

Reports & Financial Statements

For the year ended 31 August 2021

King's Church London

Company Registration Number:	4074651
Charity Registration Number:	1082666

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King's Church London

Trustees' report

For the year ended 31 August 2021

The Trustees, who act as directors for the purposes of company law, present their annual report and the audited financial statements of King's Church London ('the Charity') for the 12 months from 1 September 2020 to 31 August 2021 ('the year').

REFERENCE AND ADMINISTRATION INFORMATION

Charity name	Kings Church London
Company registration Number	4074651
Charity registration Number	1082666
Trustees	Simon Linley Odunayo Oyabayo William Dalziel Osbert Klass Roberta Walker Kwaku Osafo
Secretary	Nigel Mumford
Registered office	King's Church 21 Meadowcourt Road Lee London SE3 9DU
Solicitors	Wellers Tenison House Tweedy Road Bromley Kent BR1 3NF
Bankers	HSBC Bank plc 149 Rushey Green Catford London SE6 4BQ
Auditors	Mazars LLP 6 Sutton Plaza Sutton Court Road Sutton Surrey SM1 4FS

1. STRUCTURE, GOVERNANCE AND MANAGEMENT

1.1 Structure

The charity is an incorporated charity limited by guarantee. It was incorporated on 20 September 2000 and registered as a charity on 28 September 2000.

King's Church London is a diverse Christian church based in South-East London. It is part of the Newfrontiers family of churches as well as being a part of the Baptist Union and the Evangelical Alliance.

1.2 Governance

The Trustees of King's Church London have overall legal and financial responsibility for the charity.

They have delegated responsibility for the spiritual and strategic direction of the church as well as its day to day running to a team of Elders including the Senior Pastor. The Trustees are regularly apprised of the financial position of the charity and at their formal meetings discuss and review any major changes in the direction of the charity or on policy issues as they evolve and develop.

Trustees are selected by existing Trustees, in consultation with the Elders. They are responsible people who demonstrate a strong Christian faith. They are those with a particular area of expertise / business acumen in their secular workplace which is relevant in overseeing a significant charity which is also a Christian church.

When appointing new Trustees of the charity they are first invited to attend existing Trustees meetings to understand how the charity operates. Where appropriate they also attend formal training days and conferences in the first few months of their appointment which are taken by external companies with specialist experience in running a charity. Existing Trustees will also attend organised training from time to time to refresh their knowledge and skills as well as learning informally from one another, their own external networks and the Company Secretary.

The Eldership meets regularly to discuss and oversee the affairs of the church. They work with the other full and part time members of staff and a wide range of volunteers to implement the vision, values and objects of the charity.

In addition to this there is a Management Team of five led by Steve Tibbert, the Senior Pastor, who coordinate the day-to-day activities of the church on behalf of the Trustees and Eldership.

Currently Trustees and Elders are discussing ways of broadening and diversifying the leadership of the charity so that it reflects in some measure the diversity of church membership. This has been fulfilled in part but there is still more work to be done.

The charity has six Trustees and six Elders.

1.3 Risk Management

Trustees have recognised the importance of assessing and managing risk associated with the charity's objectives. The process of identifying risk is on-going and is an essential part of the work of the Trustees and Management Team. The charity has a set of policy and procedure documents in place to ensure on-going identification and management of foreseeable risks. These documents will be regularly reviewed to ensure that they continue to meet the needs of the organisation.

Those relating to the operations and finances of the charity are of particular importance and a risk register has been developed based on a risk assessment procedure in line with Charity Commission guidance.

1.4 Other policies and procedures

The board of Trustees have an established cyclical rhythm of review in regard to the key policies of the charity. These include Safeguarding, Health & Safety, Risk Management, Delegated Authority, Property Management, GDPR, HR and Remuneration.

In specific relation to remuneration, we have considered the five recommendations of the "Report of Inquiry into Charity Senior Executive Pay and Guidance for Trustees on Setting Remuneration" published in April 2014, and endorsed by the Charities Commission, and sought to implement these as appropriate to our situation.

All policies and procedures are under regular review to ensure best practice and compliance not just for staff but for all those who take part in the community life of, and/or visit the church.

2. AIMS AND OBJECTIVES

The main objectives of King's Church London as stated in the Trust Deed are the "advancement of the Christian Faith".

2.1 Vision / Mission

A little over 20 years ago King's Church experienced a 'defining moment' when Steve Tibbert, who leads the church, shared with a congregation of 200 or so, meeting in a rather run-down building, a vision part of which was a call from God to build a one thousand member church. In January 2012 there was a similar 'defining moment', by which time Sunday attendance had grown to over 1,200 across 3 well equipped modern buildings, as Steve again shared with the Church a 'word for now' lifting the church's eyes to the possibility of a church where 5,000 people attend each Sunday, a vision "that is one worth giving our lives to seeing fulfilled".

In September 2018, with Sunday attendance averaging almost 1,500, we launched Vision 2030 which is our vision for King's Church in the years towards 2030.

At this time we also launched another site in Beckenham making King's a church of four sites.

Vision 2030 is based around three key themes of Reach, Resource and Restore, each of these worked out under two different headings.

Reach

"Come and See"

We believe we are called to build a church of 5,000 believers, each of them known by Jesus and precious to Him. We will continue to encourage everyone at King's to invite friends, family and neighbours to Sunday meetings, especially at key moments such as Christmas and Easter. Hundreds of people have already visited King's in direct response to an invitation to "come and see" Jesus for themselves; for many this has been the first step in their own journey to faith.

"Go and Tell"

We want each of us at King's to play our part in fulfilling Jesus' Great Commission to His church: to "go and make disciples of all nations".

We believe this is a call to the many not the few! With that in mind, we will seek to equip every believer to be able to share their faith. We will encourage people to reach out in their communities, families and workplaces, to initiate other outreach activities, and to take every opportunity to invite people to "come and see".

We also believe we should be involved in spreading the Gospel not just in London and the UK, but in the nations beyond. King's and its members already have links with churches in other nations, including Romania, South Africa and Zimbabwe.

Restore

"Inside"

Over the years, King's has seen thousands of people who have come through our doors experience healing and restoration. Many have come to faith here, and as we have grown as disciples, we have had our lives radically transformed by meeting Jesus in the midst of His people. We want this to multiply and to deepen in the future.

There are a number of ways we currently express the Gospel that have been particularly powerful in seeing lives change. Obviously, this includes our Sunday meetings, but also settings like Alpha, our groups, and courses such as The Marriage Course, Restored Lives (for anyone separated or divorced) and Freedom in Christ.

We want to extend and develop these to help bring restoration in new areas. This will include parenting, helping people find freedom from various addictions, and numerous other courses.

