# KING'S ARMS TRUST (BEDFORD)

England & Wales · Charity number 1116359

## Details

| | |
|---|---|
| **Other names** | KING'S ARMS |
| **Status** | Registered |
| **Legal form** | Charitable company |
| **Company number** | 05899019 |
| **Registered** | 2006-10-11 |
| **Register** | View on the Charity Commission register |

## Contact

| | |
|---|---|
| **Address** | King's Arms Trust<br>King's House<br>245 Ampthill Road<br>Bedford<br>MK42 9AZ |
| **Phone** | 01234306500 |
| **Email** | info@kingsarms.org |
| **Website** | www.kingsarms.org |

## Activities

**Objects:** (A) TO ADVANCE THE CHRISTIAN FAITH IN ACCORDANCE WITH THE STATEMENT OF BELIEFS APPEARING IN THE SCHEDULE HERETO IN BEDFORD AND IN SUCH OTHER PARTS OF THE UNITED KINGDOM OR THE WORLD AS THE DIRECTORS OF THE CHARITY (HEREIN CALLED "THE TRUSTEES") MAY FROM TIME TO TIME THINK FIT AND TO FULFIL SUCH OTHER PURPOSES WHICH ARE EXCLUSIVELY CHARITABLE ACCORDING TO THE LAW OF ENGLAND AND WALES AND ARE CONNECTED WITH THE CHARITABLE WORK OF THE CHARITY;(B) TO RELIEVE PERSONS WHO ARE IN CONDITIONS OF NEED OR HARDSHIP OR WHO ARE AGED OR SICK AND TO RELIEVE THE DISTRESS CAUSED THEREBY IN BEDFORD AND IN SUCH OTHER PARTS OF THE UNITED KINGDOM OR THE WORLD AS THE TRUSTEES MAY FROM TIME TO TIME THINK FIT;(C) TO PROVIDE FACILITIES FOR EDUCATIONAL RECREATIONAL AND OTHER LEISURE-TIME OCCUPATION IN THE INTERESTS OF SOCIAL WELFARE FOR PERSONS WHO HAVE NEED BY REASON OF THEIR YOUTH POVERTY OR SOCIAL AND ECONOMIC CIRCUMSTANCES WITH THE OBJECT OF IMPROVING THEIR CONDITIONS OF LIFE IN BEDFORD AFORESAID AND IN SUCH OTHER PARTS OF THE UNITED KINGDOM OR THE WORLD AS THE TRUSTEES MAY FROM TIME TO TIME THINK FIT.

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**Activities:** The principal objectives of the trust are the advancement of the Christian Religion in the UK and Overseas; the advancement for the public benefit of religious and other education, and the relief of the aged, poor, sick and disabled.

## Classification

- **How:** Provides Human Resources, Provides Buildings/facilities/open Space, Provides Advocacy/advice/information, Acts As An Umbrella Or Resource Body
- **What:** Education/training, The Prevention Or Relief Of Poverty, Overseas Aid/famine Relief, Religious Activities, Economic/community Development/employment
- **Who:** Children/young People, Elderly/old People, Other Defined Groups, The General Public/mankind

## Geography

- **Area of benefit:** BEDFORD
- Bedford
- Buckinghamshire
- Central Bedfordshire

## Finances

| Period end | Income | Expenditure | Assets | Employees |
|---|---|---|---|---|
| 2025-12-31 | £2,112,290 | £2,095,366 | £2,719,573 | 66 |
| 2024-12-31 | £2,074,101 | £2,164,095 | £2,702,649 | 63 |
| 2023-12-31 | £2,019,661 | £1,965,683 | £2,792,643 | 64 |
| 2022-12-31 | £1,718,476 | £1,645,196 | £2,738,665 | 64 |
| 2021-12-31 | £1,585,646 | £1,512,636 | £2,916,066 | 58 |
| 2020-12-31 | £1,656,046 | £1,550,634 | £2,843,056 | 68 |

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## Trustees

| Name | Role | Appointed |
|---|---|---|
| **Roydon Loveley** | Chair | |
| Nicola Louise Marfleet | | 2020-01-21 |
| Peter Humphrey | | 2019-07-09 |
| Philip Alan Varley | | 2020-10-20 |
| Rotimi Odeniran | | 2023-03-26 |
| Ruth Elizabeth Barnett | | 2025-09-28 |
| SIMON GEOFFREY HOLLEY B ENG | | |
| Sandra Kamchira-Mangwiza | | 2024-03-05 |

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**KING'S ARMS TRUST (BEDFORD)**

England & Wales - Charity number 1116359

# Accounts

KING'S ARMS TRUST

# ANNUAL REPORT & FINANCIAL STATEMENTS

For the year 1st January 2025 to 31st December 2025



KING'S ARMS TRUST (BEDFORD) | CHARITY NO 1116359 | COMPANY NO 05899019

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# CHARITY AND COMPANY INFORMATION

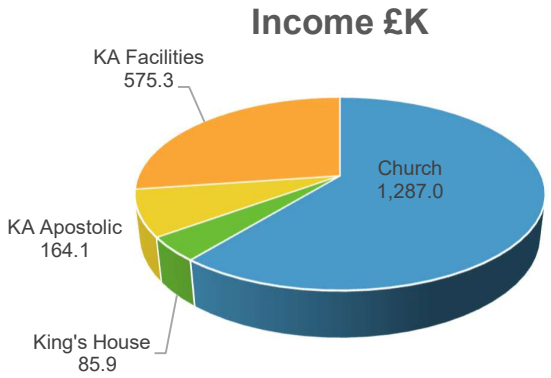
| | | |
|---|---|---|
| **Trustees/Directors** | Roydon Loveley (Chair) | Ruth Barnett |
| | Simon Holley | Peter Humphrey |
| | Sandra Kamchira-Mangwiza | Nicola Marfleet |
| | Rotimi Odeniran | Philip Varley |
| **Elders** | Simon Holley (Lead Elder) | Stephen Wilson |
| | Philip Wilthew | |
| **Charity Number** | 1116359 | |
| **Company Number** | 05899019 | |
| **Registered Office** | King's House<br>245 Ampthill Road<br>Bedford MK42 9AZ | |
| **Independent Auditor** | Streets Audit LLP<br>Chartered Accountants and Registered Auditors<br>Potton House<br>Wyboston Lakes<br>Great North Road<br>Bedford MK44 3BZ | |
| **Business Address** | King's House<br>245 Ampthill Road<br>Bedford MK42 9AZ | |
| **Solicitors** | Sharman Law<br>1 Harpur Street<br>Bedford MK40 1PF | Wellers Law Group LLP<br>65-68 Leadenhall Street<br>London EC3A 2AD |
| | Avensure Ltd<br>South Central, 11 Peter Street<br>Manchester, M2 5QR | |
| **Bankers** | Unity Trust Bank Plc<br>4 Brindleyplace<br>Birmingham B1 2JB | National Westminster Bank Plc<br>81 High Street<br>Bedford MK40 1YN |
| | Virgin Money Plc<br>Jubilee House<br>Gosforth<br>Newcastle upon Tyne, NE34PL | Nationwide Building Society<br>Nationwide House<br>Pipers Way<br>Swindon SN38 1NW |
| | Shawbrook Bank Ltd<br>Lutea House<br>Warley Hill Business Park<br>The Drive, Great Warley<br>Brentwood, Essex CM13 3BE | |

The King's Arms Trust (Bedford) had an encouraging year with a total income of £2,112.3k, an increase of 1.8% compared with 2024.

The main charitable activities of the Trust (being the company and its subsidiary), all of which provide public benefit, are:

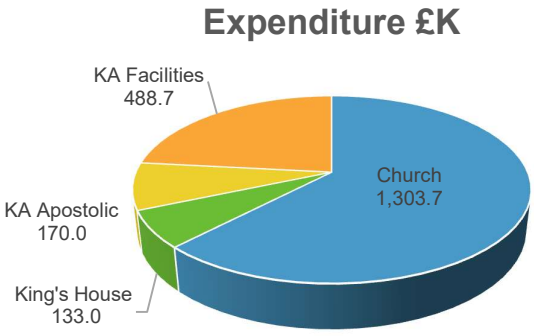
- **King's Arms Church** – A vibrant church of around 1,400 adults, children and youth with numerous meetings and activities held, in-person, and on-line. The church also operates **Re-Track** – which has participated in various projects to support those in need in Bedford and beyond. Within King's Arms Church there are also two key further activities identified as separate designated funds that assist in furthering the objectives of the Trust; -
    - **King's House** – the building owned by the Trust, providing the home for the majority of its activities.
    - **KA Facilities (Bedford) Ltd** – A wholly owned subsidiary company from within which a coffee shop, conferencing and facilities rental are operated.
- **KA Apostolic** – the focus of the work of King's Arms Church in supporting leaders and churches in the UK and other nations.

A summary of the income and expenditure of each of the activities of the Trust is shown in the pie charts. It should be noted that the finances of the various activities of the Trust are controlled and monitored independently of each other.




Income totaled £2,112.3k. The majority of the Church income of £1,287.0k came from individuals attending the King's Arms Church.

Expenditure totaled £2,095.4k, with the Church, KA Facilities and the King's House building being the three largest areas.




The net assets of the Trust at the end of 2025 were £2,719.6k, an increase of £16.9k compared to 2024.

# EXECUTIVE SUMMARY

# KING'S ARMS TRUST (BEDFORD)




The vision of the King's Arms Church is to **Worship** God, **Love** one another and **Multiply** disciples, groups and churches everywhere **until we see God's kingdom fill the earth**.

2025 was the fifteenth full year of the church meeting on a Sunday at King's House. The building comprises a 500-seater auditorium, coffee shop, many meeting rooms with capacities up to 250 people and office accommodation.

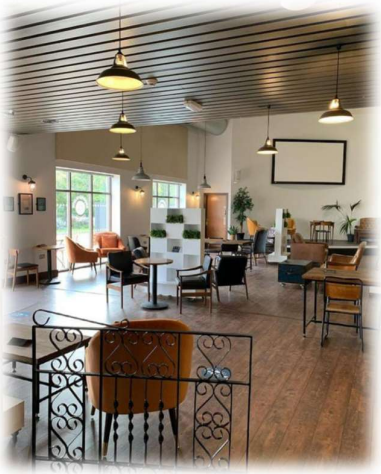
The office space, meeting rooms and auditorium are used by the church and are also made available for commercial rental. The coffee shop is open to the public as well as to visitors and users of the facilities at King's House and those who work in the building.

Each Sunday the church held three services at two locations/sites: 9:30 am (King's House), 10:30 am (Bedford Academy) and 11:30 am (King's House), with many new people attending throughout the year. In addition, in the afternoon every other week, a smaller congregation met in the nearby village of Blunham. The 11.30am service continued to be livestreamed, providing a way for people both near and far to connect to our community.

In addition, the church ran a wide variety of activities including:

- Children's and Youth meetings both on Sunday and during the week.
- Life Groups or Missional Communities meeting regularly midweek.
- A variety of activities and events for the elderly, prisoners and the local community.
- Pastoral support to those in need within the church community.
- Serving 40 different churches based in the UK and 10 different countries.
- Re-Track - which has participated in projects to support those in need in Bedford and beyond.

All of the above being supported by the numerous committed members of the church community providing volunteer support.



KA Facilities trading income was £606.9k with an operating profit of £86.6k. The main reason for this good performance was several long-term bookings for the rental of rooms at King's House. Two of our long-term contracts used King's House 5 days a week: Bedford Hospital Midwifery Services and Diabetic Eye Screening, both of which came to an end in the last quarter of the year. In addition, regular and new customers used King's House for meetings, celebrations and events and on many days all of the rooms were occupied.

The generous financial support from voluntary donations by church members continued. Expenditure continued to be tightly controlled and budget forecasts monitored with the aim of minimising any depletion of reserves.

In summary, despite the ongoing adverse economic climate, the Trust had another successful year, and the Trustees remain confident in its long-term financial sustainability.

This is the nineteenth report of the King's Arms Trust (Bedford), an incorporated charitable company, which commenced operating on 1 January 2007.

## INTRODUCTION

The Trustees of the King's Arms Trust (Bedford) present herewith their group annual report, together with the financial statements of the charitable company and its trading subsidiary (KA Facilities (Bedford) Limited) for the year 1 January 2025 to 31 December 2025. The report provides details of the many and varied activities of the Trust.

## PRINCIPAL OBJECTIVES

The principal objectives of the King's Arms Trust (Bedford) are that of the advancement of the Christian faith in the UK and overseas, the advancement for the public benefit of religious and other education including the relief of the aged, poor, sick and disabled.

'Public benefit' is the legal requirement that all charities must have charitable purposes which benefit the public. The Charities Act 2011 underlines this requirement. This report seeks to highlight the public benefit provided by the King's Arms Trust (Bedford).

## LEGAL AND ADMINISTRATIVE INFORMATION

The King's Arms Trust (Bedford) is an incorporated charitable company (Charity No. 1116359 and Company No. 05899019) which commenced operating on 1 January 2007. Prior to this date, and from 1 January 1995 to 31 December 2006, the organisation operated as 'The King's Arms Trust', an unincorporated charity (No. 1044098).

The King's Arms Trust (Bedford) is governed by its constitution as defined in the Memorandum and Articles of Association.

The King's Arms Trust (Bedford) owns the freehold of King's House, a building located at 245 Ampthill Road, Bedford MK42 9AZ. Many of the activities of the Trust are undertaken at King's House.

Throughout the year the Trustees had Property Owners Liability insurance cover with an indemnity limit of £10 million. The cost of the insurance was paid by the charitable company.

The King's Arms Church operates as the principal function within the trust and King's House is registered as a Place for Religious Worship and for the Solemnisation of Marriages.

KA Facilities (Bedford) Ltd, a wholly owned subsidiary company, commenced operations on 1 January 2013. The company operates facilities within King's House:

- Ground Floor Coffee Shop.
- Rental of the meeting and conference facilities.

The King's Arms Trust (Bedford) is a member of the Evangelical Alliance and is affiliated to Catalyst, an apostolic team within Newfrontiers, a worldwide family of churches. The church also operates an Apostolic Resource Base (or hub) within Catalyst.

## VISION AND LEADERSHIP

The vision of the King's Arms Church is to **Worship** God, **Love** one another and **Multiply** disciples, groups and churches everywhere **until we see God's kingdom fill the earth**, and we believe that God is calling us as a community to be:

- **Committed to God and each other**
- **Committed to making disciples**
- **Committed to the poor**
- **Committed to the next generation**
- **Committed to the nations**

During a time of mounting global pressure and economic uncertainty, we felt God's call to us to step forward as a **people fueled by hope and joy rather than fear**.

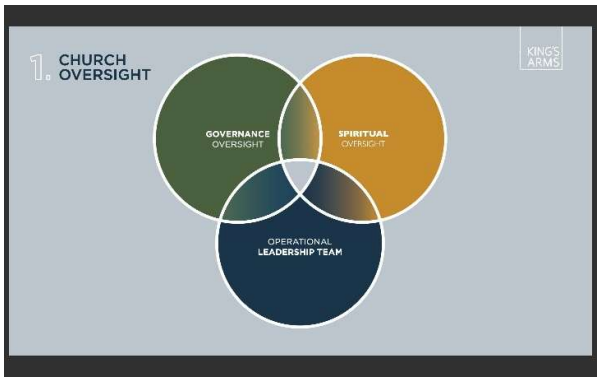
The outworking of this means that we seek to serve the local community and also to impact the UK and other nations. As a church we recognise that the pursuit of who we want to be impacts the way we live and so have defined our aspirational culture as those who live with:

## Honour, Generosity, Acceptance, Authenticity and Courage

To help fulfil this vision a 'Cultural Leadership Review' of the organisation of the trust, which had been largely unchanged for several years, was undertaken during 2023 led by two Trustees. As a result, significant changes to the management structure of the trust and church were made during 2024, with final implementation during 2025. The changes will allow for further growth and the achievement of the vision. The new 'top level' organisation providing oversight of the church is shown in the chart.

**Governance Oversight** is provided by the Trustees/Directors and during the year these were:

- Roydon Loveley (Chair)
- Ruth Barnett (Appointed 28 September 2025)
- Simon Holley
- Peter Humphrey
- Sandra Kamchira-Mangwiza
- Nicola Marfleet
- Rotimi Odeniran
- Philip Varley




Trustees are appointed by the Elders, with the approval of the other Trustees. The Trustees met five times during 2025 and were regularly consulted and informed on matters of importance. Ruth Barnett was appointed as a Trustee because of her HR expertise. Other trustees with professional expertise in specific areas are Peter Humphrey, finance and Sandra Kamchira-Mangwiza, safeguarding.

**Spiritual Oversight** is provided by the Elders and during the year these were:



Simon Holley
(Lead Elder and Senior Pastor)



Stephen Wilson
(Executive Pastor)



Philip Wilthew
(Preaching Pastor)

The Spiritual Oversight Team was developed during the year to include the Elders and others with recognised gifts who support the elders in guiding and shaping the church's spiritual health; focusing on Devotion, Direction, Doctrine and Discipleship through teaching, prayer, encouragement and care.



Charlene Framminghamm



Nicola Marfleet



Peter Rattu



Fortune Udoh

**Operational Oversight** is provided by the Operational Leadership Team (OLT) who are responsible for the executive outworking of our vision, through strategic planning, day-to-day operations and supporting the wider body of the church. The team comprises the Elders - Simon Holley, Steve Wilson and Phil Wilthew, alongside:



Claire John
Group Life Team Leader



Josh John
Worship and Culture Pastor



Nicky Stanyard
Families Pastor

The following individuals also regularly contribute to the OLT as key management personnel:

- Rob Brown - Business Manager & CFO
- Charlene Frammingham - Prophetic & Revive School of Mission and Ministry Leader
- Philbe Kellet - Pastoral Team Leader
- Isabel Turner - KA Facilities CEO & Social Action Lead

## FINANCIAL OVERVIEW

A summary of the income and expenditure (£k) of each of the activities of the Trust during 2025 is shown below. It should be noted that the finances of the various activities of the Trust are independent of each other.

| | King's Arms Church | King's House | KA Facilities (Bedford) Ltd | KA Apostolic | Total |
|---|---|---|---|---|---|
| Income | 1,287.0 | 85.9 | 575.3 | 164.1 | 2,112.3 |
| Expenditure | -1,303.7 | -133.0 | -488.7 | -170.0 | -2,095.4 |
| Internal Transfers | -178.9 | 267.1 | -98.4 | 10.2 | - |
| Net surplus/deficit | -195.6 | 220.0 | -11.8 | 4.3 | 16.9 |

Income totaled £2,112.3k, an increase of 1.8% compared to the previous year. Income for the church, totaling £1,287.0k, mainly came from members and supporters of the church. Expenditure totaled £2,095.4k, a decrease of 3.2% compared to the previous year, with the church, King's House and KA Facilities being the largest areas of expenditure. The net assets of the Trust at the end of 2025 were £2,719.6k an increase of £16.9k compared to 2024. Of particular note was the KA Facilities trading income which was £606.9k with an operating profit of £86.6k compared to a profit of £101.7k in 2024 (these results include inter-company trading which are not shown in the table above as they have been eliminated on consolidation in presenting the final group financial statements). A key reason for this continued good performance was the long-term bookings for the rental of rooms at King's House.

The building loan balance outstanding at the end of 2025 was £447.7k, compared to the total initial value of £1,430k. In summary 68.7% of the total amount borrowed has been paid off in the last sixteen years.

## KING'S ARMS CHURCH OVERVIEW



The King's Arms Church community is made up of around 1,400 adults, children and youth.

The church meets each Sunday for worship and teaching in three congregations at 9:30am and 11.30am at King's House and at 10:30am at the Bedford Academy. Also, we continue to Livestream our 11:30am service providing a way for people both near and far to connect to our community.



The congregations meeting at King's House are now increasingly diverse, and it has been a joy to see vibrant, celebratory cross-cultural worship emerging. A real sense of community and serving has grown during the year with many being encouraged through prayer and prophetic ministry.

Each of our Sunday meetings are led by a Meeting Pastor and team of godly, anointed leaders who want to build healthy communities that long to encounter God, build community and see us fulfil our vision as a church. These 'core' teams were developed in 2025, so that each Sunday meeting now has recognised deacons to support their health and function.

**King's House - 9.30am Meeting led by Dan Frammingham.** During the year, the 9.30am congregation has continued to grow both in number and in spiritual depth, as we gather each Sunday with a shared passion to worship and encounter Jesus. The heart of our community remains firmly centred on Him, and we are now consistently welcoming over 250 adults each week.



It has been especially encouraging to see a steady increase in young adults in our meetings, we are also regularly seeing people join us on Sundays with little or no church background, many of whom are encountering the message of the gospel for the first time and responding with openness and faith. Alongside this, we are witnessing God at work in powerful ways, with people regularly experiencing healing and transformation in our midst. As we look ahead, we do so with real expectation and gratitude for all that God is doing, excited for the continued growth of our church community, both in number and in depth of faith.

**King's House - 11.30am Meeting led by Fortune Udoh.** The 11.30am service continues to flourish as a thriving community of Jesus-loving, Kingdom-focused individuals. The gathering has matured into a vibrant, multi-ethnic group defined by authentic joy. Over the past year, we have experienced steady attendance, with a heartening rise in passion among our young people and an increasing number of young families making this congregation their home.



This surge of energy has fostered an overwhelming sense of faith and expectation. Beyond our Sunday gatherings, the active role our people play in and around Bedford remains a hallmark of this mission. It is a privilege to witness the collective desire to impact our local area as we grow together in devotion.

**Bedford Academy - 10.30am Meeting led by Steve Wilson.** Since the launch in September 2022 with around 90 people intending to join a new congregation, it has established itself as a healthy King's Arms congregation.



Whilst we pursue the same one-church vision across each of our meetings, each meeting has its own identity and the 10.30am is known specifically for its high level of commitment and community feel. Steve Wilson the Meeting Pastor comments "Our 10.30am gathering is a beautifully diverse group of people passionate for God and eager to make a difference especially in social action. We are a group strong in young families with around 50 children and young people and with a higher proportion of the retired generation among the 150 or so who gather each week". The 10.30am hires the Bedford Academy for its meetings but continues to seek to find a more permanent home for the congregation and with missional opportunities as the Lord leads.

**King's Kids.** 2025 has been a fantastic year for King's Kids. During the Spring term we restarted our Discipleship Group which meets every other Tuesday evening with 16 children aged 8 - 11 years old join us for bible study, teaching and fun! We have seen this group grow in their understanding and hunger for God, with the children stepping out in courage to pray for one another and bringing stories of how they have told their friends about Church and Jesus.





On Sundays we have up to 225 children across the 9.30am, 10.30am and 11.30am meetings supported by around 130 volunteers, helping in the children's groups and also with our welcome/sign-in desks. In addition, during the year there has been many events for the children. During the summer we held our 'summer hangouts' for parents and children of any age to come along and join us for crafts and games for a few hours once a week, to make the summer holidays feel less overwhelming. We also organised a King's Kids 'Identity Day', where children came to learn about who God has made them to be with 20 children join us for times of teaching, learning through experiments, as well as worshipping God through different forms of art and listening to who he has called us to be.

A particular highlight of the year was our 'Light and Praise Party', an alternative to Halloween. We had over 140 children join us from both the church and local community to have fun whilst celebrating Jesus being the light over darkness. We had many games, a bouncy castle, crafts and finished the evening by worshipping God with dancing and singing! Another significant event was our Christmas Family Fun, where around 200 children and adults came from both our church and the local community to enjoy an afternoon of Christmas crafts, games and bouncy castles.



We have also seen Playhouse re-start again this year at King's House, with the aim of creating a space for parents within our church to be loved and welcomed whilst their children are safe exploring toys and crafts. A parent and toddler group called 'Little Kingdom' continued at Blunham with families from the village and the surrounding area meeting weekly during term time.



**Youth.** 2025 was another incredible year for the youth. We meet every Wednesday and Sunday to connect, grow in community, and dive deeper into the Bible. It has been inspiring to see non-Christians from the local community join us, with many making the life-changing decision to follow Jesus. The welcome they experienced has been truly encouraging to witness.

Our youth team has grown significantly this year, allowing us to invest in more specific areas of ministry such as creating opportunities to develop our young leaders, strengthen our sixth form group, enhance preaching and social media engagement, and provide more focused one-to-one discipleship. Many volunteers have also stepped up to serve and grow in their gifts and it has been particularly exciting to see 17 and 18 year-olds taking leadership roles in group discussions, hosting gatherings, and leading worship. Our youth meetings have become not only a place of encounter with God but also a space to train and equip the next generation of leaders.



The year was filled with unforgettable moments! From our Summer Party, to our Identity conference and a week away at Newday, where we joined with 9,000 young people. The year was full of fun, connection, and community-building. These events have provided young people with opportunities to experience God, form lasting friendships, and grow deeper in their faith.

**Group Life.** Group Life continues to offer between 50 and 60 Life Groups, Missional Communities or Equip Groups to those attending the church. Almost 500 people signed up to a group in 2025, and over 100 people have been involved in leadership and coaching. The coaching team now consists of 17 people who have been investing in our Group Leaders.




The wide variety of groups has included traditional 'home groups' which seeks to build discipleship through friendship, community based groups, such as a Nigerian cooking group, and Equip groups aimed at empowering individuals in their Christian walk. We have also had groups that are meeting specific as well as online groups thus allowing easy accessibility for everyone. Group Leader training has emphasized the importance of accessibility in the areas of neurodivergence and physical disabilities in creating welcoming and inclusive environments.

During the autumn term, we took the decision to transition to a new model for Group Life with an emphasis on discipleship, and making the groups more easily accessible to new people joining the church. This transition will be implemented during 2026.

**Friday Night Meal (FNM)**. This is our weekly outreach meal to those who are either homeless or vulnerably housed in Bedford. It based around the passage from the Bible in Luke 14 where everyone was invited to the banquet. It is a place where people can get great food, experience community but also hear the good news. We have volunteers from a range of backgrounds, mostly connected to the King's Arms Church, but also a loyal contingent from HSBC bank.



FNM continues to thrive with more volunteers attending, but there is always a need for people who are proficient in cooking simple meals for our many guests.

Some of the highlights during the year include:

- A packed out quiz night in February which raised £2,000.
- One of the guests being baptised.
- A summer 'pizza in the park' with rounders and volleyball.
- Our Christmas meal when Damian Miller came to lead Carol singing and then shared his testimony.



We asked Re-track to provide 55 'Love Christmas' goody bags, to give away at the Christmas meal, but there were 60 guests, so Liza, who leads FNM, prayed that there would be enough for everyone. A few left early and two bags were kept back just in case. At the end of the evening, one of our regulars who looks after her Dad (who has cancer), asked if she could have one for him and was overwhelmed when she was given one. Also, another lady said that her children always complained that she never got them anything and so she was given the last bag. Praise God!

With a limited budget of around £100 per evening the quality of the meals continues to be amazing and Lisa is very grateful to: Peter Rattu, Antonia Slade, Alli Alder, Sue Herbert, Sue Nicholls and Abul Chowdhury for the amazing support they provide each week.

**Crossover Service.** For the past few years, we have marked the end of one year and the beginning of the next with a Crossover Service at King's House. It has become a special moment in our church calendar - a time to worship together and to give thanks to God for His faithfulness to us both as a community and as individuals. Attendance has grown steadily each year such that on New Year's Eve 2025/26 more than 700 people gathered filling the main auditorium to capacity with the service streamed into overflow spaces throughout the building. The evening was also made available online enabling many others to join us.



**Other Activities.** In addition to the activities described previously, a wide variety of other church activities continued during the year, as described in more detail in Appendix 1, including:

- **Alpha.** The Alpha course gives people the chance to explore the Christian faith in a relaxed environment.
- **Prison Ministry.** Sunday services in the Bedford Prison Chapel once a month.
- **Belong.** A group for newcomers to the church meeting weekly with between 10 and 20 people attending.
- **Prayer.** 21 days of Prayer & Fasting and monthly 'Prayer and Pursuit' evenings, giving the church the opportunity to pray, worship and hear God.
- **The Well.** Provides afternoon tea each month for those over 65 years of age.
- **Worship & PA.** The musicians, sound engineers and production team continued to play a vital role in serving the King's Arms.



- **Design & Communications.** Various resources were generated by the D&C team.
- **Baptisms.** These took place at King's House and also in the lake at Box End Water Park.

**Pastoral Support.** As a church we want to care for one another and also offer support to the wider community. Specific areas of support described in Appendix 2 were with respect to: Mental Health and Wellbeing, Racial integration and Marriages.



**Re-track.** This seeks to help people get their lives back on track. Based at King's House, Re-Track has participated in various projects to support those in need in Bedford and beyond as described in Appendix 3.

**KA Apostolic.** This area oversees and spearheads the trans-local work of the church in serving other local churches and apostolic networks as described in Appendix 4.

**Send.** We continue to support people from the King's Arms Church working overseas as missionaries as described in Appendix 5.

## King's House & KA Facilities Overview



Throughout the working week, King's House remains a well-used community facility, hosting a wide range of meetings, conferences and events. Our established partnerships with the NHS continued until the autumn of 2025, with space provided for diabetic retinal eye screening and community midwifery services. It was sad to see both of these customers move to their new homes, but what we initially thought was a short term contract, did actually turn out to be a lot longer than expected (See pictures of the farewell below).

From a financial perspective, 2025 proved to be challenging, with the combined impact of rising food costs, increases to the National Living Wage and higher employers' National Insurance contributions. While these pressures increased operating costs, King's House remained committed to paying staff fairly and maintaining the quality of its services. As a result, a smaller surplus was generated, with £98,360 gifted to the Trust.

During the year, King's House hosted a varied programme of large and mid-scale events across corporate, educational, cultural and community sectors. These included corporate conferences, use of the auditorium for GCSE examinations, and a number of recurring commercial events, alongside celebrations and awards evenings for local organisations. Several of these events also generated additional income through catering and bar sales.



Supporting local organisations and church life remains a key part of King's House's work. Alongside commercial activity, King's House continued to make space available at no cost to support a wide range of community health, wellbeing and outreach initiatives. Complimentary room use was provided for church members' weddings and funerals, and a range of King's Arms Church meetings and conferences. In addition, rooms were given at either no cost or significantly subsidised to health screening programmes, local authority and prison service meetings, community engagement events, family and therapeutic activities, and staff wellbeing initiatives for local employers. This ongoing provision reflects our commitment to serving the needs of the wider community alongside our income-generating activities.

Ground Floor Coffee Shop, located in the main foyer, has continued to operate Monday to Friday and remains a central feature of the building's daily activity. Continued investment in staff and product quality has supported an increase in customer numbers. For much of 2025, our social media presence was managed by a freelance content creator; since the summer, this work has been successfully brought in-house.



**Isabel Turner writes:**
***SAD DAYS!!*** *Yesterday the midwives saw their last newborn baby / pregnant mum at King's House, and today they are clearing up and leaving. We have absolutely loved having them with us for the past 2+ years and they loved being here too - and we'll miss them all hugely. They wanted photos with us all and gave us certificates of excellence and gifts too!*





**Greenhouse Gas Emissions (GGEs).** Electricity consumption by King's House has been shown to be the greatest contributor to our production of GGEs. The 120 solar panels installed on the roof of King's House reduce our use of electricity from the National Grid by around 30% in the Summer. On Saturdays and other days when the building is less active we generate surplus electricity which is exported to the National grid. Other energy savings measures include installing LED lights and additional insulation where practical. The possibility of installing more solar panels and EV Charging Points is being investigated.

**Building Developments.** In September 2024 significant flood damage occurred inside the building. This led to repairs being carried out during 2024 and 2025 and required the flooring to be replaced in the main auditorium and some other rooms and offices. All these costs were covered by insurance. In addition, during 2025 a room was developed into a 24/7 prayer space (Upper Room) and new PA Systems were installed in the main auditorium and other rooms.

## GOVERNANCE

With the increasing size and complexity of the Trust, the Trustees implemented further changes to the meeting structure. At each meeting there are two main agenda items as follows:

| | Main Agenda Items | |
|---|---|---|
| Feb | **Staff**<br>Review of HR issues and policies | **Cultural Audit** |
| Apr | **Safeguarding**<br>Review using CC 10 Actions Template | **Strategic Review**<br>Vision / Future Plans |
| Jun | **Annual Report and Accounts**<br>Review and approve for previous year. | **Investment/Reserves**<br>Review of financial policies |
| Sep | **Risk Register**<br>Review and update | **Finance**<br>Including review of initial budget for next year |
| Nov | **Budget**<br>Review and approval for the next year | **Health & Safety**<br>Review of policies and issues |

In addition to the oversight provided by Trustees, the Chief Financial Officer, Rob Brown oversees and manages the finances for the Trust and leads the Finance Team, consisting of three Finance Officers (all part-time) with each being responsible for a separate area of the work of the Trust. Monthly management accounts are generated, showing income and expenditure against the agreed budgets and also annual forecasts.

## STAFF

At the end of 2025 there were 86 staff roles, broken down as follows:

| | Church (incl Apostolic) | Building and Facilities | Total |
|---|---|---|---|
| Full time | 7 | 3 | 10 |
| Part time / Zero Hours | 35 | 41 | 76 |
| Total | 42 | 44 | 86 |
| Full time equivalent | 21.6 | 7.3 | 28.9 |

Church staff includes three full time Elders. Several staff have more than one role and thus have multiple contracts of employment.

A 'Death-in-Service' life insurance scheme was continued in 2025, at no cost to employees, with cover of four times salary. The Trust also contributes to a staff pension scheme. Further staff benefits have been introduced including a Sabbatical Policy and Long Service Awards providing additional time off work and financial rewards.

All staff, including paid Trustees, are subject to a formal annual review/appraisal, the outcome of which assists in determining any salary increases. Salary scales are regularly 'benchmarked' against similar churches, charities and other equivalents.

## SAFEGUARDING

A major change in Safeguarding was the appointment of Jess Fordham as Deputy to Tim Brown the Designated Safeguarding Lead (DSL). This came out of an awareness that to provide the necessary skilled safeguarding cover to all the activities of the King's Arms a fully trained deputy was essential. Jess also leads the Kings Kid's activities across the whole of the church. Tim and Jess have conducted annual reviews of all Sunday and long-term activity Risk Assessments to ensure they remain robust and up to date.

In line with a previous objective to raise the profile of safeguarding and to ensure its importance is communicated across the church, King's Arms participated in Safeguarding Sunday along with churches across England and Wales. This involved Tim, the DSL, and Sandra Mangwiza, the Safeguarding Trustee, visiting all three sites to speak during the services about safeguarding, what it is, how it is the responsibility of every church member and to remind everyone how to report safeguarding concerns. Updated safeguarding posters continue to be on display at key points across all buildings and the time spent at the Sunday Services introducing the Safeguarding Trustee and DSL has increased the profile of safeguarding across the church.




The key objective for the first half of 2025 was to introduce revised safeguarding training for all staff and volunteers. This was achieved and included a video format refresher training accompanied by an online assessment thus ensuring an appropriate

level of understanding of safeguarding, and that all staff and volunteers are equipped to deal appropriately and sensitively with safeguarding concerns. An in-depth code of conduct for all volunteers has been introduced in line with recommendations from the safeguarding professionals who provide external support to the safeguarding team. In addition, enhanced training covering the topics of domestic violence, coercive and controlling behaviour has been provided to all staff with a further advanced training session in relation to identifying grooming behaviour is planned for the first half of 2026. The DSL is currently working on Martin's Law policies and procedures to ensure that the King's Arms is compliant prior to the implementation date. The trustees adopted the process recommended by the Charity Commission (shown opposite) to review all aspects of Safeguarding at the Arms on a regular basis and this is reflected in the work of the Safeguarding Team carried out in 2025.

