

# KINGSGATE COMMUNITY CHURCH

England & Wales · Charity number 1106273

## Details

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**Other names** PETERBOROUGH COMMUNITY CHURCH

**Status** Registered

**Legal form** Charitable company

**Company number** [05124435](#)

**Registered** 2004-10-12

**Register** [View on the Charity Commission register](#)

## Contact

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**Address** 2 Staplee Way  
Peterborough  
PE1 4YT

**Phone** 01733311156

**Email** [info@kingsgate.church](mailto:info@kingsgate.church)

**Website** [www.kingsgate.church](http://www.kingsgate.church)

## Activities

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**Objects:** 3.1 THE ADVANCEMENT OF THE CHRISTIAN FAITH IN ACCORDANCE WITH THE STATEMENT OF BELIEF OF THE COMPANY FROM TIME TO TIME AGREED AND THE WORSHIP OF GOD IN THE COUNTY OF CAMBRIDGESHIRE AND ELSEWHERE BY ANY MEANS WHATSOEVER INCLUDING (BUT NOT BY WAY OF LIMITATION THE PREACHING AND PROCLAMATION OF THE CHRISTIAN GOSPEL AND THE TEACHING OF CHRISTIAN DOCTRINE AND THE PRINCIPLES OF PASTORALS CARE OF CHRISTIAN PEOPLE AND THE PRINTING AND DISTRIBUTION OF THE BIBLE AND CHRISTIAN LITERATURE INCLUDING VIDEO AND AUDIO RECORDINGS OR TAPES AND BY ANY OTHER MEDIA WHICH IS OR MAY BECOME AVAILABLE.3.2 THE RELIEF OF PERSONS WHO ARE IN CONDITIONS OF NEED HARDSHIP OR DISTRESS OR WHO ARE AGED OR SICK.3.3 THE ADVANCEMENT OF EDUCATION OF THE BASIS OF CHRISTIAN PRINCIPLES AND WITHOUT PREJUDICE TO THE GENERALITY OF THE FOREGOING THE PROVISION OF SUCH EDUCATION IN ANY EDUCATIONAL ESTABLISHMENTS FOR THE GENERAL EDUCATION OF CHILDREN AND ADULTS ON THE BASIS OF SUCH CHRISTIAN PRINCIPLE.

**Activities:** Advancement of the Christian Faith, Relief of persons who are poor and needy and the advancement of education on the basis of Christian principals.

## Classification

- **How:** Provides Human Resources, Provides Buildings/facilities/open Space, Provides Services, Other Charitable Activities
- **What:** Education/training, The Prevention Or Relief Of Poverty, Religious Activities
- **Who:** Children/young People, Elderly/old People, People With Disabilities, Other Charities Or Voluntary Bodies, The General Public/mankind

## Geography

- **Area of benefit:** CAMBRIDGESHIRE
- Cambridgeshire
- Leicestershire
- Peterborough City

## Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£5,808,226	£4,394,171	£11,750,771	79
2023-12-31	£4,793,143	£3,952,717	£10,336,716	74
2022-12-31	£4,052,194	£3,710,295	£9,496,290	71
2021-12-31	£3,744,183	£3,119,695	£9,154,391	77
2020-12-31	£4,049,160	£3,314,968	£8,529,903	92

## Trustees

Name	Role	Appointed
<b>Dr DAVID ANDREW SMITH</b>	Chair	
ADERONKE LYDIA OPAYINKA		2023-01-07
Matthew Negus		2018-09-01
NORMAN PASKIN		2015-07-09
SAMSON OLUWASINA ABIOYE		2021-04-29

**KINGSGATE COMMUNITY CHURCH**

England & Wales - Charity number 1106273

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# Accounts

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Charity registration number 1106273

Company registration number 05124435 (England and Wales)

**KINGSGATE COMMUNITY CHURCH**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**

# KINGSGATE COMMUNITY CHURCH

## LEGAL AND ADMINISTRATIVE INFORMATION

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**Directors and Trustees**  
Dr David Smith (Chairman)  
Mr Norman Paskin  
Mr Barry Featherstone  
Mr Matthew Negus  
Mr Samson Abioye  
Ms Lydia Opayinka

**Secretary**  
Mrs Sally Duffy

**Multisite Strategy Team**  
Dr David Smith  
Mrs Karen Smith  
Mr Simon Deeks  
Mrs Sally Duffy  
Mr Jim Thody  
Mrs Jasmine Allen  
Mr Phil Timson  
Mrs Zia Deeks  
Mrs Sharon Keogh  
Mr Simon Benn

**Charity number**  
1106273

**Company number**  
05124435

**Principal office**  
2 Staplee Way  
Parnwell  
Peterborough  
United Kingdom  
PE1 4YT

**Auditor**  
Azets Audit Services  
Westpoint  
Lychwood  
Peterborough  
Cambridgeshire  
PE2 6FZ  
United Kingdom

**Bankers**  
Barclays Bank PLC  
Leicester  
United Kingdom  
LE87 2BB

**Solicitors**  
Duncan A Pickering  
4 Southfields  
Bourne  
Lincolnshire  
United Kingdom  
PE10 9TZ

The directors of the charitable company (the charity) are its trustees for the purpose of charity law and throughout this report are collectively referred to as its trustees.

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# KINGSGATE COMMUNITY CHURCH

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# KINGSGATE COMMUNITY CHURCH

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

### FOR THE YEAR ENDED 31 DECEMBER 2024

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The trustees present their annual report and financial statements for the year ended 31 December 2024.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2019)

#### **Objectives and activities**

##### The Objectives of The Charity

The charity's purposes, as set out in the objects contained in the company's memorandum of association, are:

1. The advancement of the Christian faith in accordance with the doctrine set out in the underwritten Fourth Schedule and the worship of God in the said county and elsewhere by any means whatsoever including (but not by way of limitation) the preaching and proclamation of the Christian gospel, the teaching of the Christian Doctrine and principles, the pastoral care of Christian people and the printing and distribution of the Bible and Christian literature including video, and audio recordings and by any other media which is, or may become, available.
2. The relief of persons who are in conditions of need, hardship, or distress or who are aged or sick.
3. The advancement of education on the basis of Christian principles and, without prejudice, to the generality of the foregoing, the provision of such education in any educational establishment and, if the Trustees so decide, the provision of one or more charitable educational establishments for the general education of children and adults on the basis of such Christian principles.

##### 2024 Vision, Values and Strategic Priorities

In 2024, the Strategic Leadership Team of KingsGate Community Church reaffirmed the vision, values, and strategic priorities of the Church as:

**Vision:** 'Transforming Lives from our Neighbourhoods to the Nations by the Power of God's Love'.

**Values:** Word, Spirit, Worship, Prayer, Fellowship, Discipleship, Mission, and Stewardship.

##### **Strategic Priorities:**

In 2024 we continued to focus on our core mission, which as a church is "TRANSFORMING LIVES from our neighbourhoods to the nations, by the power of God's love" with an emphasis on being RADICAL DISCIPLES who:

1. Keep on ENCOUNTERING Jesus (Knowing God)
2. Keep on FOLLOWING Jesus (Living in Freedom)
3. Keep on GROWING together in Jesus (Growing in Community)
4. Keep on MISSION with Jesus (Making a difference)

##### 2024 Activities:

The main activity continues to be **teaching via Sunday services and Life Groups both in person and online.**

Other activities in 2024 included:

##### **Sunday Services**

In-person services take place every Sunday, with two services held at KingsGate Peterborough and additional services at KingsGate Cambridge and KingsGate Leicester. Online services continue to be provided via YouTube and the Church Online platform. In 2024, the average attendance across all in-person services was 2,267, marking a 16% increase from 2023, which had an average attendance of 1,962.

# KINGSGATE COMMUNITY CHURCH

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2024

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#### LifeGroups

LifeGroups had a particularly fruitful year in 2024 as we continued to create more opportunities for people to be cared for and discipled. By the end of 2024, 1,388 adults were actively engaged in LifeGroups. One of our key strategic initiatives across all campuses was maximizing the ALIVE 'Big Idea' campaign post-Easter. As part of this initiative, the Peterborough Campus piloted in-person and online Central Groups, designed to facilitate small group discipleship within a larger setting. The pilot proved successful, and we plan to implement Central Groups again in 2025.

Another major focus was enhancing our group leader pathway by identifying and equipping new leaders through our discipleship pathway, specifically among new KingsGate Partners. This approach enabled around 25 individuals to take their first leadership steps and begin leading new groups. We remain deeply grateful to all our pastoral leaders for their dedication and commitment to shepherding those in their care.

#### Community Action

As a church we are dedicated to supporting individuals and families struggling with poverty through a variety of impactful projects. These initiatives provide practical assistance to address food insecurity, furniture poverty, homelessness, and social isolation.

Using a holistic approach called "Crisis – Cause – Care," we offer comprehensive support to families. This approach not only provides emergency assistance for essential items such as food and furniture but also helps families tackle the root causes of their crises. By offering access to high-quality information and advice through the KingsGate Debt Advice project and our partnership with Citizens Advice Peterborough, we empower families to overcome their challenges and achieve long-term stability. A few of our projects:

- **Care Zone, Peterborough:** The Care Zone furniture bank accepts donations of essential furniture, household goods, and clothing and provides them free of charge to families experiencing furniture poverty. In 2024, Care Zone furnished 874 properties and supported 1,729 individuals. A total of 3,607 furniture items, valued at approximately £270,000, were distributed.
- **Foodbank, Peterborough:** Peterborough Foodbank, a partnership of five churches and part of the Trussell Foodbank network, assists people in crisis by providing three days' worth of emergency food. In 2024, the foodbank distributed 6,307 food parcels and processed 127 tonnes of food, valued at £354,183. The Financial Inclusion Project, funded by Trussell, was expanded to include a debt advice role. In partnership with Citizens Advice Peterborough, the project supported 738 households and achieved £974,356 in income gains for families by addressing 3,854 issues.
- **Debt Advice:** In 2024, a Debt Advice Co-ordinator was appointed with an initial focus on rebuilding the team's capacity. In September 2024, a client café was launched at KingsGate in partnership with Citizens Advice Peterborough to provide face-to-face support for 21 families facing unmanageable debts. By the end of 2024, the debt advice team, consisting of 10 active Money Mentors, had helped families write off £42,000 of debt.
- **Christmas Hampers:** KingsGate participated in the national 'Love Christmas' campaign, receiving match funding from the Revitalise Trust. Across all campuses, 2,679 hampers were distributed. KingsGate collaborated with sixty-six community partners to ensure the hampers reached families in need. Feedback from recipients indicated that the hampers were a much-welcome reminder that they are cared for.
- **Food Pantry, Peterborough:** The food pantry supports families struggling with long-term food insecurity by providing access to healthy food at reduced prices, offering dignity, choice, and hope. By the end of 2024, 93 families were regularly attending the project. Throughout the year, there were 2,818 visits, and 42,270 meals were distributed. Many families attending the pantry had relocated from other local authorities in the UK and found themselves in a new city without support networks or local knowledge of available assistance. For these families, the food pantry has become a vital support system, offering friendship and signposting to other services.
- **Community Action, Cambridge:** A volunteer team from KingsGate Cambridge continues to run the Trumpington distribution centre of Cambridge City Foodbank. Additionally, KingsGate Cambridge partnered with Besom to undertake several projects, where teams supported local families facing pressures by providing gardening and decorating services.

# **KINGSGATE COMMUNITY CHURCH**

## **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)**

### **FOR THE YEAR ENDED 31 DECEMBER 2024**

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#### **Youth**

2024 has been an incredible year of growth for our youth programs. Friday Night gatherings have seen an unprecedented 70% increase in attendance, with average weekly attendance of 169 young people every Friday night. We also hosted an Illuminate schools tour week, which saw over 600 young people attend the final night. Our Sunday provision has also grown by 19%, with a culture that is incomparable to previous years. This growth is largely attributed to the success of our Friday night gatherings and the launch of the Young Leaders Community, where 45 young people meet every Tuesday evening.

The Satellites summer festival saw 117 young people attending, a 64% increase. Our youth camp also saw significant growth. Additionally, we celebrated the baptism of 32 young people, marking a significant milestone in their spiritual journeys.

#### **Young Adults**

In 2024, our Young Adult programs have experienced exciting growth and development. The average weekly attendance has increased by 29%, and YA LifeGroups have multiplied, with 151 young adults now participating in weekly LifeGroups. This year also saw the completion of two Young Adult leadership huddles, where 16 Young Adult leaders were mentored and developed.

We welcomed 12 Young Adults into partnership, celebrated the baptism of 18 individuals, and developed 5 new LifeGroup and Assistant LifeGroup Leaders across our 10 Young Adult LifeGroups. The Young Adults community is vibrant and meets weekly, hosting new regular evangelistic nights, worship nights, and social events throughout the year.

#### **Children's Ministry**

2024 saw significant growth across all campuses, with record attendance figures for children. In Peterborough, rapid growth required a specific plan, involving group relocations to ensure sufficient space and a successful recruitment drive brought in many new team members, helping accommodate the rising number of children.

Our message, "Anytime, Anywhere, Anybody can be a KingsGate Kid," is reinforced by our online presence and YouTube content, ensuring children don't miss out if they can't attend church. Teaching mirrors mainstage content, fostering family discussions at home. Our kids feel integrated into the whole church.

We celebrated the success of the Children's Touching Heaven event, which empowered children during our church prayer season. Our alternative Halloween outreach saw nearly 1,000 attendees, with many responding to the gospel.

Outreach at the Peterborough campus is developing, with regular assembly slots and school visits. The Early Years Team's Mini Movers group is fully booked weekly, and the team is seeking guidance for expansion.

#### **Overseas Mission**

We have continued to support our key overseas mission partners, Bulembu in Eswatini and Heart for Lebanon. 2024 has been a particularly challenging year for both charities. Bulembu has faced ongoing issues due to rising inflation and a government-backed initiative to return as many orphans as possible to their families. Meanwhile, the team at Heart for Lebanon has encountered even more difficult conditions. Amid a collapsing economy, they found themselves caught up in the conflict between Hezbollah and Israel, a direct consequence of the fighting between Israel and Hamas. This situation has led to a significant increase in the number of displaced people within Lebanon, both from other countries and within Lebanon itself.

Despite these challenges, both organisations have proven to be remarkably resilient and continue to be grateful for our support as they hold out hope to thousands of people in their respective nations. During 2024, we contributed £109,414 from our mission fund to overseas organisations. This includes our mission partners, supporting a church plant in Cluj, Romania, and in response to crises around the world. Additionally, individuals within KingsGate continue to sponsor children through the work of Compassion, supporting many regions globally.

# KINGSGATE COMMUNITY CHURCH

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2024

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#### 2024 Think Bigger and Beyond Special Offering

In March 2024 we gave into the 'Think Bigger and Beyond' Special offering. 60% of the offering raised was used to develop the Peterborough Building, including the fit out of an additional 336 seats in the auditorium plus associated AV requirements, and the installation of a new toilet block. 20% was set aside into a fund to finance a future Cambridge Building and 10% was used to set up a Leadership Academy to develop new leaders.

We additionally transferred 10% of this offering, into our Mission Fund. This helps to resource our Community Action projects, as well as resourcing our partnerships with overseas mission projects, as detailed above.

#### 2024 Financial Review

##### Income

Total income, both restricted and unrestricted, of £5.81 million was received in 2024, an 21.3% increase from 2023 (£4.79 million in 2023). Trading income was £610,825 in 2024, a 68.6% from 2023 (£362,286 in 2023). Total income excluding trading income for 2024 was £5.2 million, a 17.3% increase on 2023 (£4.43 million in 2023).

The charity's main income stream is from tithes and offerings given by church members and regular attendees. In 2024, unrestricted tithes and offerings were £3.1 million which was a 9.4% increase compared to 2023 (£2.8 million in 2023). This included £646,810 of unrestricted offerings received by the Cambridge campus, an 8.8% increase compared to 2023 (£594,355 in 2023). It also included £124,802 of unrestricted offerings from our Leicester campus, a 42.4% increase compared to 2023 (£87,665 in 2023).

Restricted offerings were £810,478, which was a 15.4% decrease on 2023 (£958,730 in 2023). Up until March 2024, when we paid off the mortgage, we received restricted offerings into our Peterborough building fund, which were then used to help finance the mortgage. These offerings are now longer received into this fund.

##### Expenditure

Expenditure for the year totalled £4,017,935 (2023 – £3,674,300) excluding commercial operations in the trading subsidiary.

During 2024, salaries (excluding salaries within the commercial operations) accounted for 49.7% of 2023 expenditure, £2.00 million, compared to 48.3% of 2023 expenditure (£1.77 million). The charity employs both ministry-based positions, such as pastors, children and youth workers and community action workers, as well as administration and management staff, all of which work under the overall direction of the Strategic Leadership Team.

#### Mortgage Update

In January 2024, we made our final mortgage payment and are now debt free.

#### Land Sale

In July 2024, KingsGate sold a small strip of land of 956 m2 to the north-east of the main church car park, near the boundary with the Tesco Distribution Warehouse, to Staplee Way Management Company Limited, for £600,000. After transferring 10% of these funds to our mission fund, these funds are now held in a designated fund for future usage.

# KINGSGATE COMMUNITY CHURCH

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

**FOR THE YEAR ENDED 31 DECEMBER 2024**

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### **Reserves Policy**

It is the policy of the charity to work towards and then maintain unrestricted funds, which are the free reserves of the charity, at a level which equates to approximately three months unrestricted expenditure excluding certain discretionary spend. This would provide sufficient funds to cover salaries and building running costs for three months. Unrestricted funds of the charity were £1.23m on 31st December 2024 (excluding interest in land & property). The current reserves level is £457k more than the minimum reserves required.

The need for the charity to hold significant reserves is generated by the employment of 59 full and part time permanent employees along with building running costs of the KingsGate Peterborough building.

It is the charity's policy to monitor growth and income statistics carefully and if income were to fall significantly, take immediate measures to minimise risk.

### Risk Management

The trustees have assessed the major risks the charity is exposed to and are satisfied that systems are in place to mitigate exposure to the major risks.

### **Future Plans**

In 2025 we will be continuing to focus on our core mission, which as a church is "TRANSFORMING LIVES from our neighbourhoods to the nations, by the power of God's love" with an emphasis on going BIGGER AND BEYOND with a particular focus on:

- Effective MISSION
- Strengthening DISCIPLES
- Developing pioneering LEADERS

### **Structure, Governance and Management**

#### Governing Document

KingsGate Community Church is a company limited by Guarantee with no share capital. It was incorporated as Peterborough Community Church on the 11th May 2004 and was registered with the Charity Commission on the same day. It changed its name to KingsGate Community Church from 1st February 2008.

None of the trustees have any beneficial interest in the company. All the trustees are members of the company and guarantee to contribute such amount as may be required (not exceeding £10) to the company's assets in the event of a winding up.

KingsGate Community Church business is concluded under the framework of its governing memorandum and articles of association, prepared under the Companies Act 1985.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Dr David Smith (Chairman)  
Mr Norman Paskin  
Mr Barry Featherstone  
Mr Matt Negus  
Mr Samson Abioye  
Mrs Lydia Opayinka

#### Appointment of Trustee Directors

The trustees, who have served during the year and since the year end, are set out on page 2. Trustees are appointed by the board and each year, one third retire by rotation and either new trustees are identified, or previous serving trustees are reappointed.

# KINGSGATE COMMUNITY CHURCH

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

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### Trustee Induction and Training

All trustees are offered external training which will help them to undertake their roles and responsibilities.

### Organisation

The board of trustees meet at least four times a year. Trustees ensure that the charity remains solvent, is well-run, and delivering the charitable outcomes for the benefit of the public for which it has been set up. The Strategic Leadership Team, which is made up of the Senior Leadership Team and the Multisite Strategy Team, are responsible for the day-to-day running of the organisation. Key strategies identified by the Senior Leadership Team and the Multisite Strategy Team are ratified by Trustees before implementation.

### Related Parties

KingsGate Trading Ltd, a wholly owned subsidiary, was established on 26th January 2007. This subsidiary was incorporated to manage the business activities of the charity including the provision of conference facilities. KingsGate Community Church granted a 'licence to use' the building to KingsGate Trading Ltd who started to hire out the building from 1st June 2008.

KingsGate Trading Ltd will be making a distribution to the parent company under gift aid of £155,672 (£41,515 was given in 2024 in respect of the 2023 distribution) and also paid a management charge of £61,519 for the trading period (2023 £36,168 management charge). KingsGate Trading Ltd recorded a profit for the year of £178,832 before distribution to the parent company under gift aid (2023 a profit of £48,513).

### **Trustees' responsibilities in relation to the financial statements**

The trustees, who are also the directors of Kingsgate Community Church for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### **Auditor**

In accordance with the company's articles, a resolution proposing that Azets Audit Services be reappointed as auditor of the company will be put at a General Meeting.

### **Disclosure of information to auditor**

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

# KINGSGATE COMMUNITY CHURCH

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

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The trustees' report was approved by the Board of Trustees.

*B Featherstone*

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**Mr Barry Featherstone**

Trustee

Dated: ..... 3 / 7 / 25 .....

# KINGSGATE COMMUNITY CHURCH

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF KINGSGATE COMMUNITY CHURCH

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#### Opinion

We have audited the accounts of Kingsgate Community Church (the 'charity') and its subsidiary for the year ended 31 December 2024 which comprise the Group Statement of Financial Activities, the Group and Parent Charitable Company Balance Sheets, the Group and Parent Charitable Company Cash Flow Statements and the notes to the accounts, 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 Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Group and Parent charitable company's affairs as at 31 December 2024 and of its incoming resources and application of resources, 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 contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this 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 our audit:

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

# KINGSGATE COMMUNITY CHURCH

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE MEMBERS OF KINGSGATE COMMUNITY CHURCH

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#### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the Group and Parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the 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 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; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

#### **Responsibilities of trustees**

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose 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 charitable company 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 these financial statements.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

# KINGSGATE COMMUNITY CHURCH

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE MEMBERS OF KINGSGATE COMMUNITY CHURCH

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#### **Extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the entity through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

#### **Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company'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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



**Tracey Richardson BSc (Hons) FCA (Senior Statutory Auditor)**  
for and on behalf of Azets Audit Services

14/7/25

**Chartered Accountants**  
**Statutory Auditor**

Westpoint  
Lynch Wood  
Peterborough  
Cambridgeshire  
United Kingdom  
PE2 6FZ

# KINGSGATE COMMUNITY CHURCH

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2024

### Current financial year

	Notes	Unrestricted funds general 2024 £	Unrestricted funds designated 2024 £	Restricted funds 2024 £	Total 2024 £	Total 2023 £
<b><u>Income and endowments from:</u></b>						
Donations and legacies	3	2,730,823	9,348	1,484,319	4,224,490	3,940,600
Charitable activities	4	135,297	-	175,848	311,145	425,407
Other trading activities	6	610,825	-	-	610,825	362,286
Investments	5	89,348	-	-	89,348	63,552
Other income	7	461	571,957	-	572,418	1,298
<b>Total income</b>		<b>3,566,754</b>	<b>581,305</b>	<b>1,660,167</b>	<b>5,808,226</b>	<b>4,793,143</b>
<b><u>Expenditure on:</u></b>						
Raising funds	8	376,236	-	-	376,236	278,417
Charitable activities	9	2,788,627	237,497	991,811	4,017,935	3,674,300
<b>Total expenditure</b>		<b>3,164,863</b>	<b>237,497</b>	<b>991,811</b>	<b>4,394,171</b>	<b>3,952,717</b>
<b>Net incoming resources before transfers</b>		<b>401,891</b>	<b>343,808</b>	<b>668,356</b>	<b>1,414,055</b>	<b>840,426</b>
Gross transfers between funds		(248,579)	611,110	(362,531)	-	-
<b>Net income for the year/ Net movement in funds</b>		<b>153,312</b>	<b>954,918</b>	<b>305,825</b>	<b>1,414,055</b>	<b>840,426</b>
Fund balances at 1 January 2024		1,082,734	8,032,761	1,221,221	10,336,716	9,496,290
<b>Fund balances at 31 December 2024</b>		<b>1,236,046</b>	<b>8,987,679</b>	<b>1,527,046</b>	<b>11,750,771</b>	<b>10,336,716</b>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

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

# KINGSGATE COMMUNITY CHURCH

## STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2024

Prior financial year		Unrestricted funds general 2023 £	Unrestricted funds designated 2023 £	Restricted funds 2023 £	Total 2023 £
	Notes				
<b><u>Income and endowments from:</u></b>					
Donations and legacies	3	2,612,541	-	1,328,059	3,940,600
Charitable activities	4	109,500	-	315,907	425,407
Other trading activities	6	362,286	-	-	362,286
Investments	5	63,552	-	-	63,552
Other income	7	1,298	-	-	1,298
<b>Total income</b>		<b>3,149,177</b>	<b>-</b>	<b>1,643,966</b>	<b>4,793,143</b>
<b><u>Expenditure on:</u></b>					
Raising funds	8	278,417	-	-	278,417
Charitable activities	9	2,408,464	246,712	1,019,124	3,674,300
<b>Total expenditure</b>		<b>2,686,881</b>	<b>246,712</b>	<b>1,019,124</b>	<b>3,952,717</b>
<b>Net incoming resources before transfers</b>		<b>462,296</b>	<b>(246,712)</b>	<b>624,842</b>	<b>840,426</b>
Gross transfers between funds		(345,348)	1,019,679	(674,331)	-
<b>Net income for the year/ Net movement in funds</b>		<b>116,948</b>	<b>772,967</b>	<b>(49,489)</b>	<b>840,426</b>
Fund balances at 1 January 2023		965,786	7,259,794	1,270,710	9,496,290
<b>Fund balances at 31 December 2023</b>		<b>1,082,734</b>	<b>8,032,761</b>	<b>1,221,221</b>	<b>10,336,716</b>

# KINGSGATE COMMUNITY CHURCH

## BALANCE SHEETS

AS AT 31 DECEMBER 2024

	Notes	Group 2024 £	Charity 2024 £	Group 2023 £	Charity 2023 £
<b>Fixed assets</b>					
Tangible assets	17	8,419,212	9,318,099	8,246,195	9,143,152
Investments	18	-	1	-	1
		8,419,212	9,318,100	8,246,195	9,143,153
<b>Current assets</b>					
Stocks	20	4,270	-	4,505	-
Debtors	21	150,284	171,325	168,916	115,561
Cash at bank and in hand		3,501,034	3,269,088	2,463,224	2,439,711
		3,655,588	3,440,413	2,636,645	2,555,272
<b>Creditors: amounts falling due within one year</b>	22	(324,029)	(267,107)	(546,124)	(508,466)
Net current assets		3,331,559	3,173,306	2,090,521	2,046,806
<b>Total assets less current liabilities</b>		11,750,771	12,491,406	10,336,716	11,189,959
<b>Income funds</b>					
Restricted funds	25	1,527,046	1,527,046	1,221,221	1,221,221
<u>Unrestricted funds - general</u>					
Designated funds	26	8,987,679	9,886,566	8,032,761	8,929,718
General unrestricted funds	26	1,236,046	1,077,794	1,082,734	1,039,020
		11,750,771	12,491,406	10,336,716	11,189,959

The financial statements were approved by the board of directors and authorised for issue on 31/12/25 and are signed on its behalf by:



Mr Barry Featherstone

Trustee

Company Registration No. 05124435

# KINGSGATE COMMUNITY CHURCH

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2024

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	Notes	2024 Group £	2024 Charity £	2023 Group £	2023 Charity £
<b>Cash flows from operating activities</b>					
Cash generated from operations	32	1,039,570	831,137	1,054,886	1,038,572
<b>Investing activities</b>					
Purchase of tangible fixed assets		(433,534)	(433,534)	(123,411)	(123,411)
Proceeds on disposal of tangible fixed assets		600,816	600,816	1,298	1,298
Interest received		89,348	89,348	63,552	63,552
<b>Net cash generated from/(used in) investing activities</b>		256,630	256,630	(58,561)	(58,561)
<b>Financing activities</b>					
Repayment of bank loans		(230,347)	(230,347)	(928,639)	(899,230)
<b>Net cash used in financing activities</b>		(230,347)	(230,347)	(928,639)	(899,230)
<b>Net increase in cash and cash equivalents</b>		1,065,853	857,420	67,686	80,781
Cash and cash equivalents at beginning of year		2,463,224	2,439,711	2,395,538	2,358,930
<b>Cash and cash equivalents at end of year</b>		<u>3,529,077</u>	<u>3,297,131</u>	<u>2,463,224</u>	<u>2,439,711</u>

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# KINGSGATE COMMUNITY CHURCH

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 DECEMBER 2024

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#### 1 Accounting policies

##### Charity information

Kingsgate Community Church is a private company limited by guarantee incorporated in England and Wales. The registered office is 2 Staplee Way, Parnwell, Peterborough, PE1 4YT, United Kingdom.

##### 1.1 Accounting convention

The accounts have been prepared in accordance with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared under the historical cost convention, modified to include certain items at fair value. The principal accounting policies adopted are set out below.

##### 1.2 Group financial statements

The financial statements consolidate the results of the charitable company and its subsidiary undertaking KingsGate Trading Limited on a line-by line basis. Intra-group sales and profits are eliminated fully on consolidation. A separate Statement of Financial Activities and Income and Expenditure Account for the charity has not been presented because the charity has taken advantage of the exemption afforded by section 408 of the Companies Act 2006.

##### 1.3 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

##### 1.4 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Designated funds - these are funds set aside by the trustees out of unrestricted general funds for specific future purposes or projects.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

##### 1.5 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

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 (FRS 102). The charity benefits from many voluntary hours and unclaimed out-of-pocket expenses contributed by a number of supporters. The charity is extremely grateful for all these gifts in kind.

# KINGSGATE COMMUNITY CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2024

#### 1 Accounting policies

(Continued)

The charity receives grants in respect of its activities. Income from 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.

Income from trading activities is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

Investment income is accounted for in the period in which the charity is entitled to receipt.

#### 1.6 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

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. It is categorised under the following headings:

- Costs of raising funds;
- Expenditure on charitable activities; and
- Other expenditure which represents those items not falling into the categories above.

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

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs and other administrative costs. 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.

#### 1.7 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

All assets costing more than £250 are capitalised. No depreciation is provided on freehold land.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold buildings	1% p.a. straight line
Office equipment	25% p.a. reducing balance
Computer equipment	25% p.a. straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

# KINGSGATE COMMUNITY CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

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### 1 Accounting policies

(Continued)

#### 1.8 Fixed asset investments

A subsidiary is an entity controlled by the charity. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

Investments in subsidiaries are measured at cost less impairment.

#### 1.9 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

#### 1.10 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing stock to its present location and condition. Cost is calculated using the first in, first out formula. Provision is made for damaged, obsolete and slow-moving stock where appropriate.

#### 1.11 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, and other short-term liquid investments with original maturities of three months or less.

#### 1.12 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### **Basic financial liabilities**

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

# KINGSGATE COMMUNITY CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2024

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#### 1 Accounting policies

(Continued)

##### ***Derecognition of financial liabilities***

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

#### 1.13 Taxation

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

#### 1.14 Provisions

Provisions are recognised when the charity has a legal or constructive present obligation as a result of a past event, it is probable that the charity will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value, the unwinding of the discount is recognised as a finance cost in net income/(expenditure) in the period in which it arises.

#### 1.15 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### 1.16 Leases

Rentals payable under operating leases, including any lease incentives received, are charged as an expense on a straight line basis over the term of the relevant lease.

#### 2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

# KINGSGATE COMMUNITY CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2024

#### 3 Donations and legacies

	Unrestricted funds general £	Unrestricted funds designated £	Restricted funds £	Total 2024 £	Total 2023 £
Gifts and offerings	618,985	9,348	168,198	796,531	939,805
Covenants and gift aid	1,600,981	-	798,816	2,399,797	2,242,238
Income tax repayments	510,857	-	125,429	636,286	584,420
Grants received	-	-	391,876	391,876	174,137
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>For the year ended 31 December 2024</b>	<b>2,730,823</b>	<b>9,348</b>	<b>1,484,319</b>	<b>4,224,490</b>	<b>3,940,600</b>
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>For the year ended 31 December 2023</b>	<b>2,612,541</b>	<b>-</b>	<b>1,328,059</b>		<b>3,940,600</b>
	<hr/>	<hr/>	<hr/>		<hr/>

The charity benefits from a number of voluntary hours, unclaimed out-of-pocket expenses and gifts in kind contributed by a number of supporters which are not accounted for. The charity is extremely grateful for all these gifts in kind.

#### Grants receivable for core activities

Peterborough City Council	-	-	148,250	148,250	71,569
The Trussell Trust	-	-	138,088	138,088	92,140
Church Revitalisation Trust	-	-	56,250	56,250	10,000
People's Postcode Lottery	-	-	30,000	30,000	-
Cummins Grant	-	-	19,288	19,288	-
Other	-	-	-	-	428
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	<b>-</b>	<b>-</b>	<b>391,876</b>	<b>391,876</b>	<b>174,137</b>
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

# KINGSGATE COMMUNITY CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2024

#### 4 Charitable activities

	2024 £	2023 £
Courses and events	72,999	46,632
Foodbank income	79,108	96,370
Community action income	31,314	43,167
Learning communities	96,740	219,537
Miscellaneous income	30,984	19,701
	<u>311,145</u>	<u>425,407</u>
<b>Analysis by fund</b>		
Unrestricted funds	135,297	109,500
Restricted funds	175,848	315,907
	<u>311,145</u>	<u>425,407</u>

#### 5 Investments

	Unrestricted funds general 2024 £	Unrestricted funds general 2023 £
Interest receivable	89,348	63,552
	<u>89,348</u>	<u>63,552</u>

#### 6 Other trading activities

	2024 £	2023 £
Commercial operations in trading subsidiary	610,825	362,286
	<u>610,825</u>	<u>362,286</u>

#### 7 Other income

	Unrestricted funds general 2024 £	Unrestricted funds designated 2024 £	Total Unrestricted funds general 2024 £	Unrestricted funds general 2023 £
Net gain on disposal of tangible fixed assets	461	571,957	572,418	1,298
	<u>461</u>	<u>571,957</u>	<u>572,418</u>	<u>1,298</u>

# KINGSGATE COMMUNITY CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

### 8 Raising funds

	2024	2023
	£	£
<u>Commercial operations in trading subsidiary</u>		
Staff costs	208,375	164,134
Direct costs	151,362	96,900
Administrative expenses	16,499	17,383
	<u>376,236</u>	<u>278,417</u>

### 9 Charitable activities

	2024	2023
	£	£
Staff costs	1,997,711	1,773,247
Depreciation	230,192	246,712
Outreach and Community Action	538,484	407,117
Sunday Experience and Connect	318,825	259,289
Pastoral Care	211,626	170,940
Equip and Leadership Development	167,821	296,585
Overseas Mission	109,414	109,922
Facilities	301,340	281,591
	<u>3,875,413</u>	<u>3,545,403</u>
Share of support costs (see note 10)	131,222	117,607
Share of governance costs (see note 10)	11,300	11,290
	<u>4,017,935</u>	<u>3,674,300</u>
<b>Analysis by fund</b>		
Unrestricted funds	2,788,627	2,408,464
Unrestricted funds - designated	237,497	246,712
Restricted funds	991,811	1,019,124
	<u>4,017,935</u>	<u>3,674,300</u>

# KINGSGATE COMMUNITY CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2024

10 Support costs	Support costs £	Governance costs £	2024 £	2023 £
Office costs	118,691	-	118,691	105,072
Printing, postage and stationery	5,101	-	5,101	5,133
Photocopying	7,430	-	7,430	7,402
Audit and accountancy fees	-	11,300	11,300	11,290
	<u>131,222</u>	<u>11,300</u>	<u>142,522</u>	<u>128,897</u>

#### 11 Trustees

Trustees' remuneration is permitted under certain limited circumstances, if paid as an employee, under the terms of the charity's governing document. During the year, remuneration was paid to one Trustee amounting to £79,425 (2023 - £79,212). Employer pension contributions for this Trustee were £24,640 (2023 - £12,621). No Trustees waived any remuneration.