"Outside"

We have contributed towards restoration in our local community through the Jericho Road Project, which we want to continue. However, we want to broaden what we do in the local community so that our work is not only amongst the most disadvantaged, as vital as that is, but affects other sections of society as well.

Some of these projects will be initiated, financed and overseen through the leadership of the church, whether they are expressed at all sites (like Big Red Box) or only one site. This will include working with young people on the margins of society who are endangered by the threat of serious youth violence. We will partner with charities that have particular expertise, such as the mentoring scheme for children run by Transforming Lives for Good.

In addition, we hope to see many "mini restore projects" develop, led by individuals from King's, supported by their group.

Resource

"Nationally"

We believe King's has an important role to play in the UK. Some of this comes from the fact that we are a large, urban and diverse church, and we can therefore help other churches with our example and our experience (even as we continue to learn ourselves!). Our resources – Sunday teaching, material for groups, courses, articles, books, videos and the like – already reach widely, and we expect this to increase.

We also have a part to play in the wider Newfrontiers family we are part of. This includes the leadership given by Steve Tibbert, our Senior Pastor, and the theological influence of Andrew Wilson, our Teaching Pastor. We believe it goes well beyond this, however, and will include coaching pastors, hosting conferences, training interns, providing financial support, sharing best practice, strengthening churches, and so on.

"Globally"

The Gospel crosses international boundaries, and so does our responsibility as a church. Again, some of the ways in which we work this out will be very specific. The Newfrontiers family connects us with 2,000 churches worldwide, and we will serve many of them with practical, theological, financial and leadership resources.

We continue to have a close relationship with River of Life Church in Harare. We have a number of things in common with this church – size, influence, urban context, diversity, apostolic base, focus on mercy ministry among the poor, and so on – as well as many historic links with Harare and the Ebenezer Project.

Steve Tibbert, our Senior Pastor was asked to facilitate the global fellowship of the Newfrontiers family of churches. This took effect from autumn 2020 and is an encouraging confirmation of our call beyond the UK.

Yet we want to look beyond this. Our calling is not just to the UK, or even our family of churches, but to the nations, and the commission Jesus gave His church to go into all the world and make disciples. At times this will mean sending missionaries, teachers, money and skills overseas, without losing sight of our local church in London.

2.2 Values

The Trustees and Elders have sought to work out how best to express the Mission and Vision Statements in the context of week to week church activities, values and life. At the same time they wanted to produce such statements in a form that would, if possible, provide an appropriate way to express the financial affairs of the charity. The following three value statements aim to summarise what the charity is about, namely:

- to promote and encourage our members to live a life of *Worship* to God;
- to build a multi-cultural *Community* of believers who are mature in their faith and who will be a blessing to the wider community in which they live and work;
- to encourage members to be involved in *Outreach* to those who have not yet accepted Jesus as their Lord and Saviour with the message of reconciliation; to demonstrate the love of God through helping the disadvantaged; and through the planting of new churches.

These three headings *Worship*, *Community* and *Outreach* are used as main headings for summarising the activities of the charity and thus its financial reporting procedures and accounts.

2.3 Volunteers

The Trustees would like to continue to acknowledge and thank the many people within King's who freely give of their time and make all that we achieve together possible. We cannot attempt to place a value on the immensely significant contribution that our volunteers make, and we are grateful to them for their time and commitment to our Mission and Vision. Clearly this has been difficult across the period of the pandemic yet the volunteers have continued to be a crucial part of all that we do.

2.4 Public Benefit

The Trustees are aware of their duty and seek to identify in both the report and accounts their regard to the Charities Act 2011 on Public Benefit. It is in fact a central part of our vision, that we provide support, encouragement and practical help for those disadvantaged in our local communities as well as other members of the community, not just our members.

3. ACTIVITIES, OUTPUTS AND IMPACTS

COVID-19

The Covid-19 pandemic has continued to have a significant impact upon us as we continue to meet and function as a church, along with the staff team.

Throughout the whole year we have continued with a mixture of Sunday services and groups meeting both in person, when allowed, and online as required.

Online services have been provided across the whole year but with an encouragement for people to meet together when it has been permitted to do that and people have felt comfortable to do so.

Both the church and the staff team have done exceedingly well with such a changeable and uncertain situation with both church meetings and initiatives needing to start and stop as the pandemic and the resulting restrictions have ebbed and flowed.

As with last year's report this one reflects those changes, and how we have adapted to them, across the period in question.

In what follows we summarise how the church seeks to implement its vision, values and objectives on a week-by-week basis, and the result of activities in each area.

This report as well as reporting the statistics that relate to the on-going work and growth of the charity, also seeks to give examples and testimonies of where lives are different due to the activities of the charity thereby demonstrating its commitment to Public Benefit, and the impact it is having amongst its members, in the local community and beyond.

3.1 Worship

Worship is the thrust of our Sunday meetings where, through singing, prayer and teaching that is relevant to people's lives today, we encourage people who call King's their local church, to live a life of worship to God. The meetings also provide a context for individuals to share personal testimony, respond to the claims of the Christian faith and for adult baptism.

Prior to the Covid-19 pandemic we were holding seven morning meetings, three at our Catford site, two at our Downham site and one each at our Lee and Beckenham sites. Attendance had increased with us regularly having around 1,600 people present on a Sunday.

At the start of the pandemic we changed our focus to allow us to provide online Sunday services, which are accessible via our website.

These were well 'attended' with an estimated 2,000-2,500 people on a Sunday with additional people viewing the service across the following week.

This reflects the fact that there is a strong core of the church who continue to attend online, along with the extensive reach that we have as a church.

Throughout this period we have continued to provide our online service whilst at the same time, and when appropriate to do so, provided in person meetings. The ability to provide a dual platform has enabled the church to continue to "meet" and worship together as appropriate, and to maximise the opportunities for the church to re-gather, re-connect and enjoy community life for those that are confident to do so.

There is children's work for ages 0-4, 5-8 and 9-10 and youth work for ages 11-14 and 15-18. This children's work continues to flourish. We are enjoying bringing Jesus to the children through fun games, worship, bible teaching and looking at the bible as well as completing craft activities each week. We work hard at developing our teams and our team leaders. In each of the children's work areas we follow bright and varied curriculums which are age appropriate. We are enjoying seeing these brought to life by leaders creatively communicating them to the children.

Our children's work is structured to get the best from our children and help parents feel comfortable leaving their children in our care as they feel confident their child is being well cared for.

With all of our Sunday activities initially moving online we provided a 'Kings at Home' series. This includes weekly videos providing fun activities and teaching to help keep families and children engaged during the pandemic.

