centre Expenses	22,696	-	14,934	37,630
Poor Relief & Foreign Aid	2,855	-	2,963	5,818
	<u>51,244</u>	<u>-</u>	<u>44,223</u>	<u>95,467</u>

# King's Community Church Lancaster

## Notes to the Financial Statements

### Year Ended 31 March 2021

#### Charitable activities 2020

	Activities undertaken directly 2020 £	Grant funding of activities 2020 £	Support costs 2020 £	Total 2020 £
Mission, Ministry & Worship	41,768	-	16,637	58,405
Centre Expenses	29,945	-	13,758	43,703
Poor Relief & Foreign Aid	9,530	-	2,879	12,409
	81,243	-	33,274	114,517

£6,417 (2020 - £15,329) of the above costs were attributable to restricted funds. £89,050 (2020 - £99,188) of the above costs were attributable to unrestricted funds.

### 6 Allocation of support costs

#### Support costs 2021

	Basis of allocation £ 2021	Mission, Ministry & Worship £ 2021	Centre Expenses £ 2021	Poor Relief & Foreign Aid £ 2021	Total £ 2021
Governance	50:50:0	892	892	-	1,784
Finance	50:50:0	92	92	-	184
Wages & salaries	50:40:10	16,895	13,516	3,379	33,790
Legal & professional fees	50:50:0	860	860	-	1,720
Depreciation	50:50:0	873	872	-	1,745
Overheads	50:40:10	2,135	1,708	427	4,270
Advertising	50:50:0	364	364	-	728
Total		22,111	18,304	3,806	44,221

#### Support costs 2020

	Basis of allocation £ 2020	Mission, Ministry & Worship £ 2020	Centre Expenses £ 2020	Poor Relief & Foreign Aid £ 2020	Total £ 2020
Governance	50:50:0	852	852	-	1,704
Finance	50:50:0	87	87	-	174
Wages & salaries	50:40:10	11,222	8,978	2,244	22,444
Legal & professional fees	50:50:0	261	261	-	522
Depreciation	50:50:0	911	910	-	1,821
Overheads	50:40:10	3,174	2,540	635	6,349
Travelling costs	50:50:0	82	82	-	164
Advertising	50:50:0	48	48	-	96
		16,637	13,758	2,879	33,274



# King's Community Church Lancaster

## Notes to the Financial Statements

Year Ended 31 March 2021

### 7 Governance costs

		2021 £	2020 £
Independent examiners remuneration (including expenses and benefits in kind)	14	600	600
		<u>600</u>	<u>600</u>

### 8 Net income / (expenditure) for the year

Net income / (expenditure) is stated after charging / (crediting):

	2021 £	2020 £
Depreciation of tangible fixed assets	1,745	1,821

### 9 Independent examiners remuneration

The independent examiners remuneration amounts to an independent examination fee of £600 (2020 - £600) and accountancy services of £1,184 (2020 - £1,104).

### 10 Staff costs and employee benefits

The average monthly number of employees and full time equivalent (FTE) during the year was as follows:

	2021 Number	2021 FTE	2020 Number	2020 FTE
Charitable activities	4	2	4	2

The total staff costs and employee benefits were as follows:

	2021 £	2020 £
Wages and salaries	49,517	52,190
Social security	-	300
Organisers' remuneration	9,750	1,500
	<u>59,267</u>	<u>53,990</u>

# King's Community Church Lancaster

## Notes to the Financial Statements

### Year Ended 31 March 2021

No employees received total employee benefits (excluding employer pension costs) of more than £60,000.

The trustees did not have any expenses reimbursed during the year (2020 - £nil). One trustee received remuneration for additional services as detailed in note 20.

### 11 Interest payable and similar expenses

	2021 £	2020 £
Finance charges payable under finance leases	173	173

### 12 Tangible fixed assets

	Freehold Property & Improvements £	Furniture, Fixtures & Fittings £	Musical & Electronic Equipment £	Leased Office Equipment £	Total £
Cost or valuation:					
At 1 April 2020	232,192	75,674	33,717	2,231	343,814
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
Revaluations	467,808	-	-	-	-
<b>At 31 March 2021</b>	<b>700,000</b>	<b>75,674</b>	<b>33,717</b>	<b>2,231</b>	<b>811,622</b>
Depreciation:					
At 1 April 2020	-	75,674	31,062	1,750	108,486
Charge for the year	-	-	1,264	481	1,745
Eliminated on disposals	-	-	-	-	-
<b>At 31 March 2021</b>	<b>-</b>	<b>75,674</b>	<b>32,326</b>	<b>2,231</b>	<b>110,231</b>
Net book value:					
<b>At 31 March 2021</b>	<b>700,000</b>	<b>-</b>	<b>1,391</b>	<b>-</b>	<b>701,391</b>
At 31 March 2020	232,192	-	2,655	481	235,328

The net book value of land and buildings comprised:

	2021 £	2020 £
Land and buildings:		
Freehold	700,000	232,192
	<u>700,000</u>	<u>232,192</u>

Included in the total net book value of leased office equipment was £nil (2020 - £481) in respect of assets held under finance leases.

