

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

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

KINGSGATE COMMUNITY CHURCH

LEGAL AND ADMINISTRATIVE INFORMATION

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.

KINGSGATE COMMUNITY CHURCH

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KINGSGATE COMMUNITY CHURCH

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2023

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

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

- **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

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 31st 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

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 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 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.

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

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.

B Featherstone

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Mr Barry Featherstone

Trustee

Dated: *23/1/24*

KINGSGATE COMMUNITY CHURCH

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2023

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

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

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

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

		Unrestricted funds general 2023 £	Unrestricted funds designated 2023 £	Restricted funds 2023 £	Total 2023 £	Total 2022 £
	Notes					
Income and endowments from:						
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
Total income		3,149,177	-	1,643,966	4,793,143	4,052,194
Expenditure on:						
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
Total expenditure		2,686,881	246,712	1,019,124	3,952,717	3,710,295
Net incoming resources before transfers		462,296	(246,712)	624,842	840,426	341,899
Gross transfers between funds		(345,348)	1,019,679	(674,331)	-	-
Net income/(expenditure) for the year/ Net movement in funds		116,948	772,967	(49,489)	840,426	341,899
Fund balances at 1 January 2023		965,786	7,259,794	1,270,710	9,496,290	9,154,391
Fund balances at 31 December 2023		1,082,734	8,032,761	1,221,221	10,336,716	9,496,290

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

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

KINGSGATE COMMUNITY CHURCH

BALANCE SHEETS

AS AT 31 DECEMBER 2023

	Notes	Group 2023 £	Charity 2023 £	Group 2022 £	Charity 2022 £
Fixed assets					
Tangible assets	16	8,246,195	9,143,152	8,372,459	9,266,453
Investments	17	-	1	-	1
		8,246,195	9,143,153	8,372,459	9,266,454
Current assets					
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
		2,636,645	2,555,272	2,564,396	2,507,875
Creditors: amounts falling due within one year	21	(546,124)	(508,466)	(606,724)	(575,225)
Net current assets		2,090,521	2,046,806	1,957,672	1,932,650
Total assets less current liabilities		10,336,716	11,189,959	10,330,131	11,199,104
Creditors: amounts falling due after more than one year	22	-	-	(833,841)	(810,432)
Net assets		10,336,716	11,189,959	9,496,290	10,388,672
Income funds					
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
		10,336,716	11,189,959	9,496,290	10,388,672

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 £
Cash flows from operating activities					
Cash generated from operations	32	1,118,438	1,102,124	514,729	505,094
Investing activities					
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
Net cash used in investing activities		(122,113)	(122,113)	(98,673)	(98,673)
Financing activities					
Repayment of bank loans		(928,639)	(899,230)	(505,830)	(505,239)
Net cash used in financing activities		(928,639)	(899,230)	(505,830)	(505,239)
Net increase/(decrease) in cash and cash equivalents		67,686	80,781	(89,774)	(98,818)
Cash and cash equivalents at beginning of year		2,395,538	2,358,930	2,485,312	2,457,748
Cash and cash equivalents at end of year		<u>2,463,224</u>	<u>2,439,711</u>	<u>2,395,538</u>	<u>2,358,930</u>

KINGSGATE COMMUNITY CHURCH

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

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

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 2023

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

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
For the year ended 31 December 2023	2,676,093	1,328,059	4,004,152	3,277,002
For the year ended 31 December 2022	2,599,849	677,153		3,277,002

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
	-	174,137	174,137	95,609

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
	425,407	524,648
Analysis by fund		
Unrestricted funds	109,500	106,796
Restricted funds	315,907	417,852
	425,407	524,648

KINGSGATE COMMUNITY CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

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
	278,417	201,671

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>
Analysis by fund		
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
Other services to the group		
- the audit of the subsidiary	2,950	2,750
Total audit fees	10,745	10,000
Non-audit services		
All other non-audit services - charity	3,495	3,250
All other non-audit services - subsidiary	1,200	1,100
Total non-audit fees	4,695	4,350

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	4,476,399	3,835,664
Holding company's surplus for the financial year	801,287	326,185

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
	£	£
KingsGate Trading Limited Profit & Loss Account		
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
KingsGate Trading Limited Balance Sheet		
	2023	2022
	£	£
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
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

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 £
Cost			
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
Depreciation			
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
Carrying amount			
At 31 December 2023	7,768,386	477,809	8,246,195
At 31 December 2022	7,852,257	520,202	8,372,459
Charity			
	Freehold land and buildings £	Plant and equipment £	Total £
Cost			
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
Depreciation			
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
Carrying amount			
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

	Investment in subsidiaries £
Group	
Cost or valuation	
At 1 January 2023 & 31 December 2023	-
Charity	
Cost or valuation	
At 1 January 2023 & 31 December 2023	1

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.