During this period we ran combination of adult and children's Sunday meetings in order to support the children and families of Kings.

As part of a ministry for the Deaf community at King's each week we interpret the worship and teaching into BSL, in the 9.30 meeting at the Catford Site.

During the pandemic we have ensured that there are specific online services with BSL interpretation as we continue to support this community.

The deaf community, when allowed, also meet in their own meeting once a month at the Lee site.

The needs of the disadvantaged in society are always a challenge and so we continue to work hard to serve our deaf community not least by training those who are able to sign in our worship services on a Sunday morning.

3.2 Community

Community life is worked out in a number of ways at King's Church.

3.2.1 The Group system.

This is an opportunity for individuals from the diverse backgrounds who call King's their local church to meet together, often in homes, but also at our sites. We encourage people to develop friendship and work out their Christian faith, not just in discussion but in act and deed. Some of the groups will have a more specific reason for meeting together such as, the Wednesday Welcome meeting and lunch for the elderly in our community, and the BSL small group where deaf and hearing come together.

Due to the pandemic our groups have moved online and nearly all of our groups have continued to be well attended by a cross section of our community.

We put a lot of work into launching and promoting these groups as a result of our commitment to 'group life' within the church. The results of this continue to be extremely encouraging with over 1000 adults attending groups each week. Although predominantly online the groups have worked well and we have continued to encourage people to 'attend' as much as they can so that community is maintained as much as possible.

We have an established youth work with around 40 11s-18s attending each week. This runs on the Catford and Lee sites when possible.

We also have a thriving 18's-30's work called United. This regularly gathers around 80 people on a weekly basis across the Catford, Downham and Lee sites.

Where necessary both of these activities have been meeting online when unable to meet in person.

All of our sites have a number of Groups where people can meet regularly. These groups serve many purposes including helping those attending the church to get to know one another and for regular friendship and encouragement.

3.2.2 A wide range of serving opportunities

There are many opportunities which allow most of the congregation to have some involvement in expressing their Christian faith practically as they work together and serve others.

This might be through being a part of the Welcome Team serving on a Sunday at one of our sites, working on an Alpha catering team, as part of 'the Feast team', helping those who are less fortunate amongst us. Or perhaps as a part of the Worship group on a Sunday or working with ID on a Friday night where the 11 to 18 age range meet in a relaxed atmosphere to support the needs of young people as they mature into tomorrow's adult population.

3.2.3 Courses, Seminars and Training opportunities

We have found that more and more people like to be part of our community by joining and taking part in short term courses and seminars.

'Freedom in Christ' is a discipleship course for Christians lasting 9 weeks which we run twice a year when able to do so. The course lays a biblical foundation for Christians about their identity in Christ and how that should affect their thinking, how they handle their emotions as well as their spiritual life. There is also teaching which aims to help them process past hurtful events, forgive and receive emotional healing.

There are other courses which are run when we are able to do so, these aim to help people to grow in God and equip them to make good life choices, for example:

The Marriage Course – an annual course which helps to enrich people's marriages. This course is deliberately kept to a small number of couples to make it manageable and personal.

Relationship Matters which helps people build strong relationships and prepare for marriage. Over the last year approximately 20 people have attended this.

Stewardship – an annual seminar about handling money wisely.

Leadership Training – we provide a number of opportunities which help people fulfil their potential and thereby also help the church grow and expand.

Membership Mornings – we encourage people to become members of the church and we facilitate this by hosting sessions which explain our vision and values as well as what it means to be a member of King's Church.

3.3 Outreach

Whilst there are aspects of worship and community that relate to reaching out to others, there are a number of activities where this is specifically focused.

3.3.1 The Alpha Course

Alpha has been running at King's every term since September 1996.

During that period over 3,550 people have attended and at least 842 people have responded to the Gospel.

We have continued to run our Alpha courses online, but the last two courses have adopted a hybrid model and included a number of in-person meetings to strengthen community building and connectedness.

3.3.1 The Alpha Course (continued)

From September 2020 to August 2021 we ran four Alpha courses with 111 people attending, and we estimate that 10 people came to Christ. A significant number of people who had already responded to the Gospel began attending our online services (and in-person where available), joining groups and serving teams. Alpha has provided a context for people to recommit their lives to Christ and to receive teaching about the work of the Holy Spirit.

We also ran two New Life courses with approximately 33 people attending. The New Life discipleship course is a follow-up course after Alpha. As a result of that course and also Alpha a number of those people have made the decision to be baptised.

For instance, two people who attended Alpha during this period were baptised in July 2021. The restrictions on baptisms meant that we had fewer baptism services than usual meaning that there are now a number of people waiting to be baptised. Many others have taken steps forward in their walk with God and have connected into the life of the church.

3.3.2 The Jericho Road Project

The Jericho Road Project (JRP) seeks to provide support to the disadvantaged in Lewisham and Greenwich.

Much of our work goes into the on-going running of six low support housing units which allow us to help 28 individuals from rough sleeping and homeless backgrounds. Every resident completes a support plan and meets regularly with a key worker to ensure progress is being made.

The demand for places on the housing project is very high and we receive referrals from a wide range of services in South-East London.

In this last year we have continued to respond to the Covid 19 pandemic by supporting our residents, particularly with their own wellbeing. There have been mental health challenges for a number of them.

Another consequence of the pandemic has been a reduced number of 'move-on's' for our residents into their own accommodation. We do however anticipate this will trend will change in the year ahead.

3.3.2 The Jericho Road Project (continued)

We have run "**The Feast**" – a weekly drop-in for anyone who is rough sleeping, homeless, vulnerable or lonely since January 2002. At the start of the lockdown we turned the Feast into a delivery service. We cook all the meals at our Catford building and then teams take them out across Lewisham borough to vulnerable people. We reached our capacity of 400 hot meals every week with 30 delivery teams over 3 nights. Our goal was to encourage people to stay indoors, have nutritious food and provide hope. We finished the delivery service in June 2021 in order to prepare for a return to in-person Feast events. Another key initiative for the JRP is the **Big Red Box** project, previously only a Christmas initiative. Through the year we transitioned to a weekly distribution and continue to support those in the Lewisham borough who might otherwise go without. This allowed us to reduce the dependency for hot meals and enable people to transition to cooking for themselves with the food we have sent out in Big Red Boxes.

We continue to play a significant role in reducing rough sleeping in the borough and our staff take part in the bi-monthly Lewisham borough street counts.

This has been a year for the JRP to be a strong leader in providing care and support to a wider community struggling through the pandemic. Our three words Relief, Hope and Connection continue to define all that we do. Relief is our front-line work – providing hot and cold food as well as housing. Hope is found through our support of individuals and through the year we have been able to increase the amount of befrienders we have trained for contacting people. And finally, connection is the wider support provided to residents when they move on into independent living.