## King's Community Church Lancaster

### Notes to the Financial Statements

#### Year Ended 31 March 2021

During the year part of the freehold land and property valued at £160,000 was transferred to a third party in compensation for previous repair works done on the charity's buildings. The remaining land and buildings have been valued at £700,000 by the trustees after taking advice from a surveyor. The previous repair works were not recognised in the accounts at the time. The trustees have decided to not restate the accounts as it would add little value to the figures but disclose via this note instead.

The historic cost of land and buildings included at valuation was £232,192.

#### 13 Debtors

	2021 £	2020 £
Trade debtors	2,094	2,187
Gift aid debtor	28,500	24,224
Other debtors	-	1,000
Prepayments and accrued income	956	4,614
	<u>31,550</u>	<u>32,025</u>

#### 14 Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	794	3,855
Lease creditor	446	446
Accruals	2,233	2,651
Interest free loans	1,192	1,246
Net wages	1,200	3,255
Social security and other taxes	1,043	1,346
	<u>6,908</u>	<u>12,799</u>

Details of leasing arrangements are provided in note 15.

#### 15 Creditors: amounts falling due after more than one year

	2021 £	2020 £
Finance leases	101	548

Details of leasing arrangements are provided in note 16.

# King's Community Church Lancaster

## Notes to the Financial Statements

Year Ended 31 March 2021

### 16 Obligations under Finance Leases

Total future minimum finance lease payments are as follows:

	2021 £	2020 £
Not later than one year	446	446
Later than one and not later than five years	101	548
Later than five years	-	-
	<u>547</u>	<u>994</u>

### 17 Fund reconciliation

#### Unrestricted funds

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers £	Gains / (losses) £	Balance at 31 March 2021 £
General reserve	257,188	100,000	(89,050)	(2,405)	467,808	733,541
	<u>257,188</u>	<u>100,000</u>	<u>89,050</u>	<u>(2,405)</u>	<u>467,808</u>	<u>733,541</u>

#### Restricted funds

Poor relief	-	3,413	(5,805)	2,405	-	13
Sound proofing	483	-	(483)	-	-	-
Computer fund	872	-	(128)	-	-	744
	<u>1,355</u>	<u>-</u>	<u>(6,417)</u>	<u>-</u>	<u>-</u>	<u>757</u>

#### Fund descriptions

##### a) Unrestricted funds

The general reserve represents the free funds of the charity which are not designated for particular purposes.

##### b) Restricted funds

All restricted funds are generated by special offerings collected from the congregation for specific items required by the church or for particular charitable activities or other charities and organisations.

# King's Community Church Lancaster

## Notes to the Financial Statements

Year Ended 31 March 2021

### 18 Analysis of net assets between funds

	Unrestricted funds 2021 £	Designated funds 2021 £	Restricted funds 2021 £	Total 2021 £
Fixed assets	700,648	-	743	701,391
Cash and current investments	8,351	-	13	8,364
Other current assets / liabilities	24,643	-	-	24,643
Creditors more than one year	(101)	-	-	(101)
Total	733,541	-	756	734,297

	Unrestricted funds 2020 £	Designated funds 2020 £	Restricted funds 2020 £	Total 2020 £
Fixed assets	234,945	-	384	235,945
Cash and current investments	3,565	-	971	4,536
Other current assets / liabilities	19,226	-	-	19,226
Creditors more than one year	(548)	-	-	(548)
Total	257,188	-	1,355	258,543

### 19 Pensions and other post-retirement benefits

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

### 20 Related party transactions

In the year to 31 March 2021, £9,750 was paid to Christopher Strahan (trustee) for his services relating to ministry after the retirement to the pastor (2020 – £1,500). This has been agreed by the other trustees and will continue for as long as necessary at £750 per month. He does not receive any payment regarding his work as a trustee.

The total aggregated donations given by the trustees without conditions is £16,704 (2020 - £16,603).

One of the trustees (C Strahan) has given a loan to the church. The balance outstanding at 31 March 2021 is £1,192 (2020 - £1,245.75). No interest is charged on this loan and is repayable at the church's convenience.