18	Financial instruments	Group 2023 £	Charity 2023 £	Group 2022 £	Charity 2022 £
	Carrying amount of financial assets				
	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
	Measured at cost	2,523,792	2,461,291	2,474,401	2,434,861
	Carrying amount of financial liabilities				
	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
	Measured at cost	440,103	428,701	1,281,363	1,242,521
19	Stocks	2023 Group £	2023 Company £	2022 Group £	2022 Company £
	Finished goods and goods for resale	4,505	-	9,872	-

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 £
Amounts falling due within one year:				
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

COMMUNITY CHURCH

FINANCIAL STATEMENTS (CONTINUED)

ENDED 31 DECEMBER 2023

Prepayments	2023 Group £	2023 Charity £	2022 Group £	2022 Charity £
	230,347	230,347	1,158,986	1,129,577
One year	230,347	230,347	325,145	319,145
More than one year	-	-	833,841	810,432

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

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

Provisions	2023 £
At 1 January 2023	(5,174)
Provisions made	(587)
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			Transfers 1 January 2023 £	Balance at 1 January 2023 £	Movement in funds			Transfers 31 December 2023 £	Balance at 31 December 2023 £
		Income £	Expenditure £				Income £	Expenditure £			
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			Transfers 1 January 2023 £	Balance at 1 January 2023 £	Movement in funds			Transfers £	Balance at 31 December 2023 £
		Income £	Expenditure £				Income £	Expenditure £			
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
	1,213,711	1,095,005	(746,595)		(291,411)	1,270,710	1,643,966	(1,019,124)		(674,331)	1,221,221

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 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.

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 1 January 2022	Expenditure	Transfers	Balance at 1 January 2023	Expenditure	Transfers	Balance at 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>
Charity							

	Balance at 1 January 2022	Expenditure	Transfers	Balance at 1 January 2023	Expenditure	Transfers	Balance at 31 December 2023
	£	£	£	£	£	£	£
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

26 Unrestricted funds

Group

Group	Balance at 1 January 2022	Movement in funds			Movement in funds			Balance at 31 December 2023
		Income	Expenditure	Transfers	Income	Expenditure	Transfers	
	£	£	£	£	£	£	£	£
General fund	1,039,460	2,957,189	(2,710,122)	(320,741)	3,149,177	(2,686,881)	(345,348)	1,082,734
	1,039,460	2,957,189	(2,710,122)	(320,741)	3,149,177	(2,686,881)	(345,348)	1,082,734

Charity

Charity	Balance at 1 January 2022	Movement in funds			Movement in funds			Balance at 31 December 2023
		Income	Expenditure	Transfers	Income	Expenditure	Transfers	
	£	£	£	£	£	£	£	£
General fund	1,057,431	2,740,659	(2,508,451)	(325,465)	2,832,435	(2,409,278)	(348,311)	1,039,020
	1,057,431	2,740,659	(2,508,451)	(325,465)	2,832,435	(2,409,278)	(348,311)	1,039,020

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 2023 £	Designated funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Designated funds 2022 £	Restricted funds 2022 £	Total 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								
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

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)
	Cash generated from operations	1,118,438	1,102,124	514,729	505,094

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>
Charity	At 1 January 2023 £	Cash flows £	At 31 December 2023 £
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

		Unrestricted funds general	Unrestricted funds designated	Restricted funds	Total 2023	Total 2022
	Notes	£	£	£	£	£
Income and endowments from:						
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
Total income		2,617,989	-	1,643,966	4,261,955	3,552,381
Expenditure on:						
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
Total expenditure		2,152,137	246,712	1,019,124	3,417,973	3,207,081
Net incoming resources before transfers		465,852	(246,712)	624,842	843,982	345,300
Gross transfers between funds		(349,151)	1,023,482	(674,331)	-	-
Net income/(expenditure) for the year/ Net movement in funds		116,701	776,770	(49,489)	843,982	345,300
Fund balances at 1 January 2023		945,533	8,150,551	1,270,710	10,366,794	10,021,494
Fund balances at 31 December 2023		1,062,234	8,927,321	1,221,221	11,210,776	10,366,794

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.