## KA FACILITIES (BEDFORD) LTD

The wholly owned subsidiary company 'KA Facilities (Bedford) Ltd' (Company No: 08314420) commenced trading on 1 January 2013. The Ground Floor Coffee Shop and facilities bookings operate within this subsidiary company which gifts any trading surplus to the parent Trust.

No staff are employed by the subsidiary company. Staff working in its support are employed by the parent Trust and their costs, including salary, NI and pension, are recharged to the subsidiary company. The company also pays an annual rental charge of £30k for the use of the coffee shop facilities.

The turnover of the company in 2025 was £606.9k, a small increase compared to £580.6k in 2024. Profits of £86.6k were lower than the £101.7k in 2024. Refer to Note 28.

Further details of the activities of the subsidiary company are provided in the heading King's House and KA Facilities Overview.

## King's Arms Church, Blunham




A new Sunday and mid-week meeting location was launched in the Autumn of 2023 at an old Baptist church in the village of Blunham. The building is owned and operated by the Blunham Old Meeting Baptist Church Trust (BOMBCT) and has six Trustees, two of whom are also trustees of the King's Arms Trust, namely Roydon Loveley and Peter Humphrey. The BOMBCT (Charity No: 237680) continues to be responsible for the building and a collaboration agreement has been generated. The BOMBCT and King's Arms Trust are considered to be related parties due to the presence of two common Trustees.

Regular activities of the King's Arms at the Blunham building during 2025 were:

- Sunday afternoon worship services twice a month with between 15 and 20 people attending.
- 'Little Kingdom' on Friday mornings during term time for children under 5 years of age and their parents/carers.
- KA Vine is a group for young adults which meets on Sunday evenings.
- Prayer meetings twice a month on Thursday evenings.

## CATALYST

As mentioned previously, the King's Arms Trust is affiliated with Catalyst Network of Churches a charitable company registered in England and Wales (Company No: 08284434, Charity No: 1150242). The King's Arms Trust and Catalyst share two Directors/Trustees in common, namely Roydon Loveley and Simon Holley. Simon Holley leads Catalyst and provides key management to their strategy team made up of leaders from churches who are also part of the Catalyst network. Although Simon Holley is employed by the King's Arms Trust, during 2025 Catalyst provided grant funding equivalent to approximately 30% of his salary cost (increasing to 35% from January 2026) to support his role in leading the strategy team. Whilst neither charity controls the other, they are considered to be related parties due to the presence of shared Directors/Trustees and the provision of key management services between the organisations.

## BUSINESS RATES

Since the purchase of King's House in 2009, the Trust has not been required to pay business rates. As a charity the trust enjoys the 80% government mandatory relief from business rates and as a registered Place of Religious Worship the trust has also been exempt from the final 20% of business rates. (The only exception has been when non-charity companies have rented office space at King's House and they have paid the necessary business rates to the Local Authority). However, the situation changed in early 2024 when the Valuation Office Agency, on the basis that they believed King's House was a conference centre, issued a notice requiring the trust to pay £126k for business rates backdated for the 7 years from April 2017 to March 2024, plus a further £43k for subsequent years to March 2026. We have appealed this decision and are waiting on the outcome of the Valuation Tribunal held 20 April 2026. See further detail on page 19 and "Note 8 - Exceptional Expenditure" on page 34.

## FUTURE PLANS

Along with continuing the current activities, plans for 2026 and beyond include:

- Full implementation of the new organisation and staff restructuring as outlined previously.
- Seeking an alternative venue in Bedford suitable for hosting the 10:30am Sunday meeting.
- Transition to a new model for Group Life emphasising discipleship, and making the groups more easily accessible to new people joining the church.
- Further development of our on-line services and activities.
- Appointing additional Trustees, ideally with expertise in legal matters.
- Further development of meetings and activities in Blunham at the building known as Blunham Old Meeting Baptist Church.
- Initiatives to further reduce our carbon footprint.
- Various refurbishments at King's House, including the installation of four overflow outlets in the parapet walls at the front and back of the building to prevent the build-up of water on the roof.
- Initiatives to build reserves to a level that meets the Reserves Policy.
- Seeking new long-term customers and bookings for KA Facilities.

## POST BALANCE SHEET EVENTS

The activities of the Trust have continued into 2026 with attendance at our Sunday services being maintained and the other many and varied church activities, the facilities bookings and the Ground Floor Coffee Shop at King's House all operating in a satisfactory manner.

Financial support from voluntary donations by church members to the end of 2025 was maintained, but increased expenditure, particularly staff costs, meant that the budget for 2026 necessitated a significant increase in income.

As a result, various measures were implemented in late 2025 and early 2026:

- A preaching series at all three Sunday Services on Biblical Giving was commenced in December 2025 and continued to February 2026 where Biblical generous giving to the church was taught. Those attending and committed to the King's Arms Church were encouraged to:

    - Increase their financial giving to the church if already giving regularly each month.
    - Give regularly each month if not giving regularly each month.
    - Commence giving regularly if never given.
- No further staff roles should be recruited, including the replacement of staff who have resigned, unless in exceptional circumstances and with agreement from the Trustees.
- Expenditure to be minimised wherever possible.
- A Vision Offering is planned for May 2026 with the intention to raise £170K. This has been done annually for the past few years with £226.3K, £198.2K and £173.4K being given in the 2023, 2024 and 2025 Vision Offerings respectively.
- With the agreement of Unity Trust Bank, an interest only period has been agreed on the loan on King's House, initially for a period of 6 months which would defer approximately £36K of expenditure from 2026. The decision to implement this has been deferred to June 2026 pending a review of the Trust's finances at that time to consider if this would still be required.

At the end of April 2026, compared with the same four-month period in 2025, giving to the church had increased by £78k. In addition, there were approximately 25 new givers each month during the four months to April 2026 compared to December 2025. Total group income increased by £26k, while total group expenses decreased by £81k, resulting in an improvement in net cash surplus of £107k compared with the same period in 2025. This produced a cash surplus of £23k to April 2026, compared with a cash deficit of £84k to April 2025. Excluding any business rates refunds as referred to below, the forecast group cash surplus for 2026 is currently expected to be £124k (excluding depreciation or any deferral of loan capital payments).

The imposition of Business Rates at King's House is an ongoing matter. The Trust has taken on the services of a professional Chartered Surveyor from Colliers International to assist with the "Check, Challenge and Appeal" process with the Valuation Office Agency (VOA). The Chartered Surveyor has submitted data to the VOA for the "Check" stage and a "Challenge" to the VOA's findings has also been lodged. The VOA has rejected our submission, and as mentioned previously, the Trust has appealed and is waiting on the outcome of the Valuation Tribunal held 20 April 2026. The total cost of Business Rates to March 2026, including backdated charges from April 2017, is £169k, which the Trust paid in full by March 2026 as legally required.

In April 2026 during the course of the appeal process, the valuation for the period April 2017 to March 2023 was significantly reduced, resulting in a refund becoming due of £115.5k together with associated interest income of approximately £10k. These amounts have been recognised in the current year, being considered virtually certain at the reporting date. Professional fees of £23.3k incurred in relation to securing the reduction have also been recognised.

At the reporting date, the ratable valuation for the period from April 2023 onwards has yet not been revised by the Valuation Office. Accordingly, business rates charges for the current year have continued to be recognised based on the prevailing assessment. The ratable valuation remains subject to the ongoing appeal. However, based on advice from Colliers, there is a high level of confidence that the appeal will result in a further significant reduction in the total charge, possibly by as much as 100%. However, the appeal process may not be concluded during 2026.

The Trustees are satisfied that apart from the areas that continue to be monitored as mentioned above, there are no other events or conditions that cast significant doubts on the ability of the group to continue as a successful ongoing concern.

## PUBLIC BENEFIT

All the many and varied activities of the Trust, as described in this report, are available to, and for the benefit of, the public across the complete age spectrum of children, teenagers and adults. The development of King's House, located in the Cauldwell area of Bedford, has significantly enhanced the scope of the activities that the Trust is able to provide to the benefit of the local and wider community. Thus, the Trust believes that it fully complies with the requirements of the Charities Act 2011 with respect to public benefit.

## FUNDRAISING

Most funds are provided by voluntary donations from those who attend the King's Arms Church. The Trust does not employ staff, or use professionals, whose sole job is to raise funds. On occasions, grant applications are made to provide funds for Re-Track and other activities, and to develop King's House. No grant applications were made during 2025.

## TRUSTEE INDUCTION AND TRAINING

The Trustees are also Directors of the Company. Trustees are appointed by the Elders, with the approval of the other Trustees in accordance with the Memorandum and Articles of Association. Normally, new Trustees are already familiar with the work of the Trust, as they are committed members of King's Arms Church. However, in certain circumstances someone from another church, with whom we have a relationship, will be invited to become a Trustee. Prior to their appointment, new Trustees will meet with the Chair of the Trustees to review:

- The roles and responsibilities of a Trustee as defined in the Trustee Job Description
- The main documents which set out the operational framework for the charity including the Memorandum and Articles of Association.
- Resourcing and the current financial position as set out in the latest published accounts.
- Future plans and objectives.
- The Trustee Induction Procedure.

## STATEMENT OF TRUSTEES' RESPONSIBILITIES

Charitable company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company and of the profit or loss of the charitable company for that period. In preparing those financial statements, the Trustees are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to assume that the charitable company will continue in operation.

The Trustees are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and that are sufficient to show and explain the company's transactions. This ensures that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud or any other irregularities.

## RESERVES

The Reserves Policy, agreed by the Trustees, is to maintain a level of unrestricted group cash balances (including designated cash balances) to mitigate against the risk that the Trust experiences an unexpected event which would put it in financial difficulty. The Trustees believe that the appropriate level of unrestricted cash balances should be a minimum of 3 months of overall annual expenditure (excluding depreciation).

Using the above criteria, a detailed review has estimated that unrestricted cash balances should be at least £509k. At 31 December 2025, the Group held unrestricted cash balances of £160k, equating to 1 month of annual expenditure. This is £350k below the organisation's reserves policy target of 3 months' expenditure. The Trustees consider this position to be reasonable in the context of the recent organisational restructure and the exceptional Business Rates charges incurred during the year. The subsequent increase in donations in the first four months of 2026, together with the Vision offering planned in May 2026 and the pending Business Rates refund of £115.5k means unrestricted cash balances are expected to increase to above 2.5 months by July 2026. The Trustees will continue to monitor the level of unrestricted cash balances on a monthly basis with the intention of returning to the 3 months policy level. In addition, the reserves policy will be reviewed annually to ensure it remains appropriate to the Trust's financial circumstances and priorities.

The restricted reserves held at the end of the year were £51,200 represented by;-

- £2,353 being the remaining unspent balance of specific Church donations
- £48,847 being the balance Apostolic funds

## INVESTMENT POLICY

Reserve funds are invested with the intention that the total in any one bank/building society is ideally less than the £120k guarantee limit provided by the Financial Services Compensation Scheme (FSCS). In order to stay below the limit, accounts have been maintained with Virgin Money Plc and Nationwide Building Society, along with the Trust's main bank, Unity Trust Bank Plc. However, the FSCS guaranteed protection of funds up to £120k applies to funds held within a banking group. So, if two banks are in the same banking group, the protection guarantee covers only £120k held in total across the two banks. As Virgin Money Plc and Nationwide Building Society are within the same banking group, the trust plans to move some of its reserves to other banking groups.

## RISK MANAGEMENT

The major financial risks, as recognised by the Trustees, are as follows:

**Church.** For the church the risks are considered to be low due to the broad donor base. However, the risks have increased during the past few years due to the greater length of service being accumulated by staff and the contractual payments required should the church lose its donor base.

**Building.** The main risk associated with King's House is that sufficient income may not be generated to cover the costs associated with the operation and management of the building. These include loan repayments, staff salaries, operating and maintenance and any building developments. Risk is minimised by capital expenditure on building development only being sanctioned when funds are available from the church's Vision Offerings or from transfers from general church reserves when necessary.

The finances for King's House, including KA Facilities (Bedford) Ltd are monitored and controlled separately from the other areas of the work of the Trust with the main source of income being the gifts and regular giving from members of the church, office rental and the surplus generated by KA Facilities (Bedford) Ltd. A detailed cash forecast has been generated to the end of 2027. Future building developments will only be undertaken when funding is available. Any significant surplus money may be used to reduce the bank loans.

A detailed Risk Register has been generated and the financial and other risks have been reviewed and systems established to manage and mitigate these risks.

## POLICIES AND PROCEDURES

The Trust has established policies which apply to both staff and those who take part in the community life and/or visit the church and building. During the past year existing policies, including Health & Safety policies, have been reviewed and upgraded and various new policies generated. Avensure have been appointed on a 3-year contract to provide legal services and assist with Human Resources and Health & Safety issues.

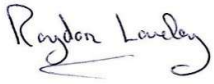
## STATEMENT OF DISCLOSURE TO THE AUDITOR

The Trustees have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

As far as the Trustees are aware, there is no relevant audit information of which the charitable company's auditor is unaware. The Trustees have prepared this report in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small entities.

Approved by the Trustees on: 3 June 2026

and signed on their behalf:



**Roydon Loveley**
Chair of Trustees

# INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE KING'S ARMS TRUST (BEDFORD)

## OPINION

We have audited the financial statements of King's Arms Trust (Bedford) (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31 December 2025 which comprise of the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Charitable company Balance Sheet, the Consolidated Statement of Cash Flows and the related notes, 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's and of the parent charitable company's affairs as at 31 December 2025 and of the Group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

### 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 Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council'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 Group'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.

# INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE KING'S ARMS TRUST (BEDFORD)

### OPINIONS ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

- the information given in the Trustees' Report for the financial year for which the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

### MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In light of the knowledge and understanding of the charitable 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:

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charity financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specific 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' exemption 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 charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the group's and the parent charitable company'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 group, or the parent 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of the company and sector in which it operates;

- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, Charities Act 2011, General Data Protection Regulations (GDPR), safeguarding of adults and children, employment and taxation legislation, anti-bribery, environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statements and disclosures to underlying supporting documentation;
- reading the minutes of governor meetings of those charged with governance; and
- enquiring of management as to actual and potential litigation and claims.

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

**USE OF THE AUDIT REPORT**

This report is made solely to the charitable company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, Part 4 of the Charities (Accounts and Reports) Regulations 2008. 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 company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Linda J Lord BSc FCA TEP (Senior Statutory Auditor)
For and on behalf of Streets Audit LLP
Chartered Accountants
Registered Auditors

Date: 15 June 2026

## Consolidated Statement of Financial Activities – Year Ended 31 December 2025

INCORPORATING THE INCOME AND EXPENDITURE ACCOUNT

| | Note | Unrestricted funds 2025 £ | Restricted funds 2025 £ | Total funds 2025 £ | Total funds 2024 £ |
|---|---|---|---|---|---|
| **Income from:** | | | | | |
| Donations | **3** | 1,217,181 | 130,348 | 1,347,529 | 1,376,477 |
| Charitable activities | **4** | 23,727 | 115,892 | 139,619 | 94,108 |
| Other trading activities | **5** | 608,468 | - | 608,468 | 599,614 |
| Investments | **6** | 16,673 | 1 | 16,674 | 3,902 |
| **Total income** | | **1,866,049** | **246,241** | **2,112,290** | **2,074,101** |
| **Expenditure on:** | | | | | |
| Raising Funds – trading activities (KA Facilities) | | 488,677 | - | 488,677 | 452,832 |
| Charitable activities | **7** | 1,354,134 | 252,555 | 1,606,689 | 1,711,263 |
| **Total expenditure** | | **1,842,811** | **252,555** | **2,095,366** | **2,164,095** |
| **Net income / (expenditure)** | | **23,238** | **(6,314)** | **16,924** | **(89,994)** |
| **Transfer between funds** | | **(10,100)** | **10,100** | **-** | **-** |
| **Net movement in funds** | **23** | **13,138** | **3,786** | **16,924** | **(89,994)** |
| **Reconciliation of funds:** | | | | | |
| Total funds brought forward | **23** | 2,655,235 | 47,414 | 2,702,649 | 2,792,643 |
| **Total funds carried forward** | **23** | **2,668,373** | **51,200** | **2,719,573** | **2,702,649** |

The Group's income and expenditure all relate to continuing operations. The Group has no recognised gains or losses other than those included above.

The notes on pages 28 to 44 form part of these financial statements.

## Balance Sheet - Year Ended 31 December 2025

| | Note | King's Arms Trust Total funds 2025 £ | King's Arms Group Total funds 2025 £ | King's Arms Trust Total funds 2024 £ | King's Arms Group Total funds 2024 £ |
|---|---|---|---|---|---|
| **Fixed assets:** | | | | | |
| Tangible assets | **16** | **2,879,131** | **2,879,131** | **2,897,407** | **2,897,407** |
| **Current assets:** | | | | | |
| Stock | **17** | - | 2,711 | - | 2,649 |
| Debtors | **18** | 162,177 | 174,000 | 69,439 | 99,453 |
| Cash at bank and in hand | | 209,192 | 217,149 | 408,174 | 430,252 |
| **Total current assets** | | **371,369** | **393,860** | **477,613** | **532,354** |
| **Liabilities:** | | | | | |
| Creditors: Amounts falling due within one year | **19** | (159,728) | (182,219) | (237,622) | (280,644) |
| **Net current assets** | | **211,641** | **211,641** | **239,991** | **251,710** |
| **Total assets less current liabilities** | | **3,090,772** | **3,090,772** | **3,137,398** | **3,149,117** |
| Creditors: Amounts falling due after more than one year | **20** | (371,199) | (371,199) | (446,468) | (446,468) |
| **Total net assets** | | **2,719,573** | **2,719,573** | **2,690,930** | **2,702,649** |
| **The funds of the charity:** | | | | | |
| Restricted funds | **24** | 51,200 | 51,200 | 47,414 | 47,414 |
| Unrestricted funds | **24** | 2,668,373 | 2,668,373 | 2,643,516 | 2,655,235 |
| **Total charity funds** | **24** | **2,719,573** | **2,719,573** | **2,690,930** | **2,702,649** |

The notes on pages 28 to 44 form part of these accounts.

These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small entities.

The financial statements were approved and authorised for issue by the Trustees on 3 June 2026 and signed on their behalf.



R. Loveley
**Trustee**



P. Humphrey
**Trustee**

## Consolidated Statement of Cash Flows Year Ended 31 December 2025

| | Note | Total funds 2025 | Prior year funds 2024 |
|---|---|---|---|
| | | £ | £ |
| **Cash flows from operating activities:** | **25** | **(120,189)** | **45,636** |
| **Cash flows from investing activities:** | | | |
| Interest from investments | **6** | 16,674 | 3,902 |
| Proceeds from the sale of property, plant and equipment | | 350 | 319 |
| Purchase of property, plant and equipment | **16** | (39,469) | (37,439) |
| **Net cash provided by (used in) investing activities** | | **(22,445)** | **(33,218)** |
| **Cash flows from financing activities:** | | | |
| Repayments of borrowings | | (70,469) | (60,171) |
| **Net decrease in cash and cash equivalents** | | **(213,103)** | **(47,753)** |
| **Cash and cash equivalents at 1 January** | | **430,252** | **478,005** |
| **Cash and cash equivalents at 31 December** | | **217,149** | **430,252** |

**Analysis of cash and cash equivalents**

| | Current Year 2025 | Prior Year 2024 |
|---|---|---|
| | £ | £ |
| Cash in hand | 217,149 | 346,053 |
| Notice deposits (less than 3 months) | - | 84,199 |
| **Total cash and cash equivalents at 31 December** | **217,149** | **430,252** |

## ACCOUNTING POLICIES

### 1.1 General information

King's Arms Trust (Bedford) Limited is a private company limited by guarantee (05899019), incorporated in England and Wales. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the charity. The address of its registered office and principal place of business is disclosed in the company information on page 3 of this Annual Report.

The principal objectives of the King's Arms Trust (Bedford) are that of the advancement of the Christian faith in the UK and overseas, the advancement for the public benefit of religious and other education including the relief of the aged, poor, sick and disabled. These are achieved through the main activities of the Trust;

- King's Arms Church – A vibrant church of around 1,400 adults, children and youth with numerous meetings and activities held, in-person, and on-line. The group also operates through KA Facilities (Bedford) Ltd – a wholly owned subsidiary company from within which a coffee shop and facilities rental are operated.
- KA Apostolic – the focus of the work of King's Arms Church in supporting leaders and churches in the UK and other nations.

The group consists of King's Arms Trust (Bedford) Limited and its subsidiary KA Facilities (Bedford) Ltd.

### 1.2 Accounting convention and basis of preparation

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

The financial statements are prepared on a going concern basis under the historical cost convention. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months in authorising these financial statements. The budgeted income and expenditure are sufficient with the level of reserves for the charity to be able to continue as a going concern.

The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £1.

### 1.3 Basis of Consolidation

The income and expenditure and assets and liabilities of King's Arms Trust (Bedford) and KA Facilities (Bedford) Limited are consolidated within these Group financial statements to reflect control. All amounts in respect of group balances and transactions have been eliminated in arriving at the group figures.

Under Section 408 of the Companies Act 2006 the charitable company is exempt from the requirement to present its own statement of financial activities. The surplus for the year within the accounts for the charitable parent company was £28,643 (2024: deficit £66,271).

## 1.4 Funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund are set out in the note 23 to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund are set out in the note 23 to the financial statements.

## 1.5 Income recognition

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

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

Tax credits (gift-aid) are included in the financial statements on an accruals basis as recommended by the Statement of Recommended Practice. This means that tax credits are taken into account in the period in which the originating donation was made.

No amount is included in the financial statements for volunteer time in line with the SORP. Further detail is given in the Trustees' Annual Report.

Gifts in kind donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. Where estimating the fair value is practicable upon receipt, it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impracticable to estimate the fair value items due to the volume of low value items, they are not recognised in the financial statements until they are sold. This income is recognised within 'Income from other trading activities'.

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

Income from government and other grants is 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.

Interest income is recognised using the effective interest method.

## 1.6 Expenditure recognition

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

- Costs of raising funds includes the costs of the trading subsidiary
- Expenditure on charitable activities includes all costs relating directly or indirectly to those activities

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

## 1.7 Allocation of costs

All costs, including salaries and pensions, are allocated directly to each activity as far as possible. Any shared support costs are allocated to King's Arms Church with a fixed cost being allocated to KA Facilities and KA Apostolic as agreed annually.

## 1.8 Pension costs

Pension costs in the financial statements represent contributions to employees' defined contribution pension plans.

## 1.9 Redundancy and termination payments

Redundancy and termination costs are recognised as an expense in the Statement of Financial Activities and a liability on the Balance Sheet immediately at the point the charitable company is demonstrably committed to either: terminate the employment of an employee or group of employees before normal retirement date; or provide termination benefits as a result of an offer made in order to encourage voluntary redundancy.

## 1.10 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. There was no tax due on trading subsidiary profits as they were all paid via gift aid to the parent charity within required timescale.

## 1.11 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less the estimated residual value of each asset over its expected useful life, as follows:

| | |
|---|---|
| Freehold land | not depreciated |
| Freehold buildings | 1% straight line |
| Fixtures & fittings | 4%-33% straight line |
| Motor vehicles | 25% reducing balance |

The threshold for capitalising tangible fixed assets is £500.

## 1.12 Stock

Stock is held at the lower of cost and net realisable value.

### 1.13 Debtors and creditors receivable / payable within one year

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

### 1.14 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

### 1.15 Loans and borrowings

Loans and borrowings are initially recognised at the transaction price including transaction costs. Subsequently, they are measured at amortised cost using the sum of digit method, less impairment. If an arrangement constitutes a finance transaction it is measured at present value.

### 1.16 Operating leases

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

### 1.17 Judgments in applying accounting policies and key sources of estimation uncertainty

In applying the company's accounting policies, the Trustees are required to make judgements, estimates and assumptions in determining the carrying amounts of assets and liabilities. The Trustees' judgements, estimates and assumptions are based on the best and most reliable evidence available at the time when the decisions are made, and are based on historical experience and other factors that are considered to be applicable. Due to inherent subjectivity involved in making such judgements, estimates and assumptions, the actual results and outcomes may differ.

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

A key area of estimation is the depreciation of freehold buildings. Please refer to accounting policy 1.11, and notes 11 and 16.

## 2 Comparative Consolidated Statement of Financial Activities

INCORPORATING THE INCOME AND EXPENDITURE ACCOUNT

| | Notes | Unrestricted funds 2024 £ | Restricted funds 2024 £ | Total funds 2024 £ |
|---|---|---|---|---|
| **Income from:** | | | | |
| Donations | **3** | 1,280,844 | 95,633 | 1,376,477 |
| Charitable activities | **4** | 43,836 | 50,272 | 94,108 |
| Other trading activities | **5** | 599,614 | - | 599,614 |
| Investments | **6** | 3,902 | - | 3,902 |
| **Total income** | | **1,928,196** | **145,905** | **2,074,101** |
| **Expenditure on:** | | | | |
| Raising funds - trading activities | | 452,832 | - | 452,832 |
| Charitable activities | **7** | 1,543,414 | 167,849 | 1,711,263 |
| **Total expenditure** | | **1,996,246** | **167,849** | **2,164,095** |
| **Net income / (expenditure)** | | **(68,050)** | **(21,944)** | **(89,994)** |
| **Transfer between funds** | | **(11,123)** | **11,123** | - |
| **Net movement in funds** | **23** | **(79,173)** | **(10,821)** | **(89,994)** |
| **Reconciliation of funds:** | | | | |
| Total funds brought forward | **23** | 2,734,408 | 58,235 | 2,792,643 |
| **Total funds carried forward** | **23** | **2,655,235** | **47,414** | **2,702,649** |

## 3 Income from donations

| | 2025 £ | 2024 £ |
|---|---|---|
| Gifts | 1,347,529 | 1,376,477 |
| **Total income from donations** | **1,347,529** | **1,376,477** |

Income from donations was £1,347,529 (2024: £1,376,477) of which £130,348 (2024: £95,633) was attributable to restricted and £1,217,181 (2024: £1,280,844) was attributable to unrestricted funds.

Included within donations are gifts received via other charities, comprising: The Rowney Trust £55,000 (2024: £28,500) and Stewardship Services (UKET) Limited £17,521 (2024: £14,000).

## 4 Income from charitable activities

| | 2025 | 2024 |
|---|---|---|
| | £ | £ |
| **King's Arms Church** | | |
| Performance related grants | 35,900 | 26,000 |
| Conferences, events and serving other churches | 24,870 | 15,730 |
| Sale of books and media | 117 | 106 |
| **Total King's Arms Church** | **60,887** | **41,836** |
| | | |
| **King's Arms Apostolic** | | |
| Conferences, events and serving other churches | 78,732 | 52,272 |
| **Total King's Arms Apostolic** | **78,732** | **52,272** |
| | | |
| **Total income from charitable activities** | **139,619** | **94,108** |

Income from charitable activities was £139,619 (2024: £94,108) of which £115,892 (2024: £50,272) was attributable to restricted and £23,727 (2024: £43,836) was attributable to unrestricted funds.

No government grants were received in the year or in the prior year 2024.

## 5 Income from other trading activities

| | 2025 | 2024 |
|---|---|---|
| | £ | £ |
| Coffee Shop sales (counter and catering) | 244,504 | 238,083 |
| Room and equipment hire | 328,543 | 314,599 |
| Office rentals | 30,548 | 43,413 |
| Other | 4,873 | 3,519 |
| **Total income from other trading activities** | 608,468 | 599,614 |

All income from trading activities was attributable to unrestricted funds.

## 6 Income from investments

| | 2025 | 2024 |
|---|---|---|
| | £ | £ |
| **Interest income** | **16,674** | **3,902** |

Income from investments was £16,674 (2024: £3,902) of which £1 (2024: nil) was attributable to restricted and £16,673 (2024: £3,902) was attributable to unrestricted funds.

## 7 Analysis of expenditure on charitable activities

| Charitable activities 2025 | Activities undertaken directly | Support Costs | Total |
|---|---|---|---|
| | £ | £ | £ |
| King's Arm Church | 1,194,312 | 242,409 | 1,436,721 |
| KA Apostolic | 159,972 | 9,996 | 169,968 |
| **Total** | **1,354,284** | **252,405** | **1,606,689** |

| Charitable activities 2024 | Activities undertaken directly | Support Costs | Total |
|---|---|---|---|
| | £ | £ | £ |
| King's Arm Church | 1,135,447 | 425,436 | 1,560,883 |
| KA Apostolic | 140,380 | 10,000 | 150,380 |
| **Total** | **1,275,827** | **435,436** | **1,711,263** |

Expenditure on charitable activities was £1,606,689 (2024: £1,711,263) of which £252,555 (2024: £167,849) of the above costs were attributable to restricted funds. £1,354,134 (2024: £1,543,414) of the above costs were attributable to unrestricted funds.

## 8 Exceptional Expenditure

As detailed on pages 18 and 19, in 2024, the Valuation Office issued a retrospective Business Rates assessment effective from April 2017. In April 2026, the valuation was reduced, resulting in a refund becoming due of £115,470 together with associated interest income of approximately £10,000. These amounts have been recognised in the current year, being considered virtually certain at the reporting date. Professional fees of £23,257 incurred in relation to securing the reduction have also been recognised.

At the reporting date, the ratable valuation for the period from April 2023 onwards has yet not been revised by the Valuation Office. Accordingly, business rates charges for the current year have continued to be recognised based on the prevailing assessment.

The net impact of the above is an exceptional rates credit of £93,692 (2024: exceptional charge of £129,173). At the year-end, £114,500 is included within other debtors in respect of amounts recoverable for both rates and associated interest (2024: £78,530 included within accruals).

The ratable valuation remains subject to an ongoing appeal. A further reduction in business rates charges may arise, however, as the outcome of the appeal is not considered virtually certain at the reporting date, no additional amounts have been recognised in these financial statements. Any potential further refunds and associated interest income will be recognised in the period in which they become virtually certain.

## 9 Allocation of support costs

| Support costs 2025 | King's Arms Church | KA Facilities | KA Apostolic | Total |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| Central costs including governance | 17,270 | - | 6,000 | 23,270 |
| Building usage | 225,140 | 30,000 | 3,996 | 259,136 |
| **Activity Total** | **242,410** | **30,000** | **9,996** | **282,406** |

| Support costs 2024 | King's Arms Church | KA Facilities | KA Apostolic | Total |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| Central costs including governance | 12,112 | - | 6,000 | 18,112 |
| Building usage | 413,324 | 30,000 | 4,000 | 447,324 |
| **Activity Total** | **425,436** | **30,000** | **10,000** | **465,436** |

**Basis of allocation; -**
All costs including salaries and pensions are allocated directly to each activity as far as possible. Any shared support costs are allocated to King's Arms Church with a fixed cost being allocated to KA Facilities and KA Apostolic as agreed annually.

## 10 Governance costs

| | Note | 2025 | 2024 |
|---|---|---|---|
| | | £ | £ |
| Trustee expenses | **13** | 2,121 | 1,125 |
| Auditor's remuneration | **12** | 14,880 | 14,400 |
| Consultancy | | 5,163 | 1,198 |
| Legal fees | | 1,106 | 1,390 |
| **Total governance costs** | | **23,270** | **18,113** |

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

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

| | Note | 2025 | 2024 |
|---|---|---|---|
| | | £ | £ |
| Depreciation of tangible fixed assets | **16** | 57,628 | 62,745 |
| (Gain) / loss on sale of tangible fixed assets | **25** | (233) | 157 |
| Operating lease rentals | **21** | 3,246 | 3,019 |

## 12 Auditor's remuneration

| | King's Arms Trust 2025 | King's Arms Group 2025 | King's Arms Trust 2024 | King's Arms Group 2024 |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| Audit fees | 14,880 | 14,880 | 14,400 | 14,400 |
| **Total** | **14,880** | **14,880** | **14,400** | **14,400** |

## 13 Trustees and key management remuneration and expenses

Trustees' remuneration during the year was £93,611 (2024: £90,267) being the total remuneration and benefits (including employer national insurance and pension contributions) for one Trustee employed by the King's Arms Trust (Bedford) for services provided under employment contracts.

| | | 2025 | | | 2024 | | |
|---|---|---|---|---|---|---|---|
| **Trustee** | **Role** | **Salary** | **Employer National Insurance** | **Employer Pension** | **Salary** | **Employer National Insurance** | **Employer Pension** |
| | | £ | £ | £ | £ | £ | £ |
| **Simon Holley** | Senior Pastor & Team Leader | 76,695 | 10,397 | 6,519 | 74,835 | 9,071 | 6,361 |
| **Total** | | **76,695** | **10,397** | **6,519** | **74,835** | **9,071** | **6,361** |

Trustee remuneration is paid in accordance with the Trust Memorandum & Articles of Association for services provided to the Trust.

Trustee expenses were reimbursed to one (2024: three) Trustees during the year totaling £2,121 (2024: £1,125) being food and travel costs.

Key management personnel for the group are considered to be the Board of Trustees and the Operational Leadership Team Plus (OLT+). The OLT+ was previously called the Strategic Leadership Team (SLT), however from June 2024 onwards, as part of an organisational restructure, the SLT ceased to function as key management personnel and was replaced by OLT+ . The remuneration and benefits (including employer national insurance and pension contributions) of key management personnel during the year were £552,657 (2024: £438,187).

## 14 Staff costs and employee benefits

| | 2025 | 2024 |
|---|---|---|
| | £ | £ |
| Salaries and wages | 1,269,366 | 1,211,240 |
| Social security costs | 120,052 | 91,505 |
| Pension | 85,656 | 82,384 |
| **Total** | **1,475,074** | **1,385,129** |

The average number of persons employed by the Group during the year was 66 (2024: 63) with majority of those being part-time or on zero hours contracts. The total number of Full Time Equivalent (FTE) employees at the end of the year was 28.9 (2024: 29.2)

The number of employees whose total employee benefits (excluding employer national insurance and pension costs) for the year within the band £60,000 to £70,000 was two (2024: one), and £70,000 to £80,000 was one (2024: one).

During the year defined contribution pension costs of £101,301 (2024: £82,384) were paid on behalf of 53 (2024: 55) employees to pension schemes administered independently of the charitable company.

The Trust also provides a group life insurance scheme as an additional benefit available to all staff, the cost in the year was £5,308 (2024: £4,947).

The company incurred termination costs of nil (2024: £15,000) in respect of payments made to staff under settlement agreements. These payments were made as part of agreed exit arrangements following organisational restructuring and role changes within the charity.