In summary we have had a significant opportunity to help those who are disadvantaged and vulnerable in our local community. The project and the church have been able to provide a valuable response in a very difficult time that has been both flexible and effective in continuing to provide public benefit.

3.3.3 Training and other involvement within Newfrontiers

Kings continues to host a number of training events for the benefit of both Kings, other local churches and other churches in the Newfrontiers family.

We also continue to be involved internationally, supporting ministries in India and Romania as well as our continued involvement with, and support of, projects in Zimbabwe.

4. ACHIEVEMENTS AND PROGRESS DURING THE PERIOD

As stated earlier in this report the Covid-19 pandemic has continued to have a significant impact on the running of the church, both for the staff and those who call King's Church their home church.

We have continued to adapt the way we work in every area of church life as the pandemic has progressed.

We have been producing online services each week, along with other resources for both adults and children.

The staff team have adapted extremely well to all of the changes both in terms of handling the changes to the ways in which we 'meet' as a church and the different way of working.

The International Academy of Greenwich has had a very small number of students across this year both due to the pandemic and only one small year group remaining.

They effectively finished at the end of the summer school term with their lease running until the end of August when the space leased by them was returned to King's.

Although the refurbishment of the Catford site has been postponed we have carried out works across all of our sites to ensure their ongoing maintenance and also to complete other works which were easier due to lower occupation of the buildings.

So, another challenging year for the church as we have continued to navigate our way through the pandemic, but we are very encouraged by the response of both the people who call King's their home church and the staff team.

In the midst of very challenging pastoral situations people remain in good heart and are still very supportive of the church and all that we are doing.

We are particularly pleased by the hard work and impact of the various activities undertaken by the Jericho Road Project who have continued to adapt very well and are doing a tremendous job of helping to meet the needs of the more vulnerable in both the church and our local community.

We look forward to the year ahead with renewed optimism that restrictions will continue to ease, that the church will be able to meet together and that church life will be able to return to a sense of normality.

5. FINANCIAL REVIEW

5.1 Overview

The year ended 31 August 2021 had a surplus of income over expenditure and the unrestricted surplus after transfers has been added to the General Fund. The outlook is for continued surpluses.

The particular strength of the financial activities has been the consistency in giving income, despite the impact of the coronavirus pandemic.

The letting of surplus space to a school has come to an end; the current plans are to now utilise this space for the purposes of the church.

The charity retains a strong balance sheet. At the end of the year, it had a strong asset base compared to its long-term liabilities and strong liquidity with substantial cash holdings. It was able to make an extra capital repayment during the year, over and above the agreed repayment schedule on its loans.

5.2 Principal funding sources

King's relies very largely on the generosity of its congregation to fund its activities. The total of given income was £2,056,463 which has held steady, compared to £2,151,752 for the previous year which contained a one off legacy gift of £48,421.

The letting of the first floor at Lee provided temporary additional income of £329,483 in the year (previous year: £327,774). This has now ceased and the previous occupant is funding the necessary renovations to bring the space back to its original good condition.

5.3 Related parties

King's Church London is part of the family of churches known as Newfrontiers. Newfrontiers is a network of churches who partner together on a mission.

Steve Tibbert, the Senior Pastor, continues to be a member of the international apostolic gathering of Newfrontiers and continues as a Director of the Newfrontiers charity. He receives no remuneration from Newfrontiers.

Transactions with related parties are detailed in note 9 of the financial statements.

5.4 Investment powers and policy

The Trustees take appropriate advice related to investment as and when required in order to maximise the effective stewardship of our income and our reserves, including keeping funds above our immediate needs placed on the money market to earn an appropriate rate of interest.

5.5 Reserves policy

The balances in the General Fund and Designated Property Fund represent the unrestricted funds arising from the past operations of the charity. The Trustees believe that an amount equivalent to a minimum of two to three months gross expenditure is needed in Reserve for use as working capital. This will provide for regular fluctuations in income and expenditure throughout the year.

Income and expenditure budgets and forecasts are produced on a rolling five-year basis and these are reviewed monthly. The expenditure budget for all funds for the 2021/22 year is approximately £2,200,000. Based on the above, ongoing reserves of between £370,000 and £550,000 are appropriate.

The balance on the General Fund at 31 August 2021 was £696,053 with Free Reserves of £665,009. Thus the reserves are towards the higher end of the minimum requirement, and this is mainly a result of stopping planned refurbishment works at our Catford Site, due to the impact of Covid-19.

As the pandemic continues to evolve and hopefully, comes to an end, the Trustees are reviewing plans to utilise the additional reserves.

5.6 Restricted Funds

Restricted Funds are given for restricted purposes and are set aside for specific projects at the request of the donor. The two main Restricted Funds are social action work (the Jericho Road Project) and Vision 2030. In addition, a new restricted fund was opened at the start of the pandemic, the Hope Fund, to offer support and relief to those locally and internationally who are severely affected by coronavirus.

The Jericho Road Project showed a small surplus of £5,440 for the year.

5.6 Restricted Funds (continued)

The purpose of the Vision 2030 fund is to help ministry expansion on our existing sites and the development of more sites in the future. The consistent giving into this fund has firstly enabled the charity to fulfil its loan repayment schedule to our funding partner, Triodos Bank, and secondly to fund further development. There has been initial expenditure on professional fees in respect of further development planned for the Catford site. This was put on hold at the time of the coronavirus pandemic as a measure to protect our reserves and can be reinstated when appropriate.

The Hope Fund had external donations of £36,336 in the year; at the year end a balance of £40,148 remained to be disbursed.

5.7 Grant-making policy

Donations are made to both institutions and individuals by the charity, as part of achieving its activities and objectives. Gifts to individuals represent responses to particular needs and support for those working overseas.

6. PLANS FOR FUTURE PERIODS

As the Covid-19 pandemic has continued the Charity continues to review capital expenditure, new staffing and general operating costs. The review includes plans for the re-opening of worship at our premises and for staff to return to the offices once it is permissible to do so following government guidelines.

One result of the review has been to protect a very strong reserve base now and going forward. This enables the church to maintain consistent operational delivery. Currently, the year to August 2022 is forecast to produce modest surpluses of income over expenditure in the General Fund and in the Jericho Road Project, and a modest utilisation of reserves in the Vision 2030 Fund.

The 5-year forecast also continues to indicate robust finances to undergird the work of the church going forward and the church will continue to work out and develop its vision as spelled out earlier in this report.