One Trustee (2023 - one) is accruing pension arrangements.

During the year a trustee received reimbursement of expenses amounting to £931 (2023 - two trustees received £672) of which £7 (2023 - £4) was outstanding at the year end and included within trade creditors.

#### 12 Auditor's remuneration

The analysis of auditor's remuneration is as follows:	2024 £	2023 £
Audit of the charity's annual accounts	8,200	7,795
<b>Other services to the group</b> - the audit of the subsidiary	<u>3,100</u>	<u>2,950</u>
<b>Total audit fees</b>	<u>11,300</u>	<u>10,745</u>
<b>Non-audit services</b>		
All other non-audit services - charity	3,700	3,495
All other non-audit services - subsidiary	1,275	1,200
<b>Total non-audit fees</b>	<u>4,975</u>	<u>4,695</u>

# KINGSGATE COMMUNITY CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2024

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#### 13 Surplus for the financial year

As permitted by section 408 of the Companies Act 2006, the holding company's surplus has not been included in these financial statements. The surplus for the financial year is made up as follows:

	2024 £	2023 £
Holding company's gross income for the financial year	5,255,649	4,476,399
Holding company's surplus for the financial year	1,301,446	801,287

# KINGSGATE COMMUNITY CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2024

#### 14 Commercial operations in trading subsidiary

The wholly owned trading subsidiary, KingsGate Trading Limited, which is incorporated in England and Wales, pays a proportion of its profits to the charity by gift aid. KingsGate Trading Limited operates the resources centre and room hire at KingsGate Community Church. The charity owns the entire issued share capital of 1 ordinary share at £1 each. A summary of the trading results is shown below.

<b>KingsGate Trading Limited Profit &amp; Loss Account</b>	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Turnover	608,794	361,728
Cost of sales	(359,737)	(261,034)
Administration costs	(16,862)	(17,577)
Other income and interest received	2,031	619
Interest payable	-	(454)
Net profit	234,226	83,282
Add: sales made to charity	5,762	812
Less: management charges paid to charity	(61,519)	(36,168)
Dividend paid to charity	178,469	47,926
	(66,224)	(9,374)
Tax on loss on ordinary activities	112,245	38,552
	363	587
Retained in the subsidiary	112,608	39,139
<b>KingsGate Trading Limited Balance Sheet</b>	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Fixed assets	5,787	7,717
Current assets	273,160	83,763
Current liabilities	(114,907)	(40,048)
Long term liabilities	-	-
Total net assets	164,040	51,432
Aggregate share capital and reserves	164,040	51,432

#### 15 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

# KINGSGATE COMMUNITY CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2024

#### 16 Employees

##### Number of employees

The average monthly number of employees during the year was:

	<b>2024</b>	<b>2023</b>
	<b>Number</b>	<b>Number</b>
KingsGate Community Church	59	54
KingsGate Trading Limited	20	20
	<u>79</u>	<u>74</u>

<b>Employment costs</b>	<b>2024</b>	<b>2024</b>	<b>2024</b>	<b>2023</b>
	<b>Charity</b>	<b>Subsidiary</b>	<b>Group</b>	<b>Group</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Wages and salaries	1,727,482	191,786	1,919,268	1,704,809
Social security costs	170,045	10,663	180,708	154,388
Other pension costs	100,184	5,926	106,110	78,184
	<u>1,997,711</u>	<u>208,375</u>	<u>2,206,086</u>	<u>1,937,381</u>

The number of employees whose annual remuneration was £60,000 or more were:

	<b>2024</b>	<b>2023</b>
	<b>Number</b>	<b>Number</b>
£60,001 - £70,000	2	2
£70,001 - £80,000	1	1
	<u>3</u>	<u>3</u>

The above employees participated in the pension scheme. During the year ended 31 December 2024, pension contributions for these employees amounted to £31,165 (2023 - £18,098).

# KINGSGATE COMMUNITY CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2024

#### 17 Tangible fixed assets

Group	Freehold land and buildings	Plant and equipment	Total
	£	£	£
<b>Cost</b>			
At 1 January 2024	8,951,826	1,925,257	10,877,083
Additions	337,965	95,569	433,534
Disposals	(28,043)	(133,081)	(161,124)
At 31 December 2024	9,261,748	1,887,745	11,149,493
<b>Depreciation</b>			
At 1 January 2024	1,183,437	1,447,448	2,630,885
Depreciation charged in the year	87,250	144,872	232,122
Eliminated in respect of disposals	-	(132,726)	(132,726)
At 31 December 2024	1,270,687	1,459,594	2,730,281
<b>Carrying amount</b>			
At 31 December 2024	7,991,061	428,151	8,419,212
At 31 December 2023	7,768,386	477,809	8,246,195
<b>Charity</b>			
	Freehold land and buildings	Plant and equipment	Total
	£	£	£
<b>Cost</b>			
At 1 January 2024	9,856,500	1,845,760	11,702,260
Additions	337,965	95,569	433,534
Disposals	(28,043)	(133,081)	(161,124)
At 31 December 2024	10,166,422	1,808,248	11,974,670
<b>Depreciation</b>			
At 1 January 2024	1,183,437	1,375,668	2,559,105
Depreciation charged in the year	87,250	142,942	230,192
Eliminated in respect of disposals	-	(132,726)	(132,726)
At 31 December 2024	1,270,687	1,385,884	2,656,571
<b>Carrying amount</b>			
At 31 December 2024	8,895,735	422,364	9,318,099
At 31 December 2023	8,673,060	470,092	9,143,152

# KINGSGATE COMMUNITY CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2024

#### 17 Tangible fixed assets (Continued)

All assets are used for direct charitable purposes.

Included within land and buildings is an amount of £1,443,957 (2023 - £1,472,000) in respect of land which is not depreciated.

#### 18 Fixed asset investments

	<b>Investment in subsidiaries</b> £
<b>Group</b>	
<b>Cost or valuation</b>	
At 1 January 2024 & 31 December 2024	-
	<hr style="border-top: 1px solid black;"/>
<b>Charity</b>	
<b>Cost or valuation</b>	
At 1 January 2024 & 31 December 2024	1
	<hr style="border-top: 1px solid black;"/>

The investment represents a 100% shareholding in KingsGate Trading Limited, a company incorporated in England and Wales.

For details of the principal activity and results for the year, see note 13.

	<b>Group</b>	<b>Charity</b>	<b>Group</b>	<b>Charity</b>
	<b>2024</b>	<b>2024</b>	<b>2023</b>	<b>2023</b>
	£	£	£	£
<b>Carrying amount of financial assets</b>				
Trade debtors	45,761	17,092	59,045	20,056
Other debtors	15	15	1,523	1,523
Amounts due from subsidiary undertakings	-	57,985	-	-
Bank and cash	3,501,034	3,269,088	2,463,224	2,439,711
Fixed asset investments	-	1	-	1
	<hr style="border-top: 1px solid black;"/>	<hr style="border-top: 1px solid black;"/>	<hr style="border-top: 1px solid black;"/>	<hr style="border-top: 1px solid black;"/>
Measured at cost	3,546,810	3,344,181	2,523,792	2,461,291
	<hr style="border-top: 1px solid black;"/>	<hr style="border-top: 1px solid black;"/>	<hr style="border-top: 1px solid black;"/>	<hr style="border-top: 1px solid black;"/>
<b>Carrying amount of financial liabilities</b>				
Trade creditors	33,021	27,356	44,859	40,347
Accruals	187,755	177,079	164,897	158,007
Bank loans	-	-	230,347	230,347
Amounts due to subsidiary undertakings	-	-	-	2,390
	<hr style="border-top: 1px solid black;"/>	<hr style="border-top: 1px solid black;"/>	<hr style="border-top: 1px solid black;"/>	<hr style="border-top: 1px solid black;"/>
Measured at cost	220,776	204,435	440,103	431,091
	<hr style="border-top: 1px solid black;"/>	<hr style="border-top: 1px solid black;"/>	<hr style="border-top: 1px solid black;"/>	<hr style="border-top: 1px solid black;"/>

# KINGSGATE COMMUNITY CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2024

20	Stocks	2024 Group £	2024 Charity £	2023 Group £	2023 Charity £
	Finished goods and goods for resale	4,270	-	4,505	-
21	Debtors	2024 Group £	2024 Charity £	2023 Group £	2023 Charity £
	<b>Amounts falling due within one year:</b>				
	Trade debtors	45,761	17,092	59,045	20,056
	Income tax recoverable	50,486	50,486	46,773	46,773
	Amounts due from subsidiary undertakings	-	57,985	-	-
	Other debtors	15	15	1,523	1,523
	Prepayments and accrued income	47,898	45,747	55,814	47,209
		144,160	171,325	163,155	115,561
	Deferred tax asset	6,124	-	5,761	-
		150,284	171,325	168,916	115,561
22	Creditors: amounts falling due within one year	2024 Group £	2024 Charity £	2023 Group £	2023 Charity £
	Bank loans	-	-	230,347	230,347
	Other taxation and social security	57,090	39,989	50,806	37,729
	Deferred income	23,812	2,550	18,588	3,750
	Trade creditors	33,021	27,356	44,859	42,347
	Amounts due to subsidiary undertakings	-	-	-	2,390
	Other creditors	22,351	20,133	36,627	35,896
	Accruals	187,755	177,079	164,897	156,007
		324,029	267,107	546,124	508,466

Deferred income for the charity is income received for Learning Communities that relates to the year ended 31 December 2025. Additional deferred income for the group relates to deposits for room hire bookings received in advance.

# KINGSGATE COMMUNITY CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

### 23 Loans and overdrafts

	2024 Group £	2024 Charity £	2023 Group £	2023 Charity £
Bank loans	-	-	230,347	230,347
Payable within one year	-	-	230,347	230,347

During the year the loan has been repaid in full. The charity bank borrowings were secured over the assets of the group.

### 24 Provision for liabilities

Deferred taxation Balances:	2024 Group £	2024 Charity £	2023 Group £	2023 Charity £
Tax losses	6,124	-	5,761	-

Movements in the year:	2024 £
Liability/(Asset) at 1 January 2024	(5,761)
Credit to profit or loss	(363)
Liability/(Asset) at 31 December 2024	(6,124)

The deferred tax asset set out above is expected to reverse within the foreseeable future and relates to the utilisation of tax losses against future expected profits of the same period.

# KINGSGATE COMMUNITY CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

### 25 Restricted funds

#### Group and Charity

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 January 2023 £	Movement in funds			Balance at 1 January 2024 £	Movement in funds			Balance at 31 December 2024 £
		Income £	Expenditure £	Transfers £		Income £	Expenditure £	Transfers £	
Building fund - Cambridge	88,784	51,763	(5,176)	1,525	136,896	53,863	(5,386)	113,016	298,389
Mission fund	424,489	385,930	(425,102)	68,510	453,827	435,753	(384,541)	74,471	579,510
Body needs fund - Peterborough	19,381	3,750	(6,119)	30,255	47,267	1,124	(8,800)	-	39,591
Body needs fund - Cambridge	900	-	(900)	4,000	4,000	-	(1,200)	-	2,800
Foodbank fund	296,988	100,337	(120,559)	-	276,766	119,663	(118,435)	-	277,994
Peterborough CAB worker grant	21,074	83,927	(77,266)	-	27,735	127,534	(89,847)	-	65,422
Leadership Academy	-	-	-	-	-	5,560	(13,934)	56,255	47,881
Together on purpose	169,086	-	(34,278)	(76,088)	58,720	8,912	-	(57,371)	10,261
Learning Community fund	102,142	219,537	(276,014)	-	45,665	97,307	(142,972)	-	-
2020 vision fund	30,969	-	(2,067)	-	28,902	-	(4,893)	-	24,009
Children's work	7,563	-	(5,048)	-	2,515	-	-	-	2,515
Parnwell Hub grant	16,890	565	(1,805)	-	15,650	-	(150)	-	15,500
Peterborough - Love Your Neighbour	-	10,000	(10,000)	-	-	35,000	-	(35,000)	-
Winter Support fund	2,005	40,000	(6,476)	-	35,529	20,000	(45,223)	-	10,306
Care Leavers White Goods	9,115	-	(6,595)	-	2,520	-	-	-	2,520
Food Pantry fund	17,425	21,116	(28,046)	-	10,495	66,401	(52,925)	32,459	56,430
Syrian and Afghan Refugees	-	9,069	(9,069)	-	-	7,553	(5,778)	-	1,775
Romanian Fund	1,270	205	(1,475)	-	-	-	-	-	-
Carried forward to next page	1,208,081	926,199	(1,015,995)	28,202	1,146,487	978,670	(874,084)	183,830	1,434,903

# KINGSGATE COMMUNITY CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2024

25 Restricted funds	Balance at 1 January 2023 £	Movement in funds			Balance at 1 January 2024 £	Movement in funds			Balance at 31 December 2024 £
		Income £	Expenditure £	Transfers £		Income £	Expenditure £	Transfers £	
Brought forward	1,208,081	926,199	(1,015,995)	28,202	1,146,487	978,670	(874,084)	183,830	1,434,903
The Church We See	62,629	10,169	(1,017)	(25,526)	46,255	-	-	-	46,255
Radical Disciples	-	685,098	-	(677,007)	8,091	22,475	(3,371)	(27,195)	-
Think Bigger and Beyond	-	-	-	-	-	565,080	(56,761)	(507,236)	1,083
Household Support Fund	-	22,500	(2,112)	-	20,388	93,942	(57,595)	(11,930)	44,805
	<u>1,270,710</u>	<u>1,643,966</u>	<u>(1,019,124)</u>	<u>(674,331)</u>	<u>1,221,221</u>	<u>1,660,167</u>	<u>(991,811)</u>	<u>(362,531)</u>	<u>1,527,046</u>

The Building funds are held to fund improvements to the premises at Peterborough and to finance any future Cambridge building needs. Once expended a transfer is made to a designated fund representing the interest in the land and property.

The Mission fund arises from the commitment to spend 10% of all income on mission activities. These include community action, launching new Centres, overseas missions and gifts to other ministries.

The Body Needs fund represents funds to support members of the church community who are in financial hardship.

The Foodbank fund represents funds provided to support the running of a foodbank across Peterborough.

PCAS grant was a grant received from the City Council for the provision of emergency food and furniture upon referral from the Peterborough Community Assistance scheme.

The Leadership Academy Fund was from funds raised from an offering received in March 2024, to fund a programme to raise and develop new leaders.

The Together on Purpose fund was an offering received in September 2021 to finance key areas of the Together on Purpose vision; Leadership Development, Media and Technology to support our online presence and community action initiatives.

The Learning Community fund represents income and expenses in relation to educational events hosted in partnership with Gateway Church (Dallas), ARC and Stewardship.

# KINGSGATE COMMUNITY CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2024

#### 25 Restricted funds

(Continued)

The 2020 Vision fund was an offering received over a 4 year period to finance 5 key areas of the 2020 Vision; Inside out initiatives, Leadership Development, Launching new Centres, Technology and building needs.

The Children's Work fund was a donation received given specifically for the benefit of the Children's Ministry.

The Parnwell Hub grant was a grant received from the City Council to run community development activities in Parnwell with a range of partner agencies.

The Love Your Neighbour grant was a grant received from the Church Revitalisation Trust for the provision of emergency food, support the running of Care Zone and to launch a new Debt Advice Service.

The Winter Support Fund was a grant received from Peterborough City Council for the provision of emergency food and white goods upon referral from the Peterborough Community Assistance scheme.

Care Leavers Goods Fund - Peterborough City Council provided funding for Care Zone to supply furniture and white goods to care leavers.

Food Pantry - KingsGate is setting up a food pantry in Parnwell for families facing long term food insecurity.

Syrian and Afghan Refugee fund - Care Zone is working in partnership with other organisations to resettle refugees from Syrian and Afghanistan into the city. Peterborough City Council has provided funding to enable to Care Zone to increase its capacity to provide furniture for these families.

Romanian Fund included a grant received in 2021 from the local council to help with the COVID relief efforts within the Peterborough Romanian Community, and also includes giving to help support KingsGate members setting up a church in Cluj, Romania.

The Church We See fund was an offering received in March 2022. 60% was used to make a one-off mortgage payment, 15% was set aside into a Cambridge building fund and the remainder is for Leadership Development and other projects.

The Radical Disciples fund was an offering received in March 2023. 85% was used to make a one-off mortgage payment and 5% was set aside for body needs.

The Think Bigger and Beyond Fund was an offering received in March 2024. 60% was used for Peterborough Building Development, 20% was set aside into a Cambridge Building Fund, and 10% was to develop a Leadership Academy.

The Household Support Fund is a grant awarded by Peterborough City Council to buy food stock for the KingsGate Food Pantry that supports families facing long-term food insecurity and emergency white goods to be distributed by Care Zone.

**KINGSGATE COMMUNITY CHURCH**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**

**26 Designated funds**

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

Group	Balance at 1 January 2023		Transfers		Balance at 1 January 2024		Movement in funds			Balance at 31 December 2024	
	£	£	£	£	£	£	Income	Expenditure	Transfers	£	£
Interest in land and property	6,722,682	(83,871)	899,230	7,538,041	-	540,270	-	(87,250)	540,270	7,991,061	
Interest in fixed assets	520,202	(162,842)	120,449	477,809	-	93,284	-	(142,942)	93,284	428,151	
Fixed asset fund	16,911	-	-	16,911	-	9,488	-	-	9,488	26,399	
Land sale	-	-	-	-	581,305	(31,932)	581,305	(7,305)	(31,932)	542,068	
	<b>7,259,795</b>	<b>(246,713)</b>	<b>1,019,679</b>	<b>8,032,761</b>	<b>581,305</b>	<b>(237,497)</b>	<b>581,305</b>	<b>(237,497)</b>	<b>611,110</b>	<b>8,987,679</b>	
<b>Charity</b>											
	<b>7,627,356</b>	<b>(83,871)</b>	<b>899,230</b>	<b>8,442,715</b>	<b>-</b>	<b>(87,250)</b>	<b>-</b>	<b>(87,250)</b>	<b>540,270</b>	<b>8,895,735</b>	
Interest in land and property	509,522	(162,842)	123,412	470,092	-	95,214	-	(142,942)	95,214	422,364	
Interest in fixed assets	16,911	-	-	16,911	-	9,488	-	-	9,488	26,399	
Fixed asset fund	-	-	-	-	581,305	(7,305)	581,305	(7,305)	(31,932)	542,068	
Land sale	<b>8,153,789</b>	<b>(246,713)</b>	<b>1,022,642</b>	<b>8,929,718</b>	<b>581,305</b>	<b>(237,497)</b>	<b>581,305</b>	<b>(237,497)</b>	<b>613,040</b>	<b>9,886,566</b>	

# KINGSGATE COMMUNITY CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2024

#### 26 Designated funds

(Continued)

The designated fund for interest in land and property is an amount transferred from restricted funds in respect of restricted expenditure that has been capitalised in fixed assets. This fund will be utilised as depreciation is charged on the property.

The interest in fixed assets fund represents the net book value of equipment and vehicles.

The Land sale fund is proceeds from the sale of a small strip of land owned by KingsGate.

#### 26 Unrestricted funds

Group	Balance at 1 January 2023	Movement in funds			Balance at 1 January 2024	Movement in funds			Balance at 31 December 2024
		Income	Expenditure	Transfers		Income	Expenditure	Transfers	
	£	£	£	£	£	£	£	£	£
General fund	965,786	3,149,177	(2,686,881)	(345,348)	1,082,734	3,566,754	(3,164,863)	(248,579)	1,236,046
	965,786	3,149,177	(2,686,881)	(345,348)	1,082,734	3,566,754	(3,164,863)	(248,579)	1,236,046
Charity									
General fund	964,174	2,832,435	(2,409,278)	(348,311)	1,039,020	3,017,448	(2,728,165)	(250,509)	1,077,794
	964,174	2,832,435	(2,409,278)	(348,311)	1,039,020	3,017,448	(2,728,165)	(250,509)	1,077,794

# KINGSGATE COMMUNITY CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

### 27 Analysis of net assets between funds

Group	Unrestricted funds		Designated funds		Restricted funds		Endowment funds		Total Unrestricted funds		Designated funds		Restricted funds		Total	
	2023	£	2023	£	2023	£	2023	£	2023	£	2023	£	2024	£	2024	£
Fund balances at 31 December 2024 are represented by:																
Tangible assets	-		8,246,195		-		-		8,246,195		8,419,212		-		8,419,212	
Current assets/(liabilities)	1,082,734		(213,434)		1,221,221		-		2,090,521		568,467		1,527,046		3,331,559	
	1,082,734		8,032,761		1,221,221		-		10,336,716		8,987,679		1,527,046		11,750,771	
<b>Charity</b>																
Fund balances at 31 December 2024 are represented by:																
Tangible assets	-		9,143,152		-		-		9,143,152		9,318,099		-		9,318,099	
Investments	1		-		-		-		1		1		-		1	
Current assets/(liabilities)	1,039,019		(213,434)		1,221,221		-		2,046,806		1,077,792		1,527,046		3,173,305	
	1,039,020		8,929,718		1,221,221		-		11,189,959		1,077,793		9,886,566		12,491,405	

# KINGSGATE COMMUNITY CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2024

#### 29 Control

No one individual has overall control of the charity.

#### 30 Operating lease commitments

##### Group and charity

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2024 £	2023 £
Within one year	22,710	35,985
Between two and five years	-	22,710
	<u>22,710</u>	<u>58,695</u>

#### 31 Related party transactions

##### Remuneration of key management personnel

The total amount of employee benefits (including employer's pension contributions) received by key management personnel is £573,140 (2023 - £504,349). The charity considers its key management personnel comprises of the members of the Multisite Strategy team.

##### Transactions with related parties

During the year:

Management charges of £61,519 (2023 - £36,168) were charged to KingsGate Trading Limited.

Wages costs are recharged between the Charity and KingsGate Trading Limited, resulting in net income to the Charity of £4,765 (2023 - £15,794).

A gift aided donation of £66,224 (2023 - £9,374) was also received from KingsGate Trading Limited with a further £155,672 (2023 - £41,515) to be paid after the year end.

Included within debtors is £57,985 (2023 - £2,391) due from KingsGate Trading Limited.

Donations of £135,254 (2023 - £111,125) were received during the year from six Trustees or Directors of the subsidiary company (2023 - seven). No conditions were attached to these donations.

During a prior year the charity had an arrangement with a third party to create videos based on a book authored by D Smith, a trustee. Many churches and individuals benefitted from the videos, as did KingsGate. The creation of the videos promoted books sales and therefore may have impacted on royalties earned by D Smith, but it is not possible to quantify the effect. A proportion of royalties from the book earned by D Smith will be gifted back to the project and the church will receive an equal share of any surplus generated from video sales over and above costs incurred.

# KINGSGATE COMMUNITY CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2024

32 Cash generated from operations	2024 Group £	2024 Charity £	2023 Group £	2023 Charity £
Surplus for the year	1,414,055	1,414,055	840,426	801,287
Adjustments for:				
Investment income recognised in statement of financial activities	(89,348)	(89,348)	(63,552)	(63,552)
Gain on disposal of tangible fixed assets	(572,418)	(572,418)	(1,298)	(1,298)
Depreciation of tangible fixed assets	232,122	230,192	249,675	246,712
Movements in working capital:				
Decrease in stocks	235	235	5,367	-
(Increase) in debtors	22,708	22,708	(9,930)	33,384
Increase in creditors	3,028	3,028	34,198	22,039
<b>Cash generated from operations</b>	<u>1,010,382</u>	<u>1,008,452</u>	<u>1,054,886</u>	<u>1,038,572</u>

### 33 Analysis of changes in net funds

Group	At 1 January 2024 £	Cash flows £	At 31 December 2024 £
Cash at bank and in hand	2,463,224	1,037,810	3,501,034
Loans falling due within one year	(230,347)	230,347	-
	<u>2,232,877</u>	<u>1,268,157</u>	<u>3,501,034</u>
Charity	At 1 January 2024 £	Cash flows £	At 31 December 2024 £
Cash at bank and in hand	2,439,711	829,377	3,269,088
	<u>2,439,711</u>	<u>829,377</u>	<u>3,269,088</u>
Loans falling due within one year	(230,347)	230,347	-
	<u>2,209,364</u>	<u>1,059,724</u>	<u>3,269,088</u>

**KINGSGATE COMMUNITY CHURCH**

England & Wales - Charity number 1106273

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# Accounts

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**Charity registration number 1106273**

**Company registration number 05124435 (England and Wales)**

**KINGSGATE COMMUNITY CHURCH  
ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023**

# KINGSGATE COMMUNITY CHURCH

## LEGAL AND ADMINISTRATIVE INFORMATION

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**Directors and Trustees**

Dr David Smith (Chairman)  
Mr Norman Paskin  
Mr Barry Featherstone  
Mr Matthew Negus  
Mr Samson Abioye  
Ms Lydia Opayinka

(Appointed 6 January 2023)

**Secretary**

Mrs Sally Duffy

**Multisite Strategy Team**

Dr David Smith  
Mrs Karen Smith  
Mr Simon Deeks  
Mrs Sally Duffy  
Mr Jim Thody  
Mrs Jasmine Allen  
Mr Phil Timson  
Mrs Zia Deeks  
Mrs Sharon Keogh  
Mr Simon Benn

**Charity number**

1106273

**Company number**

05124435

**Principal office**

2 Staplee Way  
Parnwell  
Peterborough  
United Kingdom  
PE1 4YT

**Auditor**

Azets Audit Services  
Westpoint  
Lychwood  
Peterborough  
Cambridgeshire  
PE2 6FZ  
United Kingdom

**Bankers**

Allied Irish Bank  
61/62 The Mall  
London  
United Kingdom  
W5 3TA

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# KINGSGATE COMMUNITY CHURCH

## LEGAL AND ADMINISTRATIVE INFORMATION

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**Solicitors**

Hegarty LLP  
48 Broadway  
Peterborough  
United Kingdom  
PE1 1YW

The directors of the charitable company (the charity) are its trustees for the purpose of charity law and throughout this report are collectively referred to as its trustees.

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# KINGSGATE COMMUNITY CHURCH

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# KINGSGATE COMMUNITY CHURCH

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

### FOR THE YEAR ENDED 31 DECEMBER 2023

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The trustees present their annual report and financial statements for the year ended 31 December 2023.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2019)

#### **Objectives and activities**

##### The Objectives of The Charity

The charity's purposes, as set out in the objects contained in the company's memorandum of association, are:

1. The advancement of the Christian faith in accordance with the doctrine set out in the underwritten Fourth Schedule and the worship of God in the said county and elsewhere by any means whatsoever including (but not by way of limitation) the preaching and proclamation of the Christian gospel, the teaching of the Christian Doctrine and principles, the pastoral care of Christian people and the printing and distribution of the Bible and Christian literature including video, and audio recordings and by any other media which is, or may become, available.
2. The relief of persons who are in conditions of need, hardship, or distress or who are aged or sick.
3. The advancement of education on the basis of Christian principles and, without prejudice, to the generality of the foregoing, the provision of such education in any educational establishment and, if the Trustees so decide, the provision of one or more charitable educational establishments for the general education of children and adults on the basis of such Christian principles.

##### 2023 Vision, Values and Strategic Priorities

In 2023, the Strategic Leadership Team of KingsGate Community Church reaffirmed the vision, values, and strategic priorities of the Church as:

**Vision:** 'Transforming Lives from our Neighbourhoods to the Nations by the Power of God's Love'.

**Values:** Word, Spirit, Worship, Prayer, Fellowship, Discipleship, Mission, and Stewardship.

##### **Strategic Priorities:**

In 2023 we continued to focus on our core mission, which as a church is "TRANSFORMING LIVES from our neighbourhoods to the nations, by the power of God's love" with an emphasis on being RADICAL DISCIPLES who:

1. Keep on ENCOUNTERING Jesus (Knowing God)
2. Keep on FOLLOWING Jesus (Living in Freedom)
3. Keep on GROWING together in Jesus (Growing in Community)
4. Keep on MISSION with Jesus (Making a difference)

##### 2023 Activities:

The main activity continues to be **teaching via Sunday services and Life Groups both in person and online.**

Other activities in 2023 included:

- **Sunday Services:** In-person services take place every Sunday with two services being held at KingsGate Peterborough and services at KingsGate Cambridge and KingsGate Leicester. Online services continue to be provided via YouTube and the Church Online platform. Average attendance in 2023 was 1,962 across all in person services, a 29% increase on 2022.

# KINGSGATE COMMUNITY CHURCH

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

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**LifeGroups:** LifeGroups continue to be the core way we pastorally care for people within the church family and the main way they grow in their discipleship with Jesus. LifeGroups have continued to meet regularly, either in-person and/or online, and in 2023 we had 1236 adults in LifeGroups. The work on diversifying LifeGroups has continued with all Campuses working on launching and developing pilot groups which aim to provide a mid-week community, with discipleship at its heart, but with the option of being centered around a different focus, other than the Sunday message. We recognise the vital part our volunteer leaders play in providing pastoral support to those in our church family through LifeGroups. The development of the Leadership Community has become an important place for leaders to find input, community and accountability. As we move into 2024, we are now developing a specialist pastoral team who are able to work alongside LifeGroup leaders to provide more specific support tailored to the needs of individuals. We are deeply grateful to all the leaders for what they do in shepherding those under their care.

**Community Action:** The KingsGate Community Action team is focused on supporting people who are struggling against poverty and does this through a range of projects that provide practical support to address food insecurity, furniture poverty, homelessness, and social isolation. During 2023, Community Action projects received the following donations of food and time:

- **Foodbank** – 103.4 tonnes worth £245,058
- **Food Pantry** – 6.22 tonnes worth £14,741
- **Care Zone** – 3,000 furniture items worth approximately £230,000
- **188 volunteers gave over 20,000 hours**, serving the projects during 2023.

**Care Zone, Peterborough:** The furniture bank takes donations from the public of essential furniture, household goods and clothing and gives them free of charge to families facing furniture poverty. In 2023, Care Zone provided furniture for 844 properties and supported 1729 people. Care Zone experienced 23% increase in demand for support, reflecting a broader rise in people facing homelessness locally.

**Foodbank, Peterborough:** Peterborough Foodbank is a partnership of 5 churches and is part of the Trussell Trust Foodbank network. The project helps people in crisis by providing three days' emergency food. In 2023, the foodbank distributed 6463 food parcels and processed 108.78 tonnes of food. The Financial inclusion project funded by Trussell Trust is now embedded into the foodbank and in 2023, the partnership with Citizens Advice Peterborough supported 867 households and achieved £850,954 income gains.

**Debt Advice:** Due to staffing challenges, the KingsGate Community Money Advice Connect Centre operated at reduced capacity in 2023. However, despite this, the team managed to write off £49,466.21 of debt for 14 households.

**Christmas Hampers:** KingsGate was part of the national 'Love Christmas' campaign, receiving match funding from the Revitalise Trust and gave away 2000 hampers across all our campuses. KingsGate worked with approximately forty community partners to ensure that the hampers went to families facing difficulties and the feedback from families was that the hampers were a much-welcomed reminder that they are cared for.

**Food Pantry, Peterborough:** The food pantry exists to support families struggling against long-term food insecurity by providing access to healthy food at reduced prices, giving dignity, choice, and hope. In 2023, the project expanded to open all day and by the end of the year, 120 families had joined the food pantry.

**Community Action, Cambridge:** A volunteer team from KingsGate Cambridge continue to run the Trumpington distribution centre of Cambridge City Foodbank. KingsGate Cambridge also partnered with Besom to run several Besom projects where teams supported local families facing pressures by undertaking gardening and decorating projects.

**Youth:** 2023 has been an exciting year across the youth ministry. Friday night gatherings and Sunday provision has grown by 25%. Youth Camp grew by 30%, with 105 young people attending the annual camp and 75 also attending the Satellites summer camp. 18 young people were baptised in 2023. The Friday ministry model changed to incorporate the LifeGroup Programme, releasing Tuesday nights to focus on leadership development. The Youth work NOCN level 2 online course was developed through the e-learning platform, with the first cohort of leaders working through this training. In addition, 13 Youth team have started the wider KingsGate Ministry training, to better support the ministry needs of our young people.

# KINGSGATE COMMUNITY CHURCH

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2023

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- **Young Adults:** The Young Adults ministry has been significantly strengthened through new leadership in 2023 and has gone from strength to strength, with an increasing sense of community and opportunities for encounter. There are 95 young adults in LifeGroups. Of these, during the year, 54 completed Next Steps, 17 came into Partnership, 18 got baptised and we trained 11 new LG leaders and have 18 on wider KingsGate Ministry training.
- **Children's Ministry:** The Children's ministry continues to offer both in-person and online resources to support families helping their children to encounter God. The teaching program continues to mirror main auditorium teaching across all ages. 2023 has been a year of significant growth in Kids work and numbers are now exceeding pre-pandemic levels across all campuses. Much of the focus has been on managing this growth, with the need to raise and train team and expand and launch new groups. We have relaunched our Mini Movers Group in Peterborough which is proving popular and a good bridging activity for those with young families. The alternative Halloween event 'Light Up the Night' was a huge success, along with Family Films. We are now seeing families engaging with church who had their first contact through these activities. We have been delighted to expand our group of midweek volunteers who come faithfully every week to help us prepare and write materials.
- **Overseas Mission:** 2023 has been even more challenging than 2022 for our key overseas partners. Bulembu, in Eswatini continued to face ongoing issues through the combination of the severe economic challenges created by the pandemic and the ongoing war in Ukraine. If anything, conditions have been even more difficult for the team in Heart for Lebanon as, on the back of rapid inflation and a collapsing economy, they found themselves caught up in the conflict between Hezbollah and Israel as a direct consequence of the fighting between Israel and Hamas. Both organisations, however, have proven to be remarkably resilient and continue to be grateful for our support as they hold out hope to thousands of people in their respective nations. As a result of this, our giving last year again went to help meet immediate need for things such as food, clothing and shelter. Many children continue to be sponsored by individuals within KingsGate through the work of Compassion in many regions of the world. We were also able to respond to global crises by giving financial gifts to World Vision to support their work in Sudan and the Middle East, and for Tearfund for relief work in Turkey.

#### 2023 Radical Disciples Special Offering

In March 2023 we gave into 'The Church We See' Special offering. 85% of the offering raised allowed us to make a one-off payment on the mortgage of £598,931.48. 5% of the offering went into our body needs fund – £34,878.68.