## 15 Interest payable

| | 2025 | 2024 |
|---|---|---|
| | £ | £ |
| **Bank loans** | **32,393** | **41,519** |

## 16 Fixed assets

### Tangible fixed assets

| Group and Charity | Freehold land & buildings | Fixtures & fittings | Total |
|---|---|---|---|
| | £ | £ | £ |
| **Cost** | | | |
| As at 1 January 2025 | 3,137,913 | 522,368 | 3,660,281 |
| Additions | - | 39,469 | 39,469 |
| Disposals | - | (4,048) | (4,048) |
| **Cost at 31 December 2025** | **3,137,913** | **557,789** | **3,695,702** |
| | | | |
| **Depreciation** | | | |
| As at 1 January 2025 | 364,145 | 398,729 | 762,874 |
| Charge for the year | 23,524 | 34,104 | 57,628 |
| Disposals | - | (3,931) | (3,931) |
| **Depreciation at 31 December 2025** | **387,669** | **428,902** | **816,571** |
| | | | |
| **Net book value** | | | |
| **At 31 December 2025** | **2,750,244** | **128,887** | **2,879,131** |
| At 31 December 2024 | 2,773,768 | 123,639 | 2,897,407 |

## 17 Stock

| | King's Arms Trust 2025 | King's Arms Group 2025 | King's Arms Trust 2024 | King's Arms Group 2024 |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| Food and drinks | - | 2,711 | - | 2,649 |
| **Total** | **-** | **2,711** | **-** | **2,649** |

## 18 Debtors

| | King's Arms Trust 2025 | King's Arms Group 2025 | King's Arms Trust 2024 | King's Arms Group 2024 |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| Trade debtors | 2,660 | 18,052 | 3,484 | 35,989 |
| Due from subsidiary | 1,360 | - | - | - |
| Other debtors, including prepayments and accrued income | 158,157 | 155,948 | 65,955 | 63,464 |
| **Total debtors** | **162,177** | **174,000** | **69,439** | **99,453** |

## 19 Creditors falling due within one year

| | King's Arms Trust 2025 | King's Arms Group 2025 | King's Arms Trust 2024 | King's Arms Group 2024 |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| Bank loan | 76,477 | 76,477 | 71,677 | 71,677 |
| Trade creditors | 13,985 | 15,394 | 15,370 | 17,580 |
| Accruals and deferred income | 47,910 | 47,910 | 116,012 | 128,916 |
| Taxation and social security | - | 19,210 | - | 23,833 |
| Other creditors | 21,356 | 23,228 | 34,563 | 38,638 |
| **Total creditors** | **159,728** | **182,219** | **237,622** | **280,644** |

## 20 Creditors due after one year

| | King's Arms Trust 2025 | King's Arms Group 2025 | King's Arms Trust 2024 | King's Arms Group 2024 |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| Bank loan | 371,199 | 371,199 | 446,468 | 446,468 |
| **Total creditors due after one year** | **371,199** | **371,199** | **446,468** | **446,468** |

The original bank loan was taken out with Unity Trust in December 2009 on the purchase of the Church building and offices (King's House). A further loan was taken out in December 2010 for the refurbishment of King's House. Both loans were consolidated into one loan in March 2019, repayable in monthly installments over a period of 12 years. The building is held as security against the loan.

| The loan capital is repayable as follows: | King's Arms Trust 2025 | King's Arms Group 2025 | King's Arms Trust 2024 | King's Arms Group 2024 |
|---|---|---|---|---|
| **Amounts falling due:** | £ | £ | £ | £ |
| In one year or less, or on demand | 76,477 | 76,477 | 71,677 | 71,677 |
| Between two and five years | 349,881 | 349,881 | 331,256 | 331,256 |
| In five years or more | 21,318 | 21,318 | 115,212 | 115,212 |
| | **447,676** | **447,676** | **518,145** | **518,145** |

## 21 Leases

Total future minimum lease payments under non-cancellable operating leases are as follows:

| | King's Arms Trust 2025 Other | King's Arms Group 2025 Other | King's Arms Trust 2024 Other | King's Arms Group 2024 Other |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| Expiring within one year | 3,169 | 3,169 | 3,070 | 3,070 |
| Between 1 – 5 years | - | - | 3,222 | 3,222 |

The total operating lease expense for the year was £3,246 (2024: £3,019).

## 22 Deferred income

| | King's Arms Trust 2025 | King's Arms Group 2025 | King's Arms Trust 2024 | King's Arms Group 2024 |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| At 1 January | 12,046 | 24,950 | 9,295 | 30,618 |
| Received during the year | 9,870 | 9,870 | 12,046 | 24,950 |
| Released to income for the year | (12,046) | (24,950) | (9,295) | (30,618) |
| **At 31 December** | **9,870** | **9,870** | **12,046** | **24,950** |

Deferred income represents amounts invoiced or received in advance in respect of the subsequent financial year and comprises room rentals, conference fees, and Revive / Amplify school fees.

## 23 Movement in funds

| Movement in funds 2025 | At 1 January 2025 | Income | Expenditure | Transfers | At 31 December 2025 |
|---|---|---|---|---|---|
| | | £ | £ | £ | £ |
| **Unrestricted funds** | | | | | |
| General church funds | 332,085 | 1,216,606 | (1,232,991) | (167,174) | 148,526 |
| Leadership Development (formerly TSM) | 8,072 | - | - | (8,072) | - |
| KA Media | 3,498 | 117 | (8) | (3,607) | - |
| King's House | 2,299,862 | 74,008 | (121,136) | 267,113 | 2,519,847 |
| KA Facilities | 11,718 | 575,318 | (488,676) | (98,360) | - |
| **Total unrestricted funds** | **2,655,235** | **1,866,049** | **(1,842,811)** | **(10,100)** | **2,668,373** |
| **Restricted funds** | | | | | |
| King's Arms Church | 2,827 | 70,236 | (70,662) | (48) | 2,353 |
| King's House | - | 11,925 | (11,925) | - | - |
| KA Apostolic | 44,587 | 164,080 | (169,968) | 10,148 | 48,847 |
| **Total restricted funds** | **47,414** | **246,241** | **(252,555)** | **10,100** | **51,200** |
| **Total funds** | **2,702,649** | **2,112,290** | **(2,095,366)** | **-** | **2,719,573** |

| Movement in funds 2024 | At 1 January 2024 | Income | Expenditure | Transfers | At 31 December 2024 |
|---|---|---|---|---|---|
| | | £ | £ | £ | £ |
| **Unrestricted funds** | | | | | |
| General church funds | 343,166 | 1,328,480 | (1,234,087) | (105,474) | 332,085 |
| TSM | 8,072 | - | - | - | 8,072 |
| KA Media | 3,038 | 102 | (2) | 360 | 3,498 |
| King's House | 2,344,691 | 45,064 | (309,325) | 219,432 | 2,299,862 |
| KA Facilities | 35,441 | 554,550 | (452,832) | (125,441) | 11,718 |
| **Total unrestricted funds** | **2,734,408** | **1,928,196** | **(1,996,246)** | **(11,123)** | **2,655,235** |
| **Restricted funds** | | | | | |
| King's Arms Church | 7,827 | 2,091 | (7,091) | - | 2,827 |
| King's House | - | 10,378 | (10,378) | - | - |
| KA Apostolic | 50,408 | 133,436 | (150,380) | 11,123 | 44,587 |
| **Total restricted funds** | **58,235** | **145,905** | **(167,849)** | **11,123** | **47,414** |
| **Total funds** | **2,792,643** | **2,074,101** | **(2,164,095)** | **-** | **2,702,649** |

Unrestricted funds comprise general church funds available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Unrestricted designated funds comprise unrestricted funds that have been set aside by the trustees for the following purposes; -

- King's House is a fund designated by the trustees to account for money generated by and spent on the building and to also ensure funds are available for the running costs of the building.
- KA Facilities the wholly owned subsidiary company, the profits of which are gift aided to King's House.
- TSM (Training for Supernatural Ministry) ceased operating during 2023. The remaining balance of funds was re-designated to general church funds in 2025 and have been applied towards Leadership Development programmes.
- KA Media continues to operate at a minimal level. During 2025, the remaining balance of funds was re-designated to general church funds.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors as follows; -

- Church comprises donations and grants given for specific purposes from donors including activities such as the Friday Night Meeting, Re-Track, Youth, the Blunham location and supporting missionaries overseas.
- King's House comprises donations and grants given for specific purposes from donors for both the general running costs of the building, and for specific building and maintenance projects as identified by the Trustees
- KA Apostolic comprises donation and grants given for specific purposes of supporting leaders and churches in the UK and other nations

Transfers include the following:

- Transfers of the gift aid/distribution from the trading subsidiary to the King's House (designated) fund.
- Donations made from Church funds to KA Apostolic.
- Other minor transfers made between funds in the year.

## 24 Analysis of net assets between funds

| 2025 | Tangible fixed assets | Stock | Debtors | Cash at bank and in hand | Creditors | Creditors more than one year | Total net assets |
|---|---|---|---|---|---|---|---|
| | £ | £ | £ | £ | £ | £ | £ |
| **Unrestricted funds** | | | | | | | |
| General church funds | - | - | 38,037 | 148,975 | (38,486) | - | **148,526** |
| King's House | 2,879,131 | - | 118,269 | 2,868 | (109,222) | (371,199) | **2,519,847** |
| KA Facilities | - | 2,711 | 15,483 | 7,956 | (26,150) | - | **-** |
| **Total unrestricted funds** | **2,879,131** | **2,711** | **171,789** | **159,799** | **(173,858)** | **(371,199)** | **2,668,373** |
| **Restricted funds** | | | | | | | |
| King's Arms Church | - | - | - | 2,353 | - | - | **2,353** |
| KA Apostolic | - | - | 2,211 | 54,997 | (8,361) | - | **48,847** |
| **Total restricted funds** | **-** | **-** | **2,211** | **57,350** | **(8,361)** | - | **51,200** |
| **Total funds** | **2,879,131** | **2,711** | **174,000** | **217,149** | **(182,219)** | **(371,199)** | **2,719,573** |

| 2024 | Tangible fixed assets | Stock | Debtors | Cash at bank and in hand | Creditors | Creditors more than one year | Total net assets |
|---|---|---|---|---|---|---|---|
| | £ | £ | £ | £ | £ | £ | £ |
| **Unrestricted funds** | | | | | | | |
| General church funds | - | - | 45,782 | 331,270 | (44,968) | - | **332,084** |
| TSM | - | - | - | 8,072 | - | - | **8,072** |
| KA Media | - | - | 25 | 3,473 | - | - | **3,498** |
| King's House | 2,897,407 | - | 17,669 | 2,223 | (170,968) | (446,468) | **2,299,863** |
| KA Facilities | - | 2,649 | 32,591 | 22,078 | (45,600) | - | **11,718** |
| **Total unrestricted funds** | **2,897,407** | **2,649** | **96,067** | **367,116** | **(261,536)** | **(446,468)** | **2,655,235** |
| **Restricted funds** | | | | | | | |
| King's Arms Church | - | - | - | 2,827 | - | - | **2,827** |
| KA Apostolic | - | - | 3,386 | 60,309 | (19,108) | - | **44,587** |
| **Total restricted funds** | **-** | **-** | **3,386** | **63,136** | **(19,108)** | **-** | **47,414** |
| **Total funds** | **2,897,407** | **2,649** | **99,453** | **430,252** | **(280,644)** | **(446,468)** | **2,702,649** |

## 25 Reconciliation of net income / (expenditure) to net cash flow from operating activities

| | Current Year 2025 £ | Prior Year 2024 £ |
|---|---|---|
| **Net income for the reporting period (as per the Consolidated Statement of Financial Activities)** | **16,924** | **(89,994)** |
| **Adjustments for:** | | |
| Depreciation charges | 57,628 | 62,745 |
| Interest from investments | (16,674) | (3,902) |
| (Profit) / loss on the sale of fixed assets | (233) | 157 |
| (Increase) / decrease in stocks | (62) | 4,431 |
| Increase in debtors | (74,547) | (17,509) |
| (Decrease) / increase in creditors | (103,225) | 89,708 |
| **Net cash provided by operating activities** | **(120,189)** | **45,636** |

## 26 Analysis of changes in debt

| | At start of year | Cash-flows | New finance leases | At end of year |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| Cash | 430,252 | (213,103) | - | 217,149 |
| Loans falling due within one year | (71,677) | (4,800) | - | (76,477) |
| Loans falling due after one year | (446,468) | 75,269 | - | (371,199) |
| **Total** | **(87,893)** | **(142,634)** | - | **(230,527)** |

## 27 Related party transactions

KA Facilities (Bedford) Limited is a wholly owned subsidiary of the charity and as such has taken advantage of the exemptions conferred by FRS102 section 33 Related Party Disclosures to not disclose transactions within the group.

The King's Arms Trust (Bedford) shares two common Directors/Trustees with, and provides key management services to, Catalyst Network of Churches, the network to which the Trust is affiliated. Accordingly, Catalyst is considered a related party of the Trust. During the year, the Trust donated £22,000 (2024: £18,000) to Catalyst to support their activities. It also received income of £28,700 (2024: £28,300) from Catalyst of which £28,700 (2024: £28,000) were grants received in respect of the Trust providing key management services. Expenses of £4,634 (2024: £1,373) were paid by the Trust to Catalyst. The Trust also charged expenses to Catalyst of £11,394 (2024: £7,984). At the year-end an amount of nil (2024: £4,000) was owed by the Trust to Catalyst.

King's Arms Trust (Bedford) and Blunham Old Meeting Baptist Church Trust (BOMBCT) are considered to be related parties due to the presence of two common Trustees. During the year the Trust received grant income of £7,200 (2024: nil) from BOMBCT in respect of salary costs associated with the Blunham congregation. Expenses of £3,100 (2024: £3,377) were paid by the Trust to BOMBCT. The Trust also charged expenses to BOMBCT of nil (2024: £385).

The total amount of aggregate donations received without conditions from all key management personnel and close family members defined as related parties were £83,276 (2024: £87,191). The total amount of aggregate payments made to all key management personnel and close family members defined as related parties were £737,989 (2024: £599,624). This total includes remuneration, benefits, employer National Insurance and pension contributions, and expenses for 26 individuals (2024: 32 individuals). The individuals included Trustees, members of the OLT+, and any related parties employed by the Trust during the year.

Professional fees paid during the year to Philip Varley, who is also a Trustee of the Trust, for consulting services relating to the Cultural Development and Restructuring process were nil (2024: £1,068). The agreement to pay for these services and the rate of payment were determined by the other Trustees and do not relate to any services provided in serving as a Trustee.

## 28 Trading Subsidiary

The wholly owned subsidiary undertaking is KA Facilities (Bedford) Limited (company number 08314420), a company which is limited by guarantee and registered in England and Wales. The registered office is the same as that of King's Arms Trust (Bedford). It will gift aid its taxable profits to suitable charities as agreed by the Trustees. A summary of its trading results is shown below.

| | Year ended 31 December 2025 | Year ended 31 December 2024 |
|---|---|---|
| | £ | £ |
| **Turnover** | **606,928** | **580,602** |
| Cost of Sales | (106,926) | (107,513) |
| **Gross Profit** | **500,002** | **473,089** |
| Administrative expenses | (413,360) | (371,371) |
| **Operating profit** | **86,642** | **101,718** |
| **Profit on ordinary activities before tax** | **86,642** | **101,718** |
| Tax | - | - |
| Gift Aid distribution | (98,360) | (125,441) |
| **Net movement in reserves** | **(11,718)** | **(23,723)** |
| **Net assets** | **-** | **11,718** |

## CHURCH ACTIVITIES

In addition to the Sunday Services, King's Kids, Youth, Group Life and FNM activities as described earlier in the main part of the report, there are many other church-related activities and events described in this section.

**Alpha**
The Alpha course was run twice during the year, with around 78 guests attending. It continues to be a strong feature of the King's Arms and is the course to which we would direct those who are new to the Christian faith or are exploring Christianity. The course consists of 10 sessions and offers the opportunity for people to discuss and challenge views, hear talks, develop friendships and be a part of a welcoming community. We share a meal together on seven of the evenings and have hot drinks and desserts on the other evenings. At the end of the course, we have a social evening where people celebrate with each other.

**Prison Ministry (Inside Out)**
There are 14 volunteers who go into Bedford prison once a month to lead a Sunday morning service with worship, a talk, sharing of stories and every attendee given the opportunity for individual prayer at the end. Just before Christmas we had a special time praying by candlelight for families and loved ones, before singing carols and then enjoying mince pies and hot chocolate. We also run courses for fathers (licensed by the charity Care for the Family): a general parenting course for dads and one focused on handling anger within the family. We usually run one or two per term and have had excellent feedback from prisoners who have found these courses insightful, reflective and have strengthened their relationships and personal resilience. One team member is a weekly prison visitor as part of the chaplaincy team, and another works in education at Milton Keynes prison. We are part of the wider chaplaincy team at HMP Bedford, and we are always pleased to help in various ways as opportunities arise.

**Belong**
Each Sunday the Belong team seeks to meet newcomers attending the King's Arms Church services and get to know them and make them feel welcome. Newcomers are encouraged to join the Belong Group, which meets on Monday evenings with between 10 and 20 people attending. The group offers the opportunity for people to make new friendships, build community, and begin to integrate into church life and culture. This year we have also run a bible study group for New Christians. Many of those attending have said how important Belong has been as part of their journey into feeling they belong to the church.

In addition, during the year we held two Connect meetings, where newcomers are able to learn more about the history, vision and culture of the church. We also ran four "Meet and Greet" sessions where newcomers can come and meet the core team from the services in an informal welcoming setting.

**Prayer**
We started the year again with 21 Days of Prayer and Fasting. Around 60 people gathered every morning online to pray and they also had opportunities throughout the period to pray together in person. Our Prayer and Pursuit evenings continued attended by a good number of people each month both in person and online. We've been learning to pray longer as we've launched regular half nights of prayer.
We also continued our early morning Prayer Zooms on Wednesdays throughout the year. The Devoted booklet has been refreshed with our Bible reading plan and we finished the year with our biggest Crossover service yet, attended by over 600 people.



**The Well**

The Well met 9 times during the year with between 45 and 55 over-65s attending. They enjoy a lovely afternoon tea and a short talk or a quiz. Each table has two hosts, and we offer to pray for those in need whilst enjoying each other's company. In addition, special events were held at Christmas with a banquet for 150 guests and at Easter with an afternoon tea for 108 guests.

**Worship and PA**

The worship team, consisting of musicians and sound and production engineers, continued to play a vital role in serving the King's Arms community. We continue to press forward with our desire to be known as a team who worship Jesus in spirit and in truth, who model being worshippers who love God with all of our hearts, minds and souls. Highlights include leading worship at our multiple carol services and at the conferences and larger meetings that take place throughout the year. It has been encouraging to have people of various ages and backgrounds being added to the team.

**Design & Communications**

It's been a busy and creative year for the Design & Communications team. They have supported church life with a wide range of videos, print and digital projects, including Mother's Day and Father's Day videos, Safeguarding and Testimony videos and the Vision 2025 video and booklet. On the print side, they produced flyers, booklets, banners, and signage, refreshed the King's Arms Connect and Welcome booklets, created Devoted 2025 resources, and supported events like the Prophetic Conference, Revive and Resonate. They also helped improve the foyer at King's House and reformatted the Leadership page on our website to reflect updates to our Leadership structure and teams. Ongoing work includes ePreview and eFocus emails, ongoing website updates, social media content, to name but a few, and to continue to help our church family stay informed and connected.

**Baptisms**

During the year 39 people were baptised - most at King's House and on one memorable occasion in July in the lake at Box End Water Park. Each baptism has been a deeply significant and joy-filled moment with friends and family gathering to hear stories of how those being baptised came to faith in Jesus. These occasions continue to be both encouraging and faith-building for our whole church community.



## 2. PASTORAL

**Pastoral Overview.** During the past year there has been various changes for the pastoral team as we said goodbye to a longstanding team member and welcomed a new colleague. We are thankful to have a team with a broad range of professional experience, including a head teacher, criminal barrister, nurse, counsellor and child psychotherapist. These skills continue to be invaluable as we support members of our church community through complex and challenging situations.

We have continued to invest in "One Church" pastoral resources and introduced a new initiative with a Home Visits Team now offering pastoral support in people's homes or during hospital stays. This has mad pastoral care more accessible to those who find it difficult to attend church-based support. All safeguarding requirements were carefully followed, and the team has carried out 25 visits. Check-in appointments also continue to be used by our church community, with 55 appointments over the past year.



**Women's Events.** Our women's events remain well attended and continue to provide space for connection, encouragement and teaching. Events are held termly with around 70 women attending. In March 2025, we marked International Women's Day with a women's breakfast. Our speaker explored how the phrase "strong woman" can sometimes be misleading and encouraged us to find strength through letting go and leaning into God. In June, the focus was on prayer and members of the team shared what inspires their prayer lives. In October, we welcomed a young poet who shared her personal story alongside one of her poems.

**Reconciled. P**rompted by a reduction in resources, due to a team member being on maternity leave, we decided to seek God for direction on the Reconciled pillar of our Pastoral Care by sensitively leaning into the current emotional climate and needs of the church. While reconciliation across racial divisions remains vital, we have recognised that many believers experience a deep dissonance between faith and circumstance in other areas of life, such as, fractured relationships, parenting struggles, loss, trauma, and prolonged seasons of suffering. This period of reflection has allowed us to discern a broader call to support believers whose faith feels worn or strained, affirming that reconciliation with God, self, and others is an ongoing process in all seasons of life.

**Living in Freedom.** We have continued to offer the Living in Freedom events as a supportive space for those facing personal challenges and seeking healing or breakthrough. Topics have included *Healing from Burnout* with 32 participants, *Healthy Relationships: Breaking Free of Control* attended by 50 people, and *Nurturing Peace*, which had 13 participants. These sessions have continued to meet a real need within our church community.

**Marriages.** We have focused on helping couples invest in their marriages, while also offering support to those experiencing difficulties. Our Marriage Evenings have been attended by nearly 100 different couples, with the wide diversity of our church reflected in those who attending. Topics covered include Healthy Communication and Crafting a Vision Statement for Your Marriage. We also launched a monthly marriage email, which is currently subscribed to by 71 couples, this includes a mix of interviews, practical activities and signposting to helpful resources. With the support of an expanded team of volunteers, we have been able to walk alongside couples through challenging seasons, offering guidance and encouragement. Alongside this, we have invested in upskilling the team to respond appropriately to more complex situations, including domestic violence and coercive or controlling behaviour.

**Sozo.** This continues to be an important part of the prayer ministry of the church. During 2025 we provided 29 Sozo sessions, three on Zoom and the rest in-person. People continue to appreciate the freedom that Sozo brings, experiencing a deeper relationship with the three Persons of the Godhead – Father God, Jesus and the Holy Spirit. This is the aim of Sozo: it is not a counselling session, but it enables the person to forgive and move on from wounds and hurts from the past, so that they can fully live in the purposes that God has for them. A Sozo is conducted by two team members – the first leading the person in prayer and helping them to hear from God for themselves. The second records all the positive things they hear from God, which are then given to the guest to take away with them. We continue to support team members with in-house training and encouraging all the team to have Sozos themselves.

## 3. Re-Track




Re-Track is the Social Action arm of the church. Our aim is to be *good news* to our town and beyond by mobilising church members to offer practical, hands-on support. Re-Track focuses on helping individuals get their lives back on track and is overseen by a part-time employee supported by a team of over 50 volunteers who regularly give their time to carry out simple but meaningful acts of kindness.

Throughout 2025, we provided emergency food parcels donated by church members, including delivering them directly to people's homes. For those needing longer-term help, we also offered ongoing support and referrals to the Trussell Trust Food Bank.



We distributed Easter eggs, Mother's Day gifts, and an incredible 271 Christmas boxes to some of the most deprived families, individuals, and elderly people in our community. In addition, we led Easter and Christmas carol services at a residential home in Kempston and provided places for 13 families at our Church Christmas Family Fun Day.

During the year, we successfully responded to 28 referrals from social workers, the council, social prescribers, and GPs, providing one-off support to individuals and families facing significant need.

Some of the ways our volunteers made a difference during 2025 were:

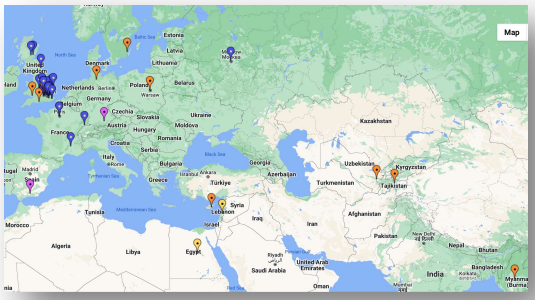


- clearing a garden for an elderly lady living with dementia.
- helping a single mother of four to declutter her home and create more space for her children.
- providing clothing and food for a mother and daughter who had fled domestic violence with nothing.
- supplying cycles for a family of five who had fled their country due to persecution.
- providing food, clothing, and SIM cards for a refugee family of seven.
- helping an elderly lady lift and sort boxes after moving house.
- working with the Council to pick litter in Cauldwell, the area surrounding King's House

## 4. KA Apostolic

King's Arms Apostolic oversees and spearheads the trans-local work of the church in serving other churches and apostolic networks. As a church, we have the privilege and opportunity to help serve churches across the world.

King's Arms is part of Catalyst, a relational network serving over 80 churches in the UK and around 800 established and new churches in other nations across the world. In the UK, Catalyst is led through a number of Apostolic Hubs that care for churches and provide strategic direction. Both Simon Holley and Phil Wilthew are part of the core apostolic team and have been actively involved in serving at events such as the Catalyst Leaders Weekend, Leadership Training, Impact training and the first International Leaders' Summit in Albania attended by numerous leaders from our Hub churches across the world for a week of worship and teaching.




**Bedford Hub.** The Hub serves over 40 Churches, mostly in the UK, with a geographical spread from London to Dundee. We also support churches in 8 countries outside the UK, which receive regular input from our strategy team and church leaders.

In 2025 churches in the Hub were supported through seven ministry trips to Ashford, Aylesbury, Milton Keynes, High Wycombe, Dundee and Paris. Phil and a team, including some of the worship team from the King's Arms, were able to support the church in Dundee as they put on a conference bringing churches together across Scotland. We also supported our friends in Paris where a team joined them for a prophetic conference (see pictures below). Simon has also supported churches in different nations through his role of leading Catalyst and has often taken a team from the King's Arms with him.





**Equipping and training huddles.** Our on-line leadership training huddles continued to develop during the year, including a European Leaders Huddle led by Phil Wilthew and Duncan Hanton to support leaders in related churches in other European countries, and a New Zealand huddle led by Phil Wilthew to support church leaders in NZ who due to the time difference often find it challenging to join our on-line Hub gatherings. Simon Holley also continues to run a Huddle for some of our Hub leaders.

**Hub Gatherings.** We continue to meet as a Hub at King's House every other month, with 50-60 attending in person and others, mainly from overseas, joining us online. As a Hub Strategy team, we decided that we should focus on prayer and decided that twice a year we would spend the whole morning of the Hub meeting in worship and prayer. We had our first Prayer Morning in September, led by Duncan Hanton who is part of Hub Strategy team and who brought the worship team from his church in London to lead us.

**Resonate.** We were excited to host our annual Resonate Leaders' Summit (new name for the event) in February 2025, themed "Passion and Purpose" with over 215 guests attending in person and online and we were honoured to have Paul Manwaring come and share with us. The event felt very much like a family moment for us as we had friends join us from Spain, France, Germany, Scotland, Switzerland and Russia.

**Amplify Prophetic School.** For the fourth year we ran another very successful on-line Prophetic school, led by Phil Wilthew, Charlene Frammingham and Sarah Brown. This school ran mostly on-line via zoom with one day in-person at Kings House when we were joined by Julian Adams from South Africa and Karen Kircher, who is a workplace prophet and a member of the King's Arms Church. The school ran for 6 months with 50 students and 16 coaches, including for the first time an overseas group from Africa and South Africa.

**Revive.** In 2025 the school was run for the second time in a revised format with 2 options, one being a Thursday evening school for our King's Arms community and the other a Friday and Saturday weekend school. The Thursday evening school had a team of 6 leaders, Charlene Frammingham, Sarah Brown, Andy and Becky Flood, Peter Rattu and Kathryn Crane and 31 students from all different ages and stages of life which was double the number from last year.



The Weekend School had 8 leaders across the 2 days (Charlene Frammingham, Mike and Louise Saunders, Philippa and Steve Westwood, Tsitsi Mbanje, Jerry Rosenfield and Graham Moore and had 15 students, including students from five other churches joining us with some travelling from Truro (see picture opposite). We were pleased to have students from last year join the team this year and through the school we have been able to encourage and raise up leaders into different areas of church life and beyond.

The school's vision is to ignite hearts and see personal transformation, corporate awakening and multiplication of what we learn shared and implemented in our spheres of influence. The school has many leaders from the Bedford Hub coming to share and teach the students and we have seen miracles, and answers to prayer. We also had our first Revive intern, Lucas Bentley. His parents planted a church in Spain and are part of our Hub family.

**Revive Conference.** The Revive School hosted a conference called "Revival Fires" with the speakers being Martin and Karin Koonstra from Holland. There were 178 delegates for the 2 day conference and it was a special time with many saying how they had been deeply impacted and met with God in a personal way. Our favourite story was from a current Revive School lady who was healed from 10 years of medicated back pain and is now pain free.






## 5. SEND



2025 was the 12th year for Paula O'Sullivan, originally from the King's Arms Church, working as a missionary in 'Hope Zone' in Tijuana, Mexico. She celebrated her third wedding anniversary with Uriel and also the birth of her son Wesley and writes: 'God has given me a physical and a spiritual home here'. We are thankful for the lives she has faithfully impacted for God and her dedication, hard work and commitment to that desperately needy part of Mexico.

Paula has continued to support local mums with life skills courses, serve in the newly established Medical Centre and go out onto the tough streets with the light and hope that the message of Jesus brings. She says: "it's the mums who influence the families, so if they know the Lord, the families come to know him too. Working on the streets gives us the opportunity to invite people to join our programmes so they can be part of a godly community, and we love to share Jesus with new people each week."



In October 2025 a team from the King's Arms church travelled to Tijuana, a city with many homeless and poor people and the biggest red-light district in North America. The team went for a week and joined in with Paula's day-to-day work and also helped to build a house for a needy family in a village just outside of the city. It was eye-opening for the team to experience practical Christianity in a different culture, and everyone was deeply impacted by the trip. Plans for a return trip in 2026 are already underway.







The beginning of 2025 saw a return to the UK of JS who had been serving God in North Africa for the previous 2 years. Whilst there they had been learning a different dialect of Arabic and using that location as a steppingstone to their next long-term adventure in East Africa. As part of these plans, they spent 2025 in the UK strengthening their support from the King's Arms church community both in prayer and financially. They had many opportunities to teach church groups about what it's like to take the good news of Christianity to people who have never heard it before, and the need for more workers like themselves to join in this vital mission. Having been a team member for many years, the time had come for them to step up into team leadership, so they also spent the year writing their strategy paper and recruiting a team. They launch into their new location in early 2026 and we look forward to their new adventure stories.



## 6. KING'S ARMS HISTORY AND DEVELOPMENT

King's Arms Church was established in 1992 with the support and oversight of Woodside Free Church, Bedford (now Woodside Church). The King's Arms Trust was registered as a charity on 1 January 1995. Prior to this date, the accounts were included within those of Woodside Free Church.

King's Arms Church began to meet separately from Woodside in October 1992, initially on Sunday evenings. Since 1995 the church met to worship on most Sundays and has grown steadily in attendance. The church met in the dining room at Dame Alice Harpur School (now Bedford Girl's School) for many years before moving to King's House in 2010. King's House, which was purchased by the Trust in December 2009, was previously a factory manufacturing Crayola Crayons.

Throughout its history King's Arms has been caring for poor and disadvantaged people in Bedfordshire. The King's Arms Project commenced work among Bedford's homeless in 1989 when a residential house located in Clarendon Street, Bedford was established. The Project has developed with additional houses and elements, all of which have been set up to cater for the needs of poor and disadvantaged people. In order to facilitate its further growth and development, in 2011 the Project was established as a separate charitable company called King's Arms Project (Bedford). In 2025 the Project was rebranded as 'HopeWorks'.

As a result of the growth in attendance, the King's Arms Church now meets on Sundays as three congregations on two sites in the Bedford area.

In addition, several new churches have been established in the UK and overseas by members of the King's Arms Church and other churches are now being led by people who once attended the King's Arms Church. These include:

David Stroud, the founder of King's Arms Church, led a team to South Birmingham in 1998 to plant a church and now leads Christ Church, London with four congregations meeting across the city at Mile End, Stockwell, Sutton and Central London.

Matt and Philippa Hatch who moved to Leeds in 2002 and lead Mosaic Church, a multi-site church meeting in three Leeds locations: North Central, South and Holbeck. They have also planted new churches in South Africa and UK.

Adrian and Lucy Hurst, Oasis Church, Birmingham.

Nick and Tracey Priggis, Hope Church, Shrewsbury.

Tim and Vicki Simmonds, Christ Church, Manchester a multisite church with eight meetings each Sunday in six locations across the city.

Robin and Hannah Vincent have planted churches in Bromsgrove and The Hill Church, Swansea.

Mike and Jen Milner. Vineyard Church, Guam.

Olivier and Elodie Sarkis, Montêlimar, France.

Matt and Maèllou Trefcon, Montêlimar, France.

Many of these churches are located in multi-racial environments in deprived inner-city areas, with an emphasis on caring for poor and disadvantaged people.

**KING'S ARMS TRUST (BEDFORD)**

England & Wales - Charity number 1116359

# Accounts

KING'S ARMS TRUST

# ANNUAL REPORT & FINANCIAL STATEMENTS

For the year 1st January 2024 to 31st December 2024



KING'S ARMS TRUST (BEDFORD) | CHARITY NO 1116359 | COMPANY NO 05899019

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# CHARITY AND COMPANY INFORMATION

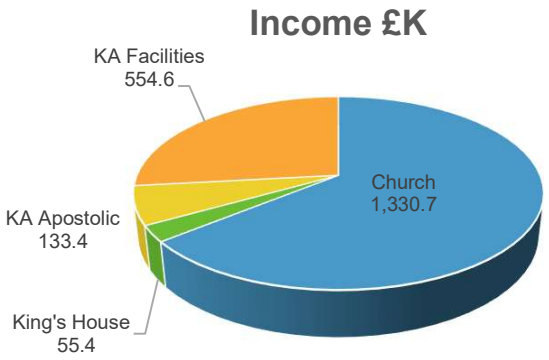
| | | |
|---|---|---|
| **Trustees/Directors** | Roydon Loveley (Chair) | |
| | Simon Holley | Peter Humphrey |
| | Sandra Kamchira-Mangwiza | Nicola Marfleet |
| | Rotimi Odeniran | Philip Varley |
| **Elders** | Simon Holley (Lead Elder) | Roydon Loveley |
| | Stephen Wilson | Philip Wilthew |
| **Charity Number** | 1116359 | |
| **Company Number** | 05899019 | |
| **Registered Office** | King's House<br>245 Ampthill Road<br>Bedford MK42 9AZ | |
| **Independent Auditor** | Wright Connections<br>Bedford i-Lab<br>Priory Business Park<br>Stannard Way<br>Bedford MK44 3RZ | |
| **Business Address** | King's House<br>245 Ampthill Road<br>Bedford MK42 9AZ | |
| **Solicitors** | Sharman Law<br>1 Harpur Street<br>Bedford MK40 1PF | Wellers Law Group LLP<br>65-68 Leadenhall Street<br>London EC3A 2AD |
| | Avensure Ltd<br>South Central, 11 Peter Street<br>Manchester, M2 5QR | |
| **Bankers** | Unity Trust Bank Plc<br>4 Brindleyplace<br>Birmingham B1 2JB | National Westminster Bank Plc<br>81 High Street<br>Bedford MK40 1YN |
| | Co-operative Bank Plc<br>4th Floor<br>9 Prescot Street<br>London E1 8AZ | Virgin Money Plc<br>Jubilee House<br>Gosforth<br>Newcastle upon Tyne, NE34PL |
| | Shawbrook Bank Ltd<br>Lutea House<br>Warley Hill Business Park<br>The Drive, Great Warley<br>Brentwood, Essex CM13 3BE | Nationwide Building Society<br>Nationwide House<br>Pipers Way<br>Swindon SN38 1NW |

The King's Arms Trust (Bedford) had an encouraging year, despite the adverse economic climate on the activities and operations of the Trust; being both the company and its subsidiary. The total income of £2,074.1k, was an increase of 2.7% compared with 2023.