As part of the church's response to the Covid-19 pandemic it participated in the Love Your Neighbour project in participation with Holy Trinity Brompton to provide large-scale practical support to the localities in which the church operates. This required substantial resources to be found from within the church and was a further call on the remarkable generosity of those committed to the church.

6. PLANS FOR FUTURE PERIODS (continued)

This short-term project closed at the end of the period but highlighted a need, which through the Hope fund, provided a way for us to continue a similar food project at the start of the following year. This enabled King's to keep supporting those in most need for food as part of our response to the impact of Covid-19.

We will also continue to review our general processes and staffing structures to ensure we are constantly meeting the current needs of the church.

The overall financial aim is to realise further expansion whilst continuing to pay off the church's bank debt at least as fast as the existing schedule.

7. STATEMENT OF TRUSTEES' RESPONSIBILITIES

This Trustees' Report and audited financial statements are prepared in accordance with the Memorandum and Articles of Association, the Companies Act 2006, the Charities Act 2011 and the Charities Statement of Recommended Practice (FRS102) 2019.

Law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the charity's financial activities during the year and of its financial position at the end of the year. In preparing financial statements giving a true and fair view, the Trustees should follow best practice and:

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

The Trustees are responsible for keeping accounting records which disclose with reasonable accuracy the financial position of the charity and which enable them to ensure that the financial statements comply with the Companies Act 2006. Being responsible for safeguarding the assets of the charity they ensure reasonable steps are in place to prevent and detect fraud and other irregularities.

Trustees' report

For the year ended 31 August 2021

Each of the Trustees at the date of approval of this report confirms that:

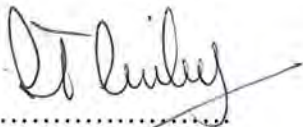
1. so far as the Trustees are aware, there is no relevant audit information of which the charity's auditors are unaware; and
2. the Trustees have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

This confirmation is given, and should be interpreted in accordance with, the Companies Act 2006.

8. AUDITORS

Mazars LLP have indicated their willingness to continue in office as auditors.

Approved by the Trustees on 29th March 2022 and signed on their behalf by



.....
Simon Linley

Auditor's report

For the year ended 31 August 2021

Opinion

We have audited the financial statements of King's Church London (the 'charity') for the year ended 31 August 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, 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 August 2021 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 Companies Act 2006.

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 when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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.

Auditor's report

For the year ended 31 August 2021

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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether 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.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report which includes the Strategic Report and the Directors' Report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report included within the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report included within the Trustees' Report.

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

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

Responsibilities of Trustees

As explained more fully in the trustees' responsibilities statement set out on pages 18 and 19, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the 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

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 the 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. Based on our understanding of King's Church London and its activities, we identified that the principal risks of non-compliance with laws and regulations related to the Charities Act 2011, UK tax legislation, pensions legislation, employment regulation and health and safety regulation, anti-bribery, corruption and fraud, money laundering, non-compliance with implementation of government support schemes relating to COVID-19, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements, such as the Companies Act 2006 and the Charities Statement of Recommended Practice.

We evaluated the trustees' and management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, in particular in relation to use of restricted and endowment funds, and significant one-off or unusual transactions.

Our audit procedures were designed to respond to those 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 compliance with laws and regulations;
- Communicating identified laws and regulations throughout our engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the charity which were contrary to applicable laws and regulations, including fraud.

Auditor's report

For the year ended 31 August 2021

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries 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 risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.


There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of the audit report

This report is made solely to the charity's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's members as a body for our audit work, for this report, or for the opinions we have formed.

Signed:


David Hoose (Apr 7, 2022 17:28 GMT+1)

David Hoose

(Senior Statutory Auditor)

for and on behalf of Mazars LLP

Chartered Accountants and Statutory Auditor

6 Sutton Plaza, Sutton Court Road, Sutton, Surrey, SM1 4FS

Date: 07-Apr-2022

Statement of financial activities

For the year ended 31 August 2021

	Notes	Unrestricted funds £	Restricted funds £	Total 2021 £	Unrestricted funds £	Restricted funds £	Total 2020 £
Income							
Donations	2	1,657,775	398,688	2,056,463	1,691,074	460,678	2,151,752
Charitable activities							
Community & Outreach	3	187,873	62,500	250,373	174,298	-	174,298
Other trading activities							
Premises rental income		329,483	247,935	577,418	329,480	239,909	569,389
Other		138	58,766	58,904	4,392	102,910	107,302
Total income		<u>2,175,269</u>	<u>767,889</u>	<u>2,943,158</u>	<u>2,199,244</u>	<u>803,497</u>	<u>3,002,741</u>
Expenditure on charitable activities							
Costs of activities in furtherance of the objects of the charity:							
Worship	4	732,757	-	732,757	796,198	-	796,198
Community	5	637,195	-	637,195	666,921	-	666,921
Outreach	6	739,794	577,701	1,317,495	702,446	501,996	1,204,442
Total charitable expenditure		<u>2,109,746</u>	<u>577,701</u>	<u>2,687,447</u>	<u>2,165,565</u>	<u>501,996</u>	<u>2,667,561</u>
Net income	15	65,523	190,188	255,711	33,679	301,501	335,180
Transfers between funds	15, 17	167,215	(167,215)	0	282,426	(282,426)	-
Net movement in funds		<u>232,738</u>	<u>22,973</u>	<u>255,711</u>	<u>316,105</u>	<u>19,075</u>	<u>335,180</u>
Reconciliation of funds:							
Total funds brought forward at 1 September 2020		6,015,640	891,466	6,907,106	5,699,535	872,391	6,571,926
Total funds carried forward at 31 August 2021		<u>6,248,378</u>	<u>914,439</u>	<u>7,162,817</u>	<u>6,015,640</u>	<u>891,466</u>	<u>6,907,106</u>

All transactions are derived from continuing activities.

All recognised gains and losses are included in the Statement of financial activities.

The Statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

Balance sheet as at 31 August 2021

	Notes	2021 £	2020 £
Fixed assets	10	7,314,882	7,467,594
Current assets			
Debtors	11	470,594	379,215
Cash at bank and in hand		1,092,508	1,254,288
		<u>1,563,102</u>	<u>1,633,503</u>
Creditors: Amounts falling due within one year	12	<u>(214,602)</u>	<u>(237,002)</u>
Net current assets		<u>1,348,500</u>	<u>1,396,501</u>
Total assets less current liabilities		8,663,382	8,864,095
Creditors: Amounts falling due after more than one year	13	<u>(1,500,565)</u>	<u>(1,956,989)</u>
Net assets		<u><u>7,162,817</u></u>	<u><u>6,907,106</u></u>
Represented by Funds			
Unrestricted Funds			
General Fund	15, 16	696,053	778,475
Designated Property Fund	15, 16	<u>5,552,325</u>	<u>5,237,165</u>
		6,248,378	6,015,640
Restricted Funds	17	914,439	891,466
Total funds		<u><u>7,162,817</u></u>	<u><u>6,907,106</u></u>

Approved by the Trustees on
 and signed on their behalf by

Simon Linley

King's Church London

Statement of Cash Flows For the year ended 31 August 2021

	£	2021 £	£	2020 £
Cashflows from operating activities				
Net income	255,711		335,180	
Adjustments for:				
Depreciation	203,585		194,434	
Interest expense	57,226		61,879	
Trade and other receivables	(91,379)		(7,661)	
Trade and other payables	6,567		(1,214)	
Cash flows generated from operations		431,710		582,618
Interest paid		(57,226)		(61,879)
Net cashflow from operating activities		374,484		520,739
Cashflows from investing activities				
Purchase of property, plant and equipment		(50,873)		(22,372)
Cashflows from financing				
Capital repayments on bank loans	(475,391)		(107,111)	
Capital repayments of other loans	(10,000)		(90,000)	
Proceeds from new bank loans	-		270,783	
		(485,391)		73,672
(Decrease) / increase in cash		(161,780)		572,039

Note to the cashflow (2021)

	At 1 September 2020	Cash flows £	At 31 August 2021 £
Cash at bank	1,254,288	(161,780)	1,092,508
Deduct loans:			
Loans falling due within one year	(119,820)	28,967	(90,853)
Loans falling due after more than one year	(1,956,989)	456,424	(1,500,565)
Net cash	<u>(822,521)</u>	<u>323,611</u>	<u>(498,910)</u>

Note to the cashflow (2020)

	At 1 September 2019 £	Cash flows £	At 31 August 2020 £
Cash at bank	682,249	572,039	1,254,288
Deduct loans:			
Loans falling due within one year	(361,148)	241,328	(119,820)
Loans falling due after more than one year	(1,641,990)	(314,999)	(1,956,989)
Net cash	<u>(1,320,889)</u>	<u>498,368</u>	<u>(822,521)</u>

Notes to the financial statements

For the year ended 31 August 2021

1 Accounting policies

The financial statements have been prepared in accordance with the Companies Act 2006, Charities Act 2011 and the Financial Reporting Standard 102 ("FRS102") and the related Statement of Recommended Practice applicable to Charities (2019). King's Church London is a public benefit entity as defined by FRS102.

1.1 Accounting conventions

Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern. The current coronavirus epidemic does not alter the applicability of this basis for the following reasons.

1. The church carries substantial liquid reserves in accordance with its reserves policy;
2. Although a modest impact on income has been experienced since lockdown, this is insufficient to require remedial action to the church's finances, however, further reductions in income are possible; and
3. The church has the flexibility to defer substantial capital programs thus preserving liquid reserves.

Historical cost convention

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain fixed assets.

1.2 Funds

The General Fund and the Designated Property Fund represent the funds of the charity that are not subject to any restrictions regarding their use and are available to further the objectives of the charity.

The purposes of the Restricted Funds are shown in note 17 of the financial statements.

The Designated Property Fund represents the book value of the charity's interest in land and buildings, less outstanding loans which were incurred for the purchase and development of property (notes 10, 14, 15 and 16).

1.3 Income

Donations are recognised when received. Income tax recoverable on gift aid donations is recognised when the income is recognised.

Grants and legacies are accounted for when the charity is notified of its entitlements, the amount due is quantifiable and receipt is reasonably certain.

Other income is accounted for on a receivable basis.

1.4 Apportionment of resources

Staff costs have been apportioned across the activity areas and governance using a Staff Cost Ratio (note 8).

The Staff Cost Ratio is calculated by assessing the contribution each employee makes to each activity.

Notes to the financial statements

For the year ended 31 August 2021

1.5 Properties

Valuation of properties

Properties are either included at cost or valuation together with subsequent development expenditure subject to impairment review. Further details are provided in note 10.

Depreciation

Depreciation is calculated to write off the cost of depreciable assets in equal instalments over their estimated useful lives. Estimated useful lives are as follows:

Buildings	50	years
Fixtures, fittings and equipment	3 to 10	years
Computer equipment	2	years

A full year's depreciation is charged in the year of acquisition and none in the year of disposal.

Capitalisation

The capitalisation threshold is £10,000 for individual assets, although assets of lesser value may be capitalised if they form part of a group.

1.6 Concessionary loans received

Interest free loans received are stated at the amount received unless measurement of the carrying amount of the liability as a financial instrument would be materially different.

1.7 Pensions

Pension costs relate to payments to the personal money purchase schemes of employees including to the auto-enrolment scheme and are charged in the financial statements when they become payable.

1.8 Leases

Finance Leases

Assets held under hire purchase and finance leases and the related lease obligations are included at the fair value of the leased assets at the inception of the lease.

Operating leases

Rentals payable under operating leases are charged on a straight-line basis over the term of the lease.

1.9 Judgements in applying accounting policies and key sources of accounting estimates

In applying the charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions in determining the carrying amounts of assets and liabilities. The key estimate and assumption made in these financial statements is considered to be depreciation, which is provided at rates calculated to write off the cost less the estimated residual value of each fixed asset over its estimated useful life.

Notes to the financial statements

For the year ended 31 August 2021

Income

2 Donations

	Unrestricted funds	Restricted funds	Total 2021	Unrestricted funds	Restricted funds	Total 2020
	£	£	£	£	£	£
Regular giving	1,398,575	75,545	1,474,120	1,378,585	64,657	1,443,242
Income tax recoverable	259,200	9,431	268,631	264,068	9,605	273,673
Regular giving - Vision 2030	-	270,346	270,346	-	336,927	336,927
Income tax recoverable - Vision 2030	-	43,366	43,366	-	49,489	49,489
Legacies	-	-	-	48,421	-	48,421
	<u>1,657,775</u>	<u>398,688</u>	<u>2,056,463</u>	<u>1,691,074</u>	<u>460,678</u>	<u>2,151,752</u>

Donations of £124,460 were received from key management personnel (see note 8) in the year (2020: £155,738).