We additionally transferred 10% of this offering, into our Mission Fund. This helps to resource our Community Action projects, as well as resourcing our partnerships with overseas mission projects, as detailed above.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

# KINGSGATE COMMUNITY CHURCH

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2023

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#### Financial review

##### Income

Total income, both restricted and unrestricted, of £4.79 million was received in 2023, an 18.3% increase from 2022 (£4.05 million in 2022). Trading income was £363,286 in 2023, a 48.9% from 2022 (£243,338 in 2022). Total income excluding trading income for 2023 was £4.43 million, a 16.3% increase on 2022 (£3.81 million in 2022).

The charity's main income stream is from tithes and offerings given by church members and regular attendees. In 2023, unrestricted tithes and offerings were £2,845,602 which was a 9.4% increase compared to 2022 (£2,599,602 in 2022). This included £594,355 of unrestricted offerings received by the Cambridge campus, a 6.3% increase compared to 2022 (£558,940 in 2022). It also included £87,655 of unrestricted offerings from our Leicester campus, a 0.6% increase compared to 2022 (£87,126 in 2022).

Restricted offerings were £958,730, which was a 41.6% increase on 2022 (£677,152 in 2022).

##### Expenditure

Expenditure for the year totalled £3,674,300 (2022 – £3,508,624) excluding commercial operations in the trading subsidiary.

During 2023, salaries (excluding salaries within the commercial operations) accounted for 48.3% of 2023 expenditure, £1.77 million, compared to 47.8% of 2022 expenditure (£1.68 million). The charity employs both ministry-based positions, such as pastors, children and youth workers and community action workers, as well as administration and management staff, all of which work under the overall direction of the Strategic Leadership Team.

#### Reserves Policy

It is the policy of the charity to work towards and then maintain unrestricted funds, which are the free reserves of the charity, at a level which equates to approximately three months unrestricted expenditure excluding certain discretionary spend. This would provide sufficient funds to cover salaries and building running costs for three months. Unrestricted funds of the charity were £1.08m on 31<sup>st</sup> December 2023 (excluding interest in land & property). The current reserves level is £600k more than the minimum reserves required.

The need for the charity to hold significant reserves is generated by the employment of 57 full and part time permanent employees along with building running costs of the KingsGate Peterborough building.

It is the charity's policy to monitor growth and income statistics carefully and if income were to continue to fall significantly, take immediate measures to minimise risk.

##### Risk Management

The trustees have assessed the major risks the charity is exposed to and are satisfied that systems are in place to mitigate exposure to the major risks.

#### Future Plans

In 2024 we will be continuing to focus on our core mission, which as a church is "TRANSFORMING LIVES from our neighbourhoods to the nations, by the power of God's love" with an emphasis on going BIGGER AND BEYOND with a particular focus on:

- Effective MISSION
- Strengthening DISCIPLES
- Developing pioneering LEADERS

# KINGSGATE COMMUNITY CHURCH

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

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### **Structure, governance and management**

#### Governing Document

KingsGate Community Church is a company limited by Guarantee with no share capital. It was incorporated as Peterborough Community Church on the 11<sup>th</sup> May 2004 and was registered with the Charity Commission on the same day. It changed its name to KingsGate Community Church from 1<sup>st</sup> February 2008.

None of the trustees have any beneficial interest in the company. All the trustees are members of the company and guarantee to contribute such amount as may be required (not exceeding £10) to the company's assets in the event of a winding up.

KingsGate Community Church business is concluded under the framework of its governing memorandum and articles of association, prepared under the Companies Act 1985.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Dr David Smith (Chairman)

Mr Norman Paskin

Mr Barry Featherstone

Mr Matthew Negus

Mr Samson Abioye

Ms Lydia Opayinka

(Appointed 6 January 2023)

#### Appointment of Trustee Directors

The trustees, who have served during the year and since the year end, are set out on page 2. Trustees are appointed by the board and each year, one third retire by rotation and either new trustees are identified, or previous serving trustees are reappointed.

#### Trustee Induction and Training

All trustees are offered external training which will help them to undertake their roles and responsibilities.

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

#### Organisation

The board of trustees meet at least four times a year. Trustees ensure that the charity remains solvent, is well-run, and delivering the charitable outcomes for the benefit of the public for which it has been set up. The Strategic Leadership Team, which is made up of the Senior Leadership Team and the Multisite Strategy Team, are responsible for the day-to-day running of the organisation. Key strategies identified by the Senior Leadership Team and the Multisite Strategy Team are ratified by Trustees before implementation.

#### Related Parties

KingsGate Trading Ltd, a wholly owned subsidiary, was established on 26<sup>th</sup> January 2007. This subsidiary was incorporated to manage the business activities of the charity including the provision of conference facilities, sale of books and resources. KingsGate Community Church granted a 'licence to use' the building to KingsGate Trading Ltd who started to hire out the building from 1<sup>st</sup> June 2008.

KingsGate Trading Ltd will be making a distribution to the parent company under gift aid of £50,889 (£9,374 was given in 2023 with a further £41,515 in 2024) and also paid a management charge of £36,168 for the trading period (2022 – £3,144 distribution under gift aid, £23,664 management charge). KingsGate Trading Ltd recorded a profit for the year of £84,680 before distribution to the parent company under gift aid (2022 a profit of £42,661).

# KINGSGATE COMMUNITY CHURCH

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

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### Auditor

In accordance with the company's articles, a resolution proposing that Azets Audit Services be reappointed as auditor of the company will be put at a General Meeting.

### Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The trustees' report was approved by the Board of Trustees.



.....  
**Mr Barry Featherstone**

Trustee

Dated: 23/1/24

# KINGSGATE COMMUNITY CHURCH

## STATEMENT OF TRUSTEES' RESPONSIBILITIES

*FOR THE YEAR ENDED 31 DECEMBER 2023*

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The trustees, who are also the directors of Kingsgate Community Church for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# KINGSGATE COMMUNITY CHURCH

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF KINGSGATE COMMUNITY CHURCH

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#### Opinion

We have audited the accounts of Kingsgate Community Church (the 'charity') and its subsidiary for the year ended 31 December 2023 which comprise the Group Statement of Financial Activities, the Group and Parent Charitable Company Balance Sheets, the Group and Parent Charitable Company Cash Flow Statements and the notes to the accounts, 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 Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Group and Parent charitable company's affairs as at 31 December 2023 and of its incoming resources and application of resources, 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 contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this 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 our audit:

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

# KINGSGATE COMMUNITY CHURCH

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE MEMBERS OF KINGSGATE COMMUNITY CHURCH

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#### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the Group and Parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the 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 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; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

#### **Responsibilities of trustees**

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose 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 charitable company 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 these financial statements.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

# KINGSGATE COMMUNITY CHURCH

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE MEMBERS OF KINGSGATE COMMUNITY CHURCH

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#### **Extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the entity through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

#### **Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company'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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



**Tracey Richardson BSc (Hons) FCA (Senior Statutory Auditor)**  
for and on behalf of Azets Audit Services

28/6/24  
.....

**Chartered Accountants**  
**Statutory Auditor**

Westpoint  
Lynch Wood  
Peterborough  
Cambridgeshire  
United Kingdom  
PE2 6FZ

# KINGSGATE COMMUNITY CHURCH

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2023

### Current financial year

	Notes	Unrestricted funds general 2023 £	Unrestricted funds designated 2023 £	Restricted funds 2023 £	Total 2023 £	Total 2022 £
<b>Income and endowments from:</b>						
Donations and legacies	3	2,676,093	-	1,328,059	4,004,152	3,277,002
Charitable activities	4	109,500	-	315,907	425,407	524,648
Other trading activities	5	362,286	-	-	362,286	243,338
Other income	6	1,298	-	-	1,298	7,206
<b>Total income</b>		<b>3,149,177</b>	<b>-</b>	<b>1,643,966</b>	<b>4,793,143</b>	<b>4,052,194</b>
<b>Expenditure on:</b>						
Raising funds	7	278,417	-	-	278,417	201,671
Charitable activities	8	2,408,464	246,712	1,019,124	3,674,300	3,508,624
<b>Total expenditure</b>		<b>2,686,881</b>	<b>246,712</b>	<b>1,019,124</b>	<b>3,952,717</b>	<b>3,710,295</b>
<b>Net incoming resources before transfers</b>		<b>462,296</b>	<b>(246,712)</b>	<b>624,842</b>	<b>840,426</b>	<b>341,899</b>
Gross transfers between funds		(345,348)	1,019,679	(674,331)	-	-
<b>Net income/(expenditure) for the year/ Net movement in funds</b>		<b>116,948</b>	<b>772,967</b>	<b>(49,489)</b>	<b>840,426</b>	<b>341,899</b>
Fund balances at 1 January 2023		965,786	7,259,794	1,270,710	9,496,290	9,154,391
<b>Fund balances at 31 December 2023</b>		<b>1,082,734</b>	<b>8,032,761</b>	<b>1,221,221</b>	<b>10,336,716</b>	<b>9,496,290</b>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

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

# KINGSGATE COMMUNITY CHURCH

## STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2023

Prior financial year

	Notes	Unrestricted funds general 2022 £	Unrestricted funds designated 2022 £	Restricted funds 2022 £	Total 2022 £
<b><u>Income and endowments from:</u></b>					
Donations and legacies	3	2,599,849	-	677,153	3,277,002
Charitable activities	4	106,796	-	417,852	524,648
Other trading activities	5	243,338	-	-	243,338
Other income	6	7,206	-	-	7,206
<b>Total income</b>		<b>2,957,189</b>	<b>-</b>	<b>1,095,005</b>	<b>4,052,194</b>
<b><u>Expenditure on:</u></b>					
Raising funds	7	201,671	-	-	201,671
Charitable activities	8	2,508,451	253,578	746,595	3,508,624
<b>Total expenditure</b>		<b>2,710,122</b>	<b>253,578</b>	<b>746,595</b>	<b>3,710,295</b>
<b>Net incoming resources before transfers</b>		<b>247,067</b>	<b>(253,578)</b>	<b>348,410</b>	<b>341,899</b>
Gross transfers between funds		(320,741)	612,152	(291,411)	-
<b>Net income/(expenditure) for the year/ Net movement in funds</b>		<b>(73,674)</b>	<b>358,574</b>	<b>56,999</b>	<b>341,899</b>
Fund balances at 1 January 2022		1,039,460	6,901,220	1,213,711	9,154,391
<b>Fund balances at 31 December 2022</b>		<b>965,786</b>	<b>7,259,794</b>	<b>1,270,710</b>	<b>9,496,290</b>

# KINGSGATE COMMUNITY CHURCH

## BALANCE SHEETS

AS AT 31 DECEMBER 2023

	Notes	Group 2023 £	Charity 2023 £	Group 2022 £	Charity 2022 £
<b>Fixed assets</b>					
Tangible assets	16	8,246,195	9,143,152	8,372,459	9,266,453
Investments	17	-	1	-	1
		<u>8,246,195</u>	<u>9,143,153</u>	<u>8,372,459</u>	<u>9,266,454</u>
<b>Current assets</b>					
Stocks	19	4,505	-	9,872	-
Debtors	20	168,916	115,561	158,986	148,945
Cash at bank and in hand		2,463,224	2,439,711	2,395,538	2,358,930
		<u>2,636,645</u>	<u>2,555,272</u>	<u>2,564,396</u>	<u>2,507,875</u>
<b>Creditors: amounts falling due within one year</b>	21	(546,124)	(508,466)	(606,724)	(575,225)
Net current assets		<u>2,090,521</u>	<u>2,046,806</u>	<u>1,957,672</u>	<u>1,932,650</u>
<b>Total assets less current liabilities</b>		<u>10,336,716</u>	<u>11,189,959</u>	<u>10,330,131</u>	<u>11,199,104</u>
<b>Creditors: amounts falling due after more than one year</b>	22	-	-	(833,841)	(810,432)
<b>Net assets</b>		<u>10,336,716</u>	<u>11,189,959</u>	<u>9,496,290</u>	<u>10,388,672</u>
<b>Income funds</b>					
Restricted funds	25	1,221,221	1,221,221	1,270,710	1,270,710
<u>Unrestricted funds - general</u>					
Designated funds	26	8,032,761	8,929,718	7,259,794	8,153,788
General unrestricted funds	26	1,082,734	1,039,020	965,786	964,174
		<u>10,336,716</u>	<u>11,189,959</u>	<u>9,496,290</u>	<u>10,388,672</u>

The financial statements were approved by the board of directors and authorised for issue on 23/6/24 and are signed on its behalf by:



Mr Barry Featherstone

Trustee

Company Registration No. 05124435

# KINGSGATE COMMUNITY CHURCH

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	2023 Group £	2023 Charity £	2022 Group £	2022 Charity £
<b>Cash flows from operating activities</b>					
Cash generated from operations	32	1,118,438	1,102,124	514,729	505,094
<b>Investing activities</b>					
Purchase of tangible fixed assets		(123,411)	(123,411)	(106,047)	(106,047)
Proceeds on disposal of tangible fixed assets		1,298	1,298	7,374	7,374
<b>Net cash used in investing activities</b>		<b>(122,113)</b>	<b>(122,113)</b>	<b>(98,673)</b>	<b>(98,673)</b>
<b>Financing activities</b>					
Repayment of bank loans		(928,639)	(899,230)	(505,830)	(505,239)
<b>Net cash used in financing activities</b>		<b>(928,639)</b>	<b>(899,230)</b>	<b>(505,830)</b>	<b>(505,239)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>67,686</b>	<b>80,781</b>	<b>(89,774)</b>	<b>(98,818)</b>
Cash and cash equivalents at beginning of year		2,395,538	2,358,930	2,485,312	2,457,748
<b>Cash and cash equivalents at end of year</b>		<b>2,463,224</b>	<b>2,439,711</b>	<b>2,395,538</b>	<b>2,358,930</b>

# KINGSGATE COMMUNITY CHURCH

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

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### 1 Accounting policies

#### Charity information

Kingsgate Community Church is a private company limited by guarantee incorporated in England and Wales. The registered office is 2 Staplee Way, Parnwell, Peterborough, PE1 4YT, United Kingdom.

#### 1.1 Accounting convention

The accounts have been prepared in accordance with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared under the historical cost convention, modified to include certain items at fair value. The principal accounting policies adopted are set out below.

#### 1.2 Group financial statements

The financial statements consolidate the results of the charitable company and its subsidiary undertaking KingsGate Trading Limited on a line-by line basis. Intra-group sales and profits are eliminated fully on consolidation. A separate Statement of Financial Activities and Income and Expenditure Account for the charity has not been presented because the charity has taken advantage of the exemption afforded by section 408 of the Companies Act 2006.

#### 1.3 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

#### 1.4 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Designated funds - these are funds set aside by the trustees out of unrestricted general funds for specific future purposes or projects.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

#### 1.5 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

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 (FRS 102). The charity benefits from many voluntary hours and unclaimed out-of-pocket expenses contributed by a number of supporters. The charity is extremely grateful for all these gifts in kind.

# KINGSGATE COMMUNITY CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

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### 1 Accounting policies

(Continued)

The charity receives grants in respect of its activities. Income from 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.

Income from trading activities is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

Investment income is accounted for in the period in which the charity is entitled to receipt.

#### 1.6 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

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. It is categorised under the following headings:

- Costs of raising funds;
- Expenditure on charitable activities; and
- Other expenditure which represents those items not falling into the categories above.

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

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs and other administrative costs. 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.

#### 1.7 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

All assets costing more than £250 are capitalised. No depreciation is provided on freehold land.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold buildings	1% p.a. straight line
Office equipment	25% p.a. reducing balance
Computer equipment	25% p.a. straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

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# KINGSGATE COMMUNITY CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

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### 1 Accounting policies

(Continued)

#### 1.8 Fixed asset investments

A subsidiary is an entity controlled by the charity. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

Investments in subsidiaries are measured at cost less impairment.

#### 1.9 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

#### 1.10 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing stock to its present location and condition. Cost is calculated using the first in, first out formula. Provision is made for damaged, obsolete and slow-moving stock where appropriate.

#### 1.11 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, and other short-term liquid investments with original maturities of three months or less.

#### 1.12 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### **Basic financial liabilities**

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

# KINGSGATE COMMUNITY CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

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### 1 Accounting policies

(Continued)

#### *Derecognition of financial liabilities*

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

#### 1.13 Taxation

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

#### 1.14 Provisions

Provisions are recognised when the charity has a legal or constructive present obligation as a result of a past event, it is probable that the charity will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value, the unwinding of the discount is recognised as a finance cost in net income/(expenditure) in the period in which it arises.

#### 1.15 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### 1.16 Leases

Rentals payable under operating leases, including any lease incentives received, are charged as an expense on a straight line basis over the term of the relevant lease.

### 2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

# KINGSGATE COMMUNITY CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2023

#### 3 Donations and legacies

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
Gifts and offerings	757,507	245,850	1,003,357	685,603
Covenants and gift aid	1,476,154	766,084	2,242,238	1,992,391
Income tax repayments	442,432	141,988	584,420	503,399
Grants received	-	174,137	174,137	95,609
	<u>2,676,093</u>	<u>1,328,059</u>	<u>4,004,152</u>	<u>3,277,002</u>
<b>For the year ended 31 December 2023</b>	<u>2,676,093</u>	<u>1,328,059</u>	<u>4,004,152</u>	<u>3,277,002</u>
<b>For the year ended 31 December 2022</b>	<u>2,599,849</u>	<u>677,153</u>	<u>3,277,002</u>	<u>3,277,002</u>

The charity benefits from a number of voluntary hours, unclaimed out-of-pocket expenses and gifts in kind contributed by a number of supporters which are not accounted for. The charity is extremely grateful for all these gifts in kind.

#### Grants receivable for core activities

Peterborough City Council	-	71,569	71,569	13,619
The Trussell Trust	-	92,140	92,140	51,750
Church Revitalisation Trust	-	10,000	10,000	10,500
Other	-	428	428	19,740
	<u>-</u>	<u>174,137</u>	<u>174,137</u>	<u>95,609</u>

#### 4 Charitable activities

	2023 £	2022 £
Courses and events	46,632	32,250
Foodbank income	96,370	132,101
Community action income	43,167	22,843
Learning communities	219,537	311,837
Miscellaneous income	19,701	25,617
	<u>425,407</u>	<u>524,648</u>
<b>Analysis by fund</b>		
Unrestricted funds	109,500	106,796
Restricted funds	315,907	417,852
	<u>425,407</u>	<u>524,648</u>

# KINGSGATE COMMUNITY CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

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### 5 Other trading activities

	2023 £	2022 £
Commercial operations in trading subsidiary	362,286	243,338

### 6 Other income

	Unrestricted funds general 2023 £	Unrestricted funds general 2022 £
Net gain on disposal of tangible fixed assets	1,298	7,206

### 7 Raising funds

	2023 £	2022 £
Commercial operations in trading subsidiary		
Staff costs	164,134	130,379
Direct costs	96,900	48,272
Administrative expenses	17,383	23,020
	<u>278,417</u>	<u>201,671</u>

# KINGSGATE COMMUNITY CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

### 8 Charitable activities

	2023 £	2022 £
Staff costs	1,773,247	1,678,691
Depreciation	246,712	253,578
Outreach and Community Action	407,117	323,250
Sunday Experience and Connect	259,289	264,231
Pastoral Care	170,940	146,801
Equip and Leadership Development	296,585	293,090
Overseas Mission	109,922	122,957
Facilities	281,591	301,712
	<u>3,545,403</u>	<u>3,384,310</u>
Share of support costs (see note 9)	117,607	112,499
Share of governance costs (see note 9)	11,290	11,815
	<u>3,674,300</u>	<u>3,508,624</u>
<b>Analysis by fund</b>		
Unrestricted funds	2,408,464	2,508,451
Unrestricted funds - designated	246,712	253,578
Restricted funds	1,019,124	746,595
	<u>3,674,300</u>	<u>3,508,624</u>

### 9 Support costs

	Support costs £	Governance costs £	2023 £	2022 £
Office costs	105,072	-	105,072	102,580
Printing, postage and stationery	5,133	-	5,133	3,282
Photocopying	7,402	-	7,402	6,637
Audit and accountancy fees	-	11,290	11,290	11,815
	<u>117,607</u>	<u>11,290</u>	<u>128,897</u>	<u>124,314</u>

### 10 Trustees

Trustees' remuneration is permitted under certain limited circumstances, if paid as an employee, under the terms of the charity's governing document. During the year, remuneration was paid to one Trustee amounting to £79,212 (2022 - £79,046). Employer pension contributions for this Trustee were £12,621 (2022 - £7,406). No Trustees waived any remuneration.

One Trustee (2022 - one) is accruing pension arrangements.

# KINGSGATE COMMUNITY CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

### 10 Trustees

(Continued)

During the year two trustees received reimbursement of expenses amounting to £672 (2022 - one trustee received £440) of which £4 (2022 - £nil) was outstanding at the year end and included within trade creditors.

### 11 Auditor's remuneration

The analysis of auditor's remuneration is as follows:	2023 £	2022 £
Audit of the charity's annual accounts	7,795	7,250
<b>Other services to the group</b> - the audit of the subsidiary	2,950	2,750
<b>Total audit fees</b>	<u>10,745</u>	<u>10,000</u>
<b>Non-audit services</b>		
All other non-audit services - charity	3,495	3,250
All other non-audit services - subsidiary	1,200	1,100
<b>Total non-audit fees</b>	<u>4,695</u>	<u>4,350</u>

### 12 Surplus for the financial year

As permitted by section 408 of the Companies Act 2006, the holding company's surplus has not been included in these financial statements. The surplus for the financial year is made up as follows:

	2023 £	2022 £
Holding company's gross income for the financial year	<u>4,476,399</u>	<u>3,835,664</u>
Holding company's surplus for the financial year	<u>801,287</u>	<u>326,185</u>

# KINGSGATE COMMUNITY CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

### 13 Commercial operations in trading subsidiary

The wholly owned trading subsidiary, KingsGate Trading Limited, which is incorporated in England and Wales, pays a proportion of its profits to the charity by gift aid. KingsGate Trading Limited operates the resources centre and room hire at KingsGate Community Church. The charity owns the entire issued share capital of 1 ordinary share at £1 each. A summary of the trading results is shown below.

	2023	2022
	£	£
<b>KingsGate Trading Limited Profit &amp; Loss Account</b>		
Turnover	361,728	242,742
Cost of sales	(261,034)	(181,795)
Administration costs	(17,577)	(15,618)
Other income and interest received	619	596
Interest payable	(454)	(539)
Net profit	83,282	45,386
Add: sales made to charity	812	994
Less: management charges paid to charity	(36,168)	(23,664)
	47,926	22,716
Dividend paid to charity	(9,374)	(3,144)
	38,552	19,572
Tax on loss on ordinary activities	587	(3,719)
Retained in the subsidiary	39,139	15,853
	<u>2023</u>	<u>2022</u>
	£	£
<b>KingsGate Trading Limited Balance Sheet</b>		
Fixed assets	7,717	10,680
Current assets	106,428	103,629
Current liabilities	(62,713)	(78,607)
Long term liabilities	-	(23,409)
Total net assets	51,432	12,293
	<u>51,432</u>	<u>12,293</u>
Aggregate share capital and reserves	51,432	12,293

### 14 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

# KINGSGATE COMMUNITY CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2023

#### 15 Employees

##### Number of employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
KingsGate Community Church	54	57
KingsGate Trading Limited	20	15
	<u>74</u>	<u>72</u>

##### Employment costs

	2023 Charity £	2023 Subsidiary £	2023 Group £	2022 Group £
Wages and salaries	1,552,640	152,169	1,704,809	1,588,495
Social security costs	146,259	8,129	154,388	149,788
Other pension costs	74,348	3,836	78,184	70,787
	<u>1,773,247</u>	<u>164,134</u>	<u>1,937,381</u>	<u>1,809,070</u>

The number of employees whose annual remuneration was £60,000 or more were:

	2023 Number	2022 Number
£60,001 - £70,000	2	-
£70,001 - £80,000	1	1
	<u>3</u>	<u>1</u>

The above employees participated in the pension scheme. During the year ended 31 December 2023, pension contributions for these employee amounted to £18,098 (2022 - £7,406).

# KINGSGATE COMMUNITY CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

### 16 Tangible fixed assets

Group	Freehold land and buildings £	Plant and equipment £	Total £
<b>Cost</b>			
At 1 January 2023	8,951,827	1,801,846	10,753,673
Additions	-	123,411	123,411
At 31 December 2023	8,951,827	1,925,257	10,877,084
<b>Depreciation</b>			
At 1 January 2023	1,099,570	1,281,644	2,381,214
Depreciation charged in the year	83,871	165,804	249,675
At 31 December 2023	1,183,441	1,447,448	2,630,889
<b>Carrying amount</b>			
At 31 December 2023	7,768,386	477,809	8,246,195
At 31 December 2022	7,852,257	520,202	8,372,459
<b>Charity</b>			
	Freehold land and buildings £	Plant and equipment £	Total £
<b>Cost</b>			
At 1 January 2023	9,856,501	1,722,349	11,578,850
Additions	-	123,411	123,411
At 31 December 2023	9,856,501	1,845,760	11,702,261
<b>Depreciation</b>			
At 1 January 2023	1,099,570	1,212,827	2,312,397
Depreciation charged in the year	83,871	162,841	246,712
At 31 December 2023	1,183,441	1,375,668	2,559,109
<b>Carrying amount</b>			
At 31 December 2023	8,673,060	470,092	9,143,152
At 31 December 2022	8,756,931	509,522	9,266,453

All assets are used for direct charitable purposes.

Included within land and buildings is an amount of £1,472,000 (2022 - £1,472,000) in respect of land which is not depreciated.

# KINGSGATE COMMUNITY CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2023

#### 17 Fixed asset investments

<b>Group</b>	<b>Investment in subsidiaries</b>
<b>Cost or valuation</b>	<b>£</b>
At 1 January 2023 & 31 December 2023	-
	<u><u>          </u></u>
<b>Charity</b>	
<b>Cost or valuation</b>	
At 1 January 2023 & 31 December 2023	1
	<u><u>          </u></u>

The investment represents a 100% shareholding in KingsGate Trading Limited, a company incorporated in England and Wales.

For details of the principal activity and results for the year, see note 13.

<b>18 Financial instruments</b>	<b>Group</b>	<b>Charity</b>	<b>Group</b>	<b>Charity</b>
	<b>2023</b>	<b>2023</b>	<b>2022</b>	<b>2022</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Carrying amount of financial assets</b>				
Trade debtors	59,045	20,056	74,564	24,523
Other debtors	1,523	1,523	4,299	4,299
Amounts due from subsidiary undertakings	-	-	-	47,108
Bank and cash	2,463,224	2,439,711	2,395,538	2,358,930
Fixed asset investments	-	1	-	1
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Measured at cost	2,523,792	2,461,291	2,474,401	2,434,861
	<u><u>          </u></u>	<u><u>          </u></u>	<u><u>          </u></u>	<u><u>          </u></u>
<b>Carrying amount of financial liabilities</b>				
Trade creditors	44,859	40,347	41,058	35,463
Accruals	164,897	158,007	81,319	77,481
Bank loans	230,347	230,347	1,158,986	1,129,577
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Measured at cost	440,103	428,701	1,281,363	1,242,521
	<u><u>          </u></u>	<u><u>          </u></u>	<u><u>          </u></u>	<u><u>          </u></u>
<b>19 Stocks</b>	<b>2023</b>	<b>2023</b>	<b>2022</b>	<b>2022</b>
	<b>Group</b>	<b>Company</b>	<b>Group</b>	<b>Company</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Finished goods and goods for resale	4,505	-	9,872	-
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

# KINGSGATE COMMUNITY CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

### 20 Debtors

	2023 Group £	2023 Charity £	2022 Group £	2022 Charity £
<b>Amounts falling due within one year:</b>				
Trade debtors	59,045	20,056	74,564	24,523
Income tax recoverable	46,773	46,773	38,566	38,566
Amounts due from subsidiary undertakings	-	-	-	47,108
Other debtors	1,523	1,523	4,299	4,299
Prepayments and accrued income	55,814	47,209	36,383	34,449
	<u>163,155</u>	<u>115,561</u>	<u>153,812</u>	<u>148,945</u>
Deferred tax asset	5,761	-	5,174	-
	<u>168,916</u>	<u>115,561</u>	<u>158,986</u>	<u>148,945</u>

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

	Notes	2023 Group £	2023 Charity £	2022 Group £	2022 Charity £
Bank loans	23	230,347	230,347	325,145	319,145
Other taxation and social security		50,806	37,729	46,932	39,208
Deferred income		18,588	3,750	78,200	70,699
Trade creditors		44,859	42,347	41,058	35,463
Amounts due to subsidiary undertakings		-	2,390	-	-
Other creditors		36,627	35,896	34,070	33,229
Accruals		164,897	156,007	81,319	77,481
		<u>546,124</u>	<u>508,466</u>	<u>606,724</u>	<u>575,225</u>

Deferred income for the charity is income received for Learning Communities that relates to the year ended 31 December 2023. Additional deferred income for the group relates to deposits for room hire bookings received in advance.

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

	Notes	2023 Group £	2023 Charity £	2022 Group £	2022 Charity £
Bank loans	23	-	-	833,841	810,432
		<u>-</u>	<u>-</u>	<u>833,841</u>	<u>810,432</u>

# COMMUNITY CHURCH

## FINANCIAL STATEMENTS (CONTINUED)

ENDED 31 DECEMBER 2023

	2023 Group £	2023 Charity £	2022 Group £	2022 Charity £
Order drafts	230,347	230,347	1,158,986	1,129,577
One year	230,347	230,347	325,145	319,145
One year	-	-	833,841	810,432

Bank borrowings are secured over the assets of the group. After the year end the loan was repaid

### Liabilities

	2023 Group £	2023 Charity £	2022 Group £	2022 Charity £
Provision	5,761	-	5,174	-

	2023 £
Provision at 31 December 2022	(5,174)
Provision at 31 December 2023	(5,761)

The asset set out above is expected to reverse within the foreseeable future and relates to the losses against future expected profits of the same period.

# KINGSGATE COMMUNITY CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

### 25 Restricted funds

#### Group and Charity

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 January 2022	Movement in funds			Balance at 1 January 2023	Movement in funds			Balance at 31 December 2023
		Income	Expenditure	Transfers		Income	Expenditure	Transfers	
	£	£	£	£	£	£	£	£	
Building fund - Cambridge	2,321	35,291	-	51,172	88,784	51,763	(5,176)	1,525	136,896
Mission fund	455,997	157,173	(208,765)	20,084	424,489	385,930	(425,102)	68,510	453,827
Body needs fund - Peterborough	16,522	9,375	(5,339)	(1,177)	19,381	3,750	(6,119)	30,255	47,267
Body needs fund - Cambridge	423	200	(900)	1,177	900	-	(900)	4,000	4,000
Foodbank fund	214,252	132,101	(49,365)	-	296,988	100,337	(120,559)	-	276,766
PCAS grant	54,720	-	(51,617)	(3,103)	-	-	-	-	-
Together on purpose	251,308	12,986	(26,057)	(69,151)	169,086	-	(34,278)	(76,088)	58,720
Learning Community fund	88,649	285,451	(271,958)	-	102,142	219,537	(276,014)	-	45,665
2020 vision fund	35,106	-	(4,137)	-	30,969	-	(2,067)	-	28,902
Children's work	8,563	-	(1,000)	-	7,563	-	(5,048)	-	2,515
Parnwell Hub grant	16,704	300	(114)	-	16,890	565	(1,805)	-	15,650
Peterborough - Love Your Neighbour	-	-	-	-	-	10,000	(10,000)	-	-
Coronavirus support grant	31,391	51,750	(62,067)	-	21,074	83,927	(77,266)	-	27,735
Winter Support fund	10,112	3,000	(14,210)	3,103	2,005	40,000	(6,476)	-	35,529
Carried forward to next page	1,186,068	687,627	(695,529)	2,105	1,180,271	895,809	(970,810)	28,202	1,133,472

# KINGSGATE COMMUNITY CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2023

#### 25 Restricted funds

	Balance at 1 January 2022 £	Movement in funds			Balance at 1 January 2023 £	Movement in funds			Balance at 31 December 2023 £
		Income £	Expenditure £	Transfers £		Income £	Expenditure £	Transfers £	
Brought forward	1,186,068	687,627	(695,529)	2,105	1,180,271	895,809	(970,810)	28,202	1,133,472
Food Pantry fund	1,165	22,789	(16,529)	10,000	17,425	21,116	(28,046)	-	10,495
Syrian and Afghan Refugees	959	17,156	(18,115)	-	-	9,069	(9,069)	-	-
Romanian Fund	-	1,288	(18)	-	1,270	205	(1,475)	-	-
Care Leavers Goods	19,719	-	(10,604)	-	9,115	-	(6,595)	-	2,520
Care Zone donations	5,800	-	(5,800)	-	-	-	-	-	-
The Church We See	-	366,145	-	(303,516)	62,629	10,169	(1,017)	(25,526)	46,255
Radical Disciples	-	-	-	-	-	685,098	-	(677,007)	8,091
Household Support Fund	-	-	-	-	-	22,500	(2,112)	-	20,388
	<u>1,213,711</u>	<u>1,095,005</u>	<u>(746,595)</u>	<u>(291,411)</u>	<u>1,270,710</u>	<u>1,643,966</u>	<u>(1,019,124)</u>	<u>(674,331)</u>	<u>1,221,221</u>

(Continued)

# KINGSGATE COMMUNITY CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2023

#### 25 Restricted funds

(Continued)

The Building funds are held to fund improvements to the premises at Peterborough and to finance any future Cambridge building needs. Once expended a transfer is made to a designated fund representing the interest in the land and property.

The Mission fund arises from the commitment to spend 10% of all income on mission activities. These include community action, launching new Centres, overseas missions and gifts to other ministries.

The Body Needs fund represents funds to support members of the church community who are in financial hardship.

The Foodbank fund represents funds provided to support the running of a foodbank across Peterborough.

PCAS grant was a grant received from the City Council for the provision of emergency food and furniture upon referral from the Peterborough Community Assistance scheme.

The Together on Purpose fund was an offering received in September 2021 to finance key areas of the Together on Purpose vision: Leadership Development, Media and Technology to support our online presence and community action initiatives.

The Learning Community fund represents income and expenses in relation to educational events hosted in partnership with Gateway Church (Dallas), ARC and Stewardship.

The 2020 Vision fund was an offering received over a 4 year period to finance 5 key areas of the 2020 Vision: Inside out initiatives, Leadership Development, Launching new Centres, Technology and building needs.

The Children's Work fund was a donation received given specifically for the benefit of the Children's Ministry.

The Parmwell Hub grant was a grant received from the City Council to run community development activities in Parmwell with a range of partner agencies.

The Love Your Neighbour grant was a grant received from the Church Revitalisation Trust for the provision of emergency food, support the running of Care Zone and to launch a new Debt Advice Service.

Coronavirus Support Grant was a grant received from the Trussell Trust to provide information and advice services for Peterborough Foodbank beneficiaries through a partnership with Citizens Advice Peterborough.

# KINGSGATE COMMUNITY CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2023

#### 25 Restricted funds

(Continued)

The Winter Support Fund was a grant received from Peterborough City Council for the provision of emergency food and white goods upon referral from the Peterborough Community Assistance scheme.