The main charitable activities of the Trust (being the company and its subsidiary), all of which provide public benefit, are:

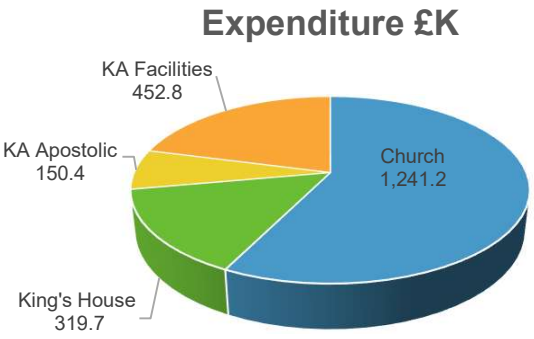
- **King's Arms Church** – A vibrant church of around 1,400 adults, children and youth with numerous meetings and activities held, in-person, and on-line. The church also operates **Re-Track** – which has participated in various projects to support those in need in Bedford and beyond. Within King's Arms Church there are also two key further activities identified as separate designated funds that assist in furthering the objectives of the Trust;-
    - **King's House** – the building owned by the Trust, providing the home for the majority of its activities.
    - **KA Facilities (Bedford) Ltd** – A wholly owned subsidiary company from within which a coffee shop and facilities rental are operated.
- **KA Apostolic** – the focus of the work of King's Arms Church in supporting leaders and churches in the UK and other nations.

A summary of the income and expenditure of each of the activities of the Trust is shown in the pie charts. It should be noted that the finances of the various activities of the Trust are controlled and monitored independently of each other.




Income totalled £2,074.1k. The majority of the Church income of £1,330.7k came from individuals attending the King's Arms Church.

Expenditure totalled £2,164.1k, with the Church, KA Facilities and the King's House building being the three largest areas.




The net assets of the Trust at the end of 2024 were £2,702.6k a decrease of £90.0k compared to 2023.

The vision of the King's Arms Church is to **Worship** God, **Love** one another and **Multiply** disciples, groups and churches everywhere **until we see God's kingdom fill the earth**.




2024 was the fourteenth full year of the church meeting on a Sunday at King's House. The building comprises a 500-seater auditorium, coffee shop, many meeting rooms with capacities up to 250 people and office accommodation.

The office space, meeting rooms and auditorium are used by the church and are also made available for commercial rental. The coffee shop is open to the public as well as to visitors and users of the facilities at King's House and those who work in the building.

Each Sunday the church holds three services at two locations/sites: 9:30 am (King's House), 10:30 am (Bedford Academy) and 11:30 am (King's House), with many new people attending throughout the year. In addition, in the afternoon every other week, a smaller congregation met in the nearby village of Blunham. Also, we continued to Livestream our 11:30am service providing a way for people both near and far to connect to our community.

In addition, the church ran a wide variety of activities including:

- Children's and Youth meetings both on Sunday and during the week.
- Life Groups or Missional Communities meeting regularly midweek.
- A variety of activities and events for the elderly, prisoners and the local community.
- Pastoral support to those in need within the church community.
- Serving 40 different churches based in the UK and 10 different countries.
- Re-Track - which has participated in projects to support those in need in Bedford and beyond.

All of the above being supported by the numerous committed members of the church community providing volunteer support.



KA Facilities trading income was £580.6k with an operating profit of £101.7k. The main reason for this good performance was several long-term bookings for the rental of rooms at King's House. Two of our long-term contracts used King's House 5 days a week: Bedford Hospital Midwifery Services and Diabetic Eye Screening. In addition, regular and new customers used King's House for meetings, celebrations and events and on many days all of the rooms were occupied.

The generous financial support from voluntary donations by church members continued. Expenditure continued to be tightly controlled and budget forecasts monitored with the aim of minimising any depletion of reserves.

In summary, despite the ongoing adverse economic climate, the Trust had another successful year, and the Trustees are confident that the Trust will continue as a going concern.

This is the eighteenth report of the King's Arms Trust (Bedford), an incorporated charitable company, which commenced operating on 1 January 2007.

## INTRODUCTION

The Trustees of the King's Arms Trust (Bedford) present herewith their group annual report, together with the financial statements of the charitable company and its trading subsidiary (KA Facilities (Bedford) Limited) for the year 1 January 2024 to 31 December 2024. The report provides details of the many and varied activities of the Trust.

## PRINCIPAL OBJECTIVES

The principal objectives of the King's Arms Trust (Bedford) are that of the advancement of the Christian faith in the UK and overseas, the advancement for the public benefit of religious and other education including the relief of the aged, poor, sick and disabled.

'Public benefit' is the legal requirement that all charities must have charitable purposes which benefit the public. The Charities Act 2011 underlines this requirement. This report seeks to highlight the public benefit provided by the King's Arms Trust (Bedford).

## LEGAL AND ADMINISTRATIVE INFORMATION

The King's Arms Trust (Bedford) is an incorporated charitable company (Charity No. 1116359 and Company No. 05899019) which commenced operating on 1 January 2007. Prior to this date, and from 1 January 1995 to 31 December 2006, the organisation operated as 'The King's Arms Trust', an unincorporated charity (No. 1044098).

The King's Arms Trust (Bedford) is governed by its constitution as defined in the Memorandum and Articles of Association.

The King's Arms Trust (Bedford) owns the freehold of King's House, a building located at 245 Ampthill Road, Bedford MK42 9AZ. Many of the activities of the Trust are undertaken at King's House.

Throughout the year the Trustees had Property Owners Liability insurance cover with an indemnity limit of £10 million. The cost of the insurance was paid by the charitable company.

The King's Arms Church operates as the principal function within the trust and King's House is registered as a Place for Religious Worship and for the Solemnisation of Marriages.

KA Facilities (Bedford) Ltd, a wholly owned subsidiary company, commenced operations on 1 January 2013. The company operates facilities within King's House:

- Ground Floor Coffee Shop.
- Rental of the meeting and conference facilities.

The King's Arms Trust (Bedford) is a member of the Evangelical Alliance and is affiliated to Catalyst, an apostolic team within Newfrontiers, a worldwide family of churches. The church also operates an Apostolic Resource Base (or hub) within Catalyst.

## VISION AND LEADERSHIP

The vision of the King's Arms Church is to **Worship** God, **Love** one another and **Multiply** disciples, groups and churches everywhere **until we see God's kingdom fill the earth**, and we believe that God is calling us as a community to be:

- **Committed to God and each other**
- **Committed to making disciples**
- **Committed to the poor**
- **Committed to the next generation**
- **Committed to the nations**

During a time of mounting global pressure and economic uncertainty, we felt God's call to us to step forward as a **people fuelled by hope and joy rather than fear**.

The outworking of this means that we seek to serve the local community and also to impact the UK and other nations. As a church we recognise that the pursuit of who we want to be impacts the way we live and so have defined our aspirational culture as those who live with:

## Honour, Generosity, Acceptance, Authenticity and Courage

To help fulfil this vision a 'Cultural Leadership Review' of the organisation of the trust, which had been largely unchanged for several years, was undertaken during 2023 led by two Trustees. As a result, significant changes to the management structure of the trust and church were made during 2024, with final implementation during 2025. The changes will allow for further growth and the achievement of the vision. The new 'top level' organisation providing oversight of the church is shown in the chart.

**Governance Oversight** is provided by the Trustees/Directors and during the year these were:

- Roydon Loveley (Chair)
- Simon Holley
- Peter Humphrey
- Sandra Kamchira-Mangwiza (Appointed 5 Mar 2024)
- Nicola Marfleet
- Rotimi Odeniran
- Philip Varley




Trustees are appointed by the Elders, with the approval of the other Trustees. The Trustees met six times during 2024 and were regularly consulted and informed on matters of importance.

**Spiritual Oversight** is provided by the Elders and during the year these were:

Simon Holley
(Lead Elder and Senior Pastor)



Paul Johnson
(Resigned 31 March 2024)





Roydon Loveley
(Resigned 31 December 2024)



Stephen Wilson
(Executive Pastor)



Philip Wilthew
(Preaching Pastor)

The Spiritual Oversight Team will be developed to include the Elders and others with recognised gifts. It is still in the initial stages of development and will be fully in place by the end of 2025.

**Operational Oversight** is provided by the newly established Operational Leadership Team (OLT) comprising of the Elders - Simon Holley, Steve Wilson and Phil Wilthew, alongside:



Claire John
Group Life Team Leader



Josh John
Worship and Culture Pastor



Nicky Stanyard
Families Pastor

Day-to-day management of the charity has been delegated by the Trustees to a wider leadership group known as "OLT+". This team includes all members of the OLT, as well as the following other key management personnel:

- Rob Brown - Business Manager & CFO
- Charlene Frammingham - Prophetic & Revive School of Mission and Ministry Leader
- Philbe Kellet - Pastoral Team Leader
- Isabel Turner - KA Facilities CEO & Social Action Lead

## FINANCIAL OVERVIEW

A summary of the income and expenditure (£k) of each of the activities of the Trust during 2024 is shown below. It should be noted that the finances of the various activities of the Trust are independent of each other.

| | King's Arms Church | King's House | KA Facilities (Bedford) Ltd | KA Apostolic | Total |
|---|---|---|---|---|---|
| Income | 1,330.7 | 55.4 | 554.6 | 133.4 | 2,074.1 |
| Expenditure | -1,241.2 | -319.7 | -452.8 | -150.4 | -2,164.1 |
| Internal Transfers | -105.1 | 219.4 | -125.4 | 11.1 | - |
| Net surplus/deficit | -15.6 | -44.9 | -23.6 | -5.9 | -90.0 |

Income totalled £2,074.1k, an increase of 2.7% compared to the previous year. Income for the church, totalling £1,330.7k, mainly came from members and supporters of the church. Expenditure totalled £2,164.1k, an increase of 10.1% compared to the previous year, with the church, King's House and KA Facilities being the largest areas of expenditure. The net assets of the Trust at the end of 2024 were £2,702.6k a decrease of £90.0k compared to 2023. Of particular note was the KA Facilities trading income which was £580.6k with an operating profit of £101.7k compared to a profit of £145.4k in 2023 (these results include inter-company trading which are not shown in the table above as they have been eliminated on consolidation in presenting the final group financial statements). A key reason for this continued good performance was the long term bookings for the rental of rooms at King's House.

The building loan balance outstanding at the end of 2024 was £518.1k, compared to the total initial value of £1,430k. In summary 63.8% of the total amount borrowed has been paid off in the last fifteen years.

## KING'S ARMS CHURCH OVERVIEW



The King's Arms Church community is made up of around 1,400 adults, children and youth.

The church meets each Sunday for worship and teaching in three congregations at 9:30am and 11.30am at King's House and 10:30am at the Bedford Academy. In addition, in the afternoon every other week, a smaller congregation meets in the nearby village of Blunham. Also, we continue to Livestream our 11:30am service providing a way for people both near and far to connect to our community.



The congregations meeting at King's House are now increasingly diverse, and it has been a joy to see vibrant, celebratory cross-cultural worship emerging. A real sense of community and serving has grown during the year with many being encouraged through prayer and prophetic ministry.

Each of our Sunday meetings are led by a Meeting Pastor and team of godly, anointed leaders who want to build healthy communities that long to encounter God, build community and see us fulfil our vision as a church. These 'core' teams will be developed over 2025, so that each Sunday meeting has recognised deacons to support their health and function.

**King's House - 9.30am Meeting.** During the year the congregation continued to grow in both number and spirit as we gathered each Sunday with a shared passion for worshipping Jesus. The heart of our community remains centred on coming together to celebrate and encounter Jesus, and we've seen a steady increase in young families joining with us, with an average attendance over the year of around 200. There has also been a noticeable rise in the number of teens, bringing fresh energy and enthusiasm. This year also marked a significant leadership transition with the appointment of a new site pastor, Dan Frammingham, to guide and lead the congregation. As we look ahead, we are excited about the future and the continued growth of our church community, both in numbers and in faith.



**King's House - 11.30am Meeting.** Since the decision to go multisite in 2022, the 11:30 service has flourished into a thriving community of Jesus-loving, Kingdom-focused individuals. While we share the same one-church vision across all our gatherings, each meeting has developed its own distinct identity. The 11:30 service stands out as a vibrant and multi-ethnic group, full of people passionate about God and driven to make a difference. It's a joy to see a growing number of new believers, spanning all ages, joining us. In addition, there's an increasing presence of young families. Currently, our adult attendance averages approximately 340 weekly and the meeting is led by Fortune Udoh, who stepped into this role in September.



**Bedford Academy - 10.30 Meeting.** Since the launch in September 2022 with 90 people joining a new congregation, it has established itself as a growing and healthy congregation. Whilst we pursue the same one-church vision across each of our meetings, each meeting has its own identity, and the 10.30 is known specifically for its high level of commitment and community feel. Steve Wilson, the site pastor comments, "Our 10.30 gathering is a beautifully diverse group of people, passionate for God and eager to make a difference, especially in social action. We are a group strong in young families, with around 50 children and young people each week and with a higher proportion of the retired generation among the 150 or so who gather each week". The 10.30 hires the Bedford Academy for its meetings but is actively seeking a more permanent home for the congregation and with missional opportunities.



**Blunham – 3pm Meeting.** The year has been successful and important for the growth of the newest Sunday meeting of King's Arms. In addition to fortnightly Sunday worship, we have seen a community café impact the village, and the continued success of the Little Kingdom group which serves parents / carers of under 5's in the area. In June we invited people from the village to a family fun day, attended by around 80 people, including many children who enjoyed a bouncy castle, crafts and other outdoor activities. A Christingle service in December saw our largest Sunday gathering as yet, with approximately 60 people present to enjoy a poignant, reflective and interactive Christmas message. Despite the appointment of a worship leader and a children's worker growth has been slower than hoped and therefore various options are under consideration for the future.



**King's Kids.** Throughout the year, King's Kids met during each of the three main church meetings on a Sunday morning. In the autumn term King's Kids also started meeting at the Blunham site. The sessions run for 1.5 hours and involve the children with singing, Bible teaching, craft activities and playing games. In total, across the four meeting locations, approximately 160-195 children attend, with over 110 volunteers working in rota.



Each term two discipleship groups meet after school once a fortnight for children aged 5-11 alongside a parents group. We also ran a Saturday 'Identity Conference' day for those attending a discipleship group.



At Easter and Christmas, Family Fun afternoons were held for the church and local community, with over 200 people attending each time. In October we held a "Light Party" event as an alternative to Halloween with about 200 children and parents attending.

**Youth.** 2024 was an incredible year for the youth at King's Arms. Every Wednesday, we gathered to connect, grow in community, and dive deeper into the Bible. It has been amazing to see more and more non-Christians from the local community join us, with many making the life-changing decision to follow Jesus. The warmth and welcome they have experienced has been truly beautiful to witness.



Our youth team has grown significantly, with so many men and women stepping up to serve and develop their gifts. It's been inspiring to see our young leaders flourish, with several 17 and 18 year-olds now leading group discussions, hosting meetings, and leading in worship. Wednesdays have been not only a time of encounter but also a space to invest in and train the next generation of leaders.

This year has been packed with unforgettable moments! From our Laser Quest social to an adventurous trip to Box End Water Park and a day away at Newday where we joined 9,000 other young people in worship, it's been a year full of fun, connection, and community-building and we even had the Grinch join us at our Christmas Party! Over the summer, our Bible studies took on a more intimate feel, creating space for deep, personal encounters with God. These smaller sessions were incredibly powerful, with young people being convicted and transformed as they engaged with Scripture.



Another highlight was our youth weekend away in November at the Frontier Centre. It was a truly special time of worship, teaching, and encountering God together. Saturday night was particularly powerful, as many young people received prophetic words and took bold steps in their faith. By Sunday morning, we witnessed an incredible moment as young people prayed over one another and the team, stepping out with confidence and passion.



Through it all, God has been so faithful. We have seen salvations, healings, powerful encounters with Jesus, and young people stepping up to lead like never before. There is a deep hunger for real, authentic connection with God, and it's been incredible to see that hunger grow. We can't wait to see what God has in store for 2025!

**Group Life: Life Groups, Missional Communities and Equip Groups.** Group Life continues to offer between 50 and 60 Life Groups, Missional Communities or Equip Groups to those attending the church. Almost 500 people signed up to a group in 2024, and over 100 people have been involved in leadership and coaching. The coaching team now consists of 16 people, 8 of whom have joined within the past year. We are looking to invest in this team, and expand it further, with specific training from individuals with coaching and leadership experience from both inside and outside of the church.




New groups added during 2024 included several new 'home written' training courses, including a Prophetic Foundations group, and an online 'Equipping for the Harvest' course. We have seen the rise of more 'location specific' Life Groups, where small groups are tied into a specific Sunday congregation. Whilst we have historically seen the highest engagement with Group Life from amongst the 10:30am (Bedford Academy) congregation, we are pleased that we have seen an increased sign up for both group membership and leadership



from the 11:30am meeting especially. There are now 'location based' life groups available for all 4 Sunday locations, and we have seen a notable increase in the diversity of people leading groups.

In September 2024 we appointed a new 'Head of Leadership Development', Anil Banghar, to the Group Life team, who will be looking at how we can identify, equip and raise leaders both in Group Life and across the church more broadly. Including Anil, we now have a team of 4 staff working in Group Life, with the addition in September of a specific Group Life Pastoral Lead, Danica Shaw, who has been employed to support and train group leaders and coaches in pastoral care.

**Friday Night Meal (FNM)**. This is our weekly outreach meal to the homeless and vulnerably housed in Bedford. We love to provide community, good food and make Jesus known to our guests. There have been many new volunteers joining the team this year providing a great mix of nationalities (Polish, Romanian, Indian, Nigerian, Ethiopian, South African, African-Caribbean and British) with many from the King's Arms Church, others from a local branch of the HSBC bank and some from the local community. Guest numbers vary between 30-55 each week, with only a few experiencing homelessness, while others are vulnerably housed or living alone. During a recent review with the guests, the main reason for attendance was the real sense of community, friendship and genuine conversations, closely followed by the quality of the food.





The highlight of the year was undoubtedly the Christmas meal, with all the trimmings, and 'Love Christmas' gift bags available for each guest. A musician from King's Arms came to lead carol singing, with many of the team forming an impromptu choir. Additionally, one of the members of the 10.30am service shared powerfully about how he had once been a guest at FNM and how his life has changed through attending the King's Arms Church and learning who Jesus is. We are planning to have an Easter banquet in 2025 and a BBQ in the summer. It is great to see the ministry flourishing and the wonderful volunteers with such a heart for the local community, so much so that one of our leaders has recently started a Life Group for FNM guests.

**Other Activities.** In addition to the activities described above, a wide variety of other church activities continued during the year, as described in more detail in Appendix 1, including:



- **Alpha.** The Alpha course gives people the chance to explore the Christian faith in a relaxed environment.
- **Prison Ministry.** Sunday services in the Bedford Prison Chapel once a month.
- **King's Playhouse.** A place for parents from the local community and their preschool children, toddlers and babies to gather for connection and community each week in term time.
- **Belong.** A group for newcomers to the church meeting weekly with between 10 and 20 people attending.
- **Prayer.** 21 days of Prayer & Fasting and monthly 'Prayer and Pursuit' evenings, giving the church the opportunity to pray, worship and hear God.
- **The Well.** Provides afternoon tea each month for those over 65 years of age.
- **Worship & PA.** The musicians, sound engineers and production team continued to play a vital role in serving the King's Arms.
- **Design & Communications.** Various resources were generated by the D&C team.

**Pastoral Support.** As a church we want to care for one another and also offer support to the wider community. Specific areas of support described in Appendix 2 were with respect to: Mental Health and Wellbeing, Racial integration and Marriages.



**Re-track.** This seeks to help people get their lives back on track. Based at King's House, Re-Track has participated in various projects to support those in need in Bedford and beyond as described in Appendix 3.

**KA Apostolic.** This area oversees and spearheads the trans-local work of the church in serving other local churches and apostolic networks as described in Appendix 4.

**Send.** We continue to support people from the King's Arms Church working overseas as missionaries as described in Appendix 5.

## King's House Overview



On weekdays, King's House continues to serve the wider community as a venue for conferences, meetings, and events. We have long-standing room rental agreements with the NHS for both the diabetic retinal eye screening services and the community midwives, which together bring hundreds of patients into the building each week, many often stopping in the coffee shop for a drink and a friendly chat with our team after their appointments.

Financially, 2024 was another solid year with the surplus being gifted to the Trust being just over £100k, despite losing one of our other long-term bookings in April. However, in September a small charity working with ex-offenders started renting another of our small rooms on a long-term basis.

Our largest event last year was a joint conference for Oxford and Cambridge universities, where we provided the auditorium, break out rooms, lunch and a three-course evening meal for nearly 150 guests. We also accommodated large conferences for Welcome Churches, Langley House Trust and St Albans diocese and we were a polling centre and counting venue for the two elections that took place in 2024.

We have been able to give back to the community by offering complimentary rooms for important causes, discounted rates on both room hire and refreshments for many charities, the NHS, church members' weddings and funerals, plus various King's Arms church meetings and conferences. The total value of our complimentary and discounted rooms during the year is estimated at over £150,000.



Ground Floor Coffee Shop, located in the foyer, remains open to the public Monday to Friday. Thanks to our excellent staff team providing fresh food and high-quality drinks, we have seen a steady increase in visitors. To further enhance our presence, we continue to use a freelance content creator to manage our social media.

**Greenhouse Gas Emissions (GGEs)**

Electricity consumption by the King's Arms has been shown to be the greatest contributor to GGEs. The 120 solar panels installed on the roof of King's House reduce our consumption of electricity by around 30% in the Summer. On Saturdays and other days when the building is less active we generate surplus electricity which is exported to the National grid. Other energy savings measures include installing LED lights and additional insulation where practical.



**Building Developments.** In September 2024 significant flood damage occurred inside the building. This led to repairs being carried out during and after the year and required the flooring to be replaced in the main auditorium and some other rooms and offices. All these costs were covered by insurance.

## GOVERNANCE

With the increasing size and complexity of the Trust, the Trustees have agreed to increase the frequency of meetings and change their structure, so that at each meeting there will be two main agenda items occupying the majority of the meeting time as follows:

| | Main Agenda Items | |
|---|---|---|
| Feb | **Staff**<br>Review of HR issues and policies | **Cultural Audit** |
| Apr | **Safeguarding**<br>Review using CC 10 Actions Template | **Strategic Review**<br>Vision / Future Plans |
| Jun | **Annual Report and Accounts**<br>Review and approve for previous year. | **Investment/Reserves**<br>Review of policies |
| Sep | **Risk Register**<br>Review and update | **Finance**<br>Detailed review |
| Nov | **Budget**<br>Review and approval for the next year. | |

The changes first introduced during 2023 were fully implemented from mid-2024.

In addition to the oversight provided by Trustees, the Chief Financial Officer, Rob Brown oversees and manages the finances for the Trust and leads the Finance Team, consisting of three Finance Officers (all part-time) with each being responsible for a separate area of the work of the Trust. Monthly management accounts are generated, showing income and expenditure against the agreed budgets and also annual forecasts.

## STAFF

At the end of 2024 there were 84 staff roles, broken down as follows:

| | Church (incl Apostolic) | Building and Facilities | Total |
|---|---|---|---|
| Full time | 8 | 3 | 11 |
| Part time / Zero Hours | 35 | 38 | 73 |
| Total | 43 | 41 | 84 |
| Full time equivalent | 22.2 | 7.0 | 29.2 |

Church staff includes three full time Elders. Several staff have more than one role and thus have multiple contracts of employment.

A 'Death-in-Service' life insurance scheme was continued in 2024, at no cost to employees, with cover of four times salary. The Trust also contributes to a staff pension scheme. Further staff benefits have been introduced including a Sabbatical Policy and Long Service Awards providing additional time off work and financial rewards.

All staff, including paid Trustees, are subject to a formal annual review/appraisal, the outcome of which assists in determining any salary increases. Salary scales are regularly 'benchmarked' against similar churches, charities and other equivalents.

## SAFEGUARDING

The major change in Safeguarding during this period has been the departure of Designated Safeguarding Lead (DSL) Phil Cox in September. He has been replaced on a full time basis by Tim Brown who was previously a criminal barrister for 36 years and who brings a wealth of safeguarding experience albeit in a different context. As part of his review of safeguarding policies and procedures on appointment, Tim has reviewed and revised certain key procedures making them even more robust, for example, Volunteer Codes of Conduct and Risk Assessment Procedures. This reflects the importance the Trust places on robust and effective Safeguarding policies and procedures and means that alongside the appointment of Sandra Kamchira-Mangwiza, a qualified independent Social Worker, as a trustee in early 2024, there is a level of expertise in those who head up Safeguarding.

In line with a previous objective to raise the profile of safeguarding and to ensure its importance is communicated across the church, new safeguarding posters, identifying team and how to report a concern are located at key points across all buildings and time on a Sunday morning is being set aside to introduce the Safeguarding Trustee and DSL at which they will emphasise that safeguarding is the responsibility of all.

The key objective for the first half of 2025 is to introduce revised safeguarding training for all staff and volunteers. This will be in a video format and the script has been written and is ready for filming. Alongside the videos will be an online assessment for all staff and volunteers ensuring an appropriate level of understanding of training, and equipping all to deal appropriately and sensitively with safeguarding concerns.




The trustees adopted the process recommended by the Charity Commission (shown opposite) to review all aspects of Safeguarding at the King's Arms on a regular basis.

## KA FACILITIES (BEDFORD) LTD

A wholly owned subsidiary company 'KA Facilities (Bedford) Ltd' (Company No: 08314420) commenced trading on 1 January 2013. The Ground Floor Coffee Shop and facilities bookings operate within this subsidiary company which gifts any trading surplus to the parent Trust.

No staff are employed by the subsidiary company. Staff working in its support are employed by the parent Trust and their costs, including salary, NI and pension, are recharged to the subsidiary company. The company also pays an annual rental charge of £30k for the use of the coffee shop facilities.

The turnover of the company in 2024 was £580.6k, a small decrease compared to £590.9k in 2023. Profits of £101.7k were also lower than the £145.5k in 2023. Refer to Note 28.

Further details of the activities of the subsidiary company are provided in the heading King's House Overview.

## King's Arms Church, Blunham




A new Sunday and mid-week meeting location was launched in the Autumn of 2023 at an old Baptist church in the village of Blunham. John Wright was employed by the King's Arms Trust (KAT) for two days a week from June 2023 to lead the Blunham congregation. The building is owned and operated by the Blunham Old Meeting Baptist Church Trust (BOMBCT) and has five trustees, two of whom are also trustees of the KAT, namely Roydon Loveley and Peter Humphrey. The BOMBCT (Charity No: 237680) continues to be responsible for the building and a collaboration agreement has been generated. The BOMBCT and KAT are not considered to be related parties.

### CATALYST

As mentioned previously, the KAT is part of Catalyst a charitable company – Company No: 08284434, Charity No: 1150242. The KAT and Catalyst share two Directors/Trustees, namely Roydon Loveley and Simon Holley. Simon leads a Catalyst strategy team made up of leaders from churches who are also part of Catalyst. He is employed by the KAT, but from January 2024 Catalyst funded 30% of his salary to cover his role in leading the strategy team.

### BUSINESS RATES

Since the purchase of King's House in 2009, the Trust has not been required to pay business rates. As a charity the trust enjoys the 80% government mandatory relief from business rates and as a registered Place of Religious Worship the trust has also been exempt from the final 20% of business rates. (The only exception has been when non-charity companies have rented office space at King's House and they have paid the necessary business rates to the Local Authority).

However, the situation changed in early 2024 when the Valuation Office Agency, on the basis that they believed King's House was a conference centre, issued a notice requiring the trust to pay £126k for business rates backdated for the 7 years from April 2017 to March 2024, plus a further £42k for subsequent years to March 2026. We are appealing this decision. See further detail on page 18 and "Note 8 - Exceptional Expenditure" on page 33.

### FUTURE PLANS

Along with continuing the current activities, plans for 2025 and beyond include:

- Full implementation of the new organisation and staff restructuring as outlined previously.
- Further development of meetings and activities in Blunham at the building known as Blunham Old Meeting Baptist Church.
- Seeking to purchase a building in Bedford suitable for hosting the 10:30 Sunday meeting.
- Further development of our on-line services and activities.
- Appointing additional Trustees with expertise in legal and HR.
- Appointment of people to the Spiritual Oversight Team.
- Initiatives to further reduce our carbon footprint.
- Various refurbishments at King's House.
- Review and strengthening of our HR processes to ensure the continued growth of the staff team

## POST BALANCE SHEET EVENTS

The activities of the Trust have fully recovered from the pandemic levels. Attendance at our four Sunday services, held in three locations, continues to increase. The other many and varied church activities, the facilities bookings and the Ground Floor Coffee Shop at King's House are all operating in a very satisfactory manner.

Financial support from voluntary donations by church members to the end of 2024 was maintained and the Trust is in a healthy financial position despite reserves falling being below the policy level of 3 months expenditure as described in the "Reserves" section on page 19.

During the first six months of 2025, donations by church members have been maintained, supplemented by a successful Vision Offering of over £180K and over 100 individuals (or couples) who made first time donations to the church during this period.

The impact on donations from church members because of inflation and the increased cost of living continues to be monitored, and at the present time there is no indication that donations are being adversely affected. It is worth noting that a significant number of our committed financial supporters are retired with index-linked pensions and thus there is confidence that giving will continue, as was the case throughout the period of the pandemic, with no significant decrease.

Should donations decline to any significant extent, then expenses will be controlled and, if necessary, reserves used to maintain activities and operations.

The imposition of Business Rates at King's House is an ongoing matter. The Trust has taken on the services of a professional Chartered Surveyor (Colliers) to assist with the "Check, Challenge and Appeal" process with the Valuation Office Agency (VOA). The Chartered Surveyor has submitted data to the VOA for the "Check" stage and a "Challenge" to the VOA's findings has also been lodged. The VOA is yet to give formal response however if their response is unfavourable, the Trust intends to proceed to the "Appeal" stage. The total cost of Business Rates to March 2026, including backdated charges to 2017, is £168k, which the Trust expects to have fully paid by March 2026. The Trust holds sufficient reserves to meet this liability in full. However, based on Colliers advice, there is a high level of confidence that the appeal will result in a significant reduction in the total charge, possibly by as much as 100%. The outcome of the appeal may not be known during 2025.

Thus, the Trust has successfully navigated and recovered from the impact of the COVID-19 pandemic and the Trustees are satisfied that apart from the areas that continue to be monitored as mentioned above, there are no other events or conditions that cast significant doubts on the ability of the group to continue as a successful ongoing concern.

## PUBLIC BENEFIT

All the many and varied activities of the Trust, as described in this report, are available to, and for the benefit of, the public across the complete age spectrum of children, teenagers and adults. The development of King's House, located in the Cauldwell area of Bedford, has significantly enhanced the scope of the activities that the Trust is able to provide to the benefit of the local and wider community. Thus, the Trust believes that it fully complies with the requirements of the Charities Act 2011 with respect to public benefit.

## FUNDRAISING

Most funds are provided by voluntary donations from those who attend the King's Arms Church. The Trust does not employ staff, or use professionals, whose sole job is to raise funds. On occasions, grant applications are made to provide funds for Re-Track and other activities, and to develop King's House.

## TRUSTEE INDUCTION AND TRAINING

The Trustees are also Directors of the Company. Trustees are appointed by the Elders, with the approval of the other Trustees in accordance with the Memorandum and Articles of Association. Normally, new Trustees are already familiar with the work of the Trust, as they are committed members of King's Arms Church. However, in

certain circumstances someone from another church, with whom we have a relationship, will be invited to become a Trustee. Prior to their appointment, new Trustees will meet with the Chair of the Trustees to review:

- The roles and responsibilities of a Trustee as defined in the Trustee Job Description
- The main documents which set out the operational framework for the charity including the Memorandum and Articles of Association.
- Resourcing and the current financial position as set out in the latest published accounts.
- Future plans and objectives.
- The Trustee Induction Procedure.

## STATEMENT OF TRUSTEES' RESPONSIBILITIES

Charitable company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company and of the profit or loss of the charitable company for that period. In preparing those financial statements, the Trustees are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to assume that the charitable company will continue in operation.

The Trustees are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and that are sufficient to show and explain the company's transactions. This ensures that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud or any other irregularities.

## RESERVES

The Reserves Policy, agreed by the Trustees, is to maintain a level of unrestricted group cash reserves (including designated reserves) to mitigate against the risk that the Trust experiences an unexpected event which would put it in financial difficulty. The Trustees believe that the appropriate level of unrestricted reserves should be a minimum of 3 months of overall annual expenditure (excluding depreciation).

Using the above criteria, a detailed review has estimated that reserves should be at least £525k . At 31 December 2024, the Group held unrestricted cash reserves of £367k, equating to 2.1 months of annual expenditure. This is £158k below the organisation's reserves policy target of 3 months' expenditure. The Trustees consider this position to be reasonable in the context of the recent organisational restructure and the exceptional Business Rates charges incurred during the year. The Trustees will continue to monitor the level of reserves on a monthly basis with the intention of returning to the 3 months policy level. In addition, the reserves policy will be reviewed annually to ensure it remains appropriate to the Trust's financial circumstances and priorities.

The restricted reserves held at the end of the year were £47,414 represented by;-

- £2,827 being the remaining unspent balance of specific Church donations
- £44,587 being the balance Apostolic funds

## INVESTMENT POLICY

Reserve funds are invested such that the total in any one bank/building society is ideally less than the £85k guarantee limit provided by the Financial Services Compensation Scheme (FSCS). In order to stay below the limit, along with the Trust's main bank Unity Trust Bank Plc, accounts have also been maintained with Virgin Money Plc, Shawbrook Bank Ltd, Nationwide Building Society and National Westminster Bank Plc.

We have recently learned that: "When multiple banks are owned by the same organisation, they form a 'banking group'. Your FSCS protection is based on funds you hold with all the banks within a group – not

just the individual banks. For example, Bank A and Bank B are held in the same banking group. If you hold £50,000 in each, for a total of £100,000, you will exceed the £85,000 limit on FSCS protection". As a result, we plan to move some of our reserves to other banks.

## RISK MANAGEMENT

The major financial risks, as recognised by the Trustees, are as follows:

**Church.** For the church the risks are considered to be low due to the broad donor base. However, the risks have increased during the past few years due to the greater length of service being accumulated by staff and the contractual payments required should the church lose its donor base.

**Building.** The main risk associated with King's House is that sufficient income may not be generated to cover the costs associated with the operation and management of the building. These include loan repayments, staff salaries, operating and maintenance and any building developments. Risk is minimised by capital expenditure on building development only being sanctioned when funds are available from the normally annual church 'vision offerings' or from transfers from general church reserves when necessary.

The finances for King's House, including KA Facilities (Bedford) Ltd are monitored and controlled separately from the other areas of the work of the Trust with the main source of income being the gifts and regular giving from members of the church, office rental and the surplus generated by KA Facilities (Bedford) Ltd. A detailed cash forecast has been generated to the end of 2025. Future building developments will only be undertaken when funding is available. Any significant surplus money may be used to reduce the bank loans.