3 Community & Outreach income

	Unrestricted funds	Restricted funds	Total 2021	Unrestricted funds	Restricted funds	Total 2020
	£	£	£	£	£	£
Preaching gifts	14,032	-	14,032	9,749	-	9,749
Church activities	75,252	-	75,252	69,881	-	69,881
Grants:						
Furlough receipts	83,468	-	83,468	79,891	-	79,891
Love Your Neighbour grant	-	62,500	62,500	-	-	-
Other income	15,121	-	15,121	14,777	-	14,777
	<u>187,873</u>	<u>62,500</u>	<u>250,373</u>	<u>174,298</u>	<u>-</u>	<u>174,298</u>

Expenditure on charitable activities

4 Worship

	Unrestricted funds	Restricted funds	Total 2021	Unrestricted funds	Restricted funds	Total 2020
	£	£	£	£	£	£
Direct staff costs (note 8)	341,936	-	341,936	348,674	-	348,674
Church activities	17,021	-	17,021	39,095	-	39,095
Premises apportionment	127,262	-	127,262	163,112	-	163,112
Administration apportionment	246,538	-	246,538	245,317	-	245,317
	<u>732,757</u>	<u>-</u>	<u>732,757</u>	<u>796,198</u>	<u>-</u>	<u>796,198</u>

Notes to the financial statements

For the year ended 31 August 2021

5 Community

	Unrestricted funds	Restricted funds	Total 2021	Unrestricted funds	Restricted funds	Total 2020
	£	£	£	£	£	£
Direct staff costs (note 8)	300,655	-	300,655	290,057	-	290,057
Church activities	14,657	-	14,657	32,923	-	32,923
Premises apportionment	109,587	-	109,587	137,358	-	137,358
Administration apportionment	212,296	-	212,296	206,583	-	206,583
	<u>637,195</u>	<u>-</u>	<u>637,195</u>	<u>666,921</u>	<u>-</u>	<u>666,921</u>

6 Outreach

	Unrestricted funds	Restricted funds	Total 2021	Unrestricted funds	Restricted funds	Total 2020
	£	£	£	£	£	£
Direct staff costs (note 8)	317,124	163,190	480,314	270,046	125,560	395,606
Church activities	15,602	149,676	165,278	30,864	84,841	115,705
Grants payable:						
Zimbabwe (see also note 17)	25,030	-	25,030	33,742	4,711	38,453
South Africa, Romania & China	9,500	-	9,500	9,500	-	9,500
Newfrontiers	7,500	-	7,500	7,500	-	7,500
Other giving	22,389	-	22,389	28,353	-	28,353
Premises apportionment	116,657	264,746	381,403	128,771	273,558	402,329
Administration apportionment	225,992	89	226,081	193,670	13,326	206,996
	<u>739,794</u>	<u>577,701</u>	<u>1,317,495</u>	<u>702,446</u>	<u>501,996</u>	<u>1,204,442</u>

7 Governance

	2021	2020
	£	£
Governance costs include:		
Auditor's remuneration - current year	<u>9,806</u>	<u>8,651</u>
- previous year under accrual	<u>-</u>	<u>6,000</u>

Governance costs are allocated to charitable activities within Administration costs.

Notes to the financial statements

For the year ended 31 August 2021

8 Staff costs

		2021 £	2020 £
Staff costs is comprised of			
Wages and salaries		1,295,665	1,183,119
Social security costs		125,258	109,858
Pension costs		176,977	155,569
Staff expenses		7,654	22,204
Training costs		8,355	6,444
		<u>1,613,909</u>	<u>1,477,194</u>
Allocation by activity			
	Unrestricted staff costs ratios	All staff costs	
	%	2021 £	2020 £
Worship	36	341,936	348,674
Community	31	300,655	290,057
Outreach	33	480,314	395,401
	<u>100</u>	<u>1,122,905</u>	<u>1,034,132</u>
Administration		447,434	400,531
Governance (allocated within the Administration apportionment)		24,831	24,466
Premises		18,739	18,065
		<u>1,613,909</u>	<u>1,477,194</u>

The staff costs ratios are calculated by assessing the contribution each employee makes to each activity.

The Unrestricted staff costs ratios have been used as the basis for apportioning unrestricted premises, administration and church activity costs (notes 4, 5 & 6). Restricted staff costs are allocated specifically.

The average monthly number of employees during the year was 43 (2020: 43).

The average monthly number of full time equivalent employees during the year was 34 (2020: 33).

There was one employee whose salary entitlement in the year was in the range £60,000 to £70,000 (2020: two), one employee in the range £70,000 to £80,000 (2020: nil) and one employee whose salary entitlement was in the range £90,000 to £100,000 (2020: one).

Key management personnel

The church's key management personnel comprise the trustees, the Senior Pastor, the Associate Pastor and the Executive Pastor. The total employee benefits (including pension) of the key management personnel for the year were £257,045 (2020: £243,810).

9 Trustees and related parties

Trustees' expenses

No expenses have been incurred by the Trustees. In the previous year, one employed Trustee incurred expenses totalling £14,127 for travelling (both UK and overseas) and other out of pocket expenditure, whilst fulfilling his employment.

Related parties - Trustees

William Dalziel's spouse, Hilary Dalziel continues to be employed as a pastor by the church, receiving emoluments of £10,376 (2020: £9,828)

Notes to the financial statements

For the year ended 31 August 2021

10 Fixed assets

	Land and buildings £	Fixtures, fittings and equipment £	Total £
Cost or valuation			
At 1 September 2020	9,244,139	373,082	9,617,221
Additions at cost	24,915	25,958	50,873
At 31 August 2021	<u>9,269,054</u>	<u>399,040</u>	<u>9,668,094</u>
Depreciation			
At 1 September 2020	1,799,836	349,791	2,149,627
Charge for the year	185,380	18,205	203,585
At 31 August 2021	<u>1,985,216</u>	<u>367,996</u>	<u>2,353,212</u>
Net book values			
At 31 August 2020	<u>7,444,303</u>	<u>23,291</u>	<u>7,467,594</u>
At 31 August 2021	<u>7,283,838</u>	<u>31,044</u>	<u>7,314,882</u>

Land and buildings

Land and buildings at 31 August 2021 is comprised of:

	Cost or valuation £	Depreciation £	Net book value £
Property at Catford Hill	1,991,881	609,533	1,382,348
Property at Meadowcourt Road	6,677,173	1,238,683	5,438,490
Property at Downham Way	600,000	137,000	463,000
	<u>9,269,054</u>	<u>1,985,216</u>	<u>7,283,838</u>

Valuation of land and buildings

The most recent site valuations of the above properties are:

	£	
Property at Catford Hill	3,900,000	Valued by Savills in 2016
Property at Meadowcourt Road	7,850,000	Valued by Jones Lang LaSalle in 2019
Property at Downham Way	785,000	Valued by Savills in 2016
	<u>12,535,000</u>	

The property at Meadowcourt Road has the Triodos bank loans secured on it (see notes 12, 13 and 14).

The title deeds to the Catford Hill and Downham Way properties are held by The London Baptist Property Board Limited under trust deeds by which King's Church London is entitled to occupy, enjoy and have the benefit of the trust premises. The London Baptist Property Board has a minority interest in the value of the Catford Hill property as disclosed in note 19.