The Peterborough Care Zone - Cambridgeshire Community Foundation provided funding for Care Zone to purchase crockery and saucepan sets for people who had previously experienced homelessness and had been allocated housing.

Food Pantry - KingsGate is setting up a food pantry in Parnwell for families facing long term food insecurity.

Syrian and Afghan Refugee fund - Care Zone is working in partnership with other organisations to resettle refugees from Syrian and Afghanistan into the city. Peterborough City Council has provided funding to enable to Care Zone to increase its capacity to provide furniture for these families.

Romanian Fund included a grant received in 2021 from the local council to help with the COVID relief efforts within the Peterborough Romanian Community, and also includes giving to help support KingsGate members setting up a church in Cluj, Romania.

Care Leavers Goods Fund - Peterborough City Council provided funding for Care Zone to supply furniture and white goods to care leavers.

Care Zone Donations is a donation received from the Institute of Export to purchase items as needed by the Care Zone.

The Church We See fund was an offering received in March 2022. 60% was used to make a one-off mortgage payment, 15% was set aside into a Cambridge building fund and the remainder is for Leadership Development and other projects.

The Radical Disciples fund was an offering received in March 2023. 85% was used to make a one-off mortgage payment and 5% was set aside for body needs.

The Household Support Fund is a grant awarded by Peterborough City Council to buy food stock for the KingsGate Food Pantry that supports families facing long-term food insecurity and emergency white goods to be distributed by Care Zone.

**KINGSGATE COMMUNITY CHURCH**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

**26 Designated funds**

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

Group	Balance at	Expenditure	Transfers	Balance at	Expenditure	Transfers	Balance at
	1 January 2022	£	£	1 January 2023	£	£	31 December 2023
Interest in land and property	6,301,312	(83,871)	505,240	6,722,682	(83,871)	899,230	7,538,041
Interest in fixed assets	587,592	(169,707)	102,317	520,202	(162,842)	120,449	477,809
Fixed asset fund	12,316	-	4,595	16,911	-	-	16,911
	<u>6,901,220</u>	<u>(253,578)</u>	<u>612,152</u>	<u>7,259,795</u>	<u>(246,713)</u>	<u>1,019,679</u>	<u>8,032,761</u>
<b>Charity</b>							
	<b>Balance at</b>	<b>Expenditure</b>	<b>Transfers</b>	<b>Balance at</b>	<b>Expenditure</b>	<b>Transfers</b>	<b>Balance at</b>
	<b>1 January 2022</b>	<b>£</b>	<b>£</b>	<b>1 January 2023</b>	<b>£</b>	<b>£</b>	<b>31 December 2023</b>
Interest in land and property	7,205,986	(83,871)	505,240	7,627,356	(83,871)	899,230	8,442,715
Interest in fixed assets	573,182	(169,707)	106,047	509,522	(162,842)	123,412	470,092
Fixed asset fund	12,316	-	4,595	16,911	-	-	16,911
	<u>7,791,484</u>	<u>(253,578)</u>	<u>615,882</u>	<u>8,153,789</u>	<u>(246,713)</u>	<u>1,022,642</u>	<u>8,929,718</u>

The designated fund for interest in land and property is an amount transferred from restricted funds in respect of restricted expenditure that has been capitalised in fixed assets. This fund will be utilised as depreciation is charged on the property.

The interest in fixed assets fund represents the net book value of equipment and vehicles.



# KINGSGATE COMMUNITY CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

### 28 Analysis of net assets between funds

Group	Unrestricted funds		Designated funds		Restricted funds		Total		Unrestricted funds		Designated funds		Restricted funds		Total	
	2023	£	2023	£	2023	£	2023	£	2022	£	2022	£	2022	£	2022	£
Fund balances at 31 December 2023 are represented by:																
Tangible assets	-		8,246,195		-		8,246,195		-		8,372,459		-		8,372,459	
Current assets/(liabilities)	1,082,734		(213,434)		1,221,221		2,090,521		989,195		(302,233)		1,270,710		1,957,672	
Long term liabilities	-		-		-		-		(23,409)		(810,432)		-		(833,841)	
	1,082,734		8,032,761		1,221,221		10,336,716		965,786		7,259,794		1,270,710		9,496,290	

### Charity

Group	Unrestricted funds		Designated funds		Restricted funds		Total		Unrestricted funds		Designated funds		Restricted funds		Total	
	2023	£	2023	£	2023	£	2023	£	2022	£	2022	£	2022	£	2022	£
Fund balances at 31 December 2023 are represented by:																
Tangible assets	-		9,143,152		-		9,143,152		-		9,266,453		-		9,266,453	
Investments	1		-		-		1		1		-		-		1	
Current assets/(liabilities)	1,039,019		(213,434)		1,221,221		2,046,806		964,173		(302,233)		1,270,710		1,932,650	
Long term liabilities	-		-		-		-		-		(810,432)		-		(810,432)	
	1,039,020		8,929,718		1,221,221		11,189,959		964,174		8,153,788		1,270,710		10,388,672	

# KINGSGATE COMMUNITY CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

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### 29 Control

No one individual has overall control of the charity.

### 30 Operating lease commitments

#### Group and charity

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2023 £	2022 £
Within one year	35,985	39,762
Between two and five years	22,710	58,695
	<u>58,695</u>	<u>98,457</u>

### 31 Related party transactions

#### Remuneration of key management personnel

The total amount of employee benefits (including employer's pension contributions) received by key management personnel is £504,349 (2022 - £478,478). The charity considers its key management personnel comprises of the members of the Multisite Strategy team.

#### Transactions with related parties

During the year management charges of £36,168 (2022 - £23,664) were charged to KingsGate Trading Limited, a subsidiary company. Wages costs are recharged between the Charity and its subsidiary, resulting in a net income to the Charity of £15,794 (2022 - net income of £18,090). A gift aided donation of £9,374 (2022 - £3,144) was also received from KingsGate Trading Limited with a further £41,515 (2022 - £nil) to be paid after the year end. Included within creditors is £2,390 due to KingsGate Trading Limited (2022 - included in other debtors is £47,108 due from KingsGate Trading Limited) .

Donations of £111,125 (2022 - £90,220) were received during the year from seven Trustees or Directors of the subsidiary company (2022 - eight). No conditions were attached to these donations.

During a prior year the charity had an arrangement with a third party to create videos based on a book authored by D Smith, a trustee. Many churches and individuals benefitted from the videos, as did KingsGate. The creation of the videos promoted books sales and therefore may have impacted on royalties earned by D Smith, but it is not possible to quantify the effect. A proportion of royalties from the book earned by D Smith will be gifted back to the project and the church will receive an equal share of any surplus generated from video sales over and above costs incurred.

# KINGSGATE COMMUNITY CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

32 Cash generated from operations	2023 Group £	2023 Charity £	2022 Group £	2022 Charity £
Surplus for the year	840,426	801,287	341,899	326,046
Adjustments for:				
Gain on disposal of tangible fixed assets	(1,298)	(1,298)	(7,206)	(7,374)
Depreciation of tangible fixed assets	249,675	246,712	257,140	253,578
Movements in working capital:				
Decrease in stocks	5,367	-	4,670	-
(Increase)/decrease in debtors	(9,930)	33,384	(63,582)	(40,959)
(Decrease) in creditors	34,198	22,039	(18,192)	(26,197)
<b>Cash generated from operations</b>	<u>1,118,438</u>	<u>1,102,124</u>	<u>514,729</u>	<u>505,094</u>

### 33 Analysis of changes in net funds

Group	At 1 January 2023 £	Cash flows £	At 31 December 2023 £
Cash at bank and in hand	2,395,538	67,686	2,463,224
Loans falling due within one year	(325,145)	94,798	(230,347)
Loans falling due after more than one year	(833,841)	833,841	-
	<u>1,236,552</u>	<u>996,325</u>	<u>2,232,877</u>
<b>Charity</b>	<b>At 1 January 2023 £</b>	<b>Cash flows £</b>	<b>At 31 December 2023 £</b>
Cash at bank and in hand	2,358,930	80,781	2,439,711
	<u>2,358,930</u>	<u>80,781</u>	<u>2,439,711</u>
Loans falling due within one year	(319,145)	88,798	(230,347)
Loans falling due after more than one year	(810,432)	810,432	-
	<u>1,229,353</u>	<u>980,011</u>	<u>2,209,364</u>

**KINGSGATE COMMUNITY CHURCH  
MANAGEMENT INFORMATION - CHURCH ONLY  
FOR THE YEAR ENDED 31 DECEMBER 2023**

# KINGSGATE COMMUNITY CHURCH

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	Unrestricted funds general £	Unrestricted funds designated £	Restricted funds £	Total 2023 £	Total 2022 £
<b>Income and endowments from:</b>						
Donations and legacies	3	2,862,691	-	1,328,059	4,190,750	3,427,669
Charitable activities	4	183,834	-	315,907	499,741	589,632
Other trading activities	5	(429,834)	-	-	(429,834)	(472,126)
Other income	6	1,298	-	-	1,298	7,206
<b>Total income</b>		<b>2,617,989</b>	<b>-</b>	<b>1,643,966</b>	<b>4,261,955</b>	<b>3,552,381</b>
<b>Expenditure on:</b>						
Raising funds	7	(262,110)	-	-	(262,110)	(310,602)
Charitable activities	8	2,414,247	246,712	1,019,124	3,680,083	3,517,683
<b>Total expenditure</b>		<b>2,152,137</b>	<b>246,712</b>	<b>1,019,124</b>	<b>3,417,973</b>	<b>3,207,081</b>
<b>Net incoming resources before transfers</b>		<b>465,852</b>	<b>(246,712)</b>	<b>624,842</b>	<b>843,982</b>	<b>345,300</b>
Gross transfers between funds		(349,151)	1,023,482	(674,331)	-	-
<b>Net income/(expenditure) for the year/ Net movement in funds</b>		<b>116,701</b>	<b>776,770</b>	<b>(49,489)</b>	<b>843,982</b>	<b>345,300</b>
Fund balances at 1 January 2023		945,533	8,150,551	1,270,710	10,366,794	10,021,494
<b>Fund balances at 31 December 2023</b>		<b>1,062,234</b>	<b>8,927,321</b>	<b>1,221,221</b>	<b>11,210,776</b>	<b>10,366,794</b>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

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

**KINGSGATE COMMUNITY CHURCH**

England & Wales - Charity number 1106273

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# Accounts

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**Charity registration number 1106273**

**Company registration number 05124435 (England and Wales)**

**KINGSGATE COMMUNITY CHURCH**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

# KINGSGATE COMMUNITY CHURCH

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Directors and Trustees</b>	Dr David Smith (Chairman) Mr Norman Paskin Mr Barry Featherstone Mr Matthew Negus Mr Samson Abioye Ms Lydia Opayinka	(Appointed 6 January 2023)
<b>Secretary</b>	Mrs Sally Duffy	
<b>Multisite Strategy Team</b>	Dr David Smith Mrs Karen Smith Mr Simon Deeks Mrs Sally Duffy Mr Jim Thody Mrs Jasmine Allen Mr Phil Timson Mrs Zia Deeks Mrs Sharon Keogh Mr Simon Benn	
<b>Charity number</b>	1106273	
<b>Company number</b>	05124435	
<b>Principal office</b>	2 Staplee Way Parnwell Peterborough United Kingdom PE1 4YT	
<b>Auditor</b>	Azets Audit Services Ruthlyn House 90 Lincoln Road Peterborough Cambridgeshire PE1 2SP United Kingdom PE1 2SP	
<b>Bankers</b>	Allied Irish Bank 61/62 The Mall London United Kingdom W5 3TA	

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# KINGSGATE COMMUNITY CHURCH

## LEGAL AND ADMINISTRATIVE INFORMATION

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### Solicitors

Hegarty LLP  
48 Broadway  
Peterborough  
United Kingdom  
PE1 1YW

The directors of the charitable company (the charity) are its trustees for the purpose of charity law and throughout this report are collectively referred to as its trustees.

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# KINGSGATE COMMUNITY CHURCH

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# KINGSGATE COMMUNITY CHURCH

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

### FOR THE YEAR ENDED 31 DECEMBER 2022

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The trustees present their annual report and financial statements for the year ended 31 December 2022.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2019)

#### **Objectives and activities**

##### The Objectives of The Charity

The charity's purposes, as set out in the objects contained in the company's memorandum of association, are:

1. The advancement of the Christian faith in accordance with the doctrine set out in the underwritten Fourth Schedule and the worship of God in the said county and elsewhere by any means whatsoever including (but not by way of limitation) the preaching and proclamation of the Christian gospel, the teaching of the Christian Doctrine and principles, the pastoral care of Christian people and the printing and distribution of the Bible and Christian literature including video, and audio recordings and by any other media which is, or may become, available.
2. The relief of persons who are in conditions of need, hardship or distress or who are aged or sick.
3. The advancement of education on the basis of Christian principles and, without prejudice, to the generality of the foregoing, the provision of such education in any educational establishment and, if the Trustees so decide, the provision of one or more charitable educational establishments for the general education of children and adults on the basis of such Christian principles.

##### 2022 Vision, Values and Strategic Priorities

In 2022, the Strategic Leadership Team of KingsGate Community Church reaffirmed the vision, values, and strategic priorities of the Church as:

**Vision:** 'Transforming Lives from our Neighbourhoods to the Nations by the Power of God's Love'.

**Values:** Word, Spirit, Worship, Prayer, Fellowship, Discipleship, Mission, and Stewardship.

##### **Strategic Priorities:**

In 2022 we continued to focus on our core mission, which as a church is "TRANSFORMING LIVES from our neighbourhoods to the nations, by the power of God's love", and the call for us to be disciples and make disciples. Our priority is to disciple people in the four key priorities of a Transformed Life:

1. Knowing God
2. Finding Freedom
3. Growing in Community
4. Making a difference

##### 2022 Activities:

The main activity continues to be **teaching via Sunday services and Life Groups both online and in person whenever possible.**

Other activities in 2022 included:

- **Sunday Services:** In-person services take place every Sunday with two services being held at KingsGate Peterborough and one service at KingsGate Cambridge and KingsGate Leicester. Online services continue to be provided via YouTube and the Church Online platform.

# KINGSGATE COMMUNITY CHURCH

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

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- **LifeGroups:** LifeGroups continue to be one of the main ways people grow in their discipleship with Jesus, providing a personalised setting for development of gifts and spiritual depth. In 2022 LifeGroups have continued to meet regularly, either in-person and/or online. We recognise the vital part our volunteer leaders play in providing pastoral support to those in our church family through LifeGroups. LifeGroup Leader training has migrated to the eLearning platform and has increased the accessibility of training. In 2022 a full review of the Small Group Structure has been completed and is informing a re-structuring of the small wing of the church. This includes the launch of the Leadership Community, which will be a key element in supporting and growing our leaders. The re-definition of what constitutes a small group at KingsGate, is informing the training of new leaders to lead different types of groups. We are deeply grateful for all our leaders do and we are excited about the developments for the future.
- **Community Action:** In 2022 Community Action continued to develop its support for people facing poverty and build wrap-around care for people accessing our services. This aimed to address some of the underlying reasons people found themselves in crisis and reduce the need for people to rely on Peterborough Foodbank. This wrap-around care included partnering with Citizens Advice Peterborough and Community Money Advice to offer information and advice.
- **Care Zone, Peterborough:** The furniture bank takes donations from the public of essential furniture, household goods and clothing and gives them free of charge to families facing financial pressures. Often the families that Care Zone supports have been homeless and lost all their furniture. In 2022, Care Zone provided furniture for 649 properties and supported 1276 people. Care Zone also worked with Peterborough City Council and other community organisations to support refugee families arriving from Syria, Afghanistan, and Ukraine, providing furniture so that these families can make a positive start to their new life in the UK.
- **Foodbank, Peterborough:** Peterborough Foodbank is a partnership of 5 churches and is part of the Trussell Trust Foodbank network. The project helps people in crisis by providing three days' emergency food and in 2022, fed 12,683 people. Following a successful 12-month financial inclusion project, Trussell Trust awarded further funding to expand the project for a further 3 years, starting in October 2022. The funding enabled Peterborough Foodbank to partner with Citizens Advice Peterborough (CAP) and have three dedicated CAP workers offer foodbank users information and advice around income maximisation, welfare benefits, housing, and immigration issues. The CAP team now has a triage worker who attends most of the foodbank sessions, a general advice worker and a mental health specialist advice worker who can support foodbank users who have an underlying mental health issue.
- **Debt Advice:** The KingsGate Community Money Advice Connect Centre opened in February 2021 to offer support for people struggling with debt issues. In 2022, a team of volunteer money mentors, trained and supported by Community Money Advice supported 52 people. Nine people have in place a solution to become completely debt-free and this totalled £45,151 of debt cleared for these people.
- **Christmas Hampers:** KingsGate was part of the national 'Love Christmas' campaign, receiving match funding from the Church Revitalisation Trust and gave away 2157 hampers across all our campuses. KingsGate worked with forty-eight community partners to ensure that the hampers went to families facing difficulties and the feedback from families was that the hampers were a much-welcomed reminder that they are cared for.
- **Food Pantry, Peterborough:** In May 2022, KingsGate Peterborough opened a food pantry at Lime Academy Parnwell. The purpose of the Food Pantry is to provide support for families facing long term food insecurity by providing access to healthy food at reduced prices, giving dignity, choice, and hope. A team of volunteers run the food pantry supported by the foodbank warehouse team. Funding was secured by Cambridgeshire Community Foundation to help set up the project. Since opening, 41 families have become members and have made 679 visits to the food pantry.
- **Community Action, Cambridge:** A volunteer team from KingsGate Cambridge continue to run the Trumpington distribution centre of Cambridge City Foodbank. KingsGate Cambridge also partnered with Besom to run several Besom projects where teams supported local families facing pressures by undertaking gardening and decorating projects.

# KINGSGATE COMMUNITY CHURCH

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2022

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- **Youth:** 2022 has been an encouraging year across the youth ministry, seeing numbers return to pre pandemic levels on a Sunday, Friday nights and in Life Groups. In February 2022, 74 young people attended Youth Camp and 71 attended the Satellites summer camp. We also baptised 16 young people in 2022. Our Autumn Schools mission Illuminate saw unprecedented fruit, working in 4 schools, with over 600 young people attending the end of week gig. In addition to our core ministry provision, we have consulted on Sexuality.com, delivered 'Youth Alpha', youth 'Next Steps', an Easter mission, increased youth ministry presence, creatively developed our bitesize teaching videos, established improved pastoral care with new rhythms and follow up in place, and have returned to a bi-weekly model of Youth service and Social's on a Friday night to maximise momentum and growth, launched Discord as a new online communication platform with our young people and created and filmed a 12 session NOCN Level 2 Award (GCSE Equivalent) in Youthwork Practice ready to be launched for all youth team volunteers in 2023.  
Finally, the Youth Advisory Council for multiracial inclusion, continues to see the voice of young people empowered in our commitment to racial inclusion. Through the work of the YAC, we completed our first annual youth survey to benchmark and assess our youth ministry provision with racial inclusion in mind.
- **Children's Ministry:** Children's work continues offering both in-person and online resources to support families in helping their children to encounter God. The teaching program continues to mirror main auditorium teaching across all ages. Numbers on Sunday mornings continue to grow as new families join the church and, with new volunteers joining the team, we have managed to restore all the age groups across our campuses. As 2023 progresses, we are working to re-establish our schools work and outreach to young families via the Mini Movers Groups.
- **Overseas Mission:** 2022 was a very challenging year for our key overseas partners in Bulembu in eSwatini, Heart for Lebanon, as on the back of the pandemic came the war in Ukraine. As a result of this, our giving last year went to help meet immediate need for things such as food, clothing and shelter. Many children continue to be sponsored through Compassion. We were also able to respond to global crises by giving financial gifts to World Vision in response to the war in Ukraine and Tearfund for relief work in Afghanistan, Pakistan, and Somalia.

#### 2022 The Church We See Special Offering

In March 2022 we gave into 'The Church We See' Special offering. 60% of the offering raised allowed us to make a one-off payment on the mortgage of £193,229. 15% of the offering went into a Cambridge Building Fund, which is set aside to help finance a future building in Cambridge. 15% of the special offering will be put towards leadership development and other projects.

We additionally transferred 10% of this offering, into our Mission Fund. This helps to resource our Community Action projects, as well as resourcing our partnerships with overseas mission projects, as detailed above.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

# KINGSGATE COMMUNITY CHURCH

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

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### Financial review

#### Income

Total income, both restricted and unrestricted, of £4.05 million was received in 2022, an 8.2% increase from 2021 (£3.74 million in 2021). Trading income was £242,742 in 2022, a 617% from 2021 (£33,879 in 2021). Total income excluding trading income for 2022 was £3.81 million, a 6.0% increase on 2021 (£3.59 million in 2021, also excluding £116,866 of furlough income).

The charity's main income stream is from tithes and offerings given by church members and regular attendees. In 2022, unrestricted tithes and offerings were £2,599,849 which was a 2.5% increase compared to 2021 (£2,536,053 in 2021). This included £558,940 of unrestricted offerings received by the Cambridge campus, a 3.0% increase compared to 2021 (£542,634 in 2021). It also included £87,126 of unrestricted offerings from our Leicester campus, a 10.5% decrease compared to 2021 (£97,307 in 2021).

Restricted offerings were £677,153, which was a 3.4% increase on 2021 (£652,136 in 2021).

#### Expenditure

Expenditure for the year totalled £3,508,624 (2021 £2,965,170) excluding commercial operations in the trading subsidiary.

During 2022, salaries (excluding salaries within the commercial operations) accounted for 47.8% of 2022 expenditure, £1.68 million, compared to 54.2% of 2021 expenditure (£1.61 million). The charity employs both ministry-based positions, such as pastors, children and youth workers and community action workers, as well as administration and management staff, all of which work under the overall direction of the Strategic Leadership Team.

### Reserves Policy

It is the policy of the charity to work towards and then maintain unrestricted funds, which are the free reserves of the charity, at a level which equates to approximately three months unrestricted expenditure excluding certain discretionary spend. This would provide sufficient funds to cover salaries and building running costs for three months. Unrestricted funds of the charity were £964k on 31<sup>st</sup> December 2022 (excluding interest in land & property). The current reserves level is £377k more than the minimum reserves required.

The need for the charity to hold significant reserves is generated by the employment of 57 full and part time permanent employees along with building running costs of the KingsGate Peterborough building.

It is the charity's policy to monitor growth and income statistics carefully and if income were to continue to fall significantly, take immediate measures to minimise risk.

#### Risk Management

The trustees has assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

### Future Plans

In 2023 we will be continuing to focus on our core mission, which as a church is "TRANSFORMING LIVES from our neighbourhoods to the nations, by the power of God's love" with an emphasis on being RADICAL

DISCIPLES who:

1. Keep on ENCOUNTERING Jesus (Knowing God)
4. Keep on FOLLOWING Jesus (Living in Freedom)
5. Keep on GROWING together in Jesus (Growing in Community)
6. Keep on MISSION with Jesus (Making a difference)

# KINGSGATE COMMUNITY CHURCH

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

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### **Structure, governance and management**

#### Governing Document

KingsGate Community Church is a company limited by Guarantee with no share capital. It was incorporated as Peterborough Community Church on the 11<sup>th</sup> May 2004 and was registered with the Charity Commission on the same day. It changed its name to KingsGate Community Church from 1<sup>st</sup> February 2008.

None of the trustees have any beneficial interest in the company. All the trustees are members of the company and guarantee to contribute such amount as may be required (not exceeding £10) to the company's assets in the event of a winding up.

KingsGate Community Church business is concluded under the framework of its governing memorandum and articles of association, prepared under the Companies Act 1985.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Dr David Smith (Chairman)

Mr Norman Paskin

Mr Barry Featherstone

Mr Matthew Negus

Mr Samson Abioye

Ms Lydia Opayinka

(Appointed 6 January 2023)

#### Appointment of Trustee Directors

The trustees, who have served during the year and since the year end, are set out on page 2. Trustees are appointed by the board and each year, one third retire by rotation and either new trustees are identified, or previous serving trustees are reappointed.

#### Trustee Induction and Training

All trustees are offered external training which will help them to undertake their roles and responsibilities.

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

#### Organisation

The board of trustees meet at least four times a year. Trustees ensure that the charity remains solvent, is well-run, and delivering the charitable outcomes for the benefit of the public for which it has been set up. The Strategic Leadership Team, which is made up of the Senior Leadership Team and the Multisite Strategy Team, are responsible for the day-to-day running of the organisation. Key strategies identified by the Senior Leadership Team and the Multisite Strategy Team are ratified by Trustees before implementation.

#### Related Parties

KingsGate Trading Ltd, a wholly owned subsidiary, was established on 26<sup>th</sup> January 2007. This subsidiary was incorporated to manage the business activities of the charity including the provision of conference facilities, sale of books and resources. KingsGate Community Church granted a 'licence to use' the building to KingsGate Trading Ltd who started to hire out the building from 1<sup>st</sup> June 2008.

KingsGate Trading Ltd made a distribution to the parent company under gift aid of £3,144 and paid a management charge of £28,396 for the trading period (2021 no distribution under gift or management charge). KingsGate Trading Ltd recorded a profit for the year of £18,997 (2021 a loss of £28,329).

# KINGSGATE COMMUNITY CHURCH

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) *FOR THE YEAR ENDED 31 DECEMBER 2022*

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### **Auditor**

In accordance with the company's articles, a resolution proposing that Azets Audit Services be reappointed as auditor of the company will be put at a General Meeting.

### **Disclosure of information to auditor**

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The trustees' report was approved by the Board of Trustees.

### **Dr David Smith (Chairman)**

Trustee

Dated: 21 June 2023

# **KINGSGATE COMMUNITY CHURCH**

## **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

***FOR THE YEAR ENDED 31 DECEMBER 2022***

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The trustees, who are also the directors of Kingsgate Community Church for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# KINGSGATE COMMUNITY CHURCH

## INDEPENDENT AUDITOR'S REPORT

### TO THE TRUSTEES OF KINGSGATE COMMUNITY CHURCH

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#### Opinion

We have audited the accounts of Kingsgate Community Church (the 'charity') and its subsidiary for the year ended 31 December 2022 which comprise the Group Statement of Financial Activities, the Group and Parent Charitable Company Balance Sheets, the Group and Parent Charitable Company Cash Flow Statements and the notes to the accounts, 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 Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Group and Parent charitable company's affairs as at 31 December 2022 and of its incoming resources and application of resources, 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 contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this 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 our audit:

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

# KINGSGATE COMMUNITY CHURCH

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE TRUSTEES OF KINGSGATE COMMUNITY CHURCH

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#### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the Group and Parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report included within the Trustees' Report.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in 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 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; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

#### **Responsibilities of trustees**

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose 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 charitable company or to cease operations, or have no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the financial statements**

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

# KINGSGATE COMMUNITY CHURCH

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE TRUSTEES OF KINGSGATE COMMUNITY CHURCH

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#### **Extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the entity through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

#### **Use of our report**

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

**Mr Mark Jackson FCA DChA (Senior Statutory Auditor)**  
for and on behalf of Azets Audit Services

23 June 2023

**Chartered Accountants**  
**Statutory Auditor**

Ruthlyn House  
90 Lincoln Road  
Peterborough  
Cambridgeshire  
United Kingdom  
PE1 2SP

# KINGSGATE COMMUNITY CHURCH

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2022

### Current financial year

	Notes	Unrestricted funds general 2022 £	Unrestricted funds designated 2022 £	Restricted funds 2022 £	Total 2022 £	Total 2021 £
<b><u>Income and endowments from:</u></b>						
Donations and legacies	3	2,599,849	-	677,153	3,277,002	3,193,990
Charitable activities	4	106,796	-	417,852	524,648	393,270
Other trading activities	5	243,338	-	-	243,338	114,676
Other income	6	7,206	-	-	7,206	42,247
<b>Total income</b>		<b>2,957,189</b>	<b>-</b>	<b>1,095,005</b>	<b>4,052,194</b>	<b>3,744,183</b>
<b><u>Expenditure on:</u></b>						
Raising funds	7	201,671	-	-	201,671	154,525
Charitable activities	8	2,508,451	253,578	746,595	3,508,624	2,965,170
<b>Total expenditure</b>		<b>2,710,122</b>	<b>253,578</b>	<b>746,595</b>	<b>3,710,295</b>	<b>3,119,695</b>
<b>Net incoming resources before transfers</b>		<b>247,067</b>	<b>(253,578)</b>	<b>348,410</b>	<b>341,899</b>	<b>624,488</b>
Gross transfers between funds		(320,741)	612,152	(291,411)	-	-
<b>Net (expenditure)/income for the year/ Net movement in funds</b>		<b>(73,674)</b>	<b>358,574</b>	<b>56,999</b>	<b>341,899</b>	<b>624,488</b>
Fund balances at 1 January 2022		1,039,460	6,901,220	1,213,711	9,154,391	8,529,903
<b>Fund balances at 31 December 2022</b>		<b>965,786</b>	<b>7,259,794</b>	<b>1,270,710</b>	<b>9,496,290</b>	<b>9,154,391</b>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

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

# KINGSGATE COMMUNITY CHURCH

## STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2022

Prior financial year

	Notes	Unrestricted funds general 2021 £	Unrestricted funds designated 2021 £	Restricted funds 2021 £	Total 2021 £
<b><u>Income and endowments from:</u></b>					
Donations and legacies	3	2,536,053	-	657,937	3,193,990
Charitable activities	4	75,073	-	318,197	393,270
Other trading activities	5	114,676	-	-	114,676
Other income	6	42,247	-	-	42,247
<b>Total income</b>		<b>2,768,049</b>	<b>-</b>	<b>976,134</b>	<b>3,744,183</b>
<b><u>Expenditure on:</u></b>					
Raising funds	7	154,525	-	-	154,525
Charitable activities	8	1,921,433	278,786	764,951	2,965,170
<b>Total expenditure</b>		<b>2,075,958</b>	<b>278,786</b>	<b>764,951</b>	<b>3,119,695</b>
<b>Net incoming resources before transfers</b>		<b>692,091</b>	<b>(278,786)</b>	<b>211,183</b>	<b>624,488</b>
Gross transfers between funds		(677,366)	680,130	(2,764)	-
<b>Net (expenditure)/income for the year/ Net movement in funds</b>		<b>14,725</b>	<b>401,344</b>	<b>208,419</b>	<b>624,488</b>
Fund balances at 1 January 2021		1,024,735	6,499,876	1,005,292	8,529,903
<b>Fund balances at 31 December 2021</b>		<b>1,039,460</b>	<b>6,901,220</b>	<b>1,213,711</b>	<b>9,154,391</b>

# KINGSGATE COMMUNITY CHURCH

## BALANCE SHEETS

AS AT 31 DECEMBER 2022

	Notes	Group 2022 £	Charity 2022 £	Group 2021 £	Charity 2021 £
<b>Fixed assets</b>					
Tangible assets	15	8,372,459	9,266,453	8,523,720	9,413,984
Investments	16	-	1	-	1
		<u>8,372,459</u>	<u>9,266,454</u>	<u>8,523,720</u>	<u>9,413,985</u>
<b>Current assets</b>					
Stocks	18	9,872	-	14,542	-
Debtors	19	158,986	148,945	95,404	107,986
Cash at bank and in hand		2,395,538	2,358,930	2,485,312	2,457,748
		<u>2,564,396</u>	<u>2,507,875</u>	<u>2,595,258</u>	<u>2,565,734</u>
<b>Creditors: amounts falling due within one year</b>	20	(606,724)	(575,225)	(619,190)	(595,696)
Net current assets		<u>1,957,672</u>	<u>1,932,650</u>	<u>1,976,068</u>	<u>1,970,038</u>
<b>Total assets less current liabilities</b>		<u>10,330,131</u>	<u>11,199,104</u>	<u>10,499,788</u>	<u>11,384,023</u>
<b>Creditors: amounts falling due after more than one year</b>	21	(833,841)	(810,432)	(1,345,397)	(1,345,397)
<b>Net assets</b>		<u><u>9,496,290</u></u>	<u><u>10,388,672</u></u>	<u><u>9,154,391</u></u>	<u><u>10,062,626</u></u>
<b>Income funds</b>					
Restricted funds	24	1,270,710	1,270,710	1,213,711	1,213,711
<u>Unrestricted funds - general</u>					
Designated funds	25	7,259,794	8,153,788	6,901,220	7,791,484
General unrestricted funds	26	965,786	964,174	1,039,460	1,057,431
		<u><u>9,496,290</u></u>	<u><u>10,388,672</u></u>	<u><u>9,154,391</u></u>	<u><u>10,062,626</u></u>

The financial statements were approved by the board of directors and authorised for issue on 21 June 2023 and are signed on its behalf by:

Dr David Smith (Chairman)

Trustee

Company Registration No. 05124435

# KINGSGATE COMMUNITY CHURCH

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2022

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	Notes	2022 Group £	2022 Charity £	2021 Group £	2021 Charity £
<b>Cash flows from operating activities</b>					
Cash generated from operations	31	514,729	505,094	804,600	842,664
<b>Investing activities</b>					
Purchase of tangible fixed assets		(106,047)	(106,047)	(368,840)	(355,485)
Proceeds on disposal of tangible fixed assets		7,374	7,374	7,092	7,092
<b>Net cash used in investing activities</b>		<u>(98,673)</u>	<u>(98,673)</u>	<u>(361,748)</u>	<u>(348,393)</u>
<b>Financing activities</b>					
Repayment of bank loans		<u>(505,830)</u>	<u>(505,239)</u>	<u>(287,081)</u>	<u>(287,081)</u>
<b>Net cash used in financing activities</b>		<u>(505,830)</u>	<u>(505,239)</u>	<u>(287,081)</u>	<u>(287,081)</u>
<b>Net (decrease)/increase in cash and cash equivalents</b>		(89,774)	(98,818)	155,771	207,190
Cash and cash equivalents at beginning of year		<u>2,485,312</u>	<u>2,457,748</u>	<u>2,329,541</u>	<u>2,250,558</u>
<b>Cash and cash equivalents at end of year</b>		<u><u>2,395,538</u></u>	<u><u>2,358,930</u></u>	<u><u>2,485,312</u></u>	<u><u>2,457,748</u></u>

# KINGSGATE COMMUNITY CHURCH

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

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### 1 Accounting policies

#### Charity information

Kingsgate Community Church is a private company limited by guarantee incorporated in England and Wales. The registered office is 2 Staplee Way, Parnwell, Peterborough, PE1 4YT, United Kingdom.

#### 1.1 Accounting convention

The accounts have been prepared in accordance with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared under the historical cost convention, modified to include certain items at fair value. The principal accounting policies adopted are set out below.

#### 1.2 Group financial statements

The financial statements consolidate the results of the charitable company and its subsidiary undertaking KingsGate Trading Limited on a line-by line basis. Intra-group sales and profits are eliminated fully on consolidation. A separate Statement of Financial Activities and Income and Expenditure Account for the charity has not been presented because the charity has taken advantage of the exemption afforded by section 408 of the Companies Act 2006.

#### 1.3 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

#### 1.4 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Designated funds - these are funds set aside by the trustees out of unrestricted general funds for specific future purposes or projects.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

#### 1.5 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

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 (FRS 102). The charity benefits from many voluntary hours and unclaimed out-of-pocket expenses contributed by a number of supporters. The charity is extremely grateful for all these gifts in kind.