A detailed Risk Register has been generated and the financial and other risks have been reviewed and systems established to manage and mitigate these risks.

## POLICIES AND PROCEDURES

The Trust has established policies which apply to both staff and those who take part in the community life and/or visit the church and building. During the past year existing policies, including Health & Safety policies, have been reviewed and upgraded and various new policies generated. Avensure have been appointed on a 3-year contract to provide legal services and assist with Human Resources and Health & Safety issues.

## STATEMENT OF DISCLOSURE TO THE AUDITOR

The Trustees have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

As far as the Trustees are aware, there is no relevant audit information of which the charitable company's auditor is unaware.

The Trustees have prepared this report in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small entities.

Approved by the Trustees on: 12 September 2025

and signed on their behalf: Roydon Loveley

**Roydon Loveley**

Chair of Trustees

# INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE KING'S ARMS TRUST (BEDFORD)

## OPINION

We have audited the financial statements of The King's Arms Trust (Bedford) (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31 December 2024 which comprise of the Consolidated Statement of Financial Activities, the Balance Sheets, the Consolidated Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including 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's and of the parent charitable company affairs as at 31 December 2024 and of the group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### CONCLUSIONS RELATING TO GOING CONCERN

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company'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 the 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 light of the knowledge and understanding of the group and the 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 and proper accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charity financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specific 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' exemption 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 set out on page 19, the Trustees (who are also the directors of the parent charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the group's and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

**AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Based on our understanding of the group and its activities we identified the principal risks of non-compliance with laws and regulations and considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements as being the Companies Act 2006 and the Financial Reporting Standard 102 applicable to the UK and Republic of Ireland (FRS102) (effective 1 January 2019) and (Charities SORP (FRS102).

We evaluated the Trustees' and management's incentives and opportunities for fraudulent manipulation of the consolidated financial statements, including the risk of management override of controls, and determined that the principal risks related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates.

Our audit procedures were designed to respond to those identified risks, including non-compliance with laws and regulations (irregularities) and fraud that are material to the financial procedures. Our audit procedures included but were not limited to:

- We obtained an understanding of the group and parent charitable company and its activities and identified that the most significant law and regulations it needs to comply with are employment regulation and health and safety regulation, licensing laws and safeguarding regulations.
- We also considered the laws and regulations that have a direct impact on the financial statements as being the Companies Act 2006, FRS 102 and the Charity SORP (2019) FRS102 and Charities Act 2011.
- We completed a disclosure checklist to ensure that the financial statements complied with the disclosures required by the Companies Act 2006, FRS 102 and the Charity SORP (2019)
- We obtained an understanding of how the group complies with these requirements by discussion with the Trustees and management of their policies and procedures regarding compliance with laws and regulations.
- We reviewed the Trustee meeting minutes and obtained Trustee representations where these were not available due to the sensitive nature of the area being discussed.
- We ascertained the operational procedures and associated accounting systems to establish the completeness and accuracy of transactions.
- Making enquiries to the Trustees and management and received supporting documentation on whether they had knowledge of any actual and, or potential litigation and claims.

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

- Making enquiries of the Trustees and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing review of journals raised and review of consolidation adjustments.

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 is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

**USE OF THE AUDIT REPORT**

This report is made solely to the 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 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 company and the company's members as a body for our audit work, for this report, or for the opinions we have formed.



Catherine Brown BA FCA (Senior Statutory Auditor)
For and on behalf of Wright Connections Limited
Statutory Auditor
Bedford I-Lab, Priory Business Park
Stannard Way, Bedford MK44 3RZ

Date: 12 September 2025

## Consolidated Statement of Financial Activities – Year Ended 31 December 2024

INCORPORATING THE INCOME AND EXPENDITURE ACCOUNT

| | Note | Unrestricted funds 2024 £ | Restricted funds 2024 £ | Total funds 2024 £ | Total funds 2023 £ |
|---|---|---|---|---|---|
| **Income from:** | | | | | |
| Donations | **3** | 1,280,844 | 95,633 | 1,376,477 | 1,333,449 |
| Charitable activities | **4** | 43,836 | 50,272 | 94,108 | 87,498 |
| Other trading activities | **5** | 599,614 | - | 599,614 | 594,811 |
| Investments | **6** | 3,902 | - | 3,902 | 3,903 |
| **Total income** | | **1,928,196** | **145,905** | **2,074,101** | **2,019,661** |
| **Expenditure on:** | | | | | |
| Raising Funds - trading activities | | 452,832 | - | 452,832 | 423,096 |
| Charitable activities | **7** | 1,543,414 | 167,849 | 1,711,263 | 1,542,587 |
| **Total expenditure** | | **1,996,246** | **167,849** | **2,164,095** | **1,965,683** |
| **Net income / (expenditure)** | | **(68,050)** | **(21,944)** | **(89,994)** | **53,978** |
| **Transfer between funds** | | **(11,123)** | **11,123** | **-** | **-** |
| **Net movement in funds** | **23** | **(79,173)** | **(10,821)** | **(89,994)** | **53,978** |
| **Reconciliation of funds:** | | | | | |
| Total funds brought forward | **23** | 2,734,408 | 58,235 | 2,792,643 | 2,738,665 |
| **Total funds carried forward** | **23** | **2,655,235** | **47,414** | **2,702,649** | **2,792,643** |

The Group's income and expenditure all relate to continuing operations. The Group has no recognised gains or losses other than those included above.

The notes on pages 27 to 43 form part of these financial statements.

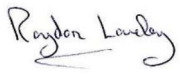
## Balance Sheet - Year Ended 31 December 2024

| | Note | King's Arms Trust Total funds 2024 £ | King's Arms Group Total funds 2024 £ | King's Arms Trust Total funds 2023 £ | King's Arms Group Total funds 2023 £ |
|---|---|---|---|---|---|
| **Fixed assets:** | | | | | |
| Tangible assets | **16** | **2,897,407** | **2,897,407** | **2,923,189** | **2,923,189** |
| **Current assets:** | | | | | |
| Stock | **17** | - | 2,649 | 2,386 | 7,080 |
| Debtors | **18** | 69,439 | 99,453 | 52,959 | 81,944 |
| Cash at bank and in hand | | 408,174 | 430,252 | 424,658 | 478,005 |
| **Total current assets** | | **477,613** | **532,354** | **480,003** | **567,029** |
| **Liabilities:** | | | | | |
| Creditors: Amounts falling due within one year | **19** | (237,622) | (280,644) | **(130,455)** | **(182,039)** |
| **Net current assets** | | **239,991** | **251,710** | **349,548** | **384,990** |
| **Total assets less current liabilities** | | **3,137,398** | **3,149,117** | **3,272,737** | **3,808,179** |
| Creditors: Amounts falling due after more than one year | **20** | (446,468) | (446,468) | (515,536) | (515,536) |
| **Total net assets** | | **2,690,930** | **2,702,649** | **2,757,201** | **2,792,643** |
| **The funds of the charity:** | | | | | |
| Restricted funds | **24** | 47,414 | 47,414 | 58,235 | 58,235 |
| Unrestricted funds | **24** | 2,643,516 | 2,655,235 | 2,698,966 | 2,734,408 |
| **Total charity funds** | **24** | **2,690,930** | **2,702,649** | **2,757,201** | **2,792,643** |

The notes on pages 27 to 43 form part of these accounts.

These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small entities.

The financial statements were approved and authorised for issue by the Trustees on 12 September 2025 and signed on their behalf.





R. Loveley
**Trustee**

P. Humphrey
**Trustee**

## Consolidated Statement of Cash Flows Year Ended 31 December 2024

| | Note | Total funds 2024 | Prior year funds 2023 |
|---|---|---|---|
| | | £ | £ |
| **Cash flows from operating activities:** | **25** | **45,636** | **134,399** |
| Interest Paid | **15** | 41,519 | 42,861 |
| **Net cash provided by operating activities** | | **87,155** | **177,260** |
| **Cash flows from investing activities:** | | | |
| Interest from investments | **6** | 3,902 | 3,903 |
| Proceeds from the sale of property, plant and equipment | | 319 | 4,633 |
| Purchase of property, plant and equipment | **16** | (37,439) | (114,829) |
| **Net cash provided by (used in) investing activities** | | **(33,218)** | **(106,293)** |
| **Cash flows from financing activities:** | | | |
| Repayments of borrowings | | (60,171) | (54,146) |
| Interest Paid | | (41,519) | (42,861) |
| **Net cash provided by (used in) financing activities** | | **(101,690)** | **(97,007)** |
| **Net decrease in cash and cash equivalents** | | **(47,753)** | **(26,040)** |
| **Cash and cash equivalents at 1 January** | | **478,005** | **504,045** |
| **Cash and cash equivalents at 31 December** | | **430,252** | **478,005** |

**Analysis of cash and cash equivalents**

| | Current Year 2024 | Prior Year 2023 |
|---|---|---|
| | £ | £ |
| Cash in hand | 346,053 | 394,394 |
| Notice deposits (less than 3 months) | 84,199 | 83,611 |
| **Total cash and cash equivalents at 31 December** | **430,252** | **478,005** |

## ACCOUNTING POLICIES

### 1.1 General information

King's Arms Trust (Bedford) Limited is a private company limited by guarantee (05899019), incorporated in England and Wales. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the charity. The address of its registered office and principal place of business is disclosed in the company information on page 3 of this Annual Report.

The principal objectives of the King's Arms Trust (Bedford) are that of the advancement of the Christian faith in the UK and overseas, the advancement for the public benefit of religious and other education including the relief of the aged, poor, sick and disabled. These are achieved through the main activities of the Trust;

- King's Arms Church – A vibrant church of around 1,400 adults, children and youth with numerous meetings and activities held, in-person, and on-line. The group also operates through KA Facilities (Bedford) Ltd – a wholly owned subsidiary company from within which a coffee shop and facilities rental are operated.
- KA Apostolic – the focus of the work of King's Arms Church in supporting leaders and churches in the UK and other nations.

The group consists of King's Arms Trust (Bedford) Limited and its subsidiary KA Facilities (Bedford) Ltd.

### 1.2 Accounting convention and basis of preparation

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

The financial statements are prepared on a going concern basis under the historical cost convention. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months in authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £1.

### 1.3 Basis of Consolidation

The income and expenditure and assets and liabilities of King's Arms Trust (Bedford) and KA Facilities (Bedford) Limited are consolidated within these Group financial statements to reflect control. All amounts in respect of group balances and transactions have been eliminated in arriving at the group figures.

Under Section 408 of the Companies Act 2006 the charitable company is exempt from the requirement to present its own statement of financial activities. The deficit for the year with the accounts for the charitable parent company was £66,271 (2023: Surplus £55,357).

## 1.4 Funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the note 23 to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the note 23 to the financial statements.

## 1.5 Income recognition

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

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

Tax credits (gift-aid) are included in the financial statements on an accruals basis as recommended by the Statement of Recommended Practice. This means that tax credits are taken into account in the period in which the originating donation was made.

Donated facilities and donated professional services are recognised in income at their fair value when their economic benefit is probable, it can be measured reliably and the charity has control over the item. Fair value is determined on the basis of the value of the gift to the charity, for example, the amount the charity would be willing to pay in the open market for such facilities and services. A corresponding amount is recognised in expenditure. No amount is included in the financial statements for volunteer time in line with the SORP. Further detail is given in the Trustees' Annual Report.

Gifts in kind donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. Where estimating the fair value is practicable upon receipt, it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impracticable to estimate the fair value items due to the volume of low value items, they are not recognised in the financial statements until they are sold. This income is recognised within 'Income from other trading activities'.

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

Income from government and other grants is 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.

Interest income is recognised using the effective interest method.

## 1.6 Expenditure recognition

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

- Costs of raising funds includes the costs of the trading subsidiary
- Expenditure on charitable activities includes all costs relating directly or indirectly to those activities

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

## 1.7 Allocation of costs

All costs, including salaries and pensions, are allocated directly to each activity as far as possible. Any shared support costs are allocated to King's Arms Church with a fixed cost being allocated to KA Facilities and KA Apostolic as agreed annually.

## 1.8 Pension costs

Pension costs in the financial statements represent contributions to employees' defined contribution pension plans.

## 1.9 Redundancy and termination payments

Redundancy and termination costs are recognised as an expense in the Statement of Financial Activities and a liability on the Balance Sheet immediately at the point the charitable company is demonstrably committed to either: terminate the employment of an employee or group of employees before normal retirement date; or provide termination benefits as a result of an offer made in order to encourage voluntary redundancy.

## 1.10 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. There was no tax due on trading subsidiary profits as they were all paid via gift aid to the parent charity within required timescale.

## 1.11 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less the estimated residual value of each asset over its expected useful life, as follows:

| | |
|---|---|
| Freehold land | not depreciated |
| Freehold buildings | 1% straight line |
| Fixtures & fittings | 4%-33% straight line |
| Motor vehicles | 25% reducing balance |

The deprecation policy for freehold buildings was revised in 2023 to 1% straight line (from 2% straight line in prior years) to give a better estimate of the life of the asset.

From 1 January 2024 the threshold for capitalising tangible fixed assets was increased from £300 to £500.

## 1.12 Stock

Stock is held at the lower of cost and net realisable value.

### 1.13 Debtors and creditors receivable / payable within one year

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

### 1.14 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

### 1.15 Loans and borrowings

Loans and borrowings are initially recognised at the transaction price including transaction costs. Subsequently, they are measured at amortised cost using the sum of digit method, less impairment. If an arrangement constitutes a finance transaction it is measured at present value.

### 1.16 Operating leases

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

### 1.17 Judgments in applying accounting policies and key sources of estimation uncertainty

In applying the company's accounting policies, the Trustees are required to make judgements, estimates and assumptions in determining the carrying amounts of assets and liabilities. The Trustees' judgements, estimates and assumptions are based on the best and most reliable evidence available at the time when the decisions are made, and are based on historical experience and other factors that are considered to be applicable. Due to inherent subjectivity involved in making such judgements, estimates and assumptions, the actual results and outcomes may differ.

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

A key area of estimation is the depreciation of freehold buildings was revised in 2023. Please refer to accounting policy 1.10, and notes 11 and 16.

## 2 Comparative Consolidated Statement of Financial Activities

INCORPORATING THE INCOME AND EXPENDITURE ACCOUNT

| | Notes | Unrestricted funds 2023 £ | Restricted funds 2023 £ | Total funds 2023 £ |
|---|---|---|---|---|
| **Income from:** | | | | |
| Donations | **3** | 1,239,771 | 93,678 | 1,333,449 |
| Charitable activities | **4** | 28,794 | 58,704 | 87,498 |
| Other trading activities | **5** | 594,811 | - | 594,811 |
| Investments | **6** | 3,903 | - | 3,903 |
| **Total income** | | **1,867,279** | **152,382** | **2,019,661** |
| **Expenditure on:** | | | | |
| Raising funds - trading activities | | 423,096 | - | 423,096 |
| Charitable activities | **7** | 1,343,776 | 198,811 | 1,542,587 |
| **Total expenditure** | | **1,766,872** | **198,811** | **1,965,683** |
| **Net income / (expenditure)** | | **100,407** | **(46,429)** | **53,978** |
| **Transfer between funds** | | **(10,802)** | **10,802** | - |
| **Net movement in funds** | **23** | **89,605** | **(35,627)** | **53,978** |
| **Reconciliation of funds:** | | | | |
| Total funds brought forward | **23** | **2,644,803** | **93,862** | **2,738,665** |
| **Total funds carried forward** | **23** | **2,734,408** | **58,235** | **2,792,643** |

## 3 Income from donations

| | 2024 £ | 2023 £ |
|---|---|---|
| Gifts | 1,376,477 | 1,333,449 |
| **Total income from donations** | **1,376,477** | **1,333,449** |

Income from donations was £1,376,477 (2023: £1,333,449) of which £95,633 (2023: £93,678) was attributable to restricted and £1,280,844 (2023: £1,239,771) was attributable to unrestricted funds.

## 4 Income from charitable activities

| | 2024 | 2023 |
|---|---|---|
| | £ | £ |
| **King's Arms Church** | | |
| Performance related grants | 26,000 | 12,000 |
| Conferences, events and serving other churches | 15,730 | 28,712 |
| Sale of books and media | 106 | 82 |
| **Total King's Arms Church** | **41,836** | **40,794** |
| | | |
| **King's Arms Apostolic** | | |
| Performance related grants | - | 13,650 |
| Conferences, events and serving other churches | 52,272 | 33,054 |
| **Total King's Arms Apostolic** | **52,272** | **46,704** |
| | | |
| **Total income from charitable activities** | **94,108** | **87,498** |

Income from charitable activities was £94,108 (2023: £87,498) of which £50,272 (2023: £58,704) was attributable to restricted and £43,836 (2023: £28,794) was attributable to unrestricted funds.

No government grants were received in the year or in the prior year 2023.

## 5 Income from other trading activities

| | 2024 | 2023 |
|---|---|---|
| | £ | £ |
| Coffee Shop sales (counter and catering) | 238,083 | 244,908 |
| Room and equipment hire | 314,599 | 321,527 |
| Office rentals | 43,413 | 26,149 |
| Other | 3,519 | 2,227 |
| **Total income from other trading activities** | 599,614 | 594,811 |

All income from trading activities was attributable to unrestricted funds.

## 6 Income from investments

| | 2024 | 2023 |
|---|---|---|
| | £ | £ |
| **Interest - deposit accounts** | **3,902** | **3,903** |

All income from investments was attributable to unrestricted funds.

## 7 Analysis of expenditure on charitable activities

| Charitable activities 2024 | Activities undertaken directly | Support Costs | Total |
|---|---|---|---|
| | £ | £ | £ |
| King's Arm Church | 1,135,447 | 425,436 | 1,560,883 |
| KA Apostolic | 140,380 | 10,000 | 150,380 |
| **Total** | **1,275,827** | **435,436** | **1,711,263** |

| Charitable activities 2023 | Activities undertaken directly | Support Costs | Total |
|---|---|---|---|
| | £ | £ | £ |
| King's Arm Church | 1,072,583 | 339,756 | 1,412,339 |
| KA Apostolic | 121,172 | 9,076 | 130,248 |
| **Total** | **1,193,755** | **348,832** | **1,542,587** |

Expenditure on charitable was £1,711,263 (2023: £1,542,587) activities £167,849 (2023: £198,811) of the above costs were attributable to restricted funds. £1,543,414 (2023: £1,343,776) of the above costs were attributable to unrestricted funds.

## 8 Exceptional Expenditure

In 2024, the Valuation Office Agency issued a retrospective Business Rates assessment effective from April 2017. This has resulted in an exceptional charge of £129,173 in the current year (2023: £12,529), with £78,530 included within accruals at the year-end (2023: £12,529). The valuation basis and resulting charges are being formally challenged with the support of a Chartered Surveyor (Colliers). Should the challenge prove unsuccessful, the Trustees intend to appeal to the Valuation Tribunal Service. Colliers have advised that there is a high likelihood of a successful appeal, with a possible reduction in the total charges of up to 100%.

## 9 Allocation of support costs

| Support costs 2024 | King's Arms Church | KA Facilities | KA Apostolic | Total |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| Central costs including governance | 12,112 | - | 6,000 | 18,112 |
| Building usage | 413,324 | 30,000 | 4,000 | 447,324 |
| **Activity Total** | **425,436** | **30,000** | **10,000** | **465,436** |

| Support costs 2023 | King's Arms Church | KA Facilities | KA Apostolic | Total |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| Central costs including governance | 32,561 | - | 5,944 | 38,505 |
| Building usage | 307,195 | 30,000 | 3,132 | 340,327 |
| **Activity Total** | **339,756** | **30,000** | **9,076** | **378,832** |

**Basis of allocation; -**
All costs including salaries and pensions are allocated directly to each activity as far as possible. Any shared support costs are allocated to King's Arms Church with a fixed cost being allocated to KA Facilities and KA Apostolic as agreed annually.

## 10 Governance costs

| | Note | 2024 | 2023 |
|---|---|---|---|
| | | £ | £ |
| Trustee expenses | **13** | 1,125 | 2,292 |
| Auditor's remuneration | **12** | 14,400 | 22,250 |
| Consultancy | | 1,198 | 10,173 |
| Legal fees | | 1,390 | 3,790 |
| **Total governance costs** | | **18,113** | **38,505** |

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

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

| | Note | 2024 | 2023 |
|---|---|---|---|
| | | £ | £ |
| Depreciation of tangible fixed assets | **16** | 62,745 | 65,467 |
| (Gain) / loss on sale of tangible fixed assets | **25** | 157 | (2,755) |
| Operating lease rentals | **21** | 3,019 | 3,267 |

## 12 Auditor's remuneration

| | King's Arms Trust 2024 | King's Arms Group 2024 | King's Arms Trust 2023 | King's Arms Group 2023 |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| Audit fees | 14,400 | 14,400 | 22,500 | 22,500 |
| Non-audit services | - | - | - | (250) |
| **Total** | **14,400** | **14,400** | **22,500** | **22,250** |

## 13 Trustees and key management remuneration and expenses

Trustees' remuneration during the year was £81,196 (2023: £84,728) being the total remuneration package for one Trustee employed by the King's Arms Trust (Bedford) for services provided under employment contracts.

| | | 2024 | | 2023 | |
|---|---|---|---|---|---|
| **Trustee** | **Role** | **Salary** | **Pension** | **Salary** | **Pension** |
| | | **£** | **£** | **£** | **£** |
| **Simon Holley** | Senior Pastor & Team Leader | 74,835 | 6,361 | 78,090 | 6,638 |
| **Total** | | **74,835** | **6,361** | **78,090** | **6,638** |

Trustee remuneration is paid in accordance with the Trust Memorandum & Articles of Association for services provided to the Trust.

Trustee expenses were reimbursed to three (2023: three) Trustees during the year totaling £1,125 (2023: £2,292) being food and travel costs.

Key management personnel for the group is considered to be the Board of Trustees and the Operational Leadership Team Plus (OLT+). The OLT+ was previously called the Strategic Leadership Team (SLT), however from June 2024 onwards, as part of an organisational restructure, the SLT ceased to function as key management personnel and was replaced by OLT+ . The remuneration and benefits (including employer pension contributions) of key management personnel during the year were £397,188 (2023: £362,628).

## 14 Staff costs and employee benefits

| | 2024 | 2023 |
|---|---|---|
| | **£** | **£** |
| Salaries and wages | 1,211,240 | 1,089,360 |
| Social security costs | 91,505 | 78,935 |
| Pension | 82,384 | 74,142 |
| **Total** | **1,385,129** | **1,242,437** |

The average number of persons employed by the Group during the year was 63 (2023: 64).

The number of employees whose total employee benefits (excluding employer pension costs) for the year within the band £60,000 to £70,000 was one (2023: nil), and £70,000 to £80,000 was one (2023: one).

During the year defined contribution pension costs of £82,384 (2023: £74,142) were paid on behalf of 55 (2023: 50) employees to pension schemes administered independently of the charitable company.

The Trust also provides a group life insurance scheme as an additional benefit available to all staff, the cost in the year was £4,947 (2023: £5,736).

The company incurred termination costs of £15,000 (2023: £nil) in respect of payments made to staff under settlement agreements. These payments were made as part of agreed exit arrangements following organisational restructuring and role changes within the charity.

## 15 Interest payable

| | 2024 | 2023 |
|---|---|---|
| | £ | £ |
| **Bank loans** | **41,519** | **42,861** |

## 16 Fixed assets

### Tangible fixed assets

| Group and Charity | Freehold land & buildings | Fixtures & fittings | Total |
|---|---|---|---|
| | £ | £ | £ |
| **Cost** | | | |
| As at 1 January 2024 | 3,137,913 | 490,447 | 3,628,360 |
| Additions | - | 37,439 | 37,439 |
| Disposals | - | (5,518) | (5,518) |
| **Cost at 31 December 2024** | **3,137,913** | **522,368** | **3,660,281** |
| **Depreciation** | | | |
| As at 1 January 2024 | 340,620 | 364,551 | 705,171 |
| Charge for the year | 23,525 | 39,220 | 62,745 |
| Disposals | - | (5,042) | (5,042) |
| **Depreciation at 31 December 2024** | **364,145** | **398,729** | **762,874** |
| **Net book value** | | | |
| **At 31 December 2024** | **2,773,768** | **123,639** | **2,897,407** |
| At 31 December 2023 | 2,797,293 | 125,896 | 2,923,189 |

## 17 Stock

| | King's Arms Trust 2024 | King's Arms Group 2024 | King's Arms Trust 2023 | King's Arms Group 2023 |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| Books and media | - | - | 2,386 | 2,386 |
| Food and drinks | - | 2,649 | - | 4,694 |
| **Total** | **-** | **2,649** | **2,386** | **7,080** |

## 18 Debtors

| | King's Arms Trust 2024 | King's Arms Group 2024 | King's Arms Trust 2023 | King's Arms Group 2023 |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| Trade debtors | 3,484 | 35,989 | 18,108 | 50,364 |
| Other debtors, including prepayments and accrued income | 65,955 | 63,464 | 34,851 | 31,580 |
| **Total debtors** | **69,439** | **99,453** | **52,959** | **81,944** |

## 19 Creditors falling due within one year

| | King's Arms Trust 2024 | King's Arms Group 2024 | King's Arms Trust 2023 | King's Arms Group 2023 |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| Bank loan | 71,677 | 71,677 | 62,780 | 62,780 |
| Trade creditors | 15,370 | 17,580 | 18,741 | 21,643 |
| Accruals and deferred income | 116,012 | 128,916 | 42,183 | 63,918 |
| Taxation and social security | - | 23,833 | - | 23,272 |
| Other creditors | 34,563 | 38,638 | 6,751 | 10,426 |
| **Total creditors** | **237,622** | **280,644** | **130,455** | **182,039** |

## 20 Creditors due after one year

| | King's Arms Trust 2024 | King's Arms Group 2024 | King's Arms Trust 2023 | King's Arms Group 2023 |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| Bank loan | 446,468 | 446,468 | 515,536 | 515,536 |
| **Total creditors due after one year** | **446,468** | **446,468** | **515,536** | **515,536** |

The original bank loan was taken out with Unity Trust in December 2009 on the purchase of the Church building and offices (King's House). A further loan was taken out in December 2010 for the refurbishment of King's House. Both loans were consolidated into one loan in March 2019, repayable in monthly installments over a period of 12 years. The building is held as security against the loan.

| The loan capital is repayable as follows: | King's Arms Trust 2024 | King's Arms Group 2024 | King's Arms Trust 2023 | King's Arms Group 2023 |
|---|---|---|---|---|
| **Amounts falling due:** | £ | £ | £ | £ |
| In one year or less, or on demand | 71,677 | 71,677 | 62,780 | 62,780 |
| Between two and five years | 331,256 | 331,256 | 309,966 | 309,966 |
| In five years or more | 115,212 | 115,212 | 205,570 | 205,570 |
| | **518,145** | **518,145** | **578,316** | **578,316** |

## 21 Leases

Total future minimum lease payments under non-cancellable operating leases are as follows:

| | King's Arms Trust 2024 Other £ | King's Arms Group 2024 Other £ | King's Arms Trust 2023 Other £ | King's Arms Group 2023 Other £ |
|---|---|---|---|---|
| Expiring within one year | 3,070 | 3,070 | 3,074 | 3,074 |
| Between 1 – 5 years | 3,222 | 3,222 | 6,618 | 6,618 |

The total operating lease expense for the year was £3,019 (2023: £3,267).

Total future minimum lease income under non-cancellable operating leases are as follows:

| | 2024 Other £ | 2023 Other £ |
|---|---|---|
| Expiring within one year | 14,420 | 14,420 |
| Between 1 – 5 years | - | - |

The total operating lease income for the year was £14,420 (2023: £nil).

## 22 Deferred income

| | King's Arms Trust 2024 £ | King's Arms Group 2024 £ | King's Arms Trust 2023 £ | King's Arms Group 2023 £ |
|---|---|---|---|---|
| At 1 January | 9,295 | 30,618 | 7,613 | 7,613 |
| Received during the year | 12,046 | 24,950 | 9,295 | 30,618 |
| Released to income for the year | (9,295) | (30,618) | (7,613) | (7,613) |
| **At 31 December** | **12,046** | **24,950** | **9,295** | **30,618** |

## 23 Movement in funds

| Movement in funds 2024 | At 1 January 2024 | Income | Expenditure | Transfers | At 31 December 2024 |
|---|---|---|---|---|---|
| | | £ | £ | £ | £ |
| **Unrestricted funds** | | | | | |
| General church funds | 343,166 | 1,328,480 | (1,234,087) | (105,474) | 332,085 |
| Leadership Development (formerly TSM) | 8,072 | - | - | - | 8,072 |
| KA Media | 3,038 | 102 | (2) | 360 | 3,498 |
| King's House | 2,344,691 | 45,064 | (309,325) | 219,432 | 2,299,862 |
| KA Facilities | 35,441 | 554,550 | (452,832) | (125,441) | 11,718 |
| **Total unrestricted funds** | **2,734,408** | **1,928,196** | **(1,996,246)** | **(11,123)** | **2,655,235** |
| **Restricted funds** | | | | | |
| King's Arms Church | 7,827 | 2,091 | (7,091) | - | 2,827 |
| King's House | - | 10,378 | (10,378) | - | - |
| KA Apostolic | 50,408 | 133,436 | (150,380) | 11,123 | 44,587 |
| **Total restricted funds** | **58,235** | **145,905** | **(167,849)** | **11,123** | **47,414** |
| **Total funds** | **2,792,643** | **2,074,101** | **(2,164,095)** | **-** | **2,702,649** |

| Movement in funds 2023 | At 1 January 2023 | Income | Expenditure | Transfers | At 31 December 2023 |
|---|---|---|---|---|---|
| | | £ | £ | £ | £ |
| **Unrestricted funds** | | | | | |
| General church funds | 340,721 | 1,269,632 | (1,135,697) | (131,490) | 343,166 |
| TSM | 8,072 | - | - | - | 8,072 |
| KA Media | 2,738 | 82 | (2) | 220 | 3,038 |
| King's House | 2,256,452 | 29,029 | (208,077) | 267,287 | 2,344,691 |
| KA Facilities | 36,820 | 568,536 | (423,096) | (146,819) | 35,441 |
| **Total unrestricted funds** | **2,644,803** | **1,867,279** | **(1,766,872)** | **(10,802)** | **2,734,408** |
| **Restricted funds** | | | | | |
| King's Arms Church | 21,195 | 15,082 | (28,450) | - | 7,827 |
| King's House | 20,000 | 20,113 | (40,113) | - | - |
| KA Apostolic | 52,667 | 117,187 | (130,248) | 10,802 | 50,408 |
| **Total restricted funds** | **93,862** | **152,382** | **(198,811)** | **10,802** | **58,235** |
| **Total funds** | **2,738,665** | **2,019,661** | **(1,965,683)** | **-** | **2,792,643** |

Unrestricted funds comprise general church funds available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Unrestricted designated funds comprise unrestricted funds that have been set aside by the trustees for the following purposes; -

- King's House is a fund designated by the trustees to account for money generated by and spent on the building and to also ensure funds are available for the running costs of the building.
- KA Facilities the wholly owned subsidiary company, the profits of which are gift aided to the King's House.
- TSM (Training for Supernatural Ministry) ceased operating during the 2023 however the balance of funds remain separately designated to be used for future Leadership Development programmes.
- KA Media which continues but at a very low level.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors as follows; -

- Church which comprises donations and grants given for specific purposes from donors including those as a result of the Vision offering annual appeal which include activities such as the Friday Night Meeting, Re-Track and the new Blunham location, supporting missionaries overseas and aid to Ukraine.
- King's House which comprises donations and grants given for specific purposes from donors including those as a result of the Vision offering annual appeal for both the general running costs of the building and for specific building and maintenance projects as identified by the trustees
- KA Apostolic which comprises donation and grants given for specific purposes of supporting leaders and churches in the UK and other nations

Transfers include the following:

- Transfers of the gift aid/distribution from the trading subsidiary to the King's House (designated) fund.
- Donations made from Church funds to KA Apostolic.
- Other minor transfers made between funds in the year.

## 24 Analysis of net assets between funds

| 2024 | Tangible fixed assets | Stock | Debtors | Cash at bank and in hand | Creditors | Creditors more than one year | Total net assets |
|---|---|---|---|---|---|---|---|
| | £ | £ | £ | £ | £ | £ | £ |
| **Unrestricted funds** | | | | | | | |
| General church funds | - | - | 45,782 | 331,270 | (44,968) | - | **332,084** |
| Leadership Development (formerly TSM) | - | - | - | 8,072 | - | - | **8,072** |
| KA Media | - | - | 25 | 3,473 | - | - | **3,498** |
| King's House | 2,897,407 | - | 17,669 | 2,223 | (170,968) | (446,468) | **2,299,863** |
| KA Facilities | - | 2,649 | 32,591 | 22,078 | (45,600) | - | **11,718** |
| **Total unrestricted funds** | **2,897,407** | **2,649** | **96,067** | **367,116** | **(261,536)** | **(446,468)** | **2,655,235** |
| **Restricted funds** | | | | | | | |
| King's Arms Church | - | - | - | 2,827 | - | - | **2,827** |
| KA Apostolic | - | - | 3,386 | 60,309 | (19,108) | - | **44,587** |
| **Total restricted funds** | **-** | **-** | **3,386** | **63,136** | **(19,108)** | **-** | **47,414** |
| **Total funds** | **2,897,407** | **2,649** | **99,453** | **430,252** | **(280,644)** | **(446,468)** | **2,702,649** |

| 2023 | Tangible fixed assets | Stock | Debtors | Cash at bank and in hand | Creditors | Creditors more than one year | Total net assets |
|---|---|---|---|---|---|---|---|
| | £ | £ | £ | £ | £ | £ | £ |
| **Unrestricted funds** | | | | | | | |
| General church funds | - | 2,386 | 24,995 | 347,767 | (31,982) | - | **343,166** |
| TSM | - | - | - | 8,072 | - | - | **8,072** |
| KA Media | - | - | 12 | 3,026 | - | - | **3,038** |
| King's House | 2,923,189 | - | 19,177 | 3,057 | (85,196) | (515,536) | **2,344,691** |
| KA Facilities | - | 4,694 | 32,335 | 53,346 | (54,934) | - | **35,441** |
| **Total unrestricted funds** | **2,923,189** | **7,080** | **76,519** | **415,268** | **(172,112)** | **(515,536)** | **2,734,408** |
| **Restricted funds** | | | | | | | |
| King's Arms Church | - | - | - | 7,827 | - | - | **7,827** |
| KA Apostolic | - | - | 5,425 | 54,910 | (9,927) | - | **50,408** |
| **Total restricted funds** | **-** | **-** | **5,425** | **62,737** | **(9,927)** | **-** | **58,235** |
| **Total funds** | **2,923,189** | **7,080** | **81,944** | **478,005** | **(182,039)** | **(515,536)** | **2,792,643** |

## 25 Reconciliation of net income / (expenditure) to net cash flow from operating activities

| | Current Year 2024 £ | Prior Year 2023 £ |
|---|---|---|
| **Net income for the reporting period (as per the Consolidated Statement of Financial Activities)** | **(89,994)** | **53,978** |
| **Adjustments for:** | | |
| Depreciation charges | 62,745 | 65,467 |
| Interest from investments | (3,902) | (3,903) |
| Profit on the sale of fixed assets | 157 | (2,755) |
| (Increase) / decrease in stocks | 4,431 | (4,992) |
| Increase in debtors | (17,509) | (2,293) |
| Increase in creditors | 89,708 | 28,897 |
| **Net cash provided by operating activities** | **45,636** | **134,399** |

## 26 Analysis of changes in debt

| | At start of year | Cash-flows | New finance leases | At end of year |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| Cash | 478,005 | (47,753) | - | 430,252 |
| Loans falling due within one year | (62,780) | (8,897) | - | (71,677) |
| Loans falling due after one year | (515,536) | 69,068 | - | (446,468) |
| Finance lease obligations | (9,692) | 3,400 | - | (6,292) |
| **Total** | **(110,003)** | **15,818** | - | **(94,185)** |

## 27 Related party transactions

KA Facilities (Bedford) Limited is a wholly owned subsidiary of the charity and as such has taken advantage of the exemptions conferred by FRS102 section 33 Related Party Disclosures to not disclose transactions within the group.