Notes to the financial statements

For the year ended 31 August 2021

11 Debtors

	2021 £	2020 £
Debtors (including property lets)	70,382	49,653
Housing support scheme	345,787	258,787
Prepaid expenditure	30,837	48,330
Income tax recoverable on Gift Aid	23,588	22,445
	<u>470,594</u>	<u>379,215</u>

12 Creditors: Amounts falling due within one year

	2021 £	2020 £
Loans:		
Triodos bank loans (note 14)	90,853	109,820
Other loans	-	10,000
Accruals:		
HM Revenue & Customs PAYE & NIC	33,049	30,077
Other accruals & deferred income	27,604	37,249
Other creditors	63,096	49,856
	<u>214,602</u>	<u>237,002</u>

13 Creditors: Amounts falling due after more than one year

	2021 £	2020 £
Triodos bank loans (note 14)	1,500,565	1,956,989
	<u>1,500,565</u>	<u>1,956,989</u>

14 Loans

	2021 £	2020 £
Analysis of loan maturity:		
In one year or less	90,853	119,820
In more than one year but less than five years	392,394	474,316
In more than five years	1,108,171	1,482,673
	<u>1,591,418</u>	<u>2,076,809</u>

Loans include no interest free loans (2020: loans of £10,000).

The Triodos bank loans are payable over 15 years and are at a rate of 2.3% over base, with a minimum of 3.05%. The loans are secured on property as referred to in note 10.

On 16th March 2021 an additional one-off loan repayment of £375,000 was made.

Subsequent to the year end on 7th September 2021, an additional loan of £89,350 was advanced by Triodos, in connection with the housing support scheme. This loan is over 20 years and is at a rate of 2.3% over base, with a minimum of 3.05%.

Notes to the financial statements

For the year ended 31 August 2021

15 Unrestricted funds	2021			2020		
	General fund	Designated property fund	Total unrestricted funds	General fund	Designated property fund	Total unrestricted funds
	£	£	£	£	£	£
Net income / (expenditure)	250,904	(185,381)	65,523	218,562	(184,883)	33,679
Transfers between funds	(333,326)	500,541	167,215	98,490	183,936	282,426
Net movement in funds	(82,422)	315,160	232,738	317,052	(947)	316,105
Reconciliation of funds:						
Total funds at 1 September 2020	778,475	5,237,165	6,015,640	461,423	5,238,112	5,699,535
Total funds at 31 August 2021	696,053	5,552,325	6,248,378	778,475	5,237,165	6,015,640

Expenditure in the Designated Property fund represents depreciation on properties.

The transfer of £500,541 into the Designated Property Fund represents the reduction in property-related liabilities during the period.

16 Analysis of net assets by fund	General fund	Designated property fund	Restricted funds	2021 Total funds
	£	£	£	£
Tangible fixed assets	31,044	6,895,902	387,936	7,314,882
Current assets:				
Debtors	454,242	-	16,352	470,594
Cash at bank and in hand	575,767	-	516,741	1,092,508
Creditors: Amounts falling due within one year	(126,926)	(81,086)	(6,590)	(214,602)
Creditors: Amounts falling due after more than one year	(238,074)	(1,262,491)	-	(1,500,565)
Total net assets	696,053	5,552,325	914,439	7,162,817

Notes to the financial statements

For the year ended 31 August 2021

17 Restricted funds

	Balance at 1 September 2020 £	Movement in resources		Transfers between funds £	Balance at 31 August 2021 £
		Income £	Expenditure £		
Social Action Jericho Road Project	68,677	340,221	(326,868)	(7,913)	74,117
Vision 2030	-	313,712	(89,410)	(224,302)	-
Hope Fund	23,391	36,336	(9,579)	(10,000)	40,148
Love Your Neighbour	-	77,620	(151,844)	75,000	776
Other	1,638	-	-	-	1,638
South Lee Church Fund	797,760	-	-	-	797,760
Total restricted funds	891,466	767,889	(577,701)	(167,215)	914,439

Social Action Jericho Road Project

This fund supports King's Church London's ministries to the poor in London.

The net transfer of £7,913 out of this fund is comprised of:

£25,000 donation in from King's Church London's general fund, plus

£10,000 donation in from the Hope fund, less

£42,913 payment of administration costs incurred by King's Church London's general fund

Vision 2030

This fund provides for the refurbishment, acquisition and investment in new and existing sites and related costs.

The purchase and development of the property at Meadowcourt Road was funded in large part by borrowing and as a result there will be an ongoing expense until 2035. The loan is held in the designated property fund.

Summary of Vision 2030 Fund to date	Total £	2021 £	2010 to 2020 £
Income retained in fund	6,767,160	238,712	6,528,448
Purchase and refurbishment of property	(7,427,070)	(61,492)	(7,365,578)
Other expenditure, including loan interest	(1,218,513)	(52,833)	(1,165,680)
Amount to be raised in future years	(1,878,423)	124,387	(2,002,810)

An amount of £75,000 was transferred to the Love Your Neighbour project out of giving to this fund.

Hope Fund

This fund is used to assist church members and the wider community generally to support those severely impacted by covid. A transfer of £10,000 was made out of this fund to the Jericho Road Project.

Love Your Neighbour

These funds are for the Love Your Neighbour collaborative project, involving increased outreach to areas of the community suffering hardship.

The income to the fund was direct giving and grant. In addition, giving of £75,000 to Vision 2030 was allocated to this project and this movement is shown as a transfer.

In addition, the church bore costs of £35,014 on behalf of the fund and these are included in General fund costs.

Notes to the financial statements

For the year ended 31 August 2021

17 Restricted funds (continued)

Other

Various donations for other purposes, including offerings towards projects in Zimbabwe.

South Lee Church

This fund identifies the proceeds of the South Lee Church building which was sold in 2004, which is invested in property and otherwise in the charity's charitable purposes.

18 Lease commitments

At 31 August 2021, the charity was committed to making the following payments within one year under operating leases expiring:

	Land and buildings £	Fixtures, fittings and equipment £	2021 Total £	2020 Total £
Within one year	-	4,230	4,230	5,659
Between one and five years	-	3,754	3,754	8,208
	<u>-</u>	<u>7,984</u>	<u>7,984</u>	<u>13,867</u>

19 Minority interest

The London Baptist Property Board Declaration of trust dated 2004

		2021 £	2020 £
- Minority Interest in property at Catford Hill	(note 10)	387,936	387,936
		<u>387,936</u>	<u>387,936</u>

This forms that part of the South Lee Church restricted fund (see note 17) that is invested in property.