# KINGSGATE COMMUNITY CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2022

---

#### 1 Accounting policies

(Continued)

The charity receives grants in respect of its activities. Income from 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.

Income from trading activities is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

Investment income is accounted for in the period in which the charity is entitled to receipt.

#### 1.6 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

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. It is categorised under the following headings:

- Costs of raising funds;
- Expenditure on charitable activities; and
- Other expenditure which represents those items not falling into the categories above.

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

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs and other administrative costs. 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.

#### 1.7 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

All assets costing more than £250 are capitalised. No depreciation is provided on freehold land.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold buildings	1% p.a. straight line
Office equipment	25% p.a. reducing balance
Computer equipment	25% p.a. straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

# KINGSGATE COMMUNITY CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

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### 1 Accounting policies

(Continued)

#### 1.8 Fixed asset investments

A subsidiary is an entity controlled by the charity. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

Investments in subsidiaries are measured at cost less impairment.

#### 1.9 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

#### 1.10 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing stock to its present location and condition. Cost is calculated using the first in, first out formula. Provision is made for damaged, obsolete and slow-moving stock where appropriate.

#### 1.11 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, and other short-term liquid investments with original maturities of three months or less.

#### 1.12 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### **Basic financial liabilities**

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

# KINGSGATE COMMUNITY CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2022

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#### 1 Accounting policies

(Continued)

##### *Derecognition of financial liabilities*

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

#### 1.13 Taxation

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

#### 1.14 Provisions

Provisions are recognised when the charity has a legal or constructive present obligation as a result of a past event, it is probable that the charity will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value, the unwinding of the discount is recognised as a finance cost in net income/(expenditure) in the period in which it arises.

#### 1.15 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### 1.16 Leases

Rentals payable under operating leases, including any lease incentives received, are charged as an expense on a straight line basis over the term of the relevant lease.

#### 2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

# KINGSGATE COMMUNITY CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

### 3 Donations and legacies

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
Gifts and offerings	567,796	117,807	685,603	735,518
Covenants and gift aid	1,623,482	368,909	1,992,391	1,833,409
Income tax repayments	408,571	94,828	503,399	469,089
Grants received	-	95,609	95,609	155,974
	<u>2,599,849</u>	<u>677,153</u>	<u>3,277,002</u>	<u>3,193,990</u>
<b>For the year ended 31 December 2021</b>	<u>2,536,053</u>	<u>657,937</u>		<u>3,193,990</u>
<b>Grants receivable for core activities</b>				
Peterborough City Council	-	13,619	13,619	75,175
The Trussell Trust	-	51,750	51,750	31,392
Church Revitalisation Trust	-	10,500	10,500	47,742
Other	-	19,740	19,740	1,665
	<u>-</u>	<u>95,609</u>	<u>95,609</u>	<u>155,974</u>

### 4 Charitable activities

	2022 £	2021 £
Courses and events	32,250	3,562
Foodbank income	132,101	87,727
Community action income	22,843	14,013
Learning communities	311,837	230,457
Miscellaneous income	25,617	57,511
	<u>524,648</u>	<u>393,270</u>
<b>Analysis by fund</b>		
Unrestricted funds	106,796	75,073
Restricted funds	417,852	318,197
	<u>524,648</u>	<u>393,270</u>

# KINGSGATE COMMUNITY CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

### 5 Other trading activities

	<b>2022</b>	<b>2021</b>
	£	£
Commercial operations in trading subsidiary	243,338	114,676

### 6 Other income

	<b>Unrestricted funds general 2022</b>	Unrestricted funds general 2021
	£	£
Net gain on disposal of tangible fixed assets	7,206	6,178
Other income	-	36,069
	<u>7,206</u>	<u>42,247</u>

### 7 Raising funds

	<b>2022</b>	<b>2021</b>
	£	£
Commercial operations in trading subsidiary		
Staff costs	130,379	143,485
Direct costs	24,608	6,765
Administrative expenses	46,684	4,275
	<u>201,671</u>	<u>154,525</u>

# KINGSGATE COMMUNITY CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

### 8 Charitable activities

	2022 £	2021 £
Staff costs	1,678,691	1,607,894
Depreciation	253,578	278,786
Outreach and Community Action	323,250	258,953
Sunday Experience and Connect	264,231	157,276
Pastoral Care	146,801	86,182
Equip and Leadership Development	293,090	165,500
Overseas Mission	122,957	67,090
Facilities	301,712	246,595
	<u>3,384,310</u>	<u>2,868,276</u>
Share of support costs (see note 9)	112,499	86,556
Share of governance costs (see note 9)	11,815	10,338
	<u>3,508,624</u>	<u>2,965,170</u>
<b>Analysis by fund</b>		
Unrestricted funds	2,508,451	1,921,433
Unrestricted funds - designated	253,578	278,786
Restricted funds	746,595	764,951
	<u>3,508,624</u>	<u>2,965,170</u>

### 9 Support costs

	Support costs £	Governance costs £	2022 £	2021 £
Office costs	102,580	-	102,580	74,943
Printing, postage and stationery	3,282	-	3,282	3,951
Photocopying	6,637	-	6,637	7,662
Audit fees	-	11,815	11,815	10,338
	<u>112,499</u>	<u>11,815</u>	<u>124,314</u>	<u>96,894</u>

### 10 Trustees

Trustees' remuneration is permitted under certain limited circumstances, if paid as an employee, under the terms of its governing document. During the year, remuneration was paid to one Trustee amounting to £79,046 (2021 - £78,956). Employer pension contributions for this Trustee were £7,406 (2021 - £5,127). No Trustees waived any remuneration.

One Trustee (2021 - one) is accruing pension arrangements.

# KINGSGATE COMMUNITY CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

### 10 Trustees

(Continued)

During the year one trustee received reimbursement of expenses amounting to £440 (2021 - two trustees received £264) of which £nil (2021 - £60) was outstanding at the year end and included within trade creditors.

### 11 Auditor's remuneration

The analysis of auditor's remuneration is as follows:

	2022 £	2021 £
Audit of the charity's annual accounts	11,815	10,338
<b>Other services to the group</b> - the audit of the subsidiary	2,923	2,898
<b>Total audit fees</b>	<u>14,738</u>	<u>13,236</u>

### 12 Surplus for the financial year

As permitted by section 408 of the Companies Act 2006, the holding company's surplus has not been included in these financial statements. The surplus for the financial year is made up as follows:

	2022 £	2021 £
Holding company's gross income for the financial year	<u>3,835,664</u>	<u>3,629,507</u>
Holding company's surplus for the financial year	<u>326,185</u>	<u>652,817</u>

# KINGSGATE COMMUNITY CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2022

#### 13 Commercial operations in trading subsidiary

The wholly owned trading subsidiary, KingsGate Trading Limited, which is incorporated in England and Wales, pays a proportion of its profits to the charity by gift aid. KingsGate Trading Limited operates the resources centre and room hire at KingsGate Community Church. The charity owns the entire issued share capital of 1 ordinary share at £1 each. A summary of the trading results is shown below.

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
<b>KingsGate Trading Limited Profit &amp; Loss Account</b>		
Turnover	242,742	33,859
JRS income	-	80,797
Cost of sales	(181,795)	(150,250)
Administration costs	(15,618)	(13,168)
Other income and interest received	596	20
Interest payable	(539)	-
	<hr/>	<hr/>
Net profit	45,386	(48,742)
Add: sales made to charity	994	11,520
Less: management charges paid to charity	(23,664)	-
	<hr/>	<hr/>
Dividend paid to charity	22,716	(37,222)
	(3,144)	-
	<hr/>	<hr/>
Tax on loss on ordinary activities	19,572	(37,222)
	(3,719)	8,893
	<hr/>	<hr/>
Retained in the subsidiary	15,853	(28,329)
	<hr/> <hr/>	<hr/> <hr/>
<b>KingsGate Trading Limited Balance Sheet</b>		
	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Fixed assets	10,680	14,410
Current assets	103,629	56,243
Current liabilities	(78,607)	(50,213)
Long term liabilities	(23,409)	(24,000)
	<hr/>	<hr/>
Total net assets	12,293	(3,560)
	<hr/> <hr/>	<hr/> <hr/>
Aggregate share capital and reserves	12,293	(3,560)
	<hr/> <hr/>	<hr/> <hr/>

# KINGSGATE COMMUNITY CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

### 14 Employees

#### Number of employees

The average monthly number of employees during the year was:

	<b>2022</b>	<b>2021</b>
	<b>Number</b>	<b>Number</b>
KingsGate Community Church	57	55
KingsGate Trading Limited	15	22
	<u>72</u>	<u>77</u>

<b>Employment costs</b>	<b>2022</b>	<b>2022</b>	<b>2022</b>	<b>2021</b>
	<b>Charity</b>	<b>Subsidiary</b>	<b>Group</b>	<b>Group</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Wages and salaries	1,468,789	119,706	1,588,495	1,549,957
Social security costs	142,554	7,234	149,788	135,508
Other pension costs	67,348	3,439	70,787	65,914
	<u>1,678,691</u>	<u>130,379</u>	<u>1,809,070</u>	<u>1,751,379</u>

The number of employees whose annual remuneration was £60,000 or more were:

	<b>2022</b>	<b>2021</b>
	<b>Number</b>	<b>Number</b>
£70,001 - £80,000	<u>1</u>	<u>1</u>

The above employee participated in the pension scheme. During the year ended 31 December 2022, pension contributions for this employee amounted to £7,406 (2021 - £5,127).

# KINGSGATE COMMUNITY CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

### 15 Tangible fixed assets

Group	Freehold land and buildings £	Plant and equipment £	Total £
<b>Cost</b>			
At 1 January 2022	8,951,827	1,703,077	10,654,904
Additions	-	106,047	106,047
Disposals	-	(7,278)	(7,278)
At 31 December 2022	8,951,827	1,801,846	10,753,673
<b>Depreciation</b>			
At 1 January 2022	1,015,699	1,115,485	2,131,184
Depreciation charged in the year	83,871	173,269	257,140
Eliminated in respect of disposals	-	(7,110)	(7,110)
At 31 December 2022	1,099,570	1,281,644	2,381,214
<b>Carrying amount</b>			
At 31 December 2022	7,852,257	520,202	8,372,459
At 31 December 2021	7,936,128	587,592	8,523,720
<b>Charity</b>			
	Freehold land and buildings £	Plant and equipment £	Total £
<b>Cost</b>			
At 1 January 2022	9,856,501	1,621,322	11,477,823
Additions	-	106,047	106,047
Disposals	-	(5,020)	(5,020)
At 31 December 2022	9,856,501	1,722,349	11,578,850
<b>Depreciation</b>			
At 1 January 2022	1,015,699	1,048,140	2,063,839
Depreciation charged in the year	83,871	169,707	253,578
Eliminated in respect of disposals	-	(5,020)	(5,020)
At 31 December 2022	1,099,570	1,212,827	2,312,397
<b>Carrying amount</b>			
At 31 December 2022	8,756,931	509,522	9,266,453
At 31 December 2021	8,840,802	573,182	9,413,984

# KINGSGATE COMMUNITY CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

### 15 Tangible fixed assets

(Continued)

All assets are used for direct charitable purposes.

Included within land and buildings is an amount of £1,472,000 (2021 - £1,472,000) in respect of land which is not depreciated.

### 16 Fixed asset investments

<b>Group</b>	<b>Investment in subsidiaries</b>
<b>Cost or valuation</b>	<b>£</b>
At 1 January 2022 & 31 December 2022	-
	<u>          </u>
<b>Charity</b>	
<b>Cost or valuation</b>	
At 1 January 2022 & 31 December 2022	1
	<u>          </u>

The investment represents a 100% shareholding in KingsGate Trading Limited, a company incorporated in England and Wales.

For details of the principal activity and results for the year, see note 13.

<b>17 Financial instruments</b>	<b>Group</b>	<b>Charity</b>	<b>Group</b>	<b>Charity</b>
	<b>2022</b>	<b>2022</b>	<b>2021</b>	<b>2021</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Carrying amount of financial assets</b>				
Trade debtors	74,564	24,523	6,797	4,079
Other debtors	6,233	4,299	5,559	3,033
Amounts due from subsidiary undertakings	-	47,108	-	26,719
Bank and cash	2,395,538	2,358,930	2,485,312	2,457,748
Fixed asset investments	-	1	-	1
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Measured at cost	2,476,335	2,434,861	2,497,668	2,491,580
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Carrying amount of financial liabilities</b>				
Trade creditors	41,058	35,463	53,480	48,285
Accruals	88,820	77,481	95,874	92,841
Bank loans	1,158,986	1,129,577	1,664,816	1,634,816
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Measured at cost	1,288,864	1,242,521	1,814,170	1,775,942
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

# KINGSGATE COMMUNITY CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

18	Stocks	2022 Group £	2022 Company £	2021 Group £	2021 Company £
	Finished goods and goods for resale	9,872	-	14,542	-

19	Debtors	2022 Group £	2022 Charity £	2021 Group £	2021 Charity £
	<b>Amounts falling due within one year:</b>				
	Trade debtors	74,564	24,523	6,797	4,079
	Income tax recoverable	38,566	38,566	34,927	34,927
	Amounts due from subsidiary undertakings	-	47,108	-	26,719
	Other debtors	6,233	4,299	5,559	3,033
	Prepayments and accrued income	34,449	34,449	39,228	39,228
		153,812	148,945	86,511	107,986
	Deferred tax asset	5,174	-	8,893	-
		158,986	148,945	95,404	107,986

20	Creditors: amounts falling due within one year	2022 Group £	2022 Charity £	2021 Group £	2021 Charity £
	<b>Notes</b>				
	Bank loans	325,145	319,145	319,419	313,419
	Other taxation and social security	39,208	39,208	39,217	39,217
	Deferred income	70,699	70,699	74,100	74,100
	Trade creditors	41,058	35,463	53,480	48,285
	Other creditors	41,794	33,229	37,100	27,834
	Accruals	88,820	77,481	95,874	92,841
		606,724	575,225	619,190	595,696

Deferred income is income received for Learning Communities that relates to the year ended 31 December 2023.

21	Creditors: amounts falling due after more than one year	2022 Group £	2022 Charity £	2021 Group £	2021 Charity £
	<b>Notes</b>				
	Bank loans	833,841	810,432	1,345,397	1,321,397

# KINGSGATE COMMUNITY CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

### 22 Loans and overdrafts

	2022 Group £	2022 Charity £	2021 Group £	2021 Charity £
Bank loans	1,158,986	1,129,577	1,664,816	1,634,816
Payable within one year	325,145	319,145	319,419	313,419
Payable after one year	833,841	810,432	1,345,397	1,321,397

The charity bank borrowings are secured over the assets of the group.

### 23 Provision for liabilities

	2022 Group £	2022 Charity £	2021 Group £	2021 Charity £
<b>Deferred taxation Balances:</b>				
Tax losses	5,174	-	8,893	-

	2022 £
<b>Movements in the year:</b>	
Liability/(Asset) at 1 January 2022	(8,893)
Charge to profit or loss	3,719
Liability/(Asset) at 31 December 2022	(5,174)

The deferred tax asset set out above is expected to reverse within the foreseeable future and relates to the utilisation of tax losses against future expected profits of the same period.

# KINGSGATE COMMUNITY CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2022

#### 24 Restricted funds

##### Group and Charity

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds				Movement in funds				Balance at 31 December 2022 £
	Balance at 1 January 2021 £	Income £	Expenditure £	Transfers £	Balance at 1 January 2022 £	Income £	Expenditure £	Transfers £	
Building fund - Peterborough	-	109,989	(98,990)	(10,999)	-	-	-	-	-
Building fund - Cambridge	290	2,257	-	(226)	2,321	35,291	-	51,172	88,784
Mission fund	479,971	37,985	(243,075)	181,116	455,997	157,173	(208,765)	20,084	424,489
Body needs fund - Peterborough	18,627	-	(2,105)	-	16,522	9,375	(5,339)	(1,177)	19,381
Body needs fund - Cambridge	558	-	(135)	-	423	200	(900)	1,177	900
Foodbank fund	160,054	87,727	(33,529)	-	214,252	132,101	(49,365)	-	296,988
Sabbatical fund	2,666	-	(2,666)	-	-	-	-	-	-
PCAS grant	78,552	-	(26,112)	2,280	54,720	-	(51,617)	(3,103)	-
Together on purpose	-	279,231	-	(27,923)	251,308	12,986	(26,057)	(69,151)	169,086
Learning Community fund	9,268	230,457	(151,076)	-	88,649	285,451	(271,958)	-	102,142
2020 vision fund	186,407	65,950	(34,027)	(183,224)	35,106	-	(4,137)	-	30,969
Children's work	8,563	-	-	-	8,563	-	(1,000)	-	7,563
Parnwell Hub grant	17,395	13	(704)	-	16,704	300	(114)	-	16,890
Peterborough - Love Your Neighbour	14,963	31,392	(14,964)	-	-	-	-	-	-
Coronavirus support grant	22,986	47,742	(109,220)	38,492	31,391	51,750	(62,067)	-	21,074
Winter Support fund	4,992	40,579	(33,179)	(2,280)	10,112	3,000	(14,210)	3,103	2,005
Carried forward to next page	1,005,292	933,322	(749,782)	(2,764)	1,186,068	687,627	(695,529)	2,105	1,180,271

# KINGSGATE COMMUNITY CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

### 24 Restricted funds

(Continued)

	Movement in funds				Balance at 1 January 2022 £	Movement in funds			Balance at 31 December 2022 £
	Balance at 1 January 2021 £	Income £	Expenditure £	Transfers £		Income £	Expenditure £	Transfers £	
Brought forward	1,005,292	933,322	(749,782)	(2,764)	1,186,068	687,627	(695,529)	2,105	1,180,271
Food Pantry fund	-	1,165	-	-	1,165	22,789	(16,529)	10,000	17,425
Syrian and Afghan Refugees	-	10,347	(9,388)	-	959	17,156	(18,115)	-	-
Romanian Fund	-	500	(500)	-	-	1,288	(18)	-	1,270
Care Leavers Goods	-	25,000	(5,281)	-	19,719	-	(10,604)	-	9,115
Care Zone donations	-	5,800	-	-	5,800	-	(5,800)	-	-
The Church We See	-	-	-	-	-	366,145	-	(303,516)	62,629
	<u>1,005,292</u>	<u>976,134</u>	<u>(764,951)</u>	<u>(2,764)</u>	<u>1,213,711</u>	<u>1,095,005</u>	<u>(746,595)</u>	<u>(291,411)</u>	<u>1,270,710</u>

The Building funds are held to fund improvements to the premises at Peterborough and to finance any future Cambridge building needs. Once expended a transfer is made to a designated fund representing the interest in the land and property.

The Mission fund arises from the commitment to spend 10% of all income on mission activities. These include community action, launching new Centres, overseas missions and gifts to other ministries.

The Body Needs fund represents funds to support members of the church community who are in financial hardship.

The Foodbank fund represents funds provided to support the running of a foodbank across Peterborough.

The sabbatical fund represents the balance of income given to the Church to finance the Senior Pastor's sabbatical.

PCAS grant was a grant received from the City Council for the provision of emergency food and furniture upon referral from the Peterborough Community Assistance scheme.

The Together on Purpose fund was an offering received in September 2021 to finance key areas of the Together on Purpose vision; Leadership Development, Media and Technology to support our online presence and community action initiatives.

# KINGSGATE COMMUNITY CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2022

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#### 24 Restricted funds

(Continued)

The Learning Community fund represents income and expenses in relation to educational events hosted in partnership with Gateway Church (Dallas), ARC and Stewardship.

The 2020 Vision fund was an offering received over a 4 year period to finance 5 key areas of the 2020 Vision; Inside out initiatives, Leadership Development, Launching new Centres, Technology and building needs.

The Children's Work fund was a donation received given specifically for the benefit of the Children's Ministry.

The Parnwell Hub grant was a grant received from the City Council to run community development activities in Parnwell with a range of partner agencies.

The Love Your Neighbour grant was a grant received from the Church Revitalisation Trust for the provision of emergency food, support the running of Care Zone and to launch a new Debt Advice Service.

Coronavirus Support Grant was a grant received from the Trussell Trust to provide information and advice services for Peterborough Foodbank beneficiaries through a partnership with Citizens Advice Peterborough.

The Winter Support Fund was a grant received from Peterborough City Council for the provision of emergency food and white goods upon referral from the Peterborough Community Assistance scheme.

The Peterborough Care Zone - Cambridgeshire Community Foundation provided funding for Care Zone to purchase crockery and saucepan sets for people who had previously experienced homelessness and had been allocated housing.

Food Pantry - KingsGate is setting up a food pantry in Parnwell for families facing long term food insecurity.

Syrian and Afghan Refugee fund - Care Zone is working in partnership with other organisations to resettle refugees from Syrian and Afghanistan into the city. Peterborough City Council has provided funding to enable to Care Zone to increase its capacity to provide furniture for these families.

Romanian Fund included a grant received in 2021 from the local council to help with the COVID relief efforts within the Peterborough Romanian Community, and also includes giving to help support KingsGate members setting up a church in Cluj, Romania.

Care Leavers Goods Fund - Peterborough City Council provided funding for Care Zone to supply furniture and white goods to care leavers.

Care Zone Donations is a donation received from the Institute of Export to purchase items as needed by the Care Zone.

The Church We See fund was an offering received in March. 60% was used to make a one-off mortgage payment, 15% was set aside into a Cambridge building fund and the remainder is for Leadership Development and other projects.

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# KINGSGATE COMMUNITY CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2022

#### 25 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

##### Group

	Balance at 1 January 2021	Expenditure	Transfers	Balance at 1 January 2022	Expenditure	Transfers	Balance at 31 December 2022
	£	£	£	£	£	£	£
Interest in land and property	6,068,102	(83,871)	317,081	6,301,312	(83,871)	505,240	6,722,681
Interest in fixed assets	423,711	(194,915)	350,246	587,592	(169,707)	102,317	520,202
Fixed asset fund	12,316	-	-	12,316	-	4,595	16,911
	<u>6,504,129</u>	<u>(278,786)</u>	<u>667,327</u>	<u>6,901,220</u>	<u>(253,578)</u>	<u>612,152</u>	<u>7,259,794</u>

##### Charity

	Balance at 1 January 2021	Expenditure	Transfers	Balance at 1 January 2022	Expenditure	Transfers	Balance at 31 December 2022
	£	£	£	£	£	£	£
Interest in land and property	6,972,776	(83,871)	317,081	7,205,986	(83,871)	505,240	7,627,355
Interest in fixed assets	413,598	(194,915)	354,499	573,182	(169,707)	106,047	509,522
Fixed asset fund	12,316	-	-	12,316	-	4,595	16,911
	<u>7,398,690</u>	<u>(278,786)</u>	<u>671,580</u>	<u>7,791,484</u>	<u>(253,578)</u>	<u>615,882</u>	<u>8,153,788</u>

The designated fund for interest in land and property is an amount transferred from restricted funds in respect of restricted expenditure that has been capitalised in fixed assets. This fund will be utilised as depreciation is charged on the property.

The interest in fixed assets fund represents the net book value of equipment and vehicles.

# KINGSGATE COMMUNITY CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

### 26 Unrestricted funds

Group	Movement in funds				Movement in funds				Balance at 31 December 2022
	Balance at 1 January 2021	Income	Expenditure	Transfers	Balance at 1 January 2022	Income	Expenditure	Transfers	
	£	£	£	£	£	£	£	£	£
General fund	1,024,735	2,768,049	(2,075,958)	(677,366)	1,039,460	2,957,189	(2,710,122)	(320,741)	965,786
	<u>1,024,735</u>	<u>2,768,049</u>	<u>(2,075,958)</u>	<u>(677,366)</u>	<u>1,039,460</u>	<u>2,957,189</u>	<u>(2,710,122)</u>	<u>(320,741)</u>	<u>965,786</u>
	<u><u>1,024,735</u></u>	<u><u>2,768,049</u></u>	<u><u>(2,075,958)</u></u>	<u><u>(677,366)</u></u>	<u><u>1,039,460</u></u>	<u><u>2,957,189</u></u>	<u><u>(2,710,122)</u></u>	<u><u>(320,741)</u></u>	<u><u>965,786</u></u>
<b>Charity</b>	<b>Movement in funds</b>				<b>Movement in funds</b>				<b>Balance at 31 December 2022</b>
	Balance at 1 January 2021	Income	Expenditure	Transfers	Balance at 1 January 2022	Income	Expenditure	Transfers	Balance at 31 December 2022
	£	£	£	£	£	£	£	£	£
General fund	1,005,827	2,653,372	(1,932,953)	(668,815)	1,057,431	2,740,659	(2,508,451)	(325,465)	964,174
	<u>1,005,827</u>	<u>2,653,372</u>	<u>(1,932,953)</u>	<u>(668,815)</u>	<u>1,057,431</u>	<u>2,740,659</u>	<u>(2,508,451)</u>	<u>(325,465)</u>	<u>964,174</u>
	<u><u>1,005,827</u></u>	<u><u>2,653,372</u></u>	<u><u>(1,932,953)</u></u>	<u><u>(668,815)</u></u>	<u><u>1,057,431</u></u>	<u><u>2,740,659</u></u>	<u><u>(2,508,451)</u></u>	<u><u>(325,465)</u></u>	<u><u>964,174</u></u>

# KINGSGATE COMMUNITY CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2022

#### 27 Analysis of net assets between funds

Group	Unrestricted funds 2022 £	Designated funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Designated funds 2021 £	Restricted funds 2021 £	Total 2021 £
Fund balances at 31 December 2022 are represented by:								
Tangible assets	-	8,372,459	-	8,372,459	-	8,523,720	-	8,523,720
Current assets/(liabilities)	989,195	(302,233)	1,270,710	1,957,672	1,063,460	(301,103)	1,213,711	1,976,068
Long term liabilities	(23,409)	(810,432)	-	(833,841)	(24,000)	(1,321,397)	-	(1,345,397)
	<u>965,786</u>	<u>7,259,794</u>	<u>1,270,710</u>	<u>9,496,290</u>	<u>1,039,460</u>	<u>6,901,220</u>	<u>1,213,711</u>	<u>9,154,391</u>

Charity	Unrestricted funds 2022 £	Designated funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Designated funds 2021 £	Restricted funds 2021 £	Total 2021 £
Fund balances at 31 December 2022 are represented by:								
Tangible assets	-	9,266,453	-	9,266,453	-	9,413,984	-	9,413,984
Investments	1	-	-	1	1	-	-	1
Current assets/(liabilities)	964,173	(302,233)	1,270,710	1,932,650	1,057,430	(301,103)	1,213,711	1,970,038
Long term liabilities	-	(810,432)	-	(810,432)	-	(1,321,397)	-	(1,321,397)
	<u>964,174</u>	<u>8,153,788</u>	<u>1,270,710</u>	<u>10,388,672</u>	<u>1,057,431</u>	<u>7,791,484</u>	<u>1,213,711</u>	<u>10,062,626</u>

# KINGSGATE COMMUNITY CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

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### 28 Control

No one individual has overall control of the charity.

### 29 Operating lease commitments

#### Group and charity

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2022 £	2021 £
Within one year	39,762	79,515
Between two and five years	58,695	-
	<u>98,457</u>	<u>79,515</u>

### 30 Related party transactions

#### Remuneration of key management personnel

The total amount of employee benefits (including employer's pension contributions) received by key management personnel is £478,478 (2021 - £515,386). The charity considers its key management personnel comprises of the members of the Multisite Strategy team.

#### Transactions with related parties

During the year management charges of £23,664 (2021 - £nil) were charged to KingsGate Trading Limited, a subsidiary company. Wages costs are recharged between the Charity and its subsidiary, resulting in a net income to the Charity of £18,090 (2021 - net cost of £11,224). A gift aided donation of £3,144 (2021 - £nil) was also received from KingsGate Trading Limited. Included within debtors is £47,108 (2021 - £26,719) due from KingsGate Trading Limited.

Donations of £90,220 (2021 - £61,122) were received during the year from eight Trustees (2021 - six Trustees). No conditions were attached to these donations.

During the prior year the charity had an arrangement with a third party to create videos based on a book authored by D Smith, a trustee. Many churches and individuals benefitted from the videos, as did KingsGate. The creation of the videos promoted books sales and therefore may have impacted on royalties earned by D Smith, but it is not possible to quantify the effect. A proportion of royalties from the book earned by D Smith will be gifted back to the project and the church will receive an equal share of any surplus generated from video sales over and above costs incurred.

# KINGSGATE COMMUNITY CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2022

31 Cash generated from operations	2022 Group £	2022 Charity £	2021 Group £	2021 Charity £
Surplus for the year	341,899	326,046	624,488	652,817
Adjustments for:				
Gain on disposal of tangible fixed assets	(7,206)	(7,374)	(6,178)	(6,178)
Depreciation of tangible fixed assets	257,140	253,578	283,591	278,786
Movements in working capital:				
(Decrease) in stocks	4,670	-	-	-
(Increase) in debtors	(63,582)	(40,959)	(13,255)	5,082
(Decrease) in creditors	(18,192)	(26,197)	(84,046)	(87,843)
<b>Cash generated from operations</b>	<u>514,729</u>	<u>505,094</u>	<u>804,600</u>	<u>842,664</u>

### 32 Analysis of changes in net funds

Group	At 1 January 2022 £	Cash flows £	At 31 December 2022 £
Cash at bank and in hand	2,485,312	(89,774)	2,395,538
Loans falling due within one year	(319,419)	(5,726)	(325,145)
Loans falling due after more than one year	(1,345,397)	511,556	(833,841)
	<u>820,496</u>	<u>416,056</u>	<u>1,236,552</u>
<b>Charity</b>	<b>At 1 January 2022 £</b>	<b>Cash flows £</b>	<b>At 31 December 2022 £</b>
Cash at bank and in hand	2,457,748	(98,818)	2,358,930
	<u>2,457,748</u>	<u>(98,818)</u>	<u>2,358,930</u>
Loans falling due within one year	(319,419)	274	(319,145)
Loans falling due after more than one year	(1,345,397)	534,965	(810,432)
	<u>792,932</u>	<u>436,421</u>	<u>1,229,353</u>

**KINGSGATE COMMUNITY CHURCH**

England & Wales - Charity number 1106273

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# Accounts

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**Charity Registration No. 1106273**

**Company Registration No. 05124435 (England and Wales)**

**KINGSGATE COMMUNITY CHURCH**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

# KINGSGATE COMMUNITY CHURCH

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Directors and Trustees</b>	Dr David Smith (Chairman) Mr Norman Paskin Mr Barry Featherstone Mr Matthew Negus Mr Samson Abioye	(Appointed 1 May 2021)
<b>Secretary</b>	Mrs Sally Duffy	
<b>Multisite Strategy Team</b>	Dr David Smith Mrs Karen Smith Mr Simon Deeks Mrs Sally Duffy Mr David Robertson Mr Jim Thody Mrs Heather Robertson Mrs Jasmine Allen Mr Phil Timson Mrs Zia Deeks Mrs Sharon Keogh Mr Simon Benn	(Left June 2021) (Left June 2021)
<b>Charity number</b>	1106273	
<b>Company number</b>	05124435	
<b>Principal office</b>	2 Staplee Way Parnwell Peterborough United Kingdom PE1 4YT	
<b>Auditor</b>	Azets Audit Services Ruthlyn House 90 Lincoln Road Peterborough Cambridgeshire PE1 2SP United Kingdom PE1 2SP	
<b>Bankers</b>	Allied Irish Bank 61/62 The Mall London United Kingdom W5 3TA	

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# KINGSGATE COMMUNITY CHURCH

## LEGAL AND ADMINISTRATIVE INFORMATION

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### **Solicitors**

Hegarty LLP  
48 Broadway  
Peterborough  
United Kingdom  
PE1 1YW

The directors of the charitable company (the charity) are its trustees for the purpose of charity law and throughout this report are collectively referred to as its trustees.

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# KINGSGATE COMMUNITY CHURCH

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# KINGSGATE COMMUNITY CHURCH

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

### FOR THE YEAR ENDED 31 DECEMBER 2021

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The trustees present their report and financial statements for the year ended 31 December 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2019)

#### **Objectives and activities**

##### The Objectives of The Charity

The charity's purposes, as set out in the objects contained in the company's memorandum of association, are:

1. The advancement of the Christian faith in accordance with the doctrine set out in the underwritten Fourth Schedule and the worship of God in the said county and elsewhere by any means whatsoever including (but not by way of limitation) the preaching and proclamation of the Christian gospel, the teaching of the Christian Doctrine and principles, the pastoral care of Christian people and the printing and distribution of the Bible and Christian literature including video, and audio recordings and by any other media which is, or may become, available.
2. The relief of persons who are in conditions of need, hardship or distress or who are aged or sick.
3. The advancement of education on the basis of Christian principles and, without prejudice, to the generality of the foregoing, the provision of such education in any educational establishment and, if the Trustees so decide, the provision of one or more charitable educational establishments for the general education of children and adults on the basis of such Christian principles.

##### 2021 Vision, Values and Strategic Priorities

In 2021, the Strategic Leadership Team of KingsGate Community Church reaffirmed the vision, values, and strategic priorities of the Church as:

**Vision:** 'Transforming Lives from our Neighbourhoods to the Nations by the Power of God's Love'.

**Values:** Word, Spirit, Worship, Prayer, Fellowship, Discipleship, Mission, and Stewardship.

##### **Strategic Priorities:**

In 2021 we identified the need to refocus on our core mission, which as a church is "TRANSFORMING LIVES from our neighbourhoods to the nations, by the power of God's love", and the call for us to be disciples and make disciples. We identified three main areas:

1. GO together on mission for Jesus
2. GROW together in maturity in Jesus
3. COME together to meet with Jesus, a re-emphasis on the importance of the gathered church.

##### 2021 Activities:

The main activity continues to be **teaching via Sunday services and Life Groups both online and in person whenever possible.**

Other activities in 2021 included:

- **Sunday Services:** In-person, weekly Sunday services resumed from April 2021 with two services being held at KingsGate Peterborough and one service at KingsGate Cambridge. KingsGate Leicester resumed meeting monthly from autumn 2021. Online services continue to be provided via YouTube and the Church Online platform.