King's Arms Trust (Bedford) provides key management to the charity Catalyst, a network of churches to which the Trust belongs. Catalyst is therefore defined as a related party to the Trust. During the year, the Trust donated £18,000 (2023: £8,000) to Catalyst to support their activities. It also received income of £28,300 (2023: £19,607) from Catalyst of which £28,000 (2023: £13,650) were grants received in respect of the Trust providing key management. Expenses of £1,373 (2023: £1,588) were paid by the Trust to Catalyst. The Trust also charged expenses to Catalyst of £7,984 (2023: nil). At the year-end an amount of £4,000 (2023: nil) was owed by the Trust to Catalyst.

The total amount of aggregate donations received without conditions from all key management personnel and close family members defined as related parties were £87,191 (2023: £90,800).

Professional fees paid during the year to Philip Varley, who is also a Trustee of the Trust, for consulting services relating to the Cultural Development and Restructuring process were £1,068 (2023: £6,750). The agreement to pay for these services and the rate of payment were determined by the other Trustees and do not relate to any services provided in serving as a Trustee.

## 28 Trading Subsidiary

The wholly owned subsidiary undertaking is KA Facilities (Bedford) Limited (company number 08314420), a company which is limited by guarantee and registered in England and Wales. The registered office is the same as that of King's Arms Trust (Bedford). It will gift aid its taxable profits to suitable charities as agreed by the Trustees. A summary of its trading results is shown below.

| | Year ended 31 December 2024 | Year ended 31 December 2023 |
|---|---|---|
| | £ | £ |
| **Turnover** | **580,602** | **590,858** |
| Cost of Sales | (107,513) | (97,685) |
| **Gross Profit** | **473,089** | **493,173** |
| Administrative expenses | (371,371) | (347,732) |
| **Operating profit** | **101,718** | **145,441** |
| **Profit on ordinary activities before tax** | **101,718** | **145,441** |
| Tax | - | - |
| Gift Aid distribution | (125,441) | (146,820) |
| **Net movement in reserves** | **(23,723)** | **(1,379)** |
| **Net assets** | **11,718** | **35,441** |

## 1. CHURCH ACTIVITIES

In addition to the Sunday Services, King's Kids, Youth, Group Life and FNM activities as described earlier in the main part of the report, there are many other church-related activities and events described in this section.

**Alpha**
The Alpha course was run twice during the year with around 60 guests. It continues to be a strong feature of the King's Arms and is the course to which we would direct those who are new to the Christian faith or are exploring Christianity. The course offers the opportunity for people to discuss and challenge views, hear talks, develop friendships and be a part of a welcoming community. We share a meal together on four of the evenings and have hot drinks and desserts on the other evenings. At the end of the course, we have a social evening where people celebrate with each other.

**Prison Ministry (Inside Out)**
About 12 volunteers are part of a group who go into Bedford prison once a month to lead a Sunday morning worship service and we receive very good feedback from the men. One of our team has become an accredited facilitator of parenting courses through the national charity 'Care for the Family' and has joined with a member of the Chaplaincy team in delivering the 'Time out for Dads' course. These courses are now running termly, with an extended family visit at the end. The impact of these courses is noticeable in many of the men, and includes reconnection with children who hadn't previously visited, or improved relationships with the children's co-parent. We have added the 'Handling Anger in the Family' course which has been run 3 times and is a welcome addition. Another member of team is currently being trained and another volunteer visits the wings in a pastoral capacity and periodically runs Bible studies.

**King's Playhouse**
Kings Playhouse ran successfully throughout 2024, providing a safe and popular space for parents from the local community and their preschool children, toddlers and babies to gather for connection and community on Wednesday mornings through term time.



Over the academic year 2024/5 we have had over 100 families and child-carers sign up to our mailing list, and we have had between 60-90 children and carers attending each week when we are able to share prayer and provide support and advice to those in our community raising the next generation. We ran very successful Summer and Christmas parties during the year, each having between 100 and 120 people in attendance.

We have seen an increase in the diversity of families connecting with King's Playhouse and have been able to make new connections with families attending the midwife services which also operate out of King's House. In addition, this year we have hosted staff from the local children's centre on a monthly basis to provide additional community support for parents and children.

**Belong**
Each Sunday the Belong team seeks to meet with newcomers attending the King's Arms and get to know them and make them feel welcome. Newcomers are encouraged to join the Belong Group, which meets on Monday evenings with between 10 and 20 people attending each week. The group offers the opportunity to make new friendships, build community, and begin to integrate into church life and culture. Many of those attending have said how important Belong has been as part of their journey into feeling they belong to the church.

During the year we held two Sunday Joining Lunches for newcomers, where they could meet the church's leaders, find out more about its history and vision, and be welcomed into the church community. Around 80 newcomers plus team members attended these two events.

**Prayer**
We started the year with our first ever 21 Days of Prayer and Fasting. Around 60 people gathered every morning online to pray and had opportunities throughout the period to pray together in person.

Our Prayer and Pursuit evenings continue to go well and are attended by a good number each month both in person and online. We have created a number of great testimonial videos to show on Sunday mornings and at prayer meetings to stir faith and show what God is doing in people's lives, bringing healing and freedom. We also continued our early morning Prayer Zooms on Wednesdays. The Devoted booklet has been refreshed with our Bible reading plan and we finished the year with our biggest Crossover service yet, attended by 550-600 people. This led into another 21 days of Prayer and Fasting in January 2025.

**The Well**
The Well is enjoyed each month by over 40-45 people who are over 65. We enjoy a lovely afternoon tea and a short talk or a quiz. Each table is hosted by two hosts, and we offer to pray for those in need whilst enjoying each other's company.

**Worship and PA**
The worship team, consisting of our musicians, sound engineers and production team, continued to play a vital role in serving the King's Arms community. We continue to press forward with our desire to be known as a team who worship Jesus in spirit and in truth, who model being worshippers who love God with all of our hearts, minds and souls. Highlights from last year include a number of the team serving at the Catalyst festival, a reforming of our songwriters group and a worship leader being appointed to support our Blunham location.

**Design & Communications**
The Design & Communications team focused on several key projects to support and equip our church family. A major undertaking was updating the Re-Track website to improve usability and engagement, alongside the creation of a Re-Track video to promote the project and encourage volunteer participation. Additionally, following the leadership restructure, we have updated our literature and website, as well as creating a video to clearly communicate the changes to the church community. Our team also continued to provide ongoing support to all ministry teams, ensuring that resources remain visually engaging, accessible and aligned with our vision and branding.

## 2. PASTORAL

**Pastoral Overview.** As a richly diverse church, we strive to ensure that pastoral care is accessible to everyone. Over recent years we have recognised that members from black and ethnic minority backgrounds were not always reaching out for pastoral support. In response, we have taken intentional steps to listen, learn, and adapt our approach to ensure inclusivity.

Thus throughout 2024, we have worked towards making our pastoral support more accessible to a wider range of people by embracing cross-cultural pastoring. As a result, we have seen a significant increase in the diversity of those seeking and engaging with pastoral care. This has also included life events such as funerals, marriages and naming ceremonies. We celebrate this progress and remain committed to cultivating an environment where every member of our church feels seen, heard, and supported. Our Pastoral check-in appointments continue to be well attended with 50 people attending during the year.

**Women's Events.** Our Women's Breakfasts continued to be an uplifting space for connection and growth. Held three times a year, these gatherings regularly welcome around 70 women, reflecting the rich diversity of our church community. Women from all stages of life, cultures, and economic backgrounds come together in a warm and welcoming environment, where mutual support and encouragement flourish across generations. Each breakfast features a key speaker, with topics including moving from shame to belonging, the power of our words, and cultivating a culture of encouragement. We have been especially encouraged to see younger and older ladies encouraging one another and strengthening the bonds of our community.

**Racial Reconciliation.** In 2024 we launched *The Reconciled Forum*, an event that has been on our hearts for some years. As Christians, we are called to actively live out love, as expressed in Micah 6:8: *"Do justice, love mercy, and walk humbly."* This forum was our response to promoting healthy, inclusive churches that embody the love of the Gospel. The forum held in May provided a space for 40 attendees, from the KA and other churches, to engage with the challenges of diversity, offering accessible talks, interactive tasks, and round-table discussions. Our goal was to equip churches to intentionally cultivate multicultural communities by honouring the experiences of minorities and embracing God's vision for unity.

**Living in Freedom.** Over recent years, the impact on mental health has been significant, and as a team, we have drawn on our skills as counsellors to offer support. We initially ran Mental Health and Wellbeing evenings to equip attendees with tools to manage their mental health. However, in 2024, we took time to reflect and recognised that we had shifted away from the freedom legacy that is central to our church. In response, we realigned our focus and relaunched these evenings as Living in Freedom events, bringing freedom back to the heart of our ministry. These sessions, held termly, blend teaching and ministry to create a space for healing and transformation. Our first event in November 2024 focused on Dealing with Disappointment, drawing 30 attendees. Among them were three young women who connected profoundly with the evening, and through prayer and ministry, they left with a renewed sense of freedom.

**Marriages.** Our Marriage Evenings continue to grow from strength to strength, with attendance now reaching 20 to 25 couples at each session. Topics covered include Conflict Resolution, Healthy Communication, and 'The 7 Pillars of a Healthy Marriage', equipping couples with practical tools to strengthen their relationships. The Marriage Preparation Team has also expanded to 10 couples, allowing us to support engaged couples. Beyond preparation, this process has become a valuable resource for ongoing marriage support and mentoring, helping couples navigate challenging seasons with guidance and encouragement.

**Sozo.** This continues to be an important part of the prayer ministry of the church. During 2024 we provided 26 Sozos, one on Zoom, and the rest in-person. People continue to appreciate the freedom that Sozo brings, experiencing a deeper relationship with the three Persons of the Godhead – Father God, Jesus and the Holy Spirit. This is the aim of Sozo: it is not a counselling session, but it enables the person to forgive and move on from wounds and hurts from the past, so that they can fully live in the purposes that God has for them.

We continue to support and train team members. A Sozo is conducted by two team members – the first leading the person in prayer and helping them to hear from God for themselves. The second records all the positive things they hear from God, which are then given to the guest to take away with them. Training in using "Sozo Tools" was given in the spring term, and two people from the training have now joined the Sozo team.

## 3. Re-Track




Re-Track is a project run by the Church, based at King's House. Our goal is to be 'good news' to our town and beyond, using church members to volunteer practical support. Re-Track is all about helping individuals to get their lives back on track, and is led by a part time employee. We now have an active group of more than 40 volunteers who regularly give up their time to carry out simple acts of kindness.

During 2024 we provided emergency food parcels donated by church members (including delivering them to people's homes). We also offered ongoing support and referrals to the Trussel Trust Food Bank for those requiring longer-term assistance.

We gave Easter eggs, Mother's Day gifts and a staggering 367 Christmas boxes to the most deprived families, individuals and the elderly in our community. We provided an Easter and Christmas carol service in one of the residential homes in Kempston and provided spaces for 6 families at our Church run Fun Days.



Money was raised through the church Christmas Carol Service for a local charity working with those impacted by sex trafficking. We now receive referrals from social workers, the council, social prescribers and GPs to provide one-off support to those who desperately need help.



During the year our volunteers have:

- cleared gardens for an elderly lady and a person in a wheelchair.
- packed boxes for a man recovering from a brain injury.
- helped an elderly lady move house.
- provided clothes for a lady coming out of prison.
- provided 2 bicycles for a refugee family.
- erected a curtain rail for a struggling family.
- Worked with the Council to pick litter in the area close to King's House and also after the River Festival.

## 4. KA Apostolic

King's Arms Apostolic oversees and spearheads the trans-local work of the church in serving other local churches and apostolic networks. As a church, we have the privilege and opportunity to help churches across the world.

King's Arms is part of the Catalyst network of churches which has over 80 churches in the UK and many other established and new churches in nations across the world. Simon Holley and Phil Wilthew are both part of the core apostolic leadership team for Catalyst and have been actively involved in serving wider Newfrontiers / Catalyst events such as the Catalyst Leaders weekend, leadership training and Impact training.

In the UK, Catalyst is led through several apostolic Hubs that care for churches and provide strategic direction. The Bedford Hub is serving over 40 different Churches which are in varying stages of connection with us. The majority of these are in the UK, with a geographical spread from London to Dundee in Scotland. We also currently serve churches in 10 countries outside the UK, which receive input from our strategy team and church leaders on a regular basis. The Hub is served by a core team made up of 7 leaders, 5 from the King's Arms and two leaders from churches based in London and Solihull.

In 2024 Phil and Simon served key churches through 15 ministry trips, including Turkey (Yalova & Antakya), France (Grenoble) and Scotland (Dundee), taking teams from the Kings Arms Church.





Phil also travelled to Kenya (Nairobi) with a team from the King's Arms and some of our Hub Churches to speak at a leaders conference where Anil Banghar from the King's Arms taught at a prophetic session and prayed with leaders, seeing many touched by God, in particular a group of deaf church leaders who were massively impacted by hearing God's voice.

Some of the African leaders were flown (their first ever time on an airplane) to join other leaders from across Southern Africa at the conference. Following on from that we've connected some of their Prophetic leaders to join our Amplify Prophetic School (with Anil who is now coaching their prophetic group).

Our online leadership training huddles ran during the year, including the European Leaders huddle (Phil Wilthew and Duncan Hanton) to support leaders in related churches in other European countries, and a New Zealand huddle to support church leaders, who due to the time zone difference, find it challenging to join our online Hub gatherings. Simon Holley also runs a Huddle for those wanting to be trained in disciple making.

The Hub had our first intern, Dan Finch from Auckland, New Zealand who was with us for 9 months bringing strength to our events. It was a joy to see Dan grow in confidence and skills as he served alongside us and in other areas such as youth at King's Arms.

Our biggest ever annual Resonate global conference, themed 'His Church, His Presence', was held in February 2024 with 213 guests attending in person and online. We were honoured to have Martin Koornstra from Royal Mission, Netherlands, come to share with us. The conference was a beautiful time of worship with our blended international worship teams serving together. Our mealtimes together were a highlight as leaders and their teams from across the world (including France, Switzerland, Germany, Spain and Scotland) ate together, exchanged stories and encouraged one another.






'Amplify', our online Prophetic school, led by Phil Wilthew, Charlene Framming ham and Gregg Stuart (Coleraine, Northern Ireland) was run for the third time, lasting nine months over three terms. The school ran mostly online via Zoom with two additional in-person days at King's House, where we had the privilege of Paul Manwaring joining us to teach on 'Having a Healthy Culture'. The course had 53 students and 16 coaches participating with termly 'Connect' meetings.

In October 2024 we successfully launched a new apostolic training school called 'Revive'. The school ran with two options, one being a Thursday evening school and the other a Friday daytime school. The school had a team of 6 leaders with 20 and 14 students attending the Thursday and Friday schools respectively. This included students from three other churches, joining us with some travelling from Ashford. The school's vision is to ignite hearts, personal transformation, corporate awakening and multiplication of what we learn, to be shared and implemented out into our spheres of influence. The school had several leaders from our Hub coming to share and teach and we have seen miracles, encouraging testimonies and answers to prayer.



## 5. SEND



2024 was the 11th year for Paula O'Sullivan, originally from the King's Arms Church, working as a missionary in 'Hope Zone' in Tijuana, Mexico. She was able to celebrate her second wedding anniversary with Uriel and also the first birthday of her baby daughter Hope. She writes: 'God has given me a physical and a spiritual home here', and we are thankful for the lives she has faithfully impacted for God and her dedication, hard work and commitment to that desperately needy part of Mexico.

Paula has continued to support local mums with life skills courses, serve in the newly established Medical Centre and go out onto the tough streets with the light and hope that the message of Jesus brings. Paula says: "it's the mums who influence the families, so if they know the Lord, the families come to know him too. Working on the streets gives us the opportunity to invite people to join our programmes so they can be part of a godly community and we love to share Jesus with new people each week."

Last year the Hope Zone support team purchased a 5 storey property, with space for a community café, to bring stability and long-lasting impact to the broken community. Refurbishment work is due to commence in early 2025. Preparations for the Community Cafe include writing the vision and mission statements, and preparing a business plan and starting to train baristas.

Paula says: "If I could sum up this year in one word, it would be 'Whirlwind' It has been a year with many surprises, plans changing very quickly and seeing God move rapidly. In our ministries we have seen God move and grow us with greater dependence on him. Uriel completed the Community Development school, which challenged his mind and heart in the way that God wants him to work and see things and in how he leads us in family. He has been depending more on God for the vision that God has given him for ministry. We have seen the Lord take our families in Hope Zone deeper in their relationships with God. Many were baptised this year and many of our teens and mums and dads are stepping up and taking ownership in seeing transformation in their own community."

In October 2025 a team from the King's Arms church will go to Mexico for a week to learn more about the work that Paula is doing and help with building houses in Hope Zone.

## 6. KING'S ARMS HISTORY AND DEVELOPMENT

King's Arms Church was established in 1992 with the support and oversight of Woodside Free Church, Bedford (now Woodside Church). The King's Arms Trust was registered as a charity on 1 January 1995. Prior to this date, the accounts were included within those of Woodside Free Church.

King's Arms Church began to meet separately from Woodside in October 1992, initially on Sunday evenings. Since 1995 the church has met twice on most Sundays and has grown steadily in attendance. The church met in the dining room at Dame Alice Harpur School (now Bedford Girl's School) for many years before moving to King's House in 2010. King's House, which was purchased by the Trust in December 2009, was previously a factory manufacturing Crayola Crayons.

Throughout its history King's Arms has been caring for poor and disadvantaged people in Bedfordshire. The King's Arms Project commenced work among Bedford's homeless in 1989 when a residential house located in Clarendon Street, Bedford was established. The Project has developed with additional houses and elements, all of which have been set up to cater for the needs of poor and disadvantaged people. In order to facilitate its further growth and development, the Project was established as a separate charitable company called King's Arms Project (Bedford) which commenced operating on 1 March 2011.

As a result of the growth in attendance, the King's Arms Church now meets on Sundays as four congregations on three sites in the Bedford area.

In addition, several new churches have been established in the UK and overseas by members of the King's Arms Church and a number of other churches are now being led by people who once attended the King's Arms Church. These include:

David Stroud, the founder of King's Arms Church, led a team to South Birmingham in 1998 to plant a church and now leads Christ Church, London with four congregations meeting across the city at Mile End, Stockwell, Sutton and Central London.

Matt and Philippa Hatch who moved to Leeds in 2002 and lead Mosaic Church, a multi-site church meeting in three Leeds locations: North Central, South and Hobleck. They have also planted new churches in South Africa and UK.

Adrian and Lucy Hurst, Oasis Church, Birmingham.

Nick and Tracey Priggis, Hope Church, Shrewsbury.

Tim and Vicki Simmonds, Christ Church, Manchester a multisite church with eight meetings each Sunday in six locations across the city.

Robin and Hannah Vincent have planted churches in Bromsgrove and The Hill Church, Swansea.

Nick and Sue Griffin, London Life Vineyard Church, Crouch End, London.

Mike and Jen Milner. Vineyard Church, Guam.

Olivier and Elodie Sarkis, Montêlimar, France

Matt and Maèllou Trefcon, Montêlimar, France

Many of these churches are located in multi-racial environments in deprived inner-city areas, with an emphasis on caring for poor and disadvantaged people.

**KING'S ARMS TRUST (BEDFORD)**

England & Wales - Charity number 1116359

# Accounts

KING'S ARMS TRUST

# ANNUAL REPORT & FINANCIAL STATEMENTS

For the year 1st January 2023 to 31st December 2023



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# CHARITY AND COMPANY INFORMATION

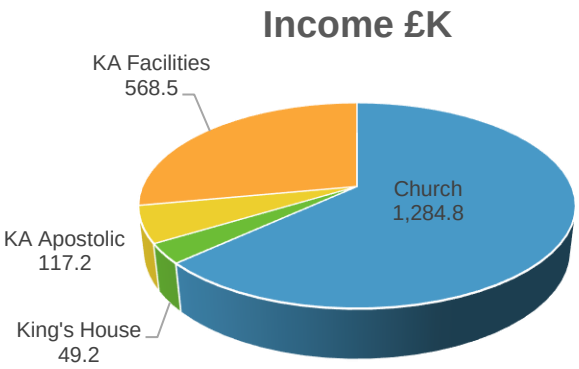
| | | |
|---|---|---|
| **Trustees/Directors** | Roydon Loveley (Chair) | |
| | Simon Holley | Peter Humphrey |
| | Sandra Kamchira-Mangwiza | Nicola Marfleet |
| | Rotimi Odeniran | Philip Varley |
| **Elders** | Simon Holley (Lead Elder) | Roydon Loveley |
| | Stephen Wilson | Philip Wilthew |
| **Charity Number** | 1116359 | |
| **Company Number** | 05899019 | |
| **Registered Office** | King's House<br>245 Ampthill Road<br>Bedford MK42 9AZ | |
| **Independent Auditor** | Wright Connections<br>Bedford i-Lab<br>Priory Business Park<br>Stannard Way<br>Bedford MK44 3RZ | |
| **Business Address** | King's House<br>245 Ampthill Road<br>Bedford MK42 9AZ | |
| **Solicitors** | Sharman Law<br>1 Harpur Street<br>Bedford MK40 1PF | Wellers Law Group LLP<br>65-68 Leadenhall Street<br>London EC3A 2AD |
| | Avensure Ltd<br>South Central, 11 Peter Street<br>Manchester, M2 5QR | |
| **Bankers** | Unity Trust Bank Plc<br>4 Brindleyplace<br>Birmingham B1 2JB | National Westminster Bank Plc<br>81 High Street<br>Bedford MK40 1YN |
| | Co-operative Bank Plc<br>4th Floor<br>9 Prescot Street<br>London E1 8AZ | Virgin Money Plc<br>Jubilee House<br>Gosforth<br>Newcastle upon Tyne, NE34PL |
| | Shawbrook Bank Ltd<br>Lutea House<br>Warley Hill Business Park<br>The Drive, Great Warley<br>Brentwood, Essex CM13 3BE | Nationwide Building Society<br>Nationwide House<br>Pipers Way<br>Swindon SN38 1NW |

The King's Arms Trust (Bedford) had a very encouraging year with the results reflecting a successful recovery from the impact of the pandemic and cost of living crisis on the activities and operations of the Trust; being both the company and its subsidiary. The total income of £2,019.7K, was an increase of 17.5% compared with 2022.

The main charitable activities of the Trust (being the company and its subsidiary), all of which provide public benefit, are:

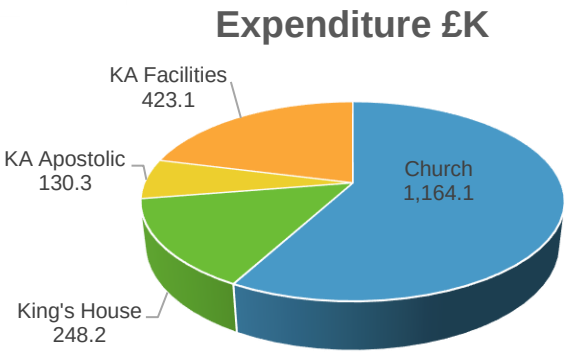
- **King's Arms Church** – A vibrant church of around 1,400 adults, children and youth with numerous meetings and activities held, in-person, and on-line. The church also operates **Re-Track** – which has participated in various projects to support those in need in Bedford and beyond. Within King's Arms Church there are also two key further activities identified as separate designated funds that assist in furthering the objectives of the Trust;-
    - **King's House** – the building owned by the Trust, providing the home for the majority of its activities.
    - **KA Facilities (Bedford) Ltd** – A wholly owned subsidiary company from within which a coffee shop and facilities rental are operated.
- **KA Apostolic** – the focus of the work of King's Arms Church in supporting leaders and churches in the UK and other nations.

A summary of the income and expenditure of each of the activities of the Trust is shown in the pie charts. It should be noted that the finances of the various activities of the Trust are controlled and monitored independently of each other.




Income totalled £2,019.7K. The majority of the Church income of £1,284.8K came from individuals attending the King's Arms Church.

Expenditure totalled £1,965.7K, with the Church, KA Facilities and the King's House building being the three largest areas.




The net assets of the Trust at the end of 2023 were £2,792.6K an increase of £54.0K compared to 2022.

The vision of the King's Arms Church is to **Worship** God, **Love** one another and **Multiply** disciples, groups and churches everywhere **until we see God's kingdom fill the earth**.




2023 was the thirteenth full year of the church meeting on a Sunday at King's House. The building comprises a 500-seater auditorium, coffee shop, many meeting rooms with capacities up to 250 people and office accommodation.

The office space, meeting rooms and auditorium are used by the church and are also made available for commercial rental. The coffee shop is open to the public as well as to visitors and users of the facilities at King's House and those who work in the building.

Each Sunday the church holds three services at two locations/sites: 9:30 am (King's House), 10:30 am (University) and 11:30 am (King's House), with growing numbers attending. In addition, in the afternoon every other week, a smaller congregation met in the nearby village of Blunham. Also, we continued to Livestream our 11:30am service providing a way for people both near and far to connect to our community. In the final quarter of the year the average weekly attendance at the four locations was 640 adults with around another 40 connecting online, this was an almost 50% increase on the previous year.

In addition, the church ran a wide variety of activities including:

- Children's and Youth meetings both on Sunday and during the week.
- Life Groups or Missional Communities meeting regularly midweek.
- A variety of activities and events for the elderly, prisoners and the local community.
  - Pastoral support to those in need within the church community.
  - Serving 60 different churches based in the UK and 14 different countries.
  - Re-Track - which has participated in projects to support those in need in Bedford and beyond.
  - Much of the above being run or supported by 450 people providing volunteer support.



Of particular note was the KA Facilities trading income which was £590.9K with an operating profit of £145.4K, compared to a profit of £144.8K in 2022. The main reason for this exceptional performance was several long-term bookings for the rental of rooms at King's House. Two of our long-term contracts used King's House 5 days a week: Bedford Hospital Midwifery Services and Diabetic Eye Screening. In addition, regular and new customers used King's House for meetings, celebrations and events and on many days all of the rooms were occupied.

Financial support from voluntary donations by church members increased throughout the year to above pre COVID-19 levels. Expenditure continued to be tightly controlled and budget forecasts monitored with the aim of minimising any depletion of reserves.

In summary, the Trust successfully recovered from the impact of COVID-19 and the cost of living crisis, and the Trustees are confident that the Trust will continue as a going concern.

This is the seventeenth report of the King's Arms Trust (Bedford), an incorporated charitable company, which commenced operating on 1 January 2007.

## INTRODUCTION

The Trustees of the King's Arms Trust (Bedford) present herewith their group annual report, together with the financial statements of the charitable company and its trading subsidiary (KA Facilities (Bedford) Limited) for the year 1 January 2023 to 31 December 2023.

The King's Arms Trust (Bedford) is an incorporated charitable company (Charity No. 1116359 and Company No. 05899019) which commenced operating on 1 January 2007. Prior to this date, and from 1 January 1995 to 31 December 2006, the organisation operated as 'The King's Arms Trust', an unincorporated charity (No. 1044098).

The report provides details of the many and varied activities of the Trust.

## PRINCIPAL OBJECTIVES

The principal objectives of the King's Arms Trust (Bedford) are that of the advancement of the Christian faith in the UK and overseas, the advancement for the public benefit of religious and other education including the relief of the aged, poor, sick and disabled.

'Public benefit' is the legal requirement that all charities must have charitable purposes which benefit the public. The Charities Act 2011 underlines this requirement. This report seeks to highlight the public benefit provided by the King's Arms Trust (Bedford).

## LEGAL AND ADMINISTRATIVE INFORMATION

The King's Arms Trust (Bedford) is governed by its constitution as defined in the Memorandum and Articles of Association.

The King's Arms Trust (Bedford) owns the freehold of King's House, a building located at 245 Ampthill Road, Bedford MK42 9AZ. Many of the activities of the Trust are undertaken at King's House.

Throughout the year the Trustees had Property Owners Liability insurance cover with an indemnity limit of £10 million. The cost of the insurance was paid by the charitable company.

The King's Arms Church operates as the principal function within the trust and King's House is registered as a Place for Religious Worship and for the Solemnisation of Marriages.

KA Facilities (Bedford) Ltd, a wholly owned subsidiary company, commenced operations on 1 January 2013. The company operates facilities within King's House:

- Ground Floor Coffee Shop.
- Rental of the meeting and conference facilities.

The King's Arms Trust (Bedford) is a member of the Evangelical Alliance and is affiliated to Catalyst, an apostolic team within Newfrontiers, a worldwide family of churches. The church also operates an Apostolic Resource Base (or hub) within Catalyst.

## VISION AND LEADERSHIP

The vision of the King's Arms Church is to **Worship** God, **Love** one another and **Multiply** disciples, groups and churches everywhere **until we see God's kingdom fill the earth**. Early in 2023, we took some time to remember what God is calling us to as a community and, together, rededicated ourselves to be:

- **Committed to God and each other**
- **Committed to making disciples**
- **Committed to the poor**
- **Committed to the next generation**
- **Committed to the nations**

During a time of global mounting pressure and economic uncertainty, we felt God's call to us to step forward as a **people fuelled by hope and joy rather than fear**.

The outworking of this means that we seek to serve the local community and also to impact the UK and other nations. As a church we recognise that the pursuit of who we want to be impacts the way we live and so have defined our aspirational culture as those who live with:

## Honour, Generosity, Acceptance, Authenticity and Courage

To help fulfil this vision a 'Cultural Audit' of the organisation of the trust, which has been largely unchanged for several years, was undertaken during 2023 led by two Trustees. As a result, significant changes to the management structure of the trust and church are being made, with final implementation in mid-2024. The changes will allow for further growth and the achievement of the vision. The new 'top level' organisation providing oversight of the church is shown in the chart.

**Governance Oversight** is provided by the Trustees/Directors and during the year these were:

- Roydon Loveley (Chair)
- Rachel Hickman (Resigned 30 November 2023)
- Simon Holley
- Peter Humphrey
- Sandra Kamchira-Mangwiza (Appointed 5 March 2024)
- Nicola Marfleet
- Rotimi Odeniran (Appointed 26 March 2023)
- Philip Varley




Trustees are appointed by the Elders, with the approval of the other Trustees. The Trustees met five times during 2023 and were regularly consulted and informed on matters of importance.

**Spiritual Oversight** is provided by the Elders and during the year these were:

Simon Holley
(Lead Elder and Senior Pastor)



Paul Johnson
(Resigned 31 March 2024)





Roydon Loveley



Stephen Wilson
(Executive Pastor)



Philip Wilthew
(Preaching Pastor)

**Operational Oversight** was provided by the **Strategic Leadership Team** (SLT) during the year until December 2023. The team was chaired by Simon Holley (Lead Elder) and included Steve Wilson (Impact), Phil Wilthew (Send), Paul Johnson (Pastoral), Sue Smith (Connect), Phil Cox (Community) and Rob Brown (Governance & Finance). This team ceased to operate from January 2024 whilst the Cultural Audit and organisational restructure was completed in the first half of the year.

A new **Operational Leadership Team** (OLT) has since been formed to replace the SLT. The OLT will meet frequently to discuss and oversee the affairs of the church and the Trust. It will work with other members of staff and a large number of volunteers to implement the vision, goals and objects of the Trust.

THE NEW OLT IS SHOWN IN THE CHART.




## FINANCIAL OVERVIEW

A summary of the income and expenditure (£K) of each of the activities of the Trust during 2023 is shown below. It should be noted that the finances of the various activities of the Trust are independent of each other.

| | King's Arms Church | King's House | KA Facilities (Bedford) Ltd | KA Apostolic | Total |
|---|---|---|---|---|---|
| Income | 1,284.8 | 49.2 | 568.5 | 117.2 | 2,019.7 |
| Expenditure | -1,164.1 | -248.2 | -423.1 | -130.3 | -1,965.7 |
| Internal Transfers | -131.3 | 267.3 | -146.8 | 10.8 | - |
| Net surplus/deficit | -10.6 | 68.3 | -1.4 | -2.3 | 54.0 |

Income totalled £2,019.7K, an increase of 17.5% compared to the previous year. Income for the church, totalling £1,284.8K, mainly came from members and supporters of the church. Expenditure totalled £1,965.7K, an increase of 19.5% compared to the previous year, with the church, King's House and KA Facilities being the largest areas of expenditure. The net assets of the Trust at the end of 2023 were £2,792.6K an increase of £54.0K compared to 2022. Of particular note was the KA Facilities trading income which was £590.9K with an operating profit of £145.4K compared to a profit of £144.8K in 2022 (these results include inter-company trading which are not shown in the table above as they have been eliminated on consolidation in presenting the final group financial statements). The main reason for this continued exceptional performance was several long term bookings for the rental of rooms at King's House.

The building loan balance outstanding at the end of 2023 was £578.3K, compared to the total initial value of £1,430K. In summary 59.6% of the total amount borrowed has been paid off in the last fourteen years.

## KING'S ARMS CHURCH OVERVIEW



The King's Arms Church community is made up of around 1,400 adults, children and youth.

The church meets each Sunday for worship and teaching in three congregations at 9:30am and 11.30am at King's House and 10:30am at an external venue (For most of the year this was at the University of Bedfordshire but early in 2024 the meeting moved to the Bedford Academy). In addition, in the afternoon every other week, a smaller congregation meets in the nearby village of Blunham. Also, we continue to Livestream our 11:30am service providing a way for people both near and far to connect to our community.

In the final quarter of the year the average weekly Sunday attendance was 640 adults, an almost 50% increase compared to the previous year. This growth was due to life returning to normal after the pandemic as well as new families relocating to the area and joining the church. The congregations meeting at King's House are now increasingly diverse, and it has been a joy to see vibrant, celebratory cross-cultural worship emerging. A real sense of community and serving has grown during the year with many being encouraged through prayer and prophetic ministry.



At the 10:30am meeting key family milestones have been celebrated, including outdoor baptisms at a local water sports facility followed by a community picnic.

The Blunham congregation commenced meeting on Sundays in September with a core group of committed people attending. In addition to the Sunday meetings, a carers and toddlers group was launched called 'Little Kingdom' and this has been meeting weekly in term time, resulting in new connections to local families.

**King's Kids**

Throughout the year, King's Kids met during each of the three main church meetings on a Sunday morning. The sessions run for 1.5 hours and involve the children with singing, Bible teaching, craft activities and playing games. In total, across the three meeting locations, approximately 160-180 children attend, with over 110 volunteers working in rota.




Each term two discipleship groups meet after school once a fortnight for children aged 5-11 alongside a parents group. During the Summer we ran a 3 day holiday club for around 50 children from the church and local community. In October we held a lightparty event as an alternative to Halloween with about 170 children and parents attending.