# KINGSGATE COMMUNITY CHURCH

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

**FOR THE YEAR ENDED 31 DECEMBER 2021**

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- **LifeGroups:** LifeGroups continue to be one of the main ways people grow in their discipleship with Jesus, providing a personalised setting for development of gifts and spiritual depth. In 2021 LifeGroups have continued to meet regularly, either in-person and/or online. New pastoral area plans are helping to identify 'gaps' in the geographical coverage of LifeGroups. We recognise the vital part our volunteer leaders play in providing pastoral support to those in our church family through LifeGroups, especially over the pandemic. We are deeply grateful for all that they have done, continue to give and will give in the future.
- **Community Action:** 2021 was a year that despite the practical challenges of operating during lockdown saw Community Action continue to develop its support for people facing poverty and build wrap-around care for people accessing our services. This aimed to address some of the underlying reasons people found themselves in crisis and reduce the need for people to rely on Peterborough Foodbank. This wrap-around care included partnering with Citizens Advice Peterborough and Community Money Advice to offer information and advice.
- **Care Zone, Peterborough:** Furniture, clothing, toys, and other household items are provided free of charge to those who are in need in our community, referred through local agencies. In 2021, Care Zone furnished 694 properties and supported 1,400 people. Care Zone also worked with other community groups to support the resettlement of refugees in the city from Syria and Afghanistan. To date, thirteen houses have been prepared for refugee families and Care Zone is also beginning to support Ukrainian families arriving in the city as well.
- **Foodbank, Peterborough:** The Foodbank opened in 2012 in partnership with six local churches and is part of the Trussell Trust Foodbank network. The project helps people in crisis by providing three days' emergency food, as well as signposting and support to resolve the underlying problem. In 2021, Trussell Trust funding was secured to set up a financial inclusion pilot project for people presenting at foodbanks. The funding enabled Peterborough Foodbank to partner with Citizens Advice Peterborough to offer foodbank users information and advice around income maximisation, welfare benefits, housing, and immigration issues. The pilot project ran for 12 months, supported 220 families to address 770 issues and achieved £91,710 financial outcomes. The impact of this wrap around support saw a reduction in the numbers of people revisiting Peterborough Foodbank in 2021.
- **Foodbank, Cambridge:** KingsGate Cambridge are partnering with Cambridge City Foodbank and a volunteer team from Kingsgate Cambridge are running the Trumpington distribution centre.
- **Debt Advice Centre:** Using funding secured from the Church Revitalisation Trust, the KingsGate Community Money Advice Connect Centre opened in February 2021 to offer support for people struggling with debt issues. A team of volunteer money mentors, trained and supported by Community Money Advice have supported thirty-five families and to date has achieved £73,514 in financial outcomes. Eight families have completed the process and are now debt free.
- **Christmas Hampers:** KingsGate was part of the national 'Love Christmas' campaign, receiving match funding from the Church Revitalisation Trust and gave away more than 2,000 hampers filled with delicious food treats. KingsGate worked with community partners to ensure that the hampers went to families facing difficulties. This was a wonderful way to express our care for people during the Christmas season.
- **Youth:** 2021 started mid pandemic with LifeGroups and Friday night youth ministry provided through an online experience. Our online provision maintained a strong core of young people. Sunday youth ministry resumed in-person from Easter, with numbers increasing throughout the year to an average attendance in the autumn term of 88 young people. We launched our new youth branding 'KingsGate Youth – The Future Now' alongside the relaunch of our in-person Friday night youth service in September. Following three back-to-back vision nights, our Friday night youth ministry started strong, with 170 young people attending our first in-person. 2021 also saw the start of our YAC, Youth Advisory Council for Multiracial inclusion, as well as the development of our video based 'Bitesize' teaching, translating mainstage teaching for a younger audience, as well as creating a 'Youth Next steps' video teaching series.
- **Children's Ministry:** Children's work continues offering both in-person and online resources to support families in helping their children to encounter God. The teaching program continues to mirror main auditorium teaching across all ages. Numbers on Sunday morning continue to grow as families find their way back to in-person services. 2021 focussed on regrowing the Sunday morning volunteer team; identifying and developing leaders through our mentoring program.

# KINGSGATE COMMUNITY CHURCH

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2021

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- **Overseas Mission:** 2021 was a very challenging year for our key overseas partners in Bulembu in eSwatini, Heart for Lebanon and Compassion, as they experienced the pandemic to a level far worse than the UK and most of Europe. Although we were unable to send teams, many children continue to be sponsored through Compassion and due to the generosity of the church, we were able to give financially to meet specific needs in both Bulembu and Lebanon. During this time, we have continued to support their work through focussed times of prayer as well as relational support to key leaders via zoom. We were also able to respond to global crises by giving financial gifts to World Vision in response to the Haiti earthquake and Tearfund for their ongoing work in Afghanistan.

#### 2021 Together on Purpose Special Offering

In September 2021 we gave into the 'Together on Purpose' Special offering. This offering enabled us to continue to invest in leadership development, invest in the technology to support our online presence and support our community action projects, including the debt advice centre.

We additionally transferred 10% of this offering, into our Mission Fund. This helps to resource our Community Action projects, as well as resourcing our partnerships with overseas mission projects, as detailed above.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

#### Achievements and performance

##### Financial review

##### Income

Total income, both restricted and unrestricted, of £3.74 million was received in 2021, a 7.5% decrease from 2020 (£4.05 million in 2020). These figures include furlough payments and income from the trading subsidiary. Furlough payments received for both church and trading in 2021 totalled £116,866, a decrease of 63.2% from 2020 (£317,802 in 2020). Trading income was £33,879 in 2021, an 82.9% decrease from 2020 (£198,556 in 2020). Total income excluding furlough and trading income for 2021 was £3.59 million, a 1.7% increase on 2020 (£3.52m in 2020).

The charity's main income stream is from tithes and offerings given by church members and regular attendees. In 2021, unrestricted tithes and offerings were £2,536,053 which was a 2.1% decrease compared to 2020 (£2,589,858 in 2020). This included £487,465 of unrestricted offerings received by the Cambridge centre, a 11.3% increase compared to 2020 (£487,465 in 2020). It also included £97,307 of unrestricted offerings from our Leicester centre, a 19.2% decrease compared to 2020 (£120,401 in 2020).

Restricted offerings were £657,937, which was a 10.7% increase on 2020 (£594,564 in 2020).

##### Expenditure

Expenditure for the year totalled £2,965,170 (2020 £3,017,564) excluding commercial operations in the trading subsidiary.

During 2021, salaries (excluding salaries within the commercial operations) accounted for 54.2% of 2021 expenditure, £1.61 million, compared to 56.2% of 2020 expenditure, £1.70 million. The charity employs both ministry-based positions, such as pastors, children and youth workers and community action workers, as well as administration and management staff, all of which work under the overall direction of the Strategic Leadership Team.

# KINGSGATE COMMUNITY CHURCH

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

**FOR THE YEAR ENDED 31 DECEMBER 2021**

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### **Reserves Policy**

It is the policy of the charity to work towards and then maintain unrestricted funds, which are the free reserves of the charity, at a level which equates to approximately three months unrestricted expenditure excluding certain discretionary spend. This would provide sufficient funds to cover salaries and building running costs for three months. Unrestricted funds of the charity were £1,057k at 31st December 2021 (excluding interest in land & property). The current reserves level is £471k more than the minimum reserves required.

The need for the charity to hold significant reserves is generated by the employment of 55 full and part time permanent employees along with building running costs of the KingsGate Peterborough building.

It is the charity's policy to monitor growth and income statistics carefully and if income were to continue to fall significantly, take immediate measures to minimise risk.

### Risk Management

The trustees has assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

### COVID-19 Risk

In 2021, the impact of COVID-19 continued to be a risk to KingsGate in two main ways: the impact on conferencing business within the trading company and reduction in tithes and offerings. During 2021 we saw a reduction in general tithes and offerings of £82k (3%) and conferencing made a loss of £28k. However, both these reductions in income were compensated for by a reduction in expenditure and the extension to the Coronavirus Job Retention Scheme.

In 2022, the loss of Conferencing income continues to be a risk, but we are beginning to see clients return and bookings are beginning to be secured. We are not expecting conferencing to return to pre-pandemic levels in 2022 and are forecasting an overall budget shortfall because of it. Any shortfall for 2022 will be financed from reserves that have cumulated over the previous three years.

Although the pandemic has had a significant impact, Trustees are confident that KingsGate remains financially secure.

### **Future Plans**

In 2022 we will be continuing to focus on our core mission, which as a church is "TRANSFORMING LIVES from our neighbourhoods to the nations, by the power of God's love". We will continue to focus on following three main areas, building on what was done in 2021:

1. GO together on mission for Jesus
2. GROW together in maturity in Jesus
3. COME together to meet with Jesus, a re-emphasis on the importance of the gathered church.

### **Structure, governance and management**

#### Governing Document

KingsGate Community Church is a company limited by Guarantee with no share capital. It was incorporated as Peterborough Community Church on the 11th May 2004 and was registered with the Charity Commission on the same day. It changed its name to KingsGate Community Church from 1st February 2008.

None of the trustees have any beneficial interest in the company. All the trustees are members of the company and guarantee to contribute such amount as may be required (not exceeding £10) to the company's assets in the event of a winding up.

KingsGate Community Church business is concluded under the framework of its governing memorandum and articles of association, prepared under the Companies Act 1985.

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# KINGSGATE COMMUNITY CHURCH

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

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The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Dr David Smith (Chairman)	
Mr Simon Wilson	(Resigned 14 October 2021)
Mr Norman Paskin	
Mr Barry Featherstone	
Mr Matthew Negus	
Mr Samson Abioye	(Appointed 1 May 2021)

### Appointment of Trustee Directors

The trustees, who have served during the year and since the year end, are set out on page 2. Trustees are appointed by the board and each year, one third retire by rotation and either new trustees are identified, or previous serving trustees are reappointed.

### Trustee Induction and Training

All trustees are offered external training which will help them to undertake their roles and responsibilities.

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

### Organisation

The board of trustees meet at least four times a year. Trustees ensure that the charity remains solvent, is well-run, and delivering the charitable outcomes for the benefit of the public for which it has been set up. The Strategic Leadership Team, which is made up of the Senior Leadership Team and the Multisite Strategy Team, are responsible for the day-to-day running of the organisation. Key strategies identified by the Senior Leadership Team and the Multisite Strategy Team are ratified by Trustees before implementation.

### Related Parties

KingsGate Trading Ltd, a wholly owned subsidiary, was established on 26th January 2007. This subsidiary was incorporated to manage the business activities of the charity including the provision of conference facilities, sale of books and resources. KingsGate Community Church granted a 'licence to use' the building to KingsGate Trading Ltd who started to hire out the building from 1st June 2008.

For the majority of 2021, KingsGate Trading Ltd was unable to trade due to COVID-19 restrictions. Events returned from September 2021. KingsGate Trading Ltd made no distributions to the parent company under gift aid and did not pay a management charge for the trading period. KingsGate Trading Ltd recorded a loss for the year £28,329 (2020 a loss of £2,361).

### **Auditor**

In accordance with the company's articles, a resolution proposing that Azets Audit Services be reappointed as auditor of the company will be put at a General Meeting.

# KINGSGATE COMMUNITY CHURCH

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)


FOR THE YEAR ENDED 31 DECEMBER 2021

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### Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The trustees' report was approved by the Board of Trustees.



.....  
**Mr Barry Featherstone**

Trustee

Dated: 25/6/2022

# **KINGSGATE COMMUNITY CHURCH**

## **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

***FOR THE YEAR ENDED 31 DECEMBER 2021***

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The trustees, who are also the directors of Kingsgate Community Church for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# KINGSGATE COMMUNITY CHURCH

## INDEPENDENT AUDITOR'S REPORT

### TO THE TRUSTEES OF KINGSGATE COMMUNITY CHURCH

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#### Opinion

We have audited the accounts of Kingsgate Community Church (the 'charity') and its subsidiary for the year ended 31 December 2021 which comprise the Group Statement of Financial Activities, the Group and Parent Charitable Company Balance Sheets, the Group and Parent Charitable Company Cash Flow Statements and the notes to the accounts, 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 Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Group and Parent charitable company's affairs as at 31 December 2021 and of its incoming resources and application of resources, 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 contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

# KINGSGATE COMMUNITY CHURCH

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE TRUSTEES OF KINGSGATE COMMUNITY CHURCH

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#### **Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the trustees' report, which includes 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 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 the light of the knowledge and understanding of the Group and Parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the 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 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; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

#### **Responsibilities of trustees**

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose 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 charitable company 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 these financial statements.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

# KINGSGATE COMMUNITY CHURCH

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE TRUSTEES OF KINGSGATE COMMUNITY CHURCH

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#### **Extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the entity through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

#### **Use of our report**

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



**Mr Mark Jackson FCA DChA (Senior Statutory Auditor)**  
for and on behalf of Azets Audit Services

27.6.2022

**Chartered Accountants**  
**Statutory Auditor**

Ruthlyn House  
90 Lincoln Road  
Peterborough  
United Kingdom  
PE1 2SP

# KINGSGATE COMMUNITY CHURCH

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2021

### Current financial year

	Notes	Unrestricted funds general 2021 £	Unrestricted funds designated 2021 £	Restricted funds 2021 £	Total 2021 £	Total 2020 £
<b><u>Income and endowments from:</u></b>						
Donations and legacies	3	2,536,053	-	657,937	3,193,990	3,184,422
Charitable activities	4	75,073	-	318,197	393,270	344,892
Other trading activities	5	114,676	-	-	114,676	313,243
Other income	6	42,247	-	-	42,247	206,603
<b>Total income</b>		<b>2,768,049</b>	<b>-</b>	<b>976,134</b>	<b>3,744,183</b>	<b>4,049,160</b>
<b><u>Expenditure on:</u></b>						
Raising funds	7	154,525	-	-	154,525	297,404
Charitable activities	8	1,921,433	278,786	764,951	2,965,170	3,017,564
<b>Total resources expended</b>		<b>2,075,958</b>	<b>278,786</b>	<b>764,951</b>	<b>3,119,695</b>	<b>3,314,968</b>
<b>Net incoming resources before transfers</b>		<b>692,091</b>	<b>(278,786)</b>	<b>211,183</b>	<b>624,488</b>	<b>734,192</b>
Gross transfers between funds		(677,366)	680,130	(2,764)	-	-
<b>Net income for the year/ Net movement in funds</b>		<b>14,725</b>	<b>401,344</b>	<b>208,419</b>	<b>624,488</b>	<b>734,192</b>
Fund balances at 1 January 2021		1,024,735	6,499,876	1,005,292	8,529,903	7,795,711
<b>Fund balances at 31 December 2021</b>		<b>1,039,460</b>	<b>6,901,220</b>	<b>1,213,711</b>	<b>9,154,391</b>	<b>8,529,903</b>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

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

# KINGSGATE COMMUNITY CHURCH

## STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2021

Prior financial year

	Notes	Unrestricted funds general 2020 £	Unrestricted funds designated 2020 £	Restricted funds 2020 £	Total 2020 £
<b><u>Income and endowments from:</u></b>					
Donations and legacies	3	2,589,858	-	594,564	3,184,422
Charitable activities	4	56,948	-	287,944	344,892
Other trading activities	5	313,243	-	-	313,243
Other income	6	206,603	-	-	206,603
<b>Total income</b>		<b>3,166,652</b>	<b>-</b>	<b>882,508</b>	<b>4,049,160</b>
<b><u>Expenditure on:</u></b>					
Raising funds	7	297,404	-	-	297,404
Charitable activities	8	2,039,093	222,697	755,774	3,017,564
<b>Total resources expended</b>		<b>2,336,497</b>	<b>222,697</b>	<b>755,774</b>	<b>3,314,968</b>
<b>Net incoming resources before transfers</b>		<b>830,155</b>	<b>(222,697)</b>	<b>126,734</b>	<b>734,192</b>
Gross transfers between funds		(603,795)	405,911	197,884	-
<b>Net income for the year/ Net movement in funds</b>		<b>226,360</b>	<b>183,214</b>	<b>324,618</b>	<b>734,192</b>
Fund balances at 1 January 2020		798,375	6,316,662	680,674	7,795,711
<b>Fund balances at 31 December 2020</b>		<b>1,024,735</b>	<b>6,499,876</b>	<b>1,005,292</b>	<b>8,529,903</b>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

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

# KINGSGATE COMMUNITY CHURCH

## BALANCE SHEETS

AS AT 31 DECEMBER 2021

	Notes	Group 2021 £	Charity 2021 £	Group 2020 £	Charity 2020 £
<b>Fixed assets</b>					
Tangible assets	15	8,523,720	9,413,984	8,439,457	9,338,271
Investments	16	-	1	-	1
		<u>8,523,720</u>	<u>9,413,985</u>	<u>8,439,457</u>	<u>9,338,272</u>
<b>Current assets</b>					
Stocks	18	14,542	-	14,542	-
Debtors	19	95,404	107,986	82,149	113,068
Cash at bank and in hand		2,485,312	2,457,748	2,329,541	2,250,558
		<u>2,595,258</u>	<u>2,565,734</u>	<u>2,426,232</u>	<u>2,363,626</u>
<b>Creditors: amounts falling due within one year</b>	20	(619,190)	(595,696)	(691,686)	(647,989)
Net current assets		<u>1,976,068</u>	<u>1,970,038</u>	<u>1,734,546</u>	<u>1,715,637</u>
<b>Total assets less current liabilities</b>		<u>10,499,788</u>	<u>11,384,023</u>	<u>10,174,003</u>	<u>11,053,909</u>
<b>Creditors: amounts falling due after more than one year</b>	21	(1,345,397)	(1,321,397)	(1,644,100)	(1,644,100)
<b>Net assets</b>		<u><u>9,154,391</u></u>	<u><u>10,062,626</u></u>	<u><u>8,529,903</u></u>	<u><u>9,409,809</u></u>
<b>Income funds</b>					
Restricted funds	24	1,213,711	1,213,711	1,005,292	1,005,292
<u>Unrestricted funds - general</u>					
Designated funds	25	6,901,220	7,791,484	6,499,876	7,398,690
General unrestricted funds	26	1,039,460	1,057,431	1,024,735	1,005,827
		<u><u>9,154,391</u></u>	<u><u>10,062,626</u></u>	<u><u>8,529,903</u></u>	<u><u>9,409,809</u></u>

The financial statements were approved by the board of directors and authorised for issue on 25/6/2022 and are signed on its behalf by:



Mr Barry Featherstone  
Trustee

Company Registration No. 05124435

# KINGSGATE COMMUNITY CHURCH

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2021

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	Notes	2021 Group £	2021 Charity £	2020 Group £	2020 Charity £
<b>Cash flows from operating activities</b>					
Cash generated from operations	31	804,600	842,664	985,181	1,096,219
<b>Investing activities</b>					
Purchase of tangible fixed assets		(368,840)	(355,485)	(98,096)	(98,096)
Proceeds on disposal of tangible fixed assets		7,092	7,092	4,941	4,941
<b>Net cash used in investing activities</b>		<u>(361,748)</u>	<u>(348,393)</u>	<u>(93,155)</u>	<u>(93,155)</u>
<b>Financing activities</b>					
Repayment of bank loans		(287,081)	(287,081)	(301,204)	(301,204)
<b>Net cash used in financing activities</b>		<u>(287,081)</u>	<u>(287,081)</u>	<u>(301,204)</u>	<u>(301,204)</u>
<b>Net increase in cash and cash equivalents</b>		155,771	207,190	590,822	701,860
Cash and cash equivalents at beginning of year		2,329,541	2,250,558	1,738,719	1,548,698
<b>Cash and cash equivalents at end of year</b>		<u><u>2,485,312</u></u>	<u><u>2,457,748</u></u>	<u><u>2,329,541</u></u>	<u><u>2,250,558</u></u>

# KINGSGATE COMMUNITY CHURCH

## NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED 31 DECEMBER 2021**

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### 1 Accounting policies

#### Charity information

Kingsgate Community Church is a private company limited by guarantee incorporated in England and Wales. The registered office is 2 Staplee Way, Parnwell, Peterborough, PE1 4YT, United Kingdom.

#### 1.1 Accounting convention

The accounts have been prepared in accordance with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared under the historical cost convention, modified to include certain items at fair value. The principal accounting policies adopted are set out below.

#### 1.2 Group financial statements

The financial statements consolidate the results of the charitable company and its subsidiary undertaking KingsGate Trading Limited on a line-by line basis. Intra-group sales and profits are eliminated fully on consolidation. A separate Statement of Financial Activities and Income and Expenditure Account for the charity has not been presented because the charity has taken advantage of the exemption afforded by section 408 of the Companies Act 2006.

#### 1.3 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future and so continue to adopt the going concern basis of accounting in preparing the financial statements. In arriving at this conclusion, the Trustees have considered the uncertainty regarding the ongoing impact of COVID. As described in more detail in the Trustees' report, whilst income has reduced since 2020, the trustees have taken a number of mitigating actions to limit the financial impact. On this basis the trustees believe there are sufficient reserves to enable the charity to operate through this period.

#### 1.4 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Designated funds - these are funds set aside by the trustees out of unrestricted general funds for specific future purposes or projects.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

#### 1.5 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

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.

# KINGSGATE COMMUNITY CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2021

---

#### 1 Accounting policies

(Continued)

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102). The charity benefits from many voluntary hours and unclaimed out-of-pocket expenses contributed by a number of supporters. The charity is extremely grateful for all these gifts in kind.

The charity receives grants in respect of its activities. Income from 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.

Income from trading activities is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

Investment income is accounted for in the period in which the charity is entitled to receipt.

#### 1.6 Expenditure

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. It is categorised under the following headings:

- Costs of raising funds;
- Expenditure on charitable activities; and
- Other expenditure which represents those items not falling into the categories above.

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

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs and other administrative costs. 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.

#### 1.7 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

All assets costing more than £250 are capitalised. No depreciation is provided on freehold land.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold buildings	1% p.a. straight line
Office equipment	25% p.a. reducing balance
Computer equipment	25% p.a. straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

# KINGSGATE COMMUNITY CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

---

### 1 Accounting policies

(Continued)

#### 1.8 Fixed asset investments

A subsidiary is an entity controlled by the charity. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

Investments in subsidiaries are measured at cost less impairment.

#### 1.9 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

#### 1.10 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing stock to its present location and condition. Cost is calculated using the first in, first out formula. Provision is made for damaged, obsolete and slow-moving stock where appropriate.

#### 1.11 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, and other short-term liquid investments with original maturities of three months or less.

#### 1.12 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### **Basic financial liabilities**

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

# KINGSGATE COMMUNITY CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

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### 1 Accounting policies

(Continued)

#### *Derecognition of financial liabilities*

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

#### 1.13 Taxation

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

#### 1.14 Provisions

Provisions are recognised when the charity has a legal or constructive present obligation as a result of a past event, it is probable that the charity will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value, the unwinding of the discount is recognised as a finance cost in net income/(expenditure) in the period in which it arises.

#### 1.15 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### 1.16 Leases

Rentals payable under operating leases, including any lease incentives received, are charged as an expense on a straight line basis over the term of the relevant lease.

### 2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

# KINGSGATE COMMUNITY CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

### 3 Donations and legacies

	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
Gifts and offerings	575,203	160,315	735,518	640,533
Covenants and gift aid	1,566,091	267,318	1,833,409	1,907,940
Income tax repayments	394,759	74,330	469,089	476,256
Grants received	-	155,974	155,974	159,693
	<u>2,536,053</u>	<u>657,937</u>	<u>3,193,990</u>	<u>3,184,422</u>
<b>For the year ended 31 December 2020</b>	<u>2,589,858</u>	<u>594,564</u>		<u>3,184,422</u>
<b>Grants receivable for core activities</b>				
Peterborough City Council	-	75,175	75,175	106,264
The Trussell Trust	-	31,392	31,392	29,927
Church Revitalisation Trust	-	47,742	47,742	18,502
Cambridgeshire Community Foundation	-	-	-	5,000
Other	-	1,665	1,665	-
	<u>-</u>	<u>155,974</u>	<u>155,974</u>	<u>159,693</u>

### 4 Charitable activities

	2021 £	2020 £
Courses and events	3,562	15,067
Foodbank income	87,727	119,394
Community action income	14,013	12,411
Learning communities	230,457	165,650
Miscellaneous income	57,511	32,370
	<u>393,270</u>	<u>344,892</u>
<b>Analysis by fund</b>		
Unrestricted funds	75,073	56,948
Restricted funds	318,197	287,944
	<u>393,270</u>	<u>344,892</u>

# KINGSGATE COMMUNITY CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

### 5 Other trading activities

	2021 £	2020 £
Commercial operations in trading subsidiary	114,676	313,243

### 6 Other income

	Unrestricted funds general 2021 £	Unrestricted funds general 2020 £
Net gain on disposal of tangible fixed assets	6,178	3,489
Other income	36,069	203,114
	<u>42,247</u>	<u>206,603</u>

### 7 Raising funds

	2021 £	2020 £
<u>Commercial operations in trading subsidiary</u>		
Staff costs	143,485	222,858
Direct costs	6,765	37,964
Administrative expenses	4,275	36,582
	<u>154,525</u>	<u>297,404</u>

# KINGSGATE COMMUNITY CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

### 8 Charitable activities

	2021 £	2020 £
Staff costs	1,607,894	1,697,037
Depreciation	278,786	222,697
Outreach and Community Action	258,953	191,280
Sunday Experience and Connect	157,276	155,219
Pastoral Care	86,182	84,552
Equip and Leadership Development	165,500	207,452
Mission	67,090	53,873
Facilities	246,595	279,732
	<u>2,868,276</u>	<u>2,891,842</u>
Share of support costs (see note 9)	86,556	115,613
Share of governance costs (see note 9)	10,338	10,109
	<u>2,965,170</u>	<u>3,017,564</u>
<b>Analysis by fund</b>		
Unrestricted funds	1,921,433	2,039,093
Unrestricted funds - designated	278,786	222,697
Restricted funds	764,951	755,774
	<u>2,965,170</u>	<u>3,017,564</u>

### 9 Support costs

	Support costs £	Governance costs £	2021 £	2020 £
Office costs	74,943	-	74,943	101,484
Printing, postage and stationery	3,951	-	3,951	4,242
Photocopying	7,662	-	7,662	9,887
Audit fees	-	10,338	10,338	10,109
	<u>86,556</u>	<u>10,338</u>	<u>96,894</u>	<u>125,722</u>

# KINGSGATE COMMUNITY CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2021

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#### 10 Trustees

Trustees' remuneration is permitted under certain limited circumstances, if paid as an employee, under the terms of its governing document. During the year, remuneration was paid to one Trustee amounting to £78,956 (2020 - £79,999). Employer pension contributions for this Trustee were £5,127 (2020 - £5,127). No Trustees waived any remuneration.

One Trustee (2020 - one) is accruing pension arrangements.

During the year two trustees received reimbursement of expenses amounting to £264 (2020 - £nil) of which £60 (2020 - £nil) was outstanding at the year end and included within trade creditors.

#### 11 Auditor's remuneration

The analysis of auditor's remuneration is as follows:

	<b>2021</b>	<b>2020</b>
	£	£
Audit of the charity's annual accounts	10,338	10,109
<b>Other services to the group</b>		
- the audit of the subsidiary	2,898	2,848
<b>Total audit fees</b>	<u>13,236</u>	<u>12,957</u>

#### 12 Surplus for the financial year

As permitted by section 408 of the Companies Act 2006, the holding company's surplus has not been included in these financial statements. The surplus for the financial year is made up as follows:

	<b>2021</b>	<b>2020</b>
	£	£
Holding company's gross income for the financial year	<u>3,629,507</u>	<u>3,758,534</u>
Holding company's surplus for the financial year	<u>652,817</u>	<u>740,038</u>

# KINGSGATE COMMUNITY CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2021

#### 13 Commercial operations in trading subsidiary

The wholly owned trading subsidiary, KingsGate Trading Limited, which is incorporated in England and Wales, pays a proportion of its profits to the charity by gift aid. KingsGate Trading Limited operates the resources centre, coffee shop and room hire at KingsGate Community Church. The charity owns the entire issued share capital of 1 ordinary share at £1 each. A summary of the trading results is shown below.

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
<b>KingsGate Trading Limited Profit &amp; Loss Account</b>		
Turnover	33,859	198,555
JRS income	80,797	114,605
Cost of sales	(150,250)	(280,015)
Administration costs	(13,168)	(13,966)
Other income and interest received	20	83
	<hr/>	<hr/>
Net profit	(48,742)	19,262
Add: sales made to charity	11,520	930
Less: management charges paid to charity	-	(19,131)
	<hr/>	<hr/>
Dividend paid to charity	(37,222)	1,061
	-	(3,485)
	<hr/>	<hr/>
Tax on loss on ordinary activities	(37,222)	(2,424)
	8,893	63
	<hr/>	<hr/>
Retained in the subsidiary	(28,329)	(2,361)
	<hr/> <hr/>	<hr/> <hr/>
<b>KingsGate Trading Limited Balance Sheet</b>		
	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Fixed assets	14,410	5,860
Current assets	56,243	95,658
Current liabilities	(50,213)	(76,749)
Long term liabilities	(24,000)	-
	<hr/>	<hr/>
Total net assets	(3,560)	24,769
	<hr/> <hr/>	<hr/> <hr/>
Aggregate share capital and reserves	(3,560)	24,769
	<hr/> <hr/>	<hr/> <hr/>

# KINGSGATE COMMUNITY CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

### 14 Employees

#### Number of employees

The average monthly number of employees during the year was:

	<b>2021</b>	<b>2020</b>
	<b>Number</b>	<b>Number</b>
KingsGate Community Church	55	65
KingsGate Trading Limited	22	27
	<u>77</u>	<u>92</u>

#### Employment costs

	<b>2021</b>	<b>2021</b>	<b>2021</b>	<b>2020</b>
	<b>Charity</b>	<b>Subsidiary</b>	<b>Group</b>	<b>Group</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Wages and salaries	1,418,852	131,105	1,549,957	1,710,136
Social security costs	128,044	7,464	135,508	139,958
Other pension costs	60,998	4,916	65,914	69,801
	<u>1,607,894</u>	<u>143,485</u>	<u>1,751,379</u>	<u>1,919,895</u>

The number of employees whose annual remuneration was £60,000 or more were:

	<b>2021</b>	<b>2020</b>
	<b>Number</b>	<b>Number</b>
£70,001 - £80,000	<u>1</u>	<u>1</u>

The above employee participated in the pension scheme. During the year ended 31 December 2021, pension contributions for this employee amounted to £5,127 (2020 - £5,127).

# KINGSGATE COMMUNITY CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

### 15 Tangible fixed assets

Group	Freehold land and buildings £	Plant and equipment £	Total £
<b>Cost</b>			
At 1 January 2021	8,951,827	1,356,235	10,308,062
Additions	-	368,840	368,840
Disposals	-	(21,998)	(21,998)
At 31 December 2021	<u>8,951,827</u>	<u>1,703,077</u>	<u>10,654,904</u>
<b>Depreciation</b>			
At 1 January 2021	931,828	936,777	1,868,605
Depreciation charged in the year	83,871	199,720	283,591
Eliminated in respect of disposals	-	(21,012)	(21,012)
At 31 December 2021	<u>1,015,699</u>	<u>1,115,485</u>	<u>2,131,184</u>
<b>Carrying amount</b>			
At 31 December 2021	<u>7,936,128</u>	<u>587,592</u>	<u>8,523,720</u>
At 31 December 2020	<u>8,019,999</u>	<u>419,458</u>	<u>8,439,457</u>
<b>Charity</b>			
	Freehold land and buildings £	Plant and equipment £	Total £
<b>Cost</b>			
At 1 January 2021	9,856,501	1,287,835	11,144,336
Additions	-	355,485	355,485
Disposals	-	(21,998)	(21,998)
At 31 December 2021	<u>9,856,501</u>	<u>1,621,322</u>	<u>11,477,823</u>
<b>Depreciation</b>			
At 1 January 2021	931,828	874,237	1,806,065
Depreciation charged in the year	83,871	194,915	278,786
Eliminated in respect of disposals	-	(21,012)	(21,012)
At 31 December 2021	<u>1,015,699</u>	<u>1,048,140</u>	<u>2,063,839</u>
<b>Carrying amount</b>			
At 31 December 2021	<u>8,840,802</u>	<u>573,182</u>	<u>9,413,984</u>
At 31 December 2020	<u>8,924,673</u>	<u>413,598</u>	<u>9,338,271</u>

# KINGSGATE COMMUNITY CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2021

#### 15 Tangible fixed assets

(Continued)

All assets are used for direct charitable purposes.

Included within land and buildings is an amount of £1,472,000 (2020 - £1,472,000) in respect of land which is not depreciated.

#### 16 Fixed asset investments

Group	Investment in subsidiaries
Cost or valuation	£
At 1 January 2021 & 31 December 2021	-
	<u>          </u>
Charity	
Cost or valuation	
At 1 January 2021 & 31 December 2021	1
	<u>          </u>

The investment represents a 100% shareholding in KingsGate Trading Limited, a company incorporated in England and Wales.

For details of the principal activity and results for the year, see note 13.

17 Financial instruments	Group 2021 £	Charity 2021 £	Group 2020 £	Charity 2020 £
<b>Carrying amount of financial assets</b>				
Trade debtors	6,797	4,079	198	198
Other debtors	5,559	3,033	2,818	685
Amounts due from subsidiary undertakings	-	26,719	-	33,052
Bank and cash	2,485,312	2,457,748	2,329,541	2,250,558
Fixed asset investments	-	1	-	1
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Measured at cost	2,497,668	2,491,580	2,332,557	2,284,494
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Carrying amount of financial liabilities</b>				
Trade creditors	53,480	48,285	26,178	19,916
Accruals	95,874	92,841	57,348	55,433
Bank loans	1,664,816	1,634,816	1,951,897	1,951,897
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Measured at cost	1,814,170	1,775,942	2,035,423	2,027,246
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

# KINGSGATE COMMUNITY CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

<b>18</b>	<b>Stocks</b>		<b>2021</b>	<b>2021</b>	<b>2020</b>	<b>2020</b>
			<b>Group</b>	<b>Company</b>	<b>Group</b>	<b>Company</b>
			<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
	Finished goods and goods for resale		14,542	-	14,542	-
			<u>14,542</u>	<u>-</u>	<u>14,542</u>	<u>-</u>
<b>19</b>	<b>Debtors</b>		<b>2021</b>	<b>2021</b>	<b>2020</b>	<b>2020</b>
			<b>Group</b>	<b>Charity</b>	<b>Group</b>	<b>Charity</b>
			<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
	<b>Amounts falling due within one year:</b>					
	Trade debtors		6,797	4,079	198	198
	Income tax recoverable		34,927	34,927	33,830	33,830
	Amounts due from subsidiary undertakings		-	26,719	-	33,052
	Other debtors		5,559	3,033	2,818	685
	Prepayments and accrued income		39,228	39,228	45,303	45,303
			<u>86,511</u>	<u>107,986</u>	<u>82,149</u>	<u>113,068</u>
	Deferred tax asset		8,893	-	-	-
			<u>95,404</u>	<u>107,986</u>	<u>82,149</u>	<u>113,068</u>
<b>20</b>	<b>Creditors: amounts falling due within one year</b>		<b>2021</b>	<b>2021</b>	<b>2020</b>	<b>2020</b>
			<b>Group</b>	<b>Charity</b>	<b>Group</b>	<b>Charity</b>
			<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
		<b>Notes</b>				
	Bank loans	<b>22</b>	319,419	313,419	307,797	307,797
	Other taxation and social security		39,217	39,217	32,147	32,147
	Deferred income		74,100	74,100	210,149	210,149
	Trade creditors		53,480	48,285	26,178	19,916
	Other creditors		37,100	27,834	58,067	22,546
	Accruals		95,874	92,841	57,348	55,433
			<u>619,190</u>	<u>595,696</u>	<u>691,686</u>	<u>647,988</u>
			<u>619,190</u>	<u>595,696</u>	<u>691,686</u>	<u>647,988</u>
	Deferred income is income received for Learning Communities that relates to the year ended 31 December 2022.					
<b>21</b>	<b>Creditors: amounts falling due after more than one year</b>		<b>2021</b>	<b>2021</b>	<b>2020</b>	<b>2020</b>
			<b>Group</b>	<b>Charity</b>	<b>Group</b>	<b>Charity</b>
			<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
		<b>Notes</b>				
	Bank loans	<b>22</b>	1,345,397	1,321,397	1,644,100	1,644,100
			<u>1,345,397</u>	<u>1,321,397</u>	<u>1,644,100</u>	<u>1,644,100</u>

# KINGSGATE COMMUNITY CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

### 22 Loans and overdrafts

	2021 Group £	2021 Charity £	2020 Group £	2020 Charity £
Bank loans	1,664,816	1,634,816	1,951,897	1,951,897
Payable within one year	319,419	313,419	307,797	307,797
Payable after one year	1,345,397	1,321,397	1,644,100	1,644,100

The charity bank borrowings are secured over the assets of the group.