**Youth**

King's Arms Youth enjoyed a year full of discipleship, fun and encounters with Jesus. They meet on Wednesday evenings with the 11-14s and 15-18s breaking into separate groups for connection, worship and Bible teaching. Each week around 60 young people attend with both those from church families and friends from school. We also run a sixth form group once a month which regularly sees 10-15 young people attending. On Sundays we run youth for 11-14s at all our three main services during school terms with around 75 young people attending including some of our 15-18s who join us as 'young leaders'.





In August 80 young people attended Newday, a youth festival run by Newfrontiers. Although the week of camping was very wet, it was encouraging to see so many young people from the different Sunday locations connect with one another and worship God.

In November we held our first ever Identity Conference at our Blunham location. The weekend was filled with such joy and rich encounters. One young person encountered the Holy Spirit for the first time, many received prophetic words that they shared with others and some experienced freedom from shame and pain. We had walks together in the countryside, ate meals with one another and had lots of fun.



During the year we also celebrated the development of our youth band with some amazing musicians with a passion for worship. There have been many things to celebrate this year. God has been so faithful to us as a youth group. We have seen healings, salvations and many young people baptized.

**Group Life: Life Groups, Missional Communities and Equip Groups**




Group Life continues to grow and thrive, with around 60 groups active during 2023, either in the form of missional communities, life groups or equip groups. There continues to be a diverse breadth of groups available, meeting at different times, including daytime and evenings, throughout the week. These range from smaller life groups of 3 or 4 people building deep relationally, to teams of 50 involved in serving meals to the homeless and vulnerable at the Friday Night Meeting outreach. There are specific groups available for men and for women, for toddlers and parents, young adults and the retired.

Missional Communities in particular have seen growth. The 'Beauty for Ashes' group which works into the Yarl's Wood Immigration Centre had been unable to go into the centre since before Covid but during the year were able to host Sunday meetings for the women there again for the first time in 4 years. 'The Well', which provides free afternoon tea for the over 65s has seen an increase in attendance from around 30 per month in early 2023, to over 45 people. Numbers at the 'Playhouse' toddler group also continue to grow, with sessions booking to capacity consistently many weeks and with the majority of those attending coming from the local Bedford community.

Amongst our Equip Groups there are several high-quality home-written courses, including Simon Holley's 'Disciple Makers Training', and the 'Still I Rise' course for racial minorities written by the King's Arms pastoral team. These are offered alongside an increasing number of prayer and bible study groups.

Our Life Groups continue to thrive and are very popular. These now include several groups which are aligned with specific Sunday locations, such as the 10:30 congregation and the Blunham congregation. We are looking to increase the capacity and availability of these groups to keep up with the ever-growing demand for the community, connection and discipleship that they offer.

We are also excited to be offering greater development and investment in our group leaders, in the form of training clusters, starting with an evening led in partnership with the pastoral team aimed at equipping leaders to care for their group members pastorally within the context of healthy boundaries.



The Friday Night Meeting (FNM) continues to be a place of good food and good news. The team is a great mix of nationalities (Polish, Romanian, Indian, Nigerian, Italian, South African, African-Caribbean and British) with many from the King's Arms church, others from the local community and also some from a local branch of the HSBC bank. Guest numbers vary between 35-55 each week. Only a few of those attending are experiencing homelessness, while others are vulnerably housed or living alone and coming along for the community. Highlights in the year were the Summer social, where we gathered in Bedford Park to eat pizza and play rounders, and the Christmas meal where we were able to cook and serve a full Christmas dinner and give out 'Love Bedford' boxes as gifts and had a singing teacher lead us in singing carols.

**Other Activities**

In addition to the activities described above, a wide variety of other church activities continued during the year, as described in more detail in Appendix 1, including:

- **Alpha.** The Alpha course gives people the chance to explore the Christian faith in a relaxed environment.
- **Prison Ministry.** Sunday services in the Bedford Prison Chapel once a month.
- **Belong.** A group for newcomers to the church meeting weekly with between 10 and 20 people attending.
- **Prayer.** In 2023 we started a monthly 'Prayer and Pursuit' evening, giving the church the opportunity to pray, worship and hear God.
- **Community Events.** These provide a context for fun and building strong connections with our locality.
- **Design & Communications.** Various resources were generated by the D&C team.



**Pastoral Support.** As a church we want to care for one another and also offer support to the wider community. Specific areas of support described in Appendix 2 were with respect to: Mental Health and Wellbeing, Racial integration and Marriages.

**Re-track.** This seeks to help people get their lives back on track, especially after Covid-19. Based at King's House, Re-Track has participated in various projects to support those in need in Bedford and beyond as described in Appendix 3.

**KA Apostolic.** This area oversees and spearheads the trans-local work of the church in serving other local churches and apostolic networks as described in Appendix 4.

**Send.** We continue to support two people from the King's Arms Church working overseas as missionaries as described in Appendix 5.

## King's House Overview



During the weekdays, King's House serves the broader community as a venue for conferences, meetings, and events. 2023 was a very successful year financially – and we're definitely feeling that those awful Covid years are behind us. Groups are gathering and eating together again.

Throughout 2023 we had three long term bookings that each use a training room continuously Monday – Friday. It therefore means that there are often days when all 10 of our training rooms plus the auditorium are being used. We have excellent feedback from our clients. Our largest booking in 2023 was for Highways England's Award Ceremony, where we catered a 3-course meal for 150 guests.
We have given away a number of complimentary rooms in 2023 including a session for Prostate Cancer screening, Bedford Hospital senior leaders meeting, and the Prison staff meeting. We have also given free drink vouchers to local foster carers, complimentary sandwiches for 3 funerals, discounted rates for church members' weddings, and a very discounted rate for church meetings including Alpha, The Well monthly afternoon teas, the Christmas and Easter banquets.



Located in the foyer, the Ground Floor Coffee Shop is open to the public from Monday to Friday. Thanks to our fresh food and delicious hot drinks, the coffee shop has experienced an increase in the numbers of visitors this year. In addition we have employed a freelance content creator to manage our social media.

**Greenhouse Gas Emissions (GGEs)**

Electricity consumption by the King's Arms has been shown to be the greatest contributor to GGEs. Consequently, 60 solar panels were installed on the roof of King's House in 2021 with the aid of a £10K grant from Bedford Borough Council and a further 60 solar panels were installed on the roof in the first half of 2023 again with a grant of £12K from Bedford Borough Council.



The panels reduce our consumption of electricity by around 30% in the Summer. On Saturdays and other days when the building is less active we generate surplus electricity which we are seeking to export to the National grid.

Other energy savings measures include installing LED lights and additional insulation where practical.

**Building Developments.** During the year the flat roof over the offices was replaced and a new fall restraint system was also installed on the entire roof at a total cost of £68.2K.

## GOVERNANCE

With the increasing size and complexity of the Trust, the Trustees have agreed to increase the frequency of meetings and change their structure, so that at each meeting there will be two main agenda items occupying the majority of the meeting time as follows:

| | **Main Agenda Items** | |
|---|---|---|
| Feb | **Staff**<br>Review of HR issues and policies | **Cultural Audit** |
| Apr | **Safeguarding**<br>Review using CC 10 Actions Template | **Strategic Review**<br>Vision / Future Plans |
| Jun | **Annual Report and Accounts**<br>Review and approve for previous year. | **Investment/Reserves**<br>Review of policies |
| Sep | **Risk Register**<br>Review and update | **Finance**<br>Detailed review |
| Nov | **Budget**<br>Review and approval for the next year. | |

The changes were discussed and introduced during 2023 and will be fully implemented from mid 2024.

In addition to the oversight provided by Trustees, the Governance & Finance Team Leader oversees and manages the finances for the Trust and leads the Finance Team, consisting of three Finance Officers (two part-time) with each being responsible for a separate area of the work of the Trust. Monthly management accounts are generated, showing income and expenditure against the agreed budgets and also annual forecasts.

## STAFF

At the end of 2023 there were 86 staff roles, broken down as follows:

| | **Church (incl Apostolic)** | **Building and Facilities** | **Total** |
|---|---|---|---|
| Full time | 5 | 4 | 9 |
| Part time / Zero Hours | 34 | 43 | 77 |
| Total | 39 | 47 | 86 |
| Full time equivalent | 19.8 | 6.9 | 26.7 |

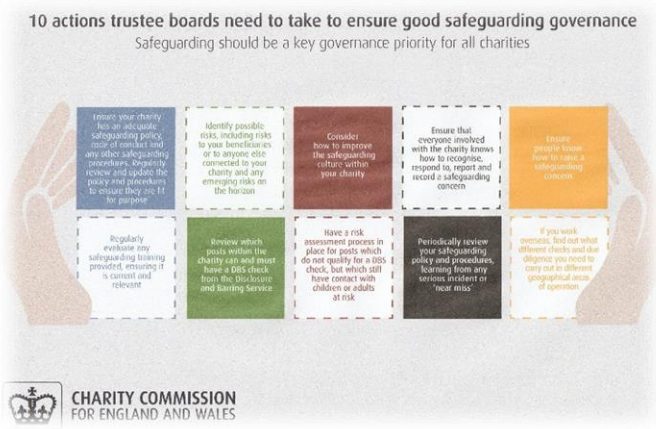
Church staff includes three full time Elders. Several staff have more than one role and thus have multiple contracts of employment.

A 'Death-in-Service' life insurance scheme was continued in 2023, at no cost to employees, with cover of four times salary. The Trust also contributes to a staff pension scheme. Further staff benefits have been introduced including a Sabbatical Policy and Long Service Awards providing additional time off work and financial rewards.

All staff, including paid Trustees, are subject to a formal annual review/appraisal, the outcome of which assists in determining any salary increases. Salary scales are regularly 'benchmarked' against similar churches, charities and other equivalents.

## SAFEGUARDING

The recommendations made by the independent review of Safeguarding at King's Arms during 2022 by an external professional have been followed during 2023. These included an internal review of the Safeguarding procedures for each area of the church's activity and the generation of child-friendly welcome booklets for King's Kids and Youth that explain what a new young person can expect from their time with us. In addition a rewrite of the policy and procedure identifying best practice and then training staff and volunteers was completed.




The importance of safeguarding to the trust is shown by the following. The trustees adopted the process recommended by the Charity Commission (shown opposite) to review Safeguarding at the King's Arms. Sandra Kamchira-Mangwiza, an independent Social Worker, was appointed as a Trustee in early 2024 with specific responsibility for overseeing safeguarding

## KA FACILITIES (BEDFORD) LTD

A wholly owned subsidiary company 'KA Facilities (Bedford) Ltd' (Company No: 8314420) commenced trading on 1 January 2013. The Ground Floor Coffee Shop and facilities bookings operate within this subsidiary company which gifts any trading surplus to the parent Trust.

No staff are employed by the subsidiary company. Staff working in its support are employed by the parent Trust and their costs, including salary, NI and pension, are recharged to the subsidiary company. The company also pays an annual rental charge of £30K for the use of the coffee shop facilities.

The turnover of the company in 2023 was £590.9K a significant increase over the prior year (£510.3k in 2022). As a result, profits of £145.5K were marginally more than the prior year (£144.8K in 2022). Refer to Note 28.

Further details of the activities of the subsidiary company are provided in the heading King's House Overview.

## RELATIONSHIP WITH KING'S ARMS PROJECT (BEDFORD)

The King's Arms Project (KAP) was established in 1989 to work with homeless and disadvantaged people in Bedford. For many years the KAP functioned as part of the King's Arms Trust (Bedford) and its predecessor 'The King's Arms Trust', until in 2011 when a new charitable company was formed called the King's Arms Project (Bedford) with several Trustees who were also Trustees of the KAT. Since 2011 the number of common Trustees has gradually reduced such that since January 2021 there are no common Trustees. There continues, however, to be a close informal relationship between the two Trusts with the KAT providing occasional grant funding to the KAP; in 2023 this was £10K. Note also that the KAP rented offices at King's House for a number of years but moved to premises in Harpur Street, Bedford in early 2023.

## King's Arms Church, Blunham

The launch of a new Sunday and mid-week meeting location occurred in the Autumn of 2023 at an old Baptist church in the village of Blunham. John Wright was employed by King's Arms Trust (KAT) for two days a week from June 2023 to lead the Blunham congregation. The building is owned and operated by the Blunham Old Meeting Baptist Church Trust (BOMBCT) and has five trustees, two of whom are also trustees of the KAT, namely Roydon Loveley and Peter Humphrey. The BOMBCT continues to be responsible for the building and a collaboration agreement has been generated. The BOMBCT and KAT are not considered to be related parties.




### CATALYST

As mentioned previously, the KAT is part of Catalyst a charitable company – Company No: 08284434, Charity No: 1150242. The KAT and Catalyst share two Directors/Trustees, namely Roydon Loveley and Simon Holley. Simon leads a Catalyst strategy team made up of leaders from churches who are also part of Catalyst. He is employed by the KAT, but from January 2024 Catalyst funds 30% of his salary to cover his role in leading the strategy team.

### BUSINESS RATES

Since the purchase of King's House in 2009, the Trust has not been required to pay business rates. As a charity the trust enjoys the 80% government mandatory relief from business rates and as a registered Place of Religious Worship the trust has also been exempt from the final 20% of business rates. (The only exception has been when non-charity companies have rented office space at King's House and they have paid the necessary business rates to the Local Authority).

However, the situation changed in early 2024 when the Valuation Office Agency, on the basis that they believed King's House was a conference centre, issued a notice requiring the trust to pay £124K for business rates backdated to 2017. We are appealing this decision. See note 22.

### FUTURE PLANS

Along with continuing the current activities, plans for 2024 and beyond include:

- Full implementation of the new organisation and staff restructuring as outlined previously.
- Further development of meetings and activities in Blunham at the building known as Blunham Old Meeting Baptist Church.
- Seeking to purchase a building in Bedford suitable for hosting the 10:30 Sunday meeting.
- Further development of our on-line services and activities.
- Appointing additional Trustees with expertise in legal and HR.
- Appointment of additional Elders.
- Initiatives to further reduce our carbon footprint.
- Various refurbishments at King's House.

## POST BALANCE SHEET EVENTS

The activities of the Trust have fully recovered from the pandemic levels. Attendance at our four Sunday services, being held in three locations, continues to increase. The other many and varied church activities, the facilities bookings and the Ground Floor Coffee Shop at King's House are all operating in a very satisfactory manner.

Financial support from voluntary donations by church members to the end of 2023 was maintained and the Trust is in a healthy financial position with reserves in excess of the policy to hold a minimum of 2 months expenditure.

During the first six months of 2024, donations by church members have been maintained, supplemented by a successful Vision Offering of over £200K and the commitment of over 100 additional individuals (or couples) to support the church financially either through one-off or regular donations.

The impact on donations from church members due to inflation and the increased cost of living continues to be monitored, and at the present time there is no indication that donations are being adversely affected. It is worth noting that a significant number of our committed financial supporters are retired with index-linked pensions and thus there is confidence that giving will continue, as was the case throughout the period of the pandemic, with no significant decrease.

Should donations decline to any significant extent, then expenses will be controlled and, if necessary, the substantial reserves used to maintain activities and operations.

The imposition of Business Rates at King's House is a significant concern. However, the Trust has sufficient reserves and could, if required, cover the total cost invoiced, dated back to 2017. There is confidence, however, that the appeal will be successful in significantly reducing the amount charged – potentially to zero. The outcome of the appeal is not likely to be known during 2024.

Thus the Trust has successfully navigated and recovered from the impact of the COVID-19 pandemic and the Trustees are satisfied that apart from the areas that continue to be monitored as mentioned above, there are no other events or conditions that cast significant doubts on the ability of the group to continue as a successful ongoing concern.

## PUBLIC BENEFIT

All the many and varied activities of the Trust, as described in this report, are available to, and for the benefit of, the public across the complete age spectrum, including children, teenagers and adults. The development of King's House, located in the Cauldwell area of Bedford, has significantly enhanced the scope of the activities that the Trust is able to provide to the benefit of the local and wider community. Thus, the Trust believes that it fully complies with the requirements of the Charities Act 2011 with respect to public benefit.

## FUNDRAISING

Most funds are provided by voluntary donations from those who attend the King's Arms Church. The Trust does not employ staff, or use professionals, whose sole job is to raise funds. On occasions, grant applications are made to provide funds for Re-Track and other activities, and to develop King's House. As described previously grant applications were made to Bedford Borough Council. £10K was received in 2021 and a further £12k received in 2023 towards the cost of installing additional solar panels on the roof of King's House.

## TRUSTEE INDUCTION AND TRAINING

The Trustees are also Directors of the company. Trustees are appointed by the Elders, with the approval of the other Trustees in accordance with the Memorandum and Articles of Association. Normally, new Trustees are already familiar with the work of the Trust, as they are committed members of King's Arms Church. However, in certain circumstances someone from another church, with whom we have a relationship, will be invited to become a Trustee. Prior to their appointment, new Trustees will meet with the Chair of the Trustees to review:

- The roles and responsibilities of a Trustee as defined in the Trustee Job Description
- The main documents which set out the operational framework for the charity including the Memorandum and Articles of Association.
- Resourcing and the current financial position as set out in the latest published accounts.
- Future plans and objectives.
- The Trustee Induction Procedure.

## STATEMENT OF TRUSTEES' RESPONSIBILITIES

Charitable company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company and of the profit or loss of the charitable company for that period. In preparing those financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to assume that the charitable company will continue in operation.

The Trustees are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and that are sufficient to show and explain the company's transactions. This ensures that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud or any other irregularities.

## RESERVES

The reserves policy, agreed by the Trustees, is to maintain a level of unrestricted group cash reserves (including designated reserves) to mitigate against the risk that the Trust experiences an unexpected event which would put it in financial difficulty. The Trustees believe that the appropriate level of unrestricted reserves should be a minimum of 2 months of overall annual expenditure (excluding depreciation), with an ideal level being set at 3 months.

Using the above criteria, a detailed review has estimated that reserves should be at least £317K which represents around 2 months of expenditure, with the ideal level of 3 months being £475K. The unrestricted group cash reserves held at 31 December 2023 were £415K, well above the minimum level. Whilst this is £60K below the ideal level, the Trustees judge this is reasonable and will continue to review the level of reserves on a monthly basis. In addition, the Trustees annually review the reserves policy to ensure it remains up to date and relevant.

The restricted reserves held at the end of the year were £58,235 represented by;-

- £7,827 being the remaining unspent balance of specific Church donations
- £50,407 being the balance Apostolic funds

## INVESTMENT POLICY

Reserve funds are invested such that the total in any one bank/building society is ideally less than the £85K guarantee limit provided by the Financial Services Compensation Scheme (FSCS). In order to stay below the limit, accounts have been opened with Co-op Bank, Virgin Money Plc, CAF Bank Ltd, Nationwide Building Society and National Westminster Bank Plc.

With bank/building society interest rates increasing in the last year, we are planning to invest some of the reserves with the Flagstone Cash Deposit Service operated by St James Place with a wide variety of different banks. Priority will still be given to protecting the reserves under the FSCS.

## RISK MANAGEMENT

The major financial risks, as recognised by the Trustees, are as follows:

**Church.** For the church the risks are considered to be low due to the broad donor base. However, the risks have increased during the past few years due to the greater length of service being accumulated by staff and the contractual payments required should the church lose its donor base.

**Building.** The main risk associated with King's House is that sufficient income may not be generated to cover the costs associated with the operation and management of the building. These include loan repayments, staff salaries, operating and maintenance and any building developments. Risk is minimised by capital expenditure on building development only being sanctioned when funds are available from the normally annual church 'gift days' or from transfers from general church reserves when necessary.

The finances for King's House, including KA Facilities (Bedford) Ltd are monitored and controlled separately from the other areas of the work of the Trust with the main source of income being the gifts and regular giving from members of the church, office rental and the surplus generated by KA Facilities (Bedford) Ltd. A detailed cash forecast has been generated to the end of 2024. Future building developments will only be undertaken when funding is available. Any significant surplus money may be used to reduce the bank loans.

A detailed Risk Register has been generated and the financial and other risks have been reviewed and systems established to manage and mitigate these risks.

## POLICIES AND PROCEDURES

The Trust has established policies which apply to both staff and those who take part in the community life and/or visit the church and building. During the past year existing policies, including Health & Safety policies, have been reviewed and upgraded and various new policies generated. Avensure have been appointed on a 3-year contract to provide legal services and assist with Human Resources and Health & Safety issues.

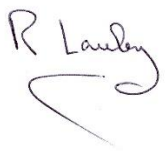
## STATEMENT OF DISCLOSURE TO THE AUDITOR

The Trustees have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

As far as the Trustees are aware, there is no relevant audit information of which the charitable company's auditor is unaware.

The Trustees have prepared this report in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small entities.

Approved by the Trustees on: 28 August 2024



and signed on their behalf:

……

**Roydon Loveley**

Chair of Trustees

# INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE KING'S ARMS TRUST (BEDFORD)

**Opinion**

We have audited the financial statements of The King's Arms Trust (Bedford) (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31 December 2023 which comprise of the Consolidated Statement of Financial Activities, the Balance Sheets, the Consolidated Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including 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's and of the parent charitable company affairs as at 31 December 2023 and of the group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**BASIS FOR OPINION**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**CONCLUSIONS RELATING TO GOING CONCERN**

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company'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 the 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 light of the knowledge and understanding of the group and the 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 and proper accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charity financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specific 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' exemption 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 set out on page 17, the Trustees (who are also the directors of the parent charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the group's and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

**AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Based on our understanding of the group and its activities we identified the principal risks of non-compliance with laws and regulations and considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements as being the Companies Act 2006 and the Financial Reporting Standard 102 applicable to the UK and Republic of Ireland (FRS102) (effective 1 January 2019) and (Charities SORP (FRS102).

We evaluated the Trustees' and management's incentives and opportunities for fraudulent manipulation of the consolidated financial statements, including the risk of management override of controls, and determined that the principal risks related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates.

Our audit procedures were designed to respond to those identified risks, including non-compliance with laws and regulations (irregularities) and fraud that are material to the financial procedures. Our audit procedures included but were not limited to:

- We obtained an understanding of the group and parent charitable company and its activities and identified that the most significant law and regulations it needs to comply with are employment regulation and health and safety regulation, licensing laws and safeguarding regulations.
- We also considered the laws and regulations that have a direct impact on the financial statements as being the Companies Act 2006, FRS 102 and the Charity SORP (2019) FRS102 and Charities Act 2011.
- We completed a disclosure checklist to ensure that the financial statements complied with the disclosures required by the Companies Act 2006, FRS 102 and the Charity SORP (2019)
- We obtained an understanding of how the group complies with these requirements by discussion with the Trustees and management of their policies and procedures regarding compliance with laws and regulations.
- We reviewed the Trustee meeting minutes and obtained Trustee representations where these were not available due to the sensitive nature of the area being discussed.
- We ascertained the operational procedures and associated accounting systems to establish the completeness and accuracy of transactions.
- Making enquiries of the Trustees and management on whether they had knowledge of any actual and potential litigation and claims.

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

- Making enquiries of the Trustees and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing review of journals raised and review of consolidation adjustments.

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

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

**USE OF THE AUDIT REPORT**

This report is made solely to the 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 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 company and the company's members as a body for our audit work, for this report, or for the opinions we have formed.



Catherine Brown BA FCA (Senior Statutory Auditor)
For and on behalf of Wright Connections Limited
Statutory Auditor
Bedford I-Lab
Priory Business Park
Stannard Way
Bedford MK44 3RZ

Date: 28 August 2024

## Consolidated Statement of Financial Activities – Year Ended 31 December 2023

INCORPORATING THE INCOME AND EXPENDITURE ACCOUNT

| | Note | Unrestricted funds 2023 £ | Restricted funds 2023 £ | Total funds 2023 £ | Total funds 2022 £ |
|---|---|---|---|---|---|
| **Income from:** | | | | | |
| Donations | **3** | 1,239,771 | 93,678 | 1,333,449 | 1,118,073 |
| Charitable activities | **4** | 28,794 | 58,704 | 87,498 | 76,433 |
| Other trading activities | **5** | 594,811 | - | 594,811 | 523,154 |
| Investments | **6** | 3,903 | - | 3,903 | 816 |
| **Total income** | | **1,867,279** | **152,382** | **2,019,661** | **1,718,476** |
| **Expenditure on:** | | | | | |
| Raising Funds - trading activities | | 423,096 | - | 423,096 | 346,362 |
| Charitable activities | **7** | 1,343,776 | 198,811 | 1,542,587 | 1,298,834 |
| **Total expenditure** | | **1,766,872** | **198,811** | **1,965,683** | **1,645,196** |
| **Net income / (expenditure)** | | **100,407** | **(46,429)** | **53,978** | **73,280** |
| **Transfer between funds** | | **(10,802)** | **10,802** | **-** | **-** |
| **Net movement in funds** | **23** | **89,605** | **(35,627)** | **53,978** | **73,280** |
| **Reconciliation of funds:** | | | | | |
| Total funds brought forward | **23** | 2,644,803 | 93,862 | 2,738,665 | 2,665,385 |
| **Total funds carried forward** | **23** | **2,734,408** | **58,235** | **2,792,643** | **2,738,665** |

The Group's income and expenditure all relate to continuing operations. The Group has no recognised gains or losses other than those included above.

The notes on pages 25 to 41 form part of these financial statements.

## Balance Sheet - Year Ended 31 December 2023

| | Note | King's Arms Trust Total funds 2023 £ | King's Arms Group Total funds 2023 £ | King's Arms Trust Total funds 2022 £ | King's Arms Group Total funds 2022 £ |
|---|---|---|---|---|---|
| **Fixed assets:** | | | | | |
| Tangible assets | **15** | **2,923,189** | **2,923,189** | **2,875,705** | **2,875,705** |
| **Current assets:** | | | | | |
| Stock | **16** | 2,386 | 7,080 | - | 2,088 |
| Debtors | **17** | 52,959 | 81,944 | 51,296 | 79,651 |
| Cash at bank and in hand | | 424,658 | 478,005 | 462,059 | 504,045 |
| **Total current assets** | | **480,003** | **567,029** | **513,355** | **585,784** |
| **Liabilities:** | | | | | |
| Creditors: Amounts falling due within one year | **18** | **(130,455)** | **(182,039)** | **(118,192)** | **(153,800)** |
| **Net current assets** | | **349,548** | **384,990** | **395,163** | **431,984** |
| **Total assets less current liabilities** | | **3,272,737** | **3,808,179** | **3,270,868** | **3,307,689** |
| Creditors: Amounts falling due after more than one year | **19** | (515,536) | (515,536) | (569,024) | (569,024) |
| **Total net assets** | | **2,757,201** | **2,792,643** | **2,701,844** | **2,738,665** |
| **The funds of the charity:** | | | | | |
| Restricted funds | **24** | 58,235 | 58,235 | 93,862 | 93,862 |
| Unrestricted funds | **24** | 2,698,966 | 2,734,408 | 2,607,982 | 2,644,803 |
| **Total charity funds** | **24** | **2,757,201** | **2,792,643** | **2,701,844** | **2,738,665** |

The notes on pages 25 to 41 form part of these accounts.

These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small entities.

The financial statements were approved and authorised for issue by the Trustees on 28 August 2024 and signed on their behalf.

R. Loveley
**Trustee**

P. Humphrey
**Trustee**

## Consolidated Statement of Cash Flows Year Ended 31 December 2023

| | Note | Total funds 2023 | Prior year funds 2022 |
|---|---|---|---|
| | | £ | £ |
| **Cash flows from operating activities:** | **25** | **134,399** | **7,314** |
| Interest Paid | **14** | 42,861 | 25,805 |
| **Net cash provided by operating activities** | | **177,260** | **33,119** |
| **Cash flows from investing activities:** | | | |
| Interest from investments | 6 | 3,903 | 816 |
| Proceeds from the sale of property, plant and equipment | | 4,633 | - |
| Purchase of property, plant and equipment | 15 | (114,829) | (17,430) |
| **Net cash provided by (used in) investing activities** | | **(106,293)** | **(16,614)** |
| **Cash flows from financing activities:** | | | |
| Repayments of borrowings | | (54,146) | (58,146) |
| Interest Paid | | (42,861) | (25,805) |
| **Net cash provided by (used in) financing activities** | | **(97,007)** | **(83,951)** |
| **Net decrease in cash and cash equivalents** | | **(26,040)** | **(67,446)** |
| **Cash and cash equivalents at 1 January** | | **504,045** | **571,491** |
| **Cash and cash equivalents at 31 December** | | **478,005** | **504,045** |

**Analysis of cash and cash equivalents**

| | Current Year 2023 | Prior Year 2022 |
|---|---|---|
| | £ | £ |
| Cash in hand | 394,394 | 421,017 |
| Notice deposits (less than 3 months) | 83,611 | 83,028 |
| **Total cash and cash equivalents at 31 December** | **478,005** | **504,045** |

## ACCOUNTING POLICIES

### 1.1 General information

King's Arms Trust (Bedford) Limited is a private company limited by guarantee (05899019), incorporated in England and Wales. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the charity. The address of its registered office and principal place of business is disclosed in the company information on page 3 of this Annual Report.

The principal objectives of the King's Arms Trust (Bedford) are that of the advancement of the Christian faith in the UK and overseas, the advancement for the public benefit of religious and other education including the relief of the aged, poor, sick and disabled. These are achieved through the main activities of the Trust;

- King's Arms Church – A vibrant church of around 1,400 adults, children and youth with numerous meetings and activities held, in-person, and on-line. The group also operates through KA Facilities (Bedford) Ltd – a wholly owned subsidiary company from within which a coffee shop and facilities rental are operated.
- KA Apostolic – the focus of the work of King's Arms Church in supporting leaders and churches in the UK and other nations.

The group consists of King's Arms Trust (Bedford) Limited and its subsidiary KA Facilities (Bedford) Ltd.

### 1.2 Accounting convention and basis of preparation

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

The financial statements are prepared on a going concern basis under the historical cost convention. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £.

### 1.3 Basis of Consolidation

The income and expenditure and assets and liabilities of King's Arms Trust (Bedford) and KA Facilities (Bedford) Limited are consolidated within these Group financial statements to reflect control. All amounts in respect of group balances and transactions have been eliminated in arriving at the group figures.

Under Section 408 of the Companies Act 2006 the charitable company is exempt from the requirement to present its own statement of financial activities. The surplus for the year with the accounts for the charitable parent company was £55,357 (2022: Surplus £88,472).

## 1.4 Funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the note 23 to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the note 23 to the financial statements.

## 1.5 Income recognition

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

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

Tax credits (gift-aid) are included in the financial statements on an accruals basis as recommended by the Statement of Recommended Practice. This means that tax credits are taken into account in the period in which the originating donation was made.

Donated facilities and donated professional services are recognised in income at their fair value when their economic benefit is probable, it can be measured reliably and the charity has control over the item. Fair value is determined on the basis of the value of the gift to the charity. For example, the amount the charity would be willing to pay in the open market for such facilities and services. A corresponding amount is recognised in expenditure. No amount is included in the financial statements for volunteer time in line with the SORP. Further detail is given in the Trustees' Annual Report.

Gifts in kind donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. Where estimating the fair value is practicable upon receipt it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impracticable to fair value the items due to the volume of low value items they are not recognised in the financial statements until they are sold. This income is recognised within 'Income from other trading activities'.

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

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

Interest income is recognised using the effective interest method.

## 1.6 Expenditure recognition

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

- Costs of raising funds includes the costs of the trading subsidiary
- Expenditure on charitable activities includes all costs relating directly or indirectly to those activities

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

## 1.7 Allocation of costs

All costs, including salaries and pensions, are allocated directly to each activity as far as possible. Any shared support costs are allocated to King's Arms Church with a fixed cost being allocated to KA Facilities and KA Apostolic as agreed annually.

## 1.8 Pension costs

Pension costs in the financial statements represent contributions to employees' defined contribution pension plans.

## 1.9 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. There was no tax due on trading subsidiary profits as they were all paid via gift aid to the parent charity within required timescale.

## 1.10 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less the estimated residual value of each asset over its expected useful life, as follows:

| | |
|---|---|
| Freehold land | not depreciated |
| Freehold buildings | 1% straight line |
| Fixtures & fittings | 4%-33% straight line |
| Motor vehicles | 25% reducing balance |

The deprecation policy for freehold buildings was revised in 2023 to 1% straight line (from 2% straight line in prior years) to give a better estimate of the life of the asset.

Tangible assets above £300 are capitalised.

## 1.11 Stock

Stock is held at the lower of cost and net realisable value.

## 1.12 Debtors and creditors receivable / payable within one year

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

## 1.13 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

## 1.14 Loans and borrowings

Loans and borrowings are initially recognised at the transaction price including transaction costs. Subsequently, they are measured at amortised cost using the sum of digit method, less impairment. If an arrangement constitutes a finance transaction it is measured at present value.

## 1.15 Operating leases

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

## 1.16 Judgments in applying accounting policies and key sources of estimation uncertainty

In applying the company's accounting policies, the Trustees are required to make judgements, estimates and assumptions in determining the carrying amounts of assets and liabilities. The Trustees' judgements, estimates and assumptions are based on the best and most reliable evidence available at the time when the decisions are made, and are based on historical experience and other factors that are considered to be applicable. Due to inherent subjectivity involved in making such judgements, estimates and assumptions, the actual results and outcomes may differ.

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

A key area of judgement concerns the accrual of business rates and the contingent liability surrounding the uncertainty of the full potential business rates charges. As the business rates conditions did not exist at the year end, judgement has been applied to only provide for the amount reasonably believed the Trust is liable to be charged to the end of year end, based on the professional advice received as explained in note 22.

A key area of estimation and uncertainty is the depreciation of freehold buildings was revised in 2023. Please refer to accounting policy 1.10, and notes 10 and 15.

## 2 Comparative Consolidated Statement of Financial Activities

INCORPORATING THE INCOME AND EXPENDITURE ACCOUNT

| | Notes | Unrestricted funds 2022 £ | Restricted funds 2022 £ | Total funds 2022 £ |
|---|---|---|---|---|
| **Income from:** | | | | |
| Donations | **3** | 945,651 | 172,422 | 1,118,073 |
| Charitable activities | **4** | 30,119 | 46,314 | 76,433 |
| Other trading activities | **5** | 523,154 | - | 523,154 |
| Investments | **6** | 816 | - | 816 |
| **Total income** | | **1,499,740** | **218,736** | **1,718,476** |
| **Expenditure on:** | | | | |
| Raising funds - trading activities | | 346,362 | - | 346,362 |
| Charitable activities | **7** | 1,108,309 | 190,525 | 1,298,834 |
| **Total expenditure** | | **1,454,671** | **190,525** | **1,645,196** |
| **Net income / (expenditure)** | | **45,069** | **28,211** | **73,280** |
| **Transfer between funds** | | **(7,764)** | **7,764** | - |
| **Net movement in funds** | **23** | **37,305** | **35,975** | **73,280** |
| **Reconciliation of funds:** | | | | |
| Total funds brought forward | **23** | **2,607,498** | **57,887** | **2,665,385** |
| **Total funds carried forward** | **23** | **2,644,803** | **93,862** | **2,738,665** |

## 3 Income from donations

| | 2023 £ | 2022 £ |
|---|---|---|
| Gifts | 1,333,449 | 1,118,073 |
| **Total income from donations** | **1,333,449** | **1,118,073** |

Income from donations was £1,333,449 (2022: £1,118,073 ) of which £93,678 (2022: £172,422) was attributable to restricted and £1,239,771 (2022: £945,651) was attributable to unrestricted funds.