### 23 Provision for liabilities

	2021 Group £	2021 Charity £	2020 Group £	2020 Charity £
<b>Deferred taxation Balances:</b>				
Tax losses	8,893	-	-	-
<b>Movements in the year:</b>				<b>2021 £</b>
Liability at 1 January 2021				-
Credit to profit or loss				(8,893)
Liability/(Asset) at 31 December 2021				(8,893)

The deferred tax asset set out above is expected to reverse within the foreseeable future and relates to the utilisation of tax losses against future expected profits of the same period.

# KINGSGATE COMMUNITY CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

### 24 Restricted funds

#### Group and Charity

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds				Movement in funds				Balance at 31 December 2021 £
	Balance at 1 January 2020 £	Income £	Expenditure £	Transfers £	Balance at 1 January 2021 £	Income £	Expenditure £	Transfers £	
Building fund - Peterborough	-	113,717	(113,717)	-	-	109,989	(98,990)	(10,999)	-
Building fund - Cambridge	4,284	2,274	(6,268)	-	290	2,257	-	(226)	2,321
Mission fund	440,610	56,747	(213,006)	195,620	479,971	37,985	(243,075)	181,116	455,997
Body needs fund - Peterborough	-	6,450	(7,823)	20,000	18,627	-	(2,105)	-	16,522
Body needs fund - Cambridge	858	-	(300)	-	558	-	(135)	-	423
Foodbank fund	68,020	119,394	(27,360)	-	160,054	87,727	(33,529)	-	214,252
Sabbatical fund	1,854	-	812	-	2,666	-	(2,666)	-	-
PCAS grant	35,760	80,000	(37,208)	-	78,552	-	(26,112)	2,280	54,720
Together on purpose	-	-	-	-	-	279,231	-	(27,923)	251,308
Learning Community fund	12,290	165,650	(168,672)	-	9,268	230,457	(151,076)	-	88,649
2020 vision fund	108,247	254,882	(131,234)	(45,488)	186,407	65,950	(34,027)	(183,224)	35,106
Children's work	7,563	1,000	-	-	8,563	-	-	-	8,563
Parnwell Hub grant	1,188	18,772	(2,565)	-	17,395	13	(704)	-	16,704
Coronavirus support grant	-	29,927	(14,964)	-	14,963	31,392	(14,964)	-	31,391
Peterborough - Love Your Neighbour	-	18,502	(23,268)	27,752	22,986	47,742	(109,220)	38,492	-
Winter Support fund	-	10,193	(5,201)	-	4,992	40,579	(33,179)	(2,280)	10,112
Peterborough Care Zone - Cambridgeshire Community Foundation	-	5,000	(5,000)	-	-	-	-	-	-
Carried forward to next page	680,674	882,508	(755,774)	197,884	1,005,292	933,322	(749,782)	(2,764)	1,186,068

# KINGSGATE COMMUNITY CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

### 24 Restricted funds

(Continued)

	Movement in funds				Movement in funds				
	Balance at 1 January 2020 £	Income £	Expenditure £	Transfers £	Balance at 1 January 2021 £	Income £	Expenditure £	Transfers £	Balance at 31 December 2021 £
Brought forward	680,674	882,508	(755,774)	197,884	1,005,292	933,322	(749,782)	(2,764)	1,186,068
Food Pantry fund	-	-	-	-	-	1,165	-	-	1,165
Syrian and Afghan Refugees	-	-	-	-	-	10,347	(9,388)	-	959
Romanian Connect Group	-	-	-	-	-	500	(500)	-	-
Care Leavers Goods	-	-	-	-	-	25,000	(5,281)	-	19,719
Care Zone donations	-	-	-	-	-	5,800	-	-	5,800
	<u>680,674</u>	<u>882,508</u>	<u>(755,774)</u>	<u>197,884</u>	<u>1,005,292</u>	<u>976,134</u>	<u>(764,951)</u>	<u>(2,764)</u>	<u>1,213,711</u>

The Building funds are held to fund improvements to the premises at Peterborough and to finance any future Cambridge building needs. Once expended a transfer is made to a designated fund representing the interest in the land and property.

The Mission fund arises from the commitment to spend 10% of all income on mission activities. These include community action, launching new Centres, overseas missions and gifts to other ministries.

The Body Needs fund represents funds to support members of the church community who are in financial hardship.

The Foodbank fund represents funds provided to support the running of a foodbank across Peterborough.

The sabbatical fund represents the balance of income given to the Church to finance the Senior Pastor's sabbatical.

PCAS grant was a grant received from the City Council for the provision of emergency food and furniture upon referral from the Peterborough Community Assistance scheme.

The Together on Purpose fund was an offering received in September 2021 to finance key areas of the Together on Purpose vision; Leadership Development, Media and Technology to support our online presence and community action initiatives.

# KINGSGATE COMMUNITY CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 DECEMBER 2021**

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### 24 Restricted funds

**(Continued)**

The Learning Community fund represents income and expenses in relation to educational events hosted in partnership with Gateway Church (Dallas), ARC and Stewardship.

The 2020 Vision fund was an offering received over a 4 year period to finance 5 key areas of the 2020 Vision; Inside out initiatives, Leadership Development, Launching new Centres, Technology and building needs.

The Children's Work fund was a donation received given specifically for the benefit of the Children's Ministry.

The Parnwell Hub grant was a grant received from the City Council to run community development activities in Parnwell with a range of partner agencies.

Coronavirus Support Grant was a grant received from the Trussell Trust to provide information and advice services for Peterborough Foodbank beneficiaries through a partnership with Citizens Advice Peterborough.

The Love Your Neighbour grant was a grant received from the Church Revitalisation Trust for the provision of emergency food, support the running of Care Zone and to launch a new Debt Advice Service.

The Winter Support Fund was a grant received from Peterborough City Council for the provision of emergency food and white goods upon referral from the Peterborough Community Assistance scheme.

The Peterborough Care Zone - Cambridgeshire Community Foundation provided funding for Care Zone to purchase crockery and saucepan sets for people who had previously experienced homelessness and had been allocated housing.

Food Pantry - KingsGate is setting up a food pantry in Parnwell for families facing long term food insecurity.

Syrian and Afghan Refugee fund - Care Zone is working in partnership with other organisations to resettle refugees from Syrian and Afghanistan into the city. Peterborough City Council has provided funding to enable to Care Zone to increase its capacity to provide furniture for these families.

Romanian Connect Group fund was a grant from the local council to help with the COVID relief efforts within the Peterborough Romanian Community.

Care Leavers Goods Fund - Peterborough City Council provided funding for Care Zone to supply furniture and white goods to care leavers.

Care Zone Donations is a donation received from the Institute of Export to purchase items as needed by the Care Zone.

# KINGSGATE COMMUNITY CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2021

#### 25 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

##### Group

	Balance at 1 January 2020	Expenditure	Transfers	Balance at 1 January 2021	Expenditure	Transfers	Balance at 31 December 2021
	£	£	£	£	£	£	£
Interest in land and property	5,850,769	(83,871)	301,204	6,068,102	(83,871)	317,081	6,301,312
Interest in fixed assets	465,893	(138,826)	92,391	419,458	(194,915)	363,049	587,592
Fixed asset fund	-	-	12,316	12,316	-	-	12,316
	<u>6,316,662</u>	<u>(222,697)</u>	<u>405,911</u>	<u>6,499,876</u>	<u>(278,786)</u>	<u>680,130</u>	<u>6,901,220</u>

##### Charity

	Balance at 1 January 2020	Expenditure	Transfers	Balance at 1 January 2021	Expenditure	Transfers	Balance at 31 December 2021
	£	£	£	£	£	£	£
Interest in land and property	6,755,443	(83,871)	301,204	6,972,776	(83,871)	317,081	7,205,986
Interest in fixed assets	455,780	(138,826)	96,644	413,598	(194,915)	354,499	573,182
Fixed asset fund	-	-	12,316	12,316	-	-	12,316
	<u>7,211,223</u>	<u>(222,697)</u>	<u>410,164</u>	<u>7,398,690</u>	<u>(278,786)</u>	<u>671,580</u>	<u>7,791,484</u>

The designated fund for interest in land and property is an amount transferred from restricted funds in respect of restricted expenditure that has been capitalised in fixed assets. This fund will be utilised as depreciation is charged on the property.

The interest in fixed assets fund represents the net book value of equipment and vehicles. The brought forward element of this fund is included in the General fund.

# KINGSGATE COMMUNITY CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

### 26 Unrestricted funds

#### Group

	Movement in funds				Movement in funds				Balance at 31 December 2021
	Balance at 1 January 2020	Income	Expenditure	Transfers	Balance at 1 January 2021	Income	Expenditure	Transfers	
	£	£	£	£	£	£	£	£	£
General fund	798,375	3,166,652	(2,336,497)	(603,795)	1,024,735	2,768,049	(2,075,958)	(677,366)	1,039,460
	<u>798,375</u>	<u>3,166,652</u>	<u>(2,336,497)</u>	<u>(603,795)</u>	<u>1,024,735</u>	<u>2,768,049</u>	<u>(2,075,958)</u>	<u>(677,366)</u>	<u>1,039,460</u>
	<u><u>798,375</u></u>	<u><u>3,166,652</u></u>	<u><u>(2,336,497)</u></u>	<u><u>(603,795)</u></u>	<u><u>1,024,735</u></u>	<u><u>2,768,049</u></u>	<u><u>(2,075,958)</u></u>	<u><u>(677,366)</u></u>	<u><u>1,039,460</u></u>

#### Charity

	Movement in funds				Movement in funds				Balance at 31 December 2021
	Balance at 1 January 2020	Income	Expenditure	Transfers	Balance at 1 January 2021	Income	Expenditure	Transfers	
	£	£	£	£	£	£	£	£	£
General fund	777,874	2,876,026	(2,040,025)	(608,048)	1,005,827	2,653,372	(1,932,953)	(668,815)	1,057,431
	<u>777,874</u>	<u>2,876,026</u>	<u>(2,040,025)</u>	<u>(608,048)</u>	<u>1,005,827</u>	<u>2,653,372</u>	<u>(1,932,953)</u>	<u>(668,815)</u>	<u>1,057,431</u>
	<u><u>777,874</u></u>	<u><u>2,876,026</u></u>	<u><u>(2,040,025)</u></u>	<u><u>(608,048)</u></u>	<u><u>1,005,827</u></u>	<u><u>2,653,372</u></u>	<u><u>(1,932,953)</u></u>	<u><u>(668,815)</u></u>	<u><u>1,057,431</u></u>

# KINGSGATE COMMUNITY CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

### 27 Analysis of net assets between funds

Group	Unrestricted funds 2021 £	Designated funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Designated funds 2020 £	Restricted funds 2020 £	Total 2020 £
Fund balances at 31 December 2021 are represented by:								
Tangible assets	-	8,523,720	-	8,523,720	-	8,439,457	-	8,439,457
Current assets/(liabilities)	1,069,260	(301,103)	1,207,911	1,976,068	1,024,735	(295,481)	1,005,292	1,734,546
Long term liabilities	(24,000)	(1,321,397)	-	(1,345,397)	-	(1,644,100)	-	(1,644,100)
	<u>1,045,260</u>	<u>6,901,220</u>	<u>1,207,911</u>	<u>9,154,391</u>	<u>1,024,735</u>	<u>6,499,876</u>	<u>1,005,292</u>	<u>8,529,903</u>
<b>Charity</b>	<b>Unrestricted funds 2021 £</b>	<b>Designated funds 2021 £</b>	<b>Restricted funds 2021 £</b>	<b>Total 2021 £</b>	<b>Unrestricted funds 2020 £</b>	<b>Designated funds 2020 £</b>	<b>Restricted funds 2020 £</b>	<b>Total 2020 £</b>
Fund balances at 31 December 2021 are represented by:								
Tangible assets	-	9,413,984	-	9,413,984	-	9,338,271	-	9,338,271
Investments	1	-	-	1	1	-	-	1
Current assets/(liabilities)	1,063,230	(301,103)	1,207,911	1,970,038	1,005,826	(295,481)	1,005,292	1,715,637
Long term liabilities	-	(1,321,397)	-	(1,321,397)	-	(1,644,100)	-	(1,644,100)
	<u>1,063,231</u>	<u>7,791,484</u>	<u>1,207,911</u>	<u>10,062,626</u>	<u>1,005,827</u>	<u>7,398,690</u>	<u>1,005,292</u>	<u>9,409,809</u>

# KINGSGATE COMMUNITY CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

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### 28 Control

No one individual has overall control of the charity.

### 29 Operating lease commitments

#### Group and charity

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2021 £	2020 £
Within one year	79,515	55,817
Between two and five years	-	12,601
	<u>79,515</u>	<u>68,418</u>

### 30 Related party transactions

#### Remuneration of key management personnel

The total amount of employee benefits (including employer's pension contributions) received by key management personnel is £515,386 (2020 - £553,125). The charity considers its key management personnel comprises of the members of the Multisite Strategy team.

#### Transactions with related parties

During the year management charges of £nil (2020 - £19,131) were charged to KingsGate Trading Limited, a subsidiary company. Wages costs are recharged between the Charity and its subsidiary, resulting in a net cost to the Charity of £11,224 (2020 - net income of £4,425). A gift aided donation of £nil (2020 - £3,485) was also received from KingsGate Trading Limited. Included within debtors is £26,719 (2020 - £33,052) due from KingsGate Trading Limited.

Donations of £61,122 (2020 - £91,305) were received during the year from six Trustees (2020 - six Trustees). No conditions were attached to these donations.

During the year the charity had an arrangement with a third party to create videos based on a book authored by D Smith, a trustee. Many churches and individuals benefitted from the videos, as did KingsGate. The creation of the videos promoted books sales and therefore may have impacted on royalties earned by D Smith, but it is not possible to quantify the effect. A proportion of royalties from the book earned by D Smith will be gifted back to the project and the church will receive an equal share of any surplus generated from video sales over and above costs incurred.

# KINGSGATE COMMUNITY CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2021

31 Cash generated from operations	2021 Group £	2021 Charity £	2020 Group £	2020 Charity £
Surplus for the year	624,488	652,817	734,192	740,039
Adjustments for:				
Gain on disposal of tangible fixed assets	(6,178)	(6,178)	(3,417)	(3,489)
Depreciation of tangible fixed assets	283,591	278,786	226,878	222,697
Movements in working capital:				
Decrease in stocks	-	-	1,911	-
(Increase)/decrease in debtors	(13,255)	5,082	57,852	174,087
(Decrease) in creditors	(84,046)	(87,843)	(32,172)	(37,115)
(Decrease) in provisions	-	-	(63)	-
<b>Cash generated from operations</b>	<u>804,600</u>	<u>842,664</u>	<u>985,181</u>	<u>1,096,219</u>
<b>32 Analysis of changes in net funds</b>				
<b>Group</b>	<b>At 1 January 2021 £</b>	<b>Cash flows £</b>	<b>At 31 December 2021 £</b>	
Cash at bank and in hand	2,329,541	155,771	2,485,312	
Loans falling due within one year	(307,797)	(11,622)	(319,419)	
Loans falling due after more than one year	(1,644,100)	298,703	(1,345,397)	
	<u>377,644</u>	<u>442,852</u>	<u>820,496</u>	
<b>Charity</b>	<b>At 1 January 2021 £</b>	<b>Cash flows £</b>	<b>At 31 December 2021 £</b>	
Cash at bank and in hand	2,250,558	207,190	2,457,748	
	<u>2,250,558</u>	<u>207,190</u>	<u>2,457,748</u>	
Loans falling due within one year	(307,797)	(5,622)	(313,419)	
Loans falling due after more than one year	(1,644,100)	322,703	(1,321,397)	
	<u>298,661</u>	<u>524,271</u>	<u>822,932</u>	

**KINGSGATE COMMUNITY CHURCH**

England & Wales - Charity number 1106273

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# Accounts

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Charity Registration No. 1106273

Company Registration No. 05124435 (England and Wales)

**KINGSGATE COMMUNITY CHURCH**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

# KINGSGATE COMMUNITY CHURCH

## LEGAL AND ADMINISTRATIVE INFORMATION

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**Directors and Trustees**                      Dr David Smith (Chairman)  
Mr Simon Wilson  
Mr Norman Paskin  
Mr Barry Featherstone  
Mr Matthew Negus

**Secretary**    Mrs Sally Duffy

**Multisite Strategy Team**                      Dr David Smith  
Mrs Karen Smith  
Mr Simon Deeks  
Mrs Sally Duffy  
Mr David Robertson  
Mr Jim Thody  
Mrs Heather Robertson  
Mrs Jasmine Allen  
Mr Phil Timson  
Mrs Zia Deeks  
Mrs Sharon Keogh

**Charity number**                                      1106273

**Company number**                                      05124435

**Principal office**                                      2 Staplee Way  
Parnwell  
Peterborough  
United Kingdom  
PE1 4YT

**Auditor**    Azets Audit Services  
Ruthlyn House  
90 Lincoln Road  
Peterborough  
Cambridgeshire  
PE1 2SP  
United Kingdom  
PE1 2SP

**Bankers**    Allied Irish Bank  
61/62 The Mall  
London  
United Kingdom  
W5 3TA

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# KINGSGATE COMMUNITY CHURCH

## LEGAL AND ADMINISTRATIVE INFORMATION

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**Solicitors**

Hegarty LLP  
48 Broadway  
Peterborough  
United Kingdom  
PE1 1YW

The directors of the charitable company (the charity) are its trustees for the purpose of charity law and throughout this report are collectively referred to as its trustees.

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# KINGSGATE COMMUNITY CHURCH

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# KINGSGATE COMMUNITY CHURCH

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

**FOR THE YEAR ENDED 31 DECEMBER 2020**

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The trustees present their report and financial statements for the year ended 31 December 2020.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2019)

### **Objectives and activities**

#### The Objectives of The Charity

The charity's purposes, as set out in the objects contained in the company's memorandum of association, are:

1. The advancement of the Christian faith in accordance with the doctrine set out in the underwritten Fourth Schedule and the worship of God in the said county and elsewhere by any means whatsoever including (but not by way of limitation) the preaching and proclamation of the Christian gospel, the teaching of the Christian Doctrine and principles, the pastoral care of Christian people and the printing and distribution of the Bible and Christian literature including video, and audio recordings and by any other media which is, or may become, available.
2. The relief of persons who are in conditions of need, hardship or distress or who are aged or sick.
3. The advancement of education on the basis of Christian principles and, without prejudice, to the generality of the foregoing, the provision of such education in any educational establishment and, if the Trustees so decide, the provision of one or more charitable educational establishments for the general education of children and adults on the basis of such Christian principles.

#### 2020 Vision, Values and Strategic Priorities

In 2020, the Strategic Leadership Team of KingsGate Community Church reaffirmed the vision, values and strategic priorities of the Church as:

**Vision:** 'Transforming Lives from our Neighbourhoods to the Nations by the Power of God's Love'

**Values:** Word, Spirit, Worship, Prayer, Fellowship, Discipleship, Mission and Stewardship.

#### **Strategic Priorities:**

In March 2020, the Senior Leadership Team, along with Directors, discussed the impact of the COVID crisis on our activities, priorities, and finances going forward. The conclusion to those discussions identified the need to review our strategic priorities for the remainder of 2020. Although our basic purpose remained the same, we identified the need to simplify and focus on three key priorities: Sunday experiences (online and in person when possible), Life Groups and Community Action. In all three of these priority areas, we needed to identify how these strategic priorities could be delivered predominantly online.

#### 2020 Activities:

##### **Sunday Services**

The core activity continues to be providing a worship experience and teaching via Sunday services. Prior to March 2020 average attendance across all our services was 2,400. From the 22 March, we transitioned to providing our Sunday services online, via YouTube and the Church Online platform. We have consistently seen more people watching online than previously attended in person and have heard wonderful stories of KingsGate members, as well as Christians from further afield, being strengthened and helped. Unchurched people have also been tuning in too and giving their lives to Jesus. Here's one such story:

## **KINGSGATE COMMUNITY CHURCH**

### **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2020**

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*"I just had a Zoom call with a lady who made a first-time commitment last week. She's from Peterborough but never attended a service in person. Her friend sent her the online service link a month ago and she's been watching avidly every Sunday, she said she finds herself crying every time she watches and feels like the things we share have given her meaning. She's planning on joining an Alpha Online group and can't wait to join us in person!"*

Towards the end of September 2020, we introduced watch parties to offer a COVID safe in-person option once again. However, this was short lived as a further lockdown was introduced in November.

#### **Life Groups**

LifeGroups continue to be a vital part of our community and a great way to build friendships, grow in faith and get connected into the life of the church. From March 2020 LifeGroups moved from being nearly 100% in-person groups to being 100% online. During 2020 Lifegroups have continued throughout the year and although there have been reports of 'zoom fatigue' many groups have been better attended than previously and engagement has remained high. We are especially grateful to the hundreds of volunteer leaders who continue to care for the church family.

#### **Community Action**

At the start of 2020, KingsGate set out a vision to 'serve the poor like never before'. The pandemic raised significant challenges to ensuring that our services continued to operate but also gave us unprecedented opportunities to serve our cities like never before.

Following the start of the first lockdown, Community Action very rapidly changed its approach in response to the changing circumstances and emerging needs in the community. By the end of 2020, Peterborough Foodbank and Care Zone had supported nearly 14,000 people, a significant increase on the previous year. To respond to a surge in demand during the early stages of the first lockdown, Peterborough Foodbank moved to a one centre model, rolled out an 'e-referral' system, introduced home deliveries and recruited a new volunteer team to replace those longstanding vulnerable volunteers who were required to shield. It also secured funding from Trussell Trust and the Revitalisation Trust to increase its infrastructure capacity and food stocks to ensure that the project could continue to meet the rapidly increasing need for emergency food support. This coupled with a sharp increase in donations through the incredible generosity of the community and commercial organisations ensured that Peterborough Foodbank was positioned well to respond to the increasing numbers of people visiting foodbanks.

Peterborough Foodbank increased its collaboration with other emergency feeding projects and charities in the city by sharing excess food donations and acting as a hub to receive bulk food donations and then distribute it to other food projects. It also saw an emerging group of people needing support who had been adversely affected by the pandemic but had never needed help before and did not know where to access support. To meet the needs of this group and to reduce their need to revisit foodbanks, a 'wrap around care' model was developed to seek to address the underlying reasons the foodbank was accessed. A partnership with Citizens Advice Peterborough was launched to offer information and advice on income maximisation, welfare benefit and housing issues for people accessing the foodbank, enabling them to access rapid support.

KingsGate also partnered with 'Love Your Neighbour', a national movement committed to supporting churches offering practical support to their communities. This enabled us to launch a Debt Advice Service to further increase support for people coming to Peterborough Foodbank and Care Zone.

During the pandemic, Care Zone also quickly adapted its service to ensure that it continued to offer practical support to families facing difficulties by rolling out a telephone referral service, implemented a kerbside delivery model and particularly supported families fleeing domestic violence during the first lockdown. It also worked with the local authorities and other organisations to support the resettlement of people into the community who had previously been sleeping rough and secured additional funding to increase the practical support it could offer. KingsGate further supported this initiative by donating beds and bedding for people who had been homeless and were subsequently accommodated.

# KINGSGATE COMMUNITY CHURCH

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

**FOR THE YEAR ENDED 31 DECEMBER 2020**

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KingsGate was also part of the 'Love Your Neighbour' Christmas campaign to bless communities and as part of this gave 1050 hampers to people in Cambridge and Peterborough facing difficult circumstances at Christmas. The campaign was a great success galvanising people of all ages from the congregation to get involved in blessing their neighbours and local communities. The KingsGate Youth group worked with a local charity who support people who are homeless by preparing bespoke hampers for them.

It has been a year where we have seen our nation face unprecedented challenges but during this, we have witnessed the exceptional generosity of people stepping into volunteer their time and skills.

### **Other activities in 2020 included:**

**Youth Ministry** – 2020 started strong with over 135 young people attending Youth Alpha, where we saw over 20 young people make decisions to follow Jesus, and over 100 young people regularly attending in person Friday night Youth Services. Youth Camp took place in February 2020 with 82 young people attending a UK Action Centre in the West Midlands, where young people grew in their faith whilst enjoying many outdoor activities. From March 2020, following the start of the pandemic, Youth LifeGroups and Youth Services immediately transitioned to an online provision with young people continuing to engage throughout the year.

**Kids Ministry** – We continued to provide children's work throughout the pandemic and many families from KingsGate and beyond have enjoyed the online resources. Although a challenging time, it has also been a great opportunity to partner with parents and provide resources to support them as they endeavor to guide their children spiritually. Towards the end of 2020 we launched our KingsGate Kids Web area, packed with bitesize resources including teaching videos, craft activities, songs, competitions and mid week devotionals.

**Overseas Mission** – In 2020, we have continued to be actively involved with our partners in other countries and helping to support those working in crisis areas. Although we were unable to take our annual mission trip to **Bulembu, Esawini**, we were able to give a £15k gift towards PPE provision. We also gave a similar gift to **Heart for Lebanon** in the light of the terrible explosion in Beirut and support the work of Tearfund in response to the humanitarian crisis in Yemen.

### **2020 Vision Special Offering – Year 4**

In 2020 we gave, for the fourth time, into our '2020 Vision Offering'. This offering enabled us to set aside £20k into our body needs fund to respond to those in crisis within the church family, continue to support pastors in training and invest in leadership development, invest in technical kit and infrastructure in the Cambridge Sunday venue and purchase new sound desks for the Peterborough auditorium.

We additionally transferred 10% of all offerings, including the special offering, into our Mission Fund. This helps to resource our Community Action projects, as well as resourcing our partnerships with overseas mission projects, as ~~these have a good track record and are guided by the Charity Commission in their decision making with Care~~ ~~charities should undergo~~, Cambridge and Leicester.

# KINGSGATE COMMUNITY CHURCH

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

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### Achievements and performance

#### Financial review

##### Income

Total income, both restricted and unrestricted, of £4.05 million was received in 2020. (£4.57 million in 2019).

The charity's main income stream is from tithes and offerings given by church members and regular attendees. In 2020 unrestricted tithes and offerings were £2,589,858 (2019 £2,648,858) which was a 2.2% decrease compared to 2019. This included £487,465 of unrestricted offerings received by the Cambridge centre, a 14.7% decrease compared to 2019.

Restricted offerings were £594,564 (2019 £789,424) and includes £120,401 of restricted offerings from our Leicester Centre, a 45.9% increase compared to 2019. These figures include £19,590 of income tax repayments (16.3% of total income).

##### Expenditure

Expenditure for the year totalled £3,017,564 (2019 £3,631,170) excluding commercial operations in the trading subsidiary.

During 2020, salaries (excluding salaries within the commercial operations) accounted for 56.2% of 2020 expenditure, £1.70 million, compared to 47.5% of 2019 expenditure, £1.72 million. The charity employs both ministry-based positions, such as pastors, children and youth workers and community action workers, as well as administration and management staff, all of which work under the overall direction of the Strategic Leadership Team.

#### Reserves Policy

It is the policy of the charity to work towards and then maintain unrestricted funds, which are the free reserves of the charity, at a level which equates to approximately three months unrestricted expenditure excluding certain discretionary spend. This would provide sufficient funds to cover salaries and building running costs for three months. Unrestricted funds of the charity were £1,025k at 31 December 2020 (excluding interest in land & property). The current reserves level are 40% more than the minimum reserves required.

The need for the charity to hold significant reserves is generated by the employment of 65 full and part time permanent employees along with building running costs of the KingsGate, Peterborough building.

It is the charity's policy to monitor growth and income statistics carefully and if income were to continue to fall significantly, take immediate measures to minimise risk.

##### Risk Management

The trustees has assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

# KINGSGATE COMMUNITY CHURCH

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

*FOR THE YEAR ENDED 31 DECEMBER 2020*

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### COVID-19 Risk

During 2020, KingsGate had to respond to the impact of the coronavirus pandemic on the organisation. In March 2020, two main risks were identified: the impact on conferencing business within the trading company and the possible reduction in tithes and offerings due to the inability to gather on a Sunday. The Senior Leadership Team, in discussion with Trustees, put several things in place to mitigate these risks. From the first Sunday following lockdown, KingsGate launched online Sunday services, enabling the church family to continue gathering together, but online. This has resulted in more people watching our online Sunday services than were previously attending in person. Also, as during this season, we have not been able to meet on a Sunday in person or provide a large number of our normal activities, we took the opportunity to use the Coronavirus Job Retention Scheme. During 2020, we saw a 5.3% fall in tithes and offerings compared to 2019. The reduction in conferencing income and tithes and offerings resulted in an overall reduction in income of £570k. This was compensated for by a significant reduction in expenditure and the ability to furlough staff. We also carried out a staffing review with the aim of permanently reducing staffing levels to minimise any shortfall in 2020 and to ensure financial security in 2021. This resulted in the decision to make several staff redundant, redeploy staff and leave a number of roles vacant. This resulted in a surplus in unrestricted funds for the year of £283k. These risks have continued into 2021, but due to the continued availability of the Coronavirus Job Retention Scheme, reduction in expenditure and increase in reserves due to the 2020 surplus, KingsGate is in a good position to manage the expected shortfall in 2021.

The impact of the fall in income, also means there is a risk that we may breach our loan covenants in 2021/2022. Following a discussion with the bank, we have put in a formal request for the bank to waive the income covenant in 2021.

Although the pandemic has had a significant impact, Trustees are confident that KingsGate remains financially secure.

### **Future Plans**

During 2021 we continue to focus on our three main priorities of Sunday Services, LifeGroups and Community Action. Along side this, we also plan to launch an online KingsGate campus to enable those that have joined online during this season, to continue their journey of belonging and discipleship with us from wherever they are in the world. When restrictions allow, another important focus for 2021, is to help transition the church back to meeting in-person once again.

### **Structure, governance and management**

#### Governing Document

KingsGate Community Church is a company limited by Guarantee with no share capital. It was incorporated as Peterborough Community Church on the 11th May 2004 and was registered with the Charity Commission on the same day. It changed its name to KingsGate Community Church from 1st February 2008.

None of the trustees have any beneficial interest in the company. All the trustees are members of the company and guarantee to contribute such amount as may be required (not exceeding £10) to the company's assets in the event of a winding up.

KingsGate Community Church business is concluded under the framework of its governing memorandum and articles of association, prepared under the Companies Act 1985.

## KINGSGATE COMMUNITY CHURCH

### TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

**FOR THE YEAR ENDED 31 DECEMBER 2020**

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The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Dr David Smith (Chairman)

Mr Simon Wilson

Mr Norman Paskin

Mr Barry Featherstone

Mr Richard Johnson

(Resigned 1 October 2020)

Mr Matthew Negus

#### Appointment of Trustees Directors

The trustees, who have served during the year and since the year end, are set out on page 2. Trustees are appointed by the board and each year, one third retire by rotation and either new trustees are identified, or previous serving trustees are reappointed.

#### Trustee Induction and Training

All trustees are offered external training which will help them to undertake their roles and responsibilities.

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

#### Organisation

The board of trustees normally meet 4 times a year. Trustees ensure that the charity remains solvent, is well-run, and delivering the charitable outcomes for the benefit of the public for which it has been set up. The Strategic Leadership Team, which is made up of the Senior Leadership Team and the Multisite Strategy Team, are responsible for the day-to-day running of the organisation. Key strategies identified by the Senior Leadership Team and the Multisite Strategy Team are ratified by Trustees before implementation.

#### Related Parties

KingsGate Trading Ltd, a wholly owned subsidiary, was established on 26 January 2007. This subsidiary was incorporated to manage the business activities of the charity including the provision of conference facilities, sale of books and resources, and a coffee shop. KingsGate Community Church granted a 'licence to use' the building to KingsGate Trading Ltd who began to hire out the building from 1 June 2008. At the beginning of the COVID 19 pandemic, KingsGate Trading Ltd ceased trading due to government restrictions. From April 2020, all 5 permanent staff and 27 casual staff were asked to go on furlough leave in line with the Coronavirus Job Retention Scheme. A further decision was then made to permanently close the coffee shop and 2 staff members were subsequently made redundant. For the period 1 January 2020 to the 28 April 2020 the trading company paid a management charge of £19,131 (£74,334 for the whole of 2019), under this 'license to use' agreement. The trading company also recharged wages and salary costs of £4,425 to KingsGate Community Church (In 2019 KingsGate Community Church recharged £31,150 to KingsGate Trading Ltd). KingsGate Trading Ltd made a distribution under gift aid of £3,485 (2019 £186,598) to KingsGate Community Church, its parent company.

KingsGate Trading Ltd recorded a loss for the year, after distributions, of £2,361 (2019 a loss of £3,556).

#### **Auditor**

On 7 September 2020 Group Audit Services Limited trading as Baldwins Audit Services changed its name to Azets Audit Services Limited. The name they practice under is Azets Audit Services and accordingly they have signed their report in their new name.

In accordance with the company's articles, a resolution proposing that Azets Audit Services be reappointed as auditor of the company will be put at a General Meeting.

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## **KINGSGATE COMMUNITY CHURCH**

### **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)**

***FOR THE YEAR ENDED 31 DECEMBER 2020***

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#### **Disclosure of information to auditor**

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The trustees' report was approved by the Board of Trustees.

**Mr Barry Featherstone**

Trustee

Dated: 23 June 2021

## **KINGSGATE COMMUNITY CHURCH**

### **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

***FOR THE YEAR ENDED 31 DECEMBER 2020***

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The trustees, who are also the directors of Kingsgate Community Church for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# KINGSGATE COMMUNITY CHURCH

## INDEPENDENT AUDITOR'S REPORT

### TO THE TRUSTEES OF KINGSGATE COMMUNITY CHURCH

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#### **Opinion**

We have audited the accounts of Kingsgate Community Church (the 'charity') and its subsidiary for the year ended 31 December 2020 which comprise the Group Statement of Financial Activities, the Group and Parent Charitable Company Balance Sheets, the Group and Parent Charitable Company Cash Flow Statements and the notes to the accounts, 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 Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Group and Parent charitable company's affairs as at 31 December 2020 and of its incoming resources and application of resources, 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 contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

# KINGSGATE COMMUNITY CHURCH

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE TRUSTEES OF KINGSGATE COMMUNITY CHURCH

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#### **Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the trustees' report, which includes 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 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 the light of the knowledge and understanding of the Group and Parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the 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 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; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

#### **Responsibilities of trustees**

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose 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 charitable company 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 these financial statements.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

# KINGSGATE COMMUNITY CHURCH

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE TRUSTEES OF KINGSGATE COMMUNITY CHURCH

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#### **Extent to which the audit was considered capable of detecting Irregularities, Including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the entity through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

#### **Use of our report**

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

**Mr Mark Jackson FCA DChA (Senior Statutory Auditor)**  
for and on behalf of Azets Audit Services

28 June 2021

**Chartered Accountants**  
**Statutory Auditor**

Ruthlyn House  
90 Lincoln Road  
Peterborough  
United Kingdom  
PE1 2SP

# KINGSGATE COMMUNITY CHURCH

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2020

### Current financial year

		Unrestricted funds general	Unrestricted funds designated	Restricted funds	Total	Total
	Notes	2020 £	2020 £	2020 £	2020 £	2019 £
<b>Income and endowments from:</b>						
Donations and legacies	3	2,589,858	-	594,564	3,184,422	3,438,282
Charitable activities	4	56,948	-	287,944	344,892	342,376
Other trading activities	5	313,243	-	-	313,243	792,120
Other income	6	206,603	-	-	206,603	-
<b>Total income</b>		<b>3,166,652</b>	<b>-</b>	<b>882,508</b>	<b>4,049,160</b>	<b>4,572,778</b>
<b>Expenditure on:</b>						
Raising funds	7	297,404	-	-	297,404	540,527
Charitable activities	8	2,039,093	222,697	755,774	3,017,564	3,631,170
<b>Total resources expended</b>		<b>2,336,497</b>	<b>222,697</b>	<b>755,774</b>	<b>3,314,968</b>	<b>4,171,697</b>
<b>Net Incoming resources before transfers</b>		<b>830,155</b>	<b>(222,697)</b>	<b>126,734</b>	<b>734,192</b>	<b>401,081</b>
Gross transfers between funds		(603,795)	405,911	197,884	-	-
<b>Net income for the year/ Net movement in funds</b>		<b>226,360</b>	<b>183,214</b>	<b>324,618</b>	<b>734,192</b>	<b>401,081</b>
Fund balances at 1 January 2020		798,375	6,316,662	680,674	7,795,711	7,394,630
<b>Fund balances at 31 December 2020</b>		<b>1,024,735</b>	<b>6,499,876</b>	<b>1,005,292</b>	<b>8,529,903</b>	<b>7,795,711</b>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

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

## KINGSGATE COMMUNITY CHURCH

### STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2020

Prior financial year

	Notes	Unrestricted funds general designated 2019 £	Unrestricted funds designated 2019 £	Restricted funds 2019 £	Total 2019 £
<b><u>Income and endowments from:</u></b>					
Donations and legacies	3	2,648,858	-	789,424	3,438,282
Charitable activities	4	137,014	-	205,362	342,376
Other trading activities	5	792,120	-	-	792,120
<b>Total income</b>		<b>3,577,992</b>	<b>-</b>	<b>994,786</b>	<b>4,572,778</b>
<b><u>Expenditure on:</u></b>					
Raising funds	7	540,527	-	-	540,527
Charitable activities	8	2,320,606	246,753	1,063,811	3,631,170
<b>Total resources expended</b>		<b>2,861,133</b>	<b>246,753</b>	<b>1,063,811</b>	<b>4,171,697</b>
<b>Net incoming resources before transfers</b>		<b>716,859</b>	<b>(246,753)</b>	<b>(69,025)</b>	<b>401,081</b>
Gross transfers between funds		(541,695)	574,495	(32,800)	-
<b>Net income for the year/ Net movement in funds</b>		<b>175,164</b>	<b>327,742</b>	<b>(101,825)</b>	<b>401,081</b>
Fund balances at 1 January 2019		623,211	5,988,920	782,499	7,394,630
<b>Fund balances at 31 December 2019</b>		<b>798,375</b>	<b>6,316,662</b>	<b>680,674</b>	<b>7,795,711</b>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

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

# KINGSGATE COMMUNITY CHURCH

## BALANCE SHEETS

AS AT 31 DECEMBER 2020

	Notes	Group 2020 £	Charity 2020 £	Group 2019 £	Charity 2019 £
<b>Fixed assets</b>					
Tangible assets	15	8,439,457	9,338,271	8,569,763	9,464,324
Investments	16	-	1	-	1
		<u>8,439,457</u>	<u>9,338,272</u>	<u>8,569,763</u>	<u>9,464,325</u>
<b>Current assets</b>					
Stocks	18	14,542	-	16,453	-
Debtors	19	82,149	113,068	140,001	287,155
Cash at bank and in hand		2,329,541	2,250,558	1,738,719	1,548,698
		<u>2,426,232</u>	<u>2,363,626</u>	<u>1,895,173</u>	<u>1,835,853</u>
<b>Creditors: amounts falling due within one year</b>	20	(691,686)	(647,989)	(718,229)	(692,356)
Net current assets		<u>1,734,546</u>	<u>1,715,637</u>	<u>1,176,944</u>	<u>1,156,379</u>
<b>Total assets less current liabilities</b>		<u>10,174,003</u>	<u>11,053,909</u>	<u>9,746,707</u>	<u>10,620,704</u>
<b>Creditors: amounts falling due after more than one year</b>	21	(1,644,100)	(1,644,100)	(1,950,933)	(1,950,933)
<b>Provisions for liabilities</b>	23	-	-	(63)	-
<b>Net assets</b>		<u>8,529,903</u>	<u>9,409,809</u>	<u>7,795,711</u>	<u>8,669,771</u>
<b>Income funds</b>					
Restricted funds	24	1,005,292	1,005,292	680,674	680,674
<u>Unrestricted funds - general</u>					
Designated funds	25	6,499,876	7,398,690	6,320,466	7,211,223
General unrestricted funds	26	1,024,735	1,005,827	798,375	777,874
		<u>8,529,903</u>	<u>9,409,809</u>	<u>7,795,711</u>	<u>8,669,771</u>

The financial statements were approved by the board of directors and authorised for issue on 23 June 2021 and are signed on its behalf by:

Mr Barry Featherstone  
**Trustee**  
**Company Registration No. 05124435**

## KINGSGATE COMMUNITY CHURCH

### STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	2020 Group £	2020 Charity £	2019 Group £	2019 Charity £
<b>Cash flows from operating activities</b>					
Cash generated from operations	31	985,181	1,096,219	783,376	758,336
<b>Investing activities</b>					
Purchase of tangible fixed assets		(98,096)	(98,096)	(288,581)	(287,862)
Proceeds on disposal of tangible fixed assets		4,941	4,941	-	-
<b>Net cash used in investing activities</b>		<u>(93,155)</u>	<u>(93,155)</u>	<u>(288,581)</u>	<u>(287,862)</u>
<b>Financing activities</b>					
Repayment of bank loans		(301,204)	(301,204)	(290,417)	(290,417)
<b>Net cash used in financing activities</b>		<u>(301,204)</u>	<u>(301,204)</u>	<u>(290,417)</u>	<u>(290,417)</u>
<b>Net increase in cash and cash equivalents</b>		590,822	701,860	204,378	180,037
Cash and cash equivalents at beginning of year		1,738,719	1,548,698	1,534,341	1,368,661
<b>Cash and cash equivalents at end of year</b>		<u>2,329,541</u>	<u>2,250,558</u>	<u>1,738,719</u>	<u>1,548,698</u>

# KINGSGATE COMMUNITY CHURCH

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

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### 1 Accounting policies

#### Charity Information

Kingsgate Community Church is a private company limited by guarantee incorporated in England and Wales. The registered office is 2 Staple Way, Parnwell, Peterborough, PE1 4YT, United Kingdom.

#### 1.1 Accounting convention

The accounts have been prepared in accordance with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared under the historical cost convention, modified to include certain items at fair value. The principal accounting policies adopted are set out below.

#### 1.2 Group financial statements

The financial statements consolidate the results of the charitable company and its subsidiary undertaking KingsGate Trading Limited on a line-by line basis. Intra-group sales and profits are eliminated fully on consolidation. A separate Statement of Financial Activities and Income and Expenditure Account for the charity has not been presented because the charity has taken advantage of the exemption afforded by section 408 of the Companies Act 2006.

#### 1.3 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future and so continue to adopt the going concern basis of accounting in preparing the financial statements. In arriving at this conclusion, the Trustees have considered the uncertainty regarding the ongoing impact of COVID. As described in more detail in the Trustees' report, whilst income has reduced in 2020, the trustees have taken a number of mitigating actions to limit the financial impact and the charity's mortgage provider has indicated that they will adopt a common sense approach to any potential breaches of covenants. On this basis the trustees believe there are sufficient reserves to enable the charity to operate through this period.

#### 1.4 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Designated funds - these are funds set aside by the trustees out of unrestricted general funds for specific future purposes or projects.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

#### 1.5 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

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.

# KINGSGATE COMMUNITY CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

---

### 1 Accounting policies

(Continued)

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102). The charity benefits from many voluntary hours and unclaimed out-of-pocket expenses contributed by a number of supporters. The charity is extremely grateful for all these gifts in kind.

The charity receives grants in respect of its activities. Income from 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.

Income from trading activities is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

Investment income is accounted for in the period in which the charity is entitled to receipt.

#### 1.6 Expenditure

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. It is categorised under the following headings:

- Costs of raising funds;
- Expenditure on charitable activities; and
- Other expenditure which represents those items not falling into the categories above.

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

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs and other administrative costs. 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.

#### 1.7 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

All assets costing more than £250 are capitalised. No depreciation is provided on freehold land.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold buildings	1% p.a. straight line
Office equipment	25% p.a. reducing balance
Computer equipment	25% p.a. straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

# KINGSGATE COMMUNITY CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

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### 1 Accounting policies (Continued)

#### 1.8 Fixed asset Investments

A subsidiary is an entity controlled by the charity. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

Investments in subsidiaries are measured at cost less impairment.

#### 1.9 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

#### 1.10 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing stock to its present location and condition. Cost is calculated using the first in, first out formula. Provision is made for damaged, obsolete and slow-moving stock where appropriate.

#### 1.11 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, and other short-term liquid investments with original maturities of three months or less.

#### 1.12 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### **Basic financial liabilities**

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

# KINGSGATE COMMUNITY CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

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**1 Accounting policies** **(Continued)**

***Derecognition of financial liabilities***

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

**1.13 Taxation**

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

**1.14 Provisions**

Provisions are recognised when the charity has a legal or constructive present obligation as a result of a past event, it is probable that the charity will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value, the unwinding of the discount is recognised as a finance cost in net income/(expenditure) in the period in which it arises.

**1.15 Employee benefits**

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

**1.16 Leases**

Rentals payable under operating leases, including any lease incentives received, are charged as an expense on a straight line basis over the term of the relevant lease.

**2 Critical accounting estimates and judgements**

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

# KINGSGATE COMMUNITY CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

### 3 Donations and legacies

	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
Gifts and offerings	558,939	81,594	640,533	755,468
Covenants and gift aid	1,615,985	291,955	1,907,940	2,069,034
Income tax repayments	414,934	61,322	476,256	526,280
Grants received	-	159,693	159,693	87,500
	<u>2,589,858</u>	<u>594,564</u>	<u>3,184,422</u>	<u>3,438,282</u>
<b>For the year ended 31 December 2019</b>	<u>2,648,858</u>	<u>789,424</u>		<u>3,438,282</u>

#### Grants receivable for core activities

Peterborough City Council	-	106,264	106,264	87,500
The Trussell Trust	-	29,927	29,927	-
Church Revitalisation Trust	-	18,502	18,502	-
Cambs Community Funding	-	5,000	5,000	-
	<u>-</u>	<u>159,693</u>	<u>159,693</u>	<u>87,500</u>

### 4 Charitable activities

	2020 £	2019 £
Courses and events	15,067	23,501
Internship income	-	3,280
Foodbank income	119,394	21,445
Community action income	12,411	12,000
Learning communities	165,650	201,893
Miscellaneous income	32,370	80,257
	<u>344,892</u>	<u>342,376</u>
<b>Analysis by fund</b>		
Unrestricted funds	56,948	137,014
Restricted funds	287,944	205,362
	<u>344,892</u>	<u>342,376</u>

# KINGSGATE COMMUNITY CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

### 5 Other trading activities

	2020 £	2019 £
Commercial operations in trading subsidiary	313,243	792,120

### 6 Other income

	Unrestricted funds general 2020 £	Total 2019 £
Net gain on disposal of tangible fixed assets	3,489	-
Other income	203,114	-
	<u>206,603</u>	<u>-</u>

### 7 Raising funds

	2020 £	2019 £
<u>Commercial operations in trading subsidiary</u>		
Staff costs	222,858	267,588
Direct costs	37,964	174,847
Administrative expenses	36,582	98,092
	<u>297,404</u>	<u>540,527</u>

# KINGSGATE COMMUNITY CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

### 8 Charitable activities

	2020 £	2019 £
Staff costs	1,697,037	1,726,122
Depreciation	222,697	246,753
Outreach and Community Action	191,280	172,625
Sunday Experience and Connect	155,219	491,738
Pastoral Care	84,552	175,233
Equip and Leadership Development	207,452	253,955
Mission	53,873	52,901
Facilities	279,732	376,498
	<u>2,891,842</u>	<u>3,495,825</u>
Share of support costs (see note 9)	115,613	125,581
Share of governance costs (see note 9)	10,109	9,764
	<u>3,017,564</u>	<u>3,631,170</u>
<b>Analysis by fund</b>		
Unrestricted funds	2,039,093	2,320,606
Unrestricted funds - designated	222,697	246,753
Restricted funds	755,774	1,063,811
	<u>3,017,564</u>	<u>3,631,170</u>

### 9 Support costs

	Support costs £	Governance costs £	2020 £	2019 £
Office costs	101,484	-	101,484	102,357
Printing, postage and stationery	4,242	-	4,242	8,131
Photocopying	9,887	-	9,887	15,093
Audit fees	-	10,109	10,109	9,764
	<u>115,613</u>	<u>10,109</u>	<u>125,722</u>	<u>135,345</u>

# KINGSGATE COMMUNITY CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

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### 10 Trustees

Trustees' remuneration is permitted under certain limited circumstances, if paid as an employee, under the terms of its governing document. During the year, remuneration was paid to one Trustee amounting to £79,999 (2019 - £79,631). Employer pension contributions for this Trustee were £5,127 (2019 - £3,133). No Trustees waived any remuneration.

One Trustee (2019 - one) is accruing pension arrangements.

During the year trustees received reimbursement of expenses amounting to £nil (2019 - two trustees received £353) of which £nil (2019 - £nil) was outstanding at the year end and included within trade creditors.

### 11 Auditor's remuneration

The analysis of auditor's remuneration is as follows:

	<b>2020</b>	<b>2019</b>
	£	£
Audit of the charity's annual accounts	10,109	9,764
<b>Other services to the group</b> - the audit of the subsidiary	2,848	2,861
<b>Total audit fees</b>	<u>12,957</u>	<u>12,625</u>

### 12 Surplus for the financial year

As permitted by section 408 of the Companies Act 2006, the holding company's surplus has not been included in these financial statements. The surplus for the financial year is made up as follows:

	<b>2020</b>	<b>2019</b>
	£	£
Holding company's gross income for the financial year	<u>3,758,534</u>	<u>4,041,590</u>
Holding company's surplus for the financial year	<u>740,038</u>	<u>404,637</u>

# KINGSGATE COMMUNITY CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

### 13 Commercial operations in trading subsidiary

The wholly owned trading subsidiary, KingsGate Trading Limited, which is incorporated in England and Wales, pays a proportion of its profits to the charity by gift aid. KingsGate Trading Limited operates the resources centre, coffee shop and room hire at KingsGate Community Church. The charity owns the entire issued share capital of 1 ordinary share at £1 each. A summary of the trading results is shown below.

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
<b>KingsGate Trading Limited Profit &amp; Loss Account</b>		
Turnover	198,555	791,928
JRS income	114,605	-
Cost of sales	(280,015)	(517,603)
Administration costs	(13,966)	(23,758)
Other income and interest received	83	192
	<u>19,262</u>	<u>250,759</u>
Net profit	19,262	250,759
Add: sales made to charity	930	5,783
Less: management charges paid to charity	(19,131)	(74,334)
Less: purchases paid to charity	-	-
	<u>1,061</u>	<u>182,208</u>
Dividend paid to charity	(3,485)	(186,598)
	<u>(2,424)</u>	<u>(4,390)</u>
Tax on loss on ordinary activities	63	834
	<u>(2,361)</u>	<u>(3,556)</u>
	<u><u>(2,361)</u></u>	<u><u>(3,556)</u></u>
	<b>2019</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
<b>KingsGate Trading Limited Balance Sheet</b>		
Fixed assets	5,860	10,113
Current assets	95,658	260,620
Current liabilities	(76,749)	(240,055)
Provision for liabilities	-	(63)
	<u>24,769</u>	<u>30,615</u>
Total net assets	<u><u>24,769</u></u>	<u><u>30,615</u></u>
Aggregate share capital and reserves	<u><u>24,769</u></u>	<u><u>30,615</u></u>

# KINGSGATE COMMUNITY CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

### 14 Employees

#### Number of employees

The average monthly number of employees during the year was:

	2020 Number	2019 Number
KingsGate Community Church	65	68
KingsGate Trading Limited	27	27
	<u>92</u>	<u>95</u>

Employment costs	2020 Charity £	2020 Subsidiary £	2020 Group £	2019 Group £
Wages and salaries	1,501,952	208,184	1,710,136	1,783,763
Social security costs	131,058	8,900	139,958	145,892
Other pension costs	64,027	5,774	69,801	64,055
	<u>1,697,037</u>	<u>222,858</u>	<u>1,919,895</u>	<u>1,993,710</u>

The number of employees whose annual remuneration was £60,000 or more were:

	2020 Number	2019 Number
£70,001 - £80,000	<u>1</u>	<u>1</u>

The above employee participated in the pension scheme. During the year ended 31 December 2020, pension contributions for this employee amounted to £5,127 (2019 - £3,133).

# KINGSGATE COMMUNITY CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

### 15 Tangible fixed assets

Group	Freehold land and buildings	Plant and equipment	Total
	£	£	£
<b>Cost</b>			
At 1 January 2020	8,951,827	1,279,746	10,231,573
Additions	-	98,096	98,096
Disposals	-	(21,607)	(21,607)
At 31 December 2020	8,951,827	1,356,235	10,308,062
<b>Depreciation</b>			
At 1 January 2020	847,957	813,853	1,661,810
Depreciation charged in the year	83,871	143,007	226,878
Eliminated in respect of disposals	-	(20,083)	(20,083)
At 31 December 2020	931,828	936,777	1,868,605
<b>Carrying amount</b>			
At 31 December 2020	8,019,999	419,458	8,439,457
At 31 December 2019	8,103,870	465,893	8,569,763
<b>Charity</b>			
	Freehold land and buildings	Plant and equipment	Total
	£	£	£
<b>Cost</b>			
At 1 January 2020	9,856,501	1,209,070	11,065,571
Additions	-	98,096	98,096
Disposals	-	(19,331)	(19,331)
At 31 December 2020	9,856,501	1,287,835	11,144,336
<b>Depreciation</b>			
At 1 January 2020	847,957	753,290	1,601,247
Depreciation charged in the year	83,871	138,826	222,697
Eliminated in respect of disposals	-	(17,879)	(17,879)
At 31 December 2020	931,828	874,237	1,806,065
<b>Carrying amount</b>			
At 31 December 2020	8,924,673	413,598	9,338,271
At 31 December 2019	9,008,544	455,780	9,464,324

# KINGSGATE COMMUNITY CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

### 15 Tangible fixed assets (Continued)

All assets are used for direct charitable purposes.

Included within land and buildings is an amount of £1,472,000 (2019 - £1,472,000) in respect of land which is not depreciated.

### 16 Fixed asset Investments

	<b>Investment in subsidiaries £</b>
<b>Group</b>	
<b>Cost or valuation</b>	
At 1 January 2020 & 31 December 2020	-
	<u>          </u>
<b>Charity</b>	
<b>Cost or valuation</b>	
At 1 January 2020 & 31 December 2020	1
	<u>          </u>

The investment represents a 100% shareholding in KingsGate Trading Limited, a company incorporated in England and Wales.

For details of the principal activity and results for the year, see note 13.

	<b>Group 2020 £</b>	<b>Charity 2020 £</b>	<b>Group 2019 £</b>	<b>Charity 2019 £</b>
<b>17 Financial instruments</b>				
<b>Carrying amount of financial assets</b>				
Trade debtors	198	198	57,608	5,683
Other debtors	2,818	685	3,112	891
Amounts due from subsidiary undertakings	-	33,052	-	201,300
Bank and cash	2,329,541	2,250,558	1,738,719	1,548,698
Fixed asset investments	-	1	-	1
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Measured at cost	2,332,557	2,284,494	1,799,439	1,756,573
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Carrying amount of financial liabilities</b>				
Trade creditors	26,178	19,916	43,116	51,406
Accruals	57,348	55,433	102,099	102,099
Bank loans	1,951,897	1,951,897	2,253,101	2,253,101
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Measured at cost	2,035,423	2,027,246	2,398,316	2,406,606
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

# KINGSGATE COMMUNITY CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

18	Stocks		2020 Group £	2020 Company £	2019 Group £	2019 Company £
	Finished goods and goods for resale		14,542	-	16,453	-
			<u>14,542</u>	<u>-</u>	<u>16,453</u>	<u>-</u>
19	Debtors		2020 Group £	2020 Charity £	2019 Group £	2019 Charity £
	<b>Amounts falling due within one year:</b>					
	Trade debtors		198	198	57,608	5,683
	Income tax recoverable		33,830	33,830	39,686	39,686
	Amounts due from subsidiary undertakings		-	33,052	-	201,300
	Other debtors		2,818	685	3,112	891
	Prepayments and accrued income		45,303	45,303	39,595	39,595
			<u>82,149</u>	<u>113,068</u>	<u>140,001</u>	<u>287,155</u>
20	Creditors: amounts falling due within one year	Notes	2020 Group £	2020 Charity £	2019 Group £	2019 Charity £
	Bank loans	22	307,797	307,797	302,168	302,168
	Other taxation and social security		32,147	32,147	37,056	37,056
	Deferred income		210,149	210,149	171,239	171,239
	Trade creditors		26,178	19,916	43,116	34,826
	Other creditors		58,067	22,546	62,551	32,086
	Accruals		57,348	55,433	102,099	102,099
			<u>691,686</u>	<u>647,988</u>	<u>718,229</u>	<u>679,474</u>

Deferred income is income received for Learning Communities that relates to the year ended 31 December 2021.

21	Creditors: amounts falling due after more than one year	Notes	2020 Group £	2020 Charity £	2019 Group £	2019 Charity £
	Bank loans	22	1,644,100	1,644,100	1,950,933	1,950,933
			<u>1,644,100</u>	<u>1,644,100</u>	<u>1,950,933</u>	<u>1,950,933</u>

## KINGSGATE COMMUNITY CHURCH

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

#### 22 Loans and overdrafts

	2020	2019
Group and charity	£	£
Bank loans	1,951,897	2,253,101
Payable within one year	307,797	302,168
Payable after one year	1,644,100	1,950,933

The bank borrowings are secured over the assets of the group.

#### 23 Provision for liabilities

	2020	2020	2019	2019
Deferred taxation	Group	Charity	Group	Charity
Balances:	£	£	£	£
Accelerated capital allowances	-	-	63	-

There were no deferred tax movements in the year.

# KINGSGATE COMMUNITY CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

### 24 Restricted funds

#### Group and Charity

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds				Movement in funds			
	Balance at 1 January 2019	Expenditure	Transfers	Balance at 1 January 2020	Expenditure	Transfers	Balance at 31 December 2020	
	£	£	£	£	£	£	£	
Building fund - Peterborough	-	135,807	(135,807)	-	113,717	(113,717)	-	
Building fund - Cambridge	25,886	3,130	(24,732)	4,284	2,274	(6,268)	290	
Mission fund	358,436	146,489	(313,460)	440,610	56,747	(213,006)	195,620	
Body needs fund - Peterborough	-	-	-	-	6,450	(7,823)	20,000	
Body needs fund - Cambridge	858	-	-	858	-	(300)	558	
Foodbank fund	66,083	21,445	(19,508)	68,020	119,394	(27,360)	160,054	
Sabbatical fund	-	3,724	(1,870)	1,854	-	812	2,666	
PCAS grant	63,867	87,500	(115,607)	35,760	80,000	(37,208)	78,552	
Lengthen and strengthen fund	9,872	-	(9,872)	-	-	-	-	
Learning Community fund	13,104	179,129	(179,943)	12,290	165,650	(168,672)	9,268	
2020 vision fund	231,891	415,373	(257,072)	108,247	254,882	(131,234)	186,407	
Children's work	6,438	1,125	-	7,563	1,000	-	8,563	
Parmwell Hub grant	6,064	1,064	(5,940)	1,188	18,772	(2,565)	17,395	
Coronavirus support grant	-	-	-	-	29,927	(14,964)	14,963	
Peterborough - Love Your Neighbour	-	-	-	-	18,502	(23,268)	22,986	
Winter Support fund	-	-	-	-	10,193	(5,201)	4,992	
Peterborough Care Zone	-	-	-	-	5,000	(5,000)	-	
	782,499	994,786	(1,063,811)	680,674	882,508	(755,774)	1,005,292	

The Building funds are held to fund improvements to the premises at Peterborough and to finance any future Cambridge building needs. Once expended a transfer is made to a designated fund representing the interest in the land and property.

## KINGSGATE COMMUNITY CHURCH

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

#### 24 Restricted funds

(Continued)

The Mission fund arises from the commitment to spend 10% of all income on mission activities. These include community action, launching new Centres, overseas missions and gifts to other ministries.

The Body Needs fund represents funds to support members of the church community who are in financial hardship.

The Foodbank fund represents funds provided to support the running of a foodbank across Peterborough.

The sabbatical fund represents the balance of income given to the Church to finance the Senior Pastor's sabbatical.

PCAS grant was a grant received from the City Council for the provision of emergency food and furniture upon referral from the Peterborough Community Assistance scheme.

The Lengthen and Strengthen fund was an offering received to finance the launch of the London Centre, the installation of three hundred additional seats at the Peterborough building and the provision of bursaries for interns.

The Learning Community fund represents income and expenses in relation to educational events hosted in partnership with Gateway Church (Dallas), ARC and Stewardship.

The 2020 Vision fund was an offering received over a 4 year period to finance 5 key areas of the 2020 Vision: Inside out initiatives, Leadership Development, Launching new Centres, Technology and building needs.

The Children's Work fund was a donation received given specifically for the benefit of the Children's Ministry.

The Parmwell Hub grant was a grant received from the City Council to run community development activities in Parmwell with a range of partner agencies.

Coronavirus Support Grant was a grant received from the Trussell Trust to provide information and advice services for Peterborough Foodbank beneficiaries through a partnership with Citizens Advice Peterborough.

The Love Your Neighbour grant was a grant received from the Church Revitalisation Trust for the provision of emergency food, support the running of Care Zone and to launch a new Debt Advice Service.

The Winter Support Fund was a grant received from Peterborough City Council for the provision of emergency food and white goods upon referral from the Peterborough Community Assistance scheme.

# KINGSGATE COMMUNITY CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

### 25 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

Group	Balance at Expenditure 1 January 2019		Transfers		Balance at Expenditure 1 January 2020		Transfers		Balance at 31 December 2020	
	£	£	£	£	£	£	£	£	£	£
Interest in land and property	5,644,223	(83,871)	290,417	5,850,769	(83,871)	301,204	6,068,102			
Interest in fixed assets	344,697	(162,882)	284,078	465,893	(138,826)	92,391	419,458			
Fixed asset fund	-	-	-	-	-	12,316	12,316			
	<u>5,988,920</u>	<u>(246,753)</u>	<u>574,495</u>	<u>6,316,662</u>	<u>(222,697)</u>	<u>405,911</u>	<u>6,499,876</u>			
<b>Charity</b>										
	<u>Balance at Expenditure</u>	<u>Transfers</u>	<u>Balance at Expenditure</u>	<u>Transfers</u>	<u>Balance at</u>	<u>31 December</u>				
	<u>1 January 2019</u>	<u>1 January 2020</u>	<u>1 January 2020</u>	<u>31 December</u>	<u>2020</u>	<u>2020</u>				
Interest in land and property	£ 6,548,897	£ (83,871)	£ 290,417	£ 6,755,443	£ (83,871)	£ 301,204	£ 6,972,776			
Interest in fixed assets	330,780	(162,882)	287,882	455,780	(138,826)	96,644	413,598			
Fixed asset fund	-	-	-	-	-	12,316	12,316			
	<u>6,879,677</u>	<u>(246,753)</u>	<u>578,299</u>	<u>7,211,223</u>	<u>(222,697)</u>	<u>410,164</u>	<u>7,398,690</u>			

The designated fund for interest in land and property is an amount transferred from restricted funds in respect of restricted expenditure that has been capitalised in fixed assets. This fund will be utilised as depreciation is charged on the property.

The interest in fixed assets fund represents the net book value of equipment and vehicles. The brought forward element of this fund is included in the General fund.

# KINGSGATE COMMUNITY CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

### 26 Unrestricted funds

Group	Movement in funds				Movement in funds				
	Balance at 1 January 2019	Expenditure	Transfers	Balance at 1 January 2020	Expenditure	Transfers	Balance at 31 December 2020		
General fund	£ 623,211	£ 3,577,992	£ (2,861,133)	£ (541,695)	£ 798,375	£ 3,166,652	£ (2,336,497)	£ (603,795)	£ 1,024,735
	623,211	3,577,992	(2,861,133)	(541,695)	798,375	3,166,652	(2,336,497)	(603,795)	1,024,735
Charity	£ 602,958	£ 3,046,804	£ (2,326,390)	£ (545,498)	£ 777,874	£ 2,876,026	£ (2,040,025)	£ (608,048)	£ 1,005,827
	602,958	3,046,804	(2,326,390)	(545,498)	777,874	2,876,026	(2,040,025)	(608,048)	1,005,827

# KINGSGATE COMMUNITY CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

### 27 Analysis of net assets between funds

Group	Unrestricted funds		Designated funds		Restricted funds		Total Unrestricted funds		Designated funds		Restricted funds		Total
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	
Fund balances at 31 December 2020 are represented by:													
Tangible assets	-	-	8,439,457	-	8,439,457	-	8,439,457	-	-	8,569,763	-	-	8,569,763
Current assets/(liabilities)	1,024,735	1,024,735	(295,481)	1,005,292	1,734,546	798,438	(302,168)	680,674	1,176,944	-	-	-	1,176,944
Long term liabilities	-	-	(1,644,100)	-	(1,644,100)	-	(1,950,933)	-	(1,950,933)	-	-	-	(1,950,933)
Provisions	-	-	-	-	-	(63)	-	-	(63)	-	-	-	(63)
	<u>1,024,735</u>	<u>1,024,735</u>	<u>6,499,876</u>	<u>1,005,292</u>	<u>8,529,903</u>	<u>798,375</u>	<u>6,316,662</u>	<u>680,674</u>	<u>7,795,711</u>				
<b>Charity</b>													
	<b>Unrestricted funds</b>	<b>Designated funds</b>	<b>Restricted funds</b>	<b>Total Unrestricted funds</b>	<b>Designated funds</b>	<b>Restricted funds</b>	<b>Total Unrestricted funds</b>	<b>Designated funds</b>	<b>Restricted funds</b>	<b>Total</b>	<b>2019</b>	<b>2019</b>	<b>Total</b>
Fund balances at 31 December 2020 are represented by:	2020	2020	2020	2020	2020	2020	2020	2019	2019	2019	2019	2019	2019
Tangible assets	-	9,338,271	-	9,338,271	-	9,464,324	-	-	9,464,324	-	-	-	9,464,324
Investments	1	-	-	1	-	-	1	-	-	-	-	-	1
Current assets/(liabilities)	1,005,826	(295,481)	1,005,292	1,715,637	777,873	(302,168)	680,674	1,156,379	-	-	-	-	1,156,379
Long term liabilities	-	(1,644,100)	-	(1,644,100)	-	(1,950,933)	-	(1,950,933)	-	-	-	-	(1,950,933)
	<u>1,005,827</u>	<u>7,398,690</u>	<u>1,005,292</u>	<u>9,409,809</u>	<u>777,874</u>	<u>7,211,223</u>	<u>680,674</u>	<u>8,669,771</u>					

# KINGSGATE COMMUNITY CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

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### 28 Control

No one individual has overall control of the charity.

### 29 Operating lease commitments

#### Group and charity

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2020	2019
	£	£
Within one year	55,817	27,860
Between two and five years	12,601	30,773
	<u>68,418</u>	<u>58,633</u>

### 30 Related party transactions

#### Remuneration of key management personnel

The total amount of employee benefits (including employer's pension contributions) received by key management personnel is £553,125 (2019 - £543,836). The charity considers its key management personnel comprises of the twelve members (2019 - twelve members) of the Multisite Strategy team.

#### Transactions with related parties

During the year management charges of £19,131 (2019 - £74,334) were charged to KingsGate Trading Limited, a subsidiary company. Wages costs are recharged between the Charity and its subsidiary, resulting in a net income to the Charity of £4,425 (2019 - net cost of £31,159). A gift aided donation of £3,485 (2019 - £186,598) was also received from KingsGate Trading Limited. Included within debtors is £33,052 (2019 - £201,300) due from KingsGate Trading Limited.

Donations of £91,305 (2019 - £111,522) were received during the year from six Trustees (2019 - six Trustees). No conditions were attached to these donations.

# KINGSGATE COMMUNITY CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

31	Cash generated from operations	2020	2020	2019	2019
		Group	Charity	Group	Charity
		£	£	£	£
	Surplus for the year	734,192	740,039	401,081	404,637
	Adjustments for:				
	Gain on disposal of tangible fixed assets	(3,417)	(3,489)	-	-
	Depreciation of tangible fixed assets	226,878	222,697	246,753	243,099
	Loss on disposal of fixed assets	-	-	4,502	3,654
	Movements in working capital:				
	Decrease in stocks	1,911	-	715	-
	(Increase)/decrease in debtors	57,852	174,087	174,778	137,683
	(Decrease) in creditors	(32,172)	(37,115)	(43,619)	(30,737)
	(Decrease) in provisions	(63)	-	(834)	-
	<b>Cash generated from operations</b>	<b>985,181</b>	<b>1,096,219</b>	<b>783,376</b>	<b>758,336</b>

### 32 Analysis of changes in net funds/(debt)

Group	At 1 January 2020	Cash flows	At 31 December 2020
	£	£	£
Cash at bank and in hand	1,738,719	590,822	2,329,541
Loans falling due within one year	(302,168)	(5,629)	(307,797)
Loans falling due after more than one year	(1,950,933)	306,833	(1,644,100)
	(514,382)	892,026	377,644
Charity	At 1 January 2020	Cash flows	At 31 December 2020
	£	£	£
Cash at bank and in hand	1,548,698	701,860	2,250,558
	1,548,698	701,860	2,250,558
Loans falling due within one year	(302,168)	(5,629)	(307,797)
Loans falling due after more than one year	(1,950,933)	306,833	(1,644,100)
	(704,403)	1,003,064	298,661

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