## 4 Income from charitable activities

| | 2023 | 2022 |
|---|---|---|
| | £ | £ |
| **King's Arms Church** | | |
| Performance related grants | 12,000 | 8,000 |
| Conferences, events and serving other churches | 28,712 | 26,191 |
| Training and coaching | - | 3,564 |
| Sale of books and media | 82 | 364 |
| **Total King's Arms Church** | **40,794** | **38,119** |
| | | |
| **King's Arms Apostolic** | | |
| Performance related grants | 13,650 | 13,000 |
| Conferences, events and serving other churches | 33,054 | 24,594 |
| Training and coaching | - | 720 |
| **Total King's Arms Apostolic** | **46,704** | **38,314** |
| | | |
| **Total income from charitable activities** | **87,498** | **76,433** |

Income from charitable activities was £87,498 (2022: £76,433) of which £58,703 (2022: £46,314) was attributable to restricted and £28,795(2022: £30,119) was attributable to unrestricted funds.

No government grants were received in the year or in the prior year 2022.

## 5 Income from other trading activities

| | 2023 | 2022 |
|---|---|---|
| | £ | £ |
| Coffee Shop sales (counter and catering) | 244,908 | 199,710 |
| Room and equipment hire | 321,527 | 287,213 |
| Office rentals | 26,149 | 31,973 |
| Consulting fees | - | 3,586 |
| Other | 2,227 | 672 |
| **Total income from other trading activities** | 594,811 | 523,154 |

All income from trading activities was attributable to unrestricted funds.

## 6 Income from investments

| | 2023 | 2022 |
|---|---|---|
| | £ | £ |
| **Interest - deposit accounts** | **3,903** | **816** |

All income from investments was attributable to unrestricted funds.

## 7 Analysis of expenditure on charitable activities

| Charitable activities 2023 | Activities undertaken directly | Support Costs | Total |
|---|---|---|---|
| | £ | £ | £ |
| King's Arm Church | 1,072,583 | 339,756 | 1,412,339 |
| KA Apostolic | 121,172 | 9,076 | 130,248 |
| **Total** | **1,193,755** | **348,832** | **1,542,587** |

| Charitable activities 2022 | Activities undertaken directly | Support Costs | Total |
|---|---|---|---|
| | £ | £ | £ |
| King's Arm Church | 1,030,266 | 152,398 | 1,182,664 |
| KA Apostolic | 108,459 | 7,711 | 116,170 |
| **Total** | **1,138,725** | **160,109** | **1,298,834** |

£198,811 (2022: £190,525) of the above costs were attributable to restricted funds. £1,343,776 (2022: £1,108,309) of the above costs were attributable to unrestricted funds.

## 8 Allocation of support costs

| Support costs 2023 | King's Arms Church | KA Facilities | KA Apostolic | Total |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| Central costs including governance | 32,561 | - | 5,944 | 38,505 |
| Building usage | 307,195 | 30,000 | 3,132 | 340,327 |
| **Activity Total** | **339,756** | **30,000** | **9,076** | **378,832** |

| Support costs 2022 | King's Arms Church | KA Facilities | KA Apostolic | Total |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| Central costs including governance | 20,837 | - | 4,155 | 24,992 |
| Building usage | 131,561 | 24,000 | 3,556 | 159,117 |
| **Activity Total** | **152,398** | **24,000** | **7,711** | **184,109** |

**Basis of allocation; -**
All costs including salaries and pensions are allocated directly to each activity as far as possible. Any shared support costs are allocated to King's Arms Church with a fixed cost being allocated to KA Facilities and KA Apostolic as agreed annually.

## 9 Governance costs

| | Note | 2023 | 2022 |
|---|---|---|---|
| | | £ | £ |
| Trustee expenses | 12 | 2,292 | 1,890 |
| Auditor's remuneration | 11 | 22,250 | 12,302 |
| Consultancy | | 10,173 | 10,800 |
| Legal fees | | 3,790 | - |
| **Total governance costs** | | **38,505** | **24,992** |

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

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

| | Note | 2023 | 2022 |
|---|---|---|---|
| | | £ | £ |
| Depreciation of tangible fixed assets | 15 | 65,467 | (74,419) |
| (Gain) / loss on sale of tangible fixed assets | 25 | (2,755) | - |
| Operating lease rentals | 20 | 3,267 | 5,690 |

The estimate for the accumulated depreciation as at 31 December 2022 was revised to adjust the net book value of Freehold Land and Buildings in line with a RICS valuation report conducted in March 2023. This change in estimate has resulted in an exceptional write back in depreciation of £118,842 in the year 2022 giving rise to the overall negative depreciation charge noted above. Depreciation in the year 2023 was calculated as per the Trust's usual policy with the exception of Freehold Buildings which was depreciated at 1% straight line as described in note 1.10 If Freehold Buildings had been depreciated according to the prior year policy of 2% straight line the overall depreciation charge for 2023 would have been £88,578 rather than £65,467 as noted above.

## 11 Auditor's remuneration

| | King's Arms Trust 2023 | King's Arms Group 2023 | King's Arms Trust 2022 | King's Arms Group 2022 |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| Audit fees | 22,500 | 22,500 | 11,802 | 11,802 |
| Non-audit services | - | (250) | - | 500 |
| **Total** | **22,500** | **22,250** | **11,802** | **12,302** |

## 12 Trustees and key management remuneration and expenses

Trustees' remuneration during the year was £84,728 (2022: £112,535) being the total remuneration package for two Trustees employed by the King's Arms Trust (Bedford) for services provided under employment contracts. Paul Johnson resigned as a trustee on 4 October 2022, the figures below only include his remuneration up to the date of his resignation.

| | | 2023 | | 2022 | |
|---|---|---|---|---|---|
| **Trustee** | **Role** | **Salary** | **Pension** | **Salary** | **Pension** |
| | | **£** | **£** | **£** | **£** |
| **Paul Johnson** | Pastoral Elder | - | - | 33,500 | 2,848 |
| **Simon Holley** | Lead Elder | 78,090 | 6,638 | 70,218 | 5,969 |
| **Total** | | **78,090** | **6,638** | **103,718** | **8,817** |

Trustee remuneration is paid in accordance with the Trust Memorandum & Articles of Association for services provided to the Trust.

Trustee expenses were reimbursed to three (2022: four) Trustees during the year totaling £2,292 (2022: £1,890) being food and travel costs.

Key management personnel for the group is considered to be the Board of Trustees and the Strategic Leadership Team. Total remuneration and benefits (including employer pension contributions) of key management personnel during the year were £362,628 (2022: £361,979).

## 13 Staff costs and employee benefits

| | 2023 | 2022 |
|---|---|---|
| | **£** | **£** |
| Salaries and wages | 1,089,360 | 986,021 |
| Social security costs | 78,935 | 76,993 |
| Pension | 74,142 | 69,945 |
| **Total** | **1,242,437** | **1,132,959** |

The average number of persons employed by the Group during the year was 64 (2022: 64).

The number of employees whose total employee benefits (excluding employer pension costs) for the year within the band £70,000 to £80,000 was one (2022: within the band £70,000 to £80,000 was one).

During the year defined contribution pension costs of £74,142 (2022: £69,945) were paid on behalf of 50 (2022: 44) employees to pension schemes administered independently of the charitable company.

The Trust also provides a group life insurance scheme as an additional benefit available to all staff, the cost in the year was £5,736 (2022: £3,216).

## 14 Interest payable

| | 2023 | 2022 |
|---|---|---|
| | **£** | **£** |
| **Bank loans** | **42,861** | **25,805** |

## 15 Fixed assets

### Tangible fixed assets

| Group and Charity | Freehold land & buildings | Fixtures & fittings | Motor vehicles | Total |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| **Cost** | | | | |
| As at 1 January 2023 | 3,067,507 | 447,113 | 7,414 | 3,522,034 |
| Additions | 70,406 | 44,423 | - | 114,829 |
| Disposals | - | (1,089) | (7,414) | (8,503) |
| **Cost at 31 December 2023** | **3,137,913** | **490,447** | **-** | **3,628,360** |
| **Depreciation** | | | | |
| As at 1 January 2023 | 317,507 | 323,411 | 5,411 | 646,329 |
| Charge for the year | 23,113 | 42,229 | 125 | 65,467 |
| Disposals | - | (1,089) | (5,536) | (6,625) |
| **Depreciation at 31 December 2023** | **340,620** | **364,551** | **-** | **705,171** |
| **Net book value** | | | | |
| **At 31 December 2023** | **2,797,293** | **125,896** | **-** | **2,923,189** |
| At 31 December 2022 | 2,750,000 | 123,702 | 2,003 | 2,875,705 |

## 16 Stock

| | King's Arms Trust 2023 | King's Arms Group 2023 | King's Arms Trust 2022 | King's Arms Group 2022 |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| Books and media | 2,386 | 2,386 | - | - |
| Food and drinks | - | 4,694 | - | 2,088 |
| **Total** | **2,386** | **7,080** | - | **2,088** |

## 17 Debtors

| | King's Arms Trust 2023 | King's Arms Group 2023 | King's Arms Trust 2022 | King's Arms Group 2022 |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| Trade debtors | 18,108 | 50,364 | 17 | 30,749 |
| Prepayments and accrued income | 29,633 | 29,712 | 45,711 | 45,712 |
| Other debtors | 5,218 | 1,868 | 5,568 | 3,190 |
| **Total debtors** | **52,959** | **81,944** | **51,296** | **79,651** |

## 18 Creditors falling due within one year

| | King's Arms Trust 2023 | King's Arms Group 2023 | King's Arms Trust 2022 | King's Arms Group 2022 |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| Bank loan | 62,780 | 62,780 | 63,438 | 63,438 |
| Trade creditors | 18,741 | 21,643 | 9,148 | 10,962 |
| Accruals and deferred income | 42,183 | 63,918 | 26,040 | 26,289 |
| Taxation and social security | - | 23,272 | - | 28,037 |
| Other creditors | 6,751 | 10,426 | 19,566 | 25,074 |
| **Total creditors** | **130,455** | **182,039** | **118,192** | **153,800** |

## 19 Creditors due after one year

| | King's Arms Trust 2023 | King's Arms Group 2023 | King's Arms Trust 2022 | King's Arms Group 2022 |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| Bank loan | 515,536 | 515,536 | 569,024 | 569,024 |
| **Total creditors due after one year** | **515,536** | **515,536** | **569,024** | **569,024** |

The original bank loan was taken out with Unity Trust in December 2009 on the purchase of the Church building and offices (King's House). A further loan was taken out in December 2010 for the refurbishment of King's House. Both loans were consolidated into one loan in March 2019, repayable in monthly installments over a period of 12 years. The building is held as security against the loan.

| The loan capital is repayable as follows: | King's Arms Trust 2023 | King's Arms Group 2023 | King's Arms Trust 2022 | King's Arms Group 2022 |
|---|---|---|---|---|
| **Amounts falling due:** | £ | £ | £ | £ |
| In one year or less, or on demand | 62,780 | 62,780 | 63,438 | 63,438 |
| Between two and five years | 309,966 | 309,966 | 291,050 | 291,050 |
| In five years or more | 205,570 | 205,570 | 277,974 | 277,974 |
| | **578,316** | **578,316** | **632,462** | **632,462** |

## 20 Leases

Total future minimum lease payments under non-cancellable operating leases are as follows:

| | King's Arms Trust 2023 Other | King's Arms Group 2023 Other | King's Arms Trust 2022 Other | King's Arms Group 2022 Other |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| Expiring within one year | 3,074 | 3,074 | 3,096 | 3,096 |
| Between 1 – 5 years | 6,618 | 6,618 | 9,692 | 9,692 |

The total operating lease expense for the year was £3,267 (2022: £5,690).

Total future minimum lease income under non-cancellable operating leases are as follows:

| | 2023<br>Other<br>£ | 2022<br>Other<br>£ |
|---|---|---|
| Expiring within one year | 14,420 | - |
| Between 1 – 5 years | - | - |

The total operating lease income for the year was £14,420 (2022: £nil).

## 21 Deferred income

| | King's Arms Trust 2023<br>£ | King's Arms Group 2023<br>£ | King's Arms Trust 2022<br>£ | King's Arms Group 2022<br>£ |
|---|---|---|---|---|
| At 1 January | 7,613 | 7,613 | 3,365 | 3,365 |
| Received during the year | 9,295 | 30,618 | 7,613 | 7,613 |
| Released to income for the year | (7,613) | (7,613) | (3,365) | (3,365) |
| **At 31 December** | **9,295** | **30,618** | **7,613** | **7,613** |

## 22 Contingent liabilities

In February 2024 the Trust received notification from the rates Valuation Office Agency (VOA) that the entire location at the King's House building had been brought into the business rates valuation listing with effect from 1 April 2017. Bedford Borough Council (BBC) subsequently issued rates demands for the 8 years up to 31 March 2025. The full potential charges from 1 April 2017 up to the end of the current financial year to 31 December 2023 amount to £120,130.

The Trust has taken on the services of a RICS qualified Chartered Surveyor specialising in this area to assist in "check, challenge, appeal" process with the VOA. The first "check" step of this process was completed in June 2024. The Financial Statements for the year 2023 only include accrued rates charges of £12,529 on the expectation that 90% relief will be obtained, as estimated by the Chartered Surveyor, on the grounds that the building is a registered place of worship. This leaves a net contingent liability of £107,601 that has not been accrued.

A repayment plan over 24 months for the existing liability has been agreed with BBC for the 7 years in arrears, with payments commencing in April 2024. Subsequent to the outcome of the "check, challenge, appeal" process with the VOA, any rates charges overpaid will be repaid by BBC, together with associated accrued interest. Despite being a present obligation arising from past events, the full amount has not been recognised in the accounts as the final amount of the obligation cannot be measured with sufficient reliability.

If the appeal process is successful then on the basis of the agreement with the Chartered Surveyor, professional fees would become payable to them calculated at 17.5% of any savings obtained in the rates charges. Nothing has been accrued for these professional fees in 2023.

## 23 Movement in funds

| Movement in funds 2023 | At 1 January 2023 | Income | Expenditure | Transfers | At 31 December 2023 |
|---|---|---|---|---|---|
| | | £ | £ | £ | £ |
| **Unrestricted funds** | | | | | |
| General church funds | 340,721 | 1,269,632 | (1,135,697) | (131,490) | 343,166 |
| TSM | 8,072 | - | - | - | 8,072 |
| KA Media | 2,738 | 82 | (2) | 220 | 3,038 |
| King's House | 2,256,452 | 29,029 | (208,077) | 267,287 | 2,344,691 |
| KA Facilities | 36,820 | 568,536 | (423,096) | (146,819) | 35,441 |
| **Total unrestricted funds** | **2,644,803** | **1,867,279** | **(1,766,872)** | **(10,802)** | **2,734,408** |
| **Restricted funds** | | | | | |
| King's Arms Church | 21,195 | 15,082 | (28,450) | - | 7,827 |
| King's House | 20,000 | 20,113 | (40,113) | - | - |
| KA Apostolic | 52,667 | 117,187 | (130,248) | 10,802 | 50,408 |
| **Total restricted funds** | **93,862** | **152,382** | **(198,811)** | **10,802** | **58,235** |
| **Total funds** | **2,738,665** | **2,019,661** | **(1,965,683)** | **-** | **2,792,643** |

| Movement in funds 2022 | At 1 January 2022 | Income | Expenditure | Transfers | At 31 December 2022 |
|---|---|---|---|---|---|
| | | £ | £ | £ | £ |
| **Unrestricted funds** | | | | | |
| General church funds | 410,109 | 972,658 | (1,059,604) | 17,558 | 340,721 |
| TSM | 10,494 | 3,564 | (5,493) | (493) | 8,072 |
| Events | 23,142 | - | (3) | (23,139) | - |
| KA Media | 3,596 | 364 | (1,466) | 244 | 2,738 |
| King's House | 2,108,144 | 31,973 | (41,743) | 158,078 | 2,256,452 |
| KA Facilities | 52,013 | 491,181 | (346,362) | (160,012) | 36,820 |
| **Total unrestricted funds** | **2,607,498** | **1,499,740** | **(1,454,671)** | **(7,764)** | **2,644,803** |
| **Restricted funds** | | | | | |
| King's Arms Church | - | 91,949 | (62,754) | (8,000) | 21,195 |
| King's House | - | 31,601 | (11,601) | - | 20,000 |
| KA Apostolic | 57,887 | 95,186 | (116,170) | 15,764 | 52,667 |
| **Total restricted funds** | **57,887** | **218,736** | **(190,525)** | **7,764** | **93,862** |
| **Total funds** | **2,665,385** | **1,718,476** | **(1,645,196)** | **-** | **2,738,665** |

Unrestricted funds comprise general church funds available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Unrestricted designated funds comprise unrestricted funds that have been set aside by the trustees for the following purposes; -

- King's House is a fund designated by the trustees to account for money generated by and spent on the building and to also ensure funds are available for the running costs of the building.
- KA Facilities the wholly owned subsidiary company, the profits of which are gift aided to the King's House.
- TSM (Training for Supernatural Ministry) ceased operating during the year however the balance of funds remain separately designated to be used for future training programmes.
- KA Media which continues but at a very low level.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors as follows; -

- Church which comprises donations and grants given for specific purposes from donors including those as a result of the Vision offering annual appeal which include activities such as the Friday Night Meeting, Re-Track and the new Blunham location, supporting missionaries overseas and aid to Ukraine.
- King's House which comprises donations and grants given for specific purposes from donors including those as a result of the Vision offering annual appeal for both the general running costs of the building and for specific building and maintenance projects as identified by the trustees
- KA Apostolic which comprises donation and grants given for specific purposes of supporting leaders and churches in the UK and other nations

Transfers include the following:

- Transfers of the gift aid/distribution from the trading subsidiary to the King's House (designated) fund.
- Donations made from Church funds to KA Apostolic.
- Other minor transfers made between funds in the year.

## 24 Analysis of net assets between funds

| 2023 | Tangible fixed assets | Stock | Debtors | Cash at bank and in hand | Creditors | Creditors more than one year | Total net assets |
|---|---|---|---|---|---|---|---|
| | £ | £ | £ | £ | £ | £ | £ |
| **Unrestricted funds** | | | | | | | |
| General church funds | - | 2,386 | 24,995 | 347,767 | (31,982) | - | **343,166** |
| TSM | - | - | - | 8,072 | - | - | **8,072** |
| KA Media | - | - | 12 | 3,026 | - | - | **3,038** |
| King's House | 2,923,189 | - | 19,177 | 3,057 | (85,196) | (515,536) | **2,344,691** |
| KA Facilities | - | 4,694 | 32,335 | 53,346 | (54,934) | - | **35,441** |
| **Total unrestricted funds** | **2,923,189** | **7,080** | **76,519** | **415,268** | **(172,112)** | **(515,536)** | **2,734,408** |
| **Restricted funds** | | | | | | | |
| King's Arms Church | - | - | - | 7,827 | - | - | **7,827** |
| King's House | - | - | - | - | - | - | **-** |
| KA Apostolic | - | - | 5,425 | 54,910 | (9,927) | - | **50,408** |
| **Total restricted funds** | **-** | **-** | **5,425** | **62,737** | **(9,927)** | **-** | **58,235** |
| **Total funds** | **2,923,189** | **7,080** | **81,944** | **478,005** | **(182,039)** | **(515,536)** | **2,792,643** |

| 2022 | Tangible fixed assets | Stock | Debtors | Cash at bank and in hand | Creditors | Creditors more than one year | Total net assets |
|---|---|---|---|---|---|---|---|
| | £ | £ | £ | £ | £ | £ | £ |
| **Unrestricted funds** | | | | | | | |
| General church funds | - | - | 43,946 | 313,811 | (17,036) | - | **340,721** |
| TSM | - | - | - | 8,072 | - | - | **8,072** |
| KA Media | - | - | 17 | 2,721 | - | - | **2,738** |
| King's House | 2,875,705 | - | 1,050 | 38,689 | (89,968) | (569,024) | **2,256,452** |
| KA Facilities | - | 2,088 | 30,732 | 41,986 | (37,986) | - | **36,820** |
| **Total unrestricted funds** | **2,875,705** | **2,088** | **75,745** | **405,279** | **(144,990)** | **(569,024)** | **2,644,803** |
| **Restricted funds** | | | | | | | |
| King's Arms Church | - | - | - | 21,195 | - | - | **21,195** |
| King's House | - | - | - | 20,000 | - | - | **20,000** |
| KA Apostolic | - | - | 3,906 | 57,571 | (8,810) | - | **52,667** |
| **Total restricted funds** | **-** | **-** | **3,906** | **98,766** | **(8,810)** | **-** | **93,862** |
| **Total funds** | **2,875,705** | **2,088** | **79,651** | **504,045** | **(153,800)** | **(569,024)** | **2,738,665** |

## 25 Reconciliation of net income / (expenditure) to net cash flow from operating activities

| | Current Year 2023 £ | Prior Year 2022 £ |
|---|---|---|
| **Net income for the reporting period (as per the Consolidated Statement of Financial Activities)** | **53,978** | **73,280** |
| **Adjustments for:** | | |
| Depreciation charges | 65,467 | (74,419) |
| Interest from investments | (3,903) | (816) |
| Profit on the sale of fixed assets | (2,755) | - |
| (Increase) / decrease in stocks | (4,992) | 1,586 |
| Increase in debtors | (2,293) | (10,152) |
| Increase in creditors | 28,897 | 17,835 |
| **Net cash provided by operating activities** | **134,399** | **7,314** |

## 26 Analysis of changes in debt

| | At start of year | Cash-flows | New finance leases | At end of year |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| Cash | 504,045 | (26,040) | - | 478,005 |
| Loans falling due within one year | (63,438) | 658 | - | (62,780) |
| Loans falling due after one year | (569,024) | 53,488 | - | (515,536) |
| Finance lease obligations | (12,788) | 3,096 | - | (9,692) |
| **Total** | **(141,205)** | **31,202** | - | **(110,003)** |

## 27 Related party transactions

KA Facilities (Bedford) Limited is a wholly owned subsidiary of the charity and as such has taken advantage of the exemptions conferred by FRS102 section 33 Related Party Disclosures to not disclose transactions within the group.

King's Arms Trust (Bedford) provides key management to the charity Catalyst, a network of churches to which the Trust belongs. Catalyst is therefore defined as a related party to the Trust. During the year, the Trust donated £8,000 (2022: £8,000) to Catalyst to support their activities. It also received income of £19,607 (2022: £16,300) from Catalyst of which £13,650 (2022: £13,000) were grants received in respect of the Trust providing key management. Expenses of £1,588 (2022: £2,055) were paid to Catalyst.

The total amount of aggregate donations received without conditions by all key management personnel and close family members defined as related parties were £90,800 (2022: £86,804).

Professional fees paid during the year to Philip Varley, who is also a Trustee of the Trust, for consulting services relating to the Cultural Development and Restructuring process were £6,750 (2022: £nil). The agreement to pay for these services and the rate of payment were determined by the other Trustees and do not relate to any services provided in serving as a Trustee.

## 28 Trading Subsidiary

The wholly owned subsidiary undertaking is KA Facilities (Bedford) Limited (company number 8314420), a company which is limited by guarantee and registered in England and Wales. The registered office is the same as that of King's Arms Trust (Bedford). It will gift aid its taxable profits to suitable charities as agreed by the Trustees. A summary of its trading results is shown below.

| | Year ended 31 December 2023 | Year ended 31 December 2022 |
|---|---|---|
| | £ | £ |
| **Turnover** | **590,858** | **510,336** |
| Cost of Sales | (97,685) | (74,181) |
| **Gross Profit** | **493,173** | **436,155** |
| Administrative expenses | (347,732) | (291,335) |
| **Operating profit** | **145,441** | **144,820** |
| | | |
| **Profit on ordinary activities before tax** | **145,441** | **144,820** |
| Tax | - | - |
| Gift Aid distribution | (146,820) | (160,013) |
| **Net movement in reserves** | **(1,379)** | **(15,193)** |
| | | |
| **Net assets** | **35,441** | **36,820** |

## 1. CHURCH ACTIVITIES

In addition to the Sunday Services, King's Kids, Youth and Group Life activities as described earlier in the main part of the report, there are many other church related activities and events as described in this section.

**Alpha**
We run two Alpha courses each year, and the last year we had over 60 guests in total across both courses. Alpha continues to go from strength to strength at King's Arms. It gives people the opportunity to explore the Christian faith, and new Christians the chance to lay some foundations on the credible evidence of the faith in a relaxed and engaging environment, with significant opportunity for making new friends and asking questions.

**Prison Ministry (Inside Out)**
About 12 volunteers go into Bedford prison once a month to lead a Sunday morning worship service and we receive very good feedback from the men. Meanwhile, one of our team has become an accredited facilitator of parenting courses through the national charity 'Care for the Family' and has joined with a member of the Chaplaincy team in delivering the 'Time out for Dads' course. The first course went very well, finishing with an extended family visit and the feedback was excellent. A second course is underway.

**King's Playhouse**

Kings Playhouse is a thriving hub of people, young and old, supporting each other, enjoying a spade space with their little ones and making fond memories. It meets at King's House in term time on Wednesday mornings from 10:00-11:30. Over the last year the group has seen many challenges with the team, both in number and health, however each week we have managed to provide a well-loved playgroup. Our contact list now emails 135 carers and we have between 60-90 children and carers attending each week when we are able to share prayer and provide support and advice to those in our community raising the next generation. There are new children and carers joining us each week with attendees coming from Bedford and the surrounding villages and with many carers returning with subsequent children or grandchildren. The Christmas and Summer events were both very successful with over 120 people in attendance.

**Belong**
Newcomers to the King's Arms church are encouraged to join the Belong Group. The group has enabled people to make new friendships and build community with the aim of integrating the newcomers into church life and culture. Many of those attending have mentioned how important Belong has been as part of their journey into feeling like they belong to the church.

During the year we held two Joining lunches for newcomers to the church on a Sunday where they could meet the leaders of the church and find out more about the church's history and vision. Around 80 newcomers plus team members attended those two events.

The Belong group meets on Monday evenings with between 10 and 20 people attending each week. Each Sunday the Belong team seek to meet with newcomers and get to know them and to make them feel welcome.

**Prayer**
In 2023 we joined together with the worship and prophetic teams to start a monthly 'Prayer and Pursuit' evening, giving the church the opportunity to pray, worship and hear God in person and online together. We continued our daily devotion email with over 260 people signed up. We developed a DEVOTED booklet as a prayer resource and Bible reading plan for 2024, as well as teaching ahead for the start of 2024 with 21 days of prayer and fasting. We seek to have the diversity of our community represented across our prayer gatherings and have sought to understand how to do this better through the year. We signed off the year and began our prayer and fasting with our well-attended Crossover service on New Years Eve.

**The Well**
This provides afternoon tea for the retired generation. We now regularly see around 30 people each month, with new people joining each time. Special events were held at Easter and a Christmas Banquet.

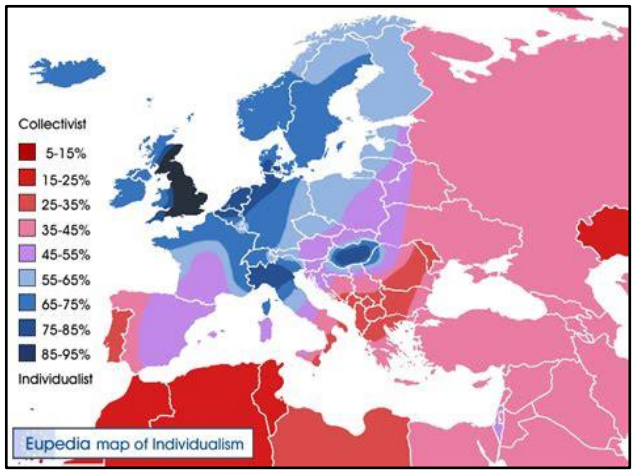
**Community Events**
Every year we invest in community events which aim to provide a context for fun whilst also building strong connections with our locality and pointing people to the life and connection with God available through Jesus. This year these included special events with guest speakers Ian McDowall and TJ Koleoso. These are in addition to our usual special congregational moments where we celebrate Christmas, Easter and Baptisms.

**Worship and PA**
The worship team, consisting of our musicians, sound engineers and production team continued to play a vital role in serving the King's Arms community. We are contending to be known as a team who worship Jesus in spirit and in truth, who model being worshippers who love God with all of our hearts, minds and souls. One highlight of 2023 was that we introduced two home written songs that are now part of our song repertoire.

**Design & Communications**
One of the highlights for the D&C team was creating a 'Devoted' booklet containing a 365-day bible reading plan, along with resources and tools on how to pray and fast. The church family was encouraged to use these booklets during 21 Days of Prayer and Fasting in January 2024.

The team also produced a series of testimony videos, themed "True Story" with several members of our community very authentically sharing their personal stories. The videos were shown in our Christmas meetings and also on our social media platforms in order to reach a wider audience. Our prayer is that God would encounter those watching the videos in a powerful way, especially those not yet following Jesus.

## 2 PASTORAL




**Cultural Context for Community Life.** 21st century England sits in the most individualistic corner of Europe, the Middle East and North Africa.(see map). Whilst individualistic societies tend to have many benefits (e.g. value and protection of rights, rule of law etc) they may also struggle to have the bonds of community and extended family that other societies enjoy.

If anything, the pandemic only served to highlight the isolation and loneliness that many experience.

**Our response.** That's why it's our aim as a community to be *pastors of our town, not just of the church.* We want to care for one another but where possible offer support to the wider community around us. As such the vast majority of the care that's provided isn't formalized, or logged on a spreadsheet. It's those vital, unprogrammed, unscheduled acts of kindness and love which help bond churches and communities together. We've seen everything from food bought for those in hard times through to a car given to someone who needed it. It can be as typical as baby clothes and cots being passed around, or as unusual as one person who turned up at someone's home in his JCB to help dig foundations for an extension.

In some senses 2023 began to more closely represent a 'normal' year following the turmoil after the pandemic. This gave us the opportunity to reflect on what we wanted to keep in place and what we wanted to do differently.

**Mental Health and Wellbeing.** Consequently, we decided to keep providing the 'Check-in' sessions that we started during the pandemic for the church and wider community. Isolation and loneliness are now increasingly being recognised as important issues in mental health and wellbeing. A survey from the Office for National Statistics showed a connection between loneliness and those experiencing high levels of anxiety. It is thus important that as a church we acknowledge this and play our part in providing contexts for people to connect and experience community.

i) We are in the fortunate position of having 3 qualified counsellors on staff. Although they're not offering therapy for the check-in sessions, they can draw on their experience and training to assist with a range of mental health/wellbeing situations. Over the course of the year 70 people took advantage of these opportunities. For those who need more ongoing support, we have a list of local counsellors we can refer people to and sometimes match-fund the costs where there is a need.

ii) Our 'Living Through Illness' group continued to serve those continuing to isolate and those with chronic illnesses. A small but highly dedicated volunteer team has served this group for the past 12 years. They have 'loved and listened' to people through some highs but many lows of tackling long term sickness. Church and communities are built through this kind of 'secret service'.

**Racial integration.** 2023 was a combination of both delivery and planning for the future. We ran our regular Snapshots evenings aiming to raise understanding and share experiences. Additionally, during the summer of 2023, we once again ran our 'Still I Rise' course aimed at helping those who have experienced racial abuse in many different forms. We're not aware of another course that provides such a safe space for people who have experienced racial abuse to process their pain and find healing in community. Perhaps unsurprisingly, the feedback from attendees is always deeply moving.

However, we also identified some training resource videos that we think will help inform and up-skill staff. But perhaps the most exciting venture is that we started preparing for our first ever forum dedicated to this topic and in the summer term 2024 we hope to run 'Reconciled' our first ever forum focused on racial integration with the aim of helping churches move from being multi-coloured to truly multi-cultural.

**Marriages.** Our provision for those who are married or about to get married goes from strength to strength. We now have a marriage preparation 'syllabus' which has been refined over the years. It helps couples clarify expectations, identify challenges and gives crucial support in the early years of marriage. For those who have been married longer, we have a set of materials drawn from many different sources that are delivered in a relaxed, informal environment with the aim of helping couples to keep growing and communicating. The aim in 2024 is to keep raising the profile of marriage enrichment and see many others benefitting from the marriage evenings we run.

**Other Developments.**

- Organisationally, we have been through a 'safer recruitment process for volunteers'. This was vital in order to ensure that our volunteers are trained and informed around our safeguarding procedures.

- Finally, as one of the larger churches in the region we also feel that we have a responsibility to host and help other church pastors. To this end we ran our annual Pastoral Forum with a particular focus on 'How to form a Pastoral Team'. Many church pastors are working in an environment where all the responsibility rests with just one or two people. According to a Barna survey, over half of pastors who have considered quitting full-time ministry (56%) say "the immense stress of the job" has influenced their thoughts on leaving, with 43% feel lonely and isolated. Consequently, the more we can help churches establish teams, then the more this alleviates both stress and isolation.

**Sozo.** This continued through 2023 with clients from the Kings Arms and some from other churches. During the year we provided 35 Sozos, four using Zoom, and the rest in-person. People continue to appreciate the freedom that Sozo brings, experiencing a deeper relationship with the three Persons of the Godhead – Father God, Jesus and the Holy Spirit. This is the aim of Sozo: it is not a counselling session, but it enables the person to forgive and move on from wounds and hurts from the past, so that they can fully live in the purposes that God has for them.

We continue to support and train team members. A Sozo is conducted by two team members – the first leading the person in prayer, and the second recording all the positive things they hear from God, to take away with them after the session. Occasionally a third person who is in training may be present as an observer. A 'Sozo Tools' training programme is also provided once a year.

## 3. Re-Track




Re-Track seeks to help people get their lives back on track, especially after Covid-19. Based at King's House, Re-Track has participated in various projects to support those in need in Bedford and beyond. Our support included providing emergency food parcels, Love Christmas boxes, Love Easter boxes, litter picking, aid to Ukraine and family fun days.

Re-Track was operated by one part-time employee alongside trained and supervised volunteers from diverse backgrounds.

**Emergency Food Parcels:** Throughout the year, we provided emergency food parcels to those in need. We also offered ongoing support and referrals to the food bank for those requiring long-term assistance. We installed a donation box within the foyer of King's House for people to drop off donations and this has been a big success.

**Love Christmas**: 119 boxes were donated, and using financial donations additional extra items were purchased to fill the boxes with food items and gifts. Each box also included the book The Christmas Story and information about King's Arms Church.



- 13 Love Christmas boxes went to families in need.
- 36 Love Christmas boxes were given to the elderly.
- 8 Love Christmas family boxes went to Springfield lower school.
- 46 Love Christmas boxes were received by attendees at the Friday Night Meeting.
- 4 boxes went to a local residential home for those with learning difficulties and mental health problems.
- 12 boxes went to the Re-Track families we support.



**Love Easter**: 125 Easter eggs were purchased by church members which we distributed to local schools, the elderly in care homes and to the Re-Track families we support.

**Aid for Ukraine**: To support those affected by the ongoing conflict in Ukraine, we sent a vanload of aid to one of the churches we are connected to in Krakow, Poland. Our previous trips had been very successful thanks to the many donations we received and the efforts of our volunteers. In 2024 we intend to explore other ways to support Ukrainians in Poland.

**Family Fun Days**: In collaboration with the King's Arms Kids' team, Re-Track co-hosted a two-family fun days, and we provided tickets to the families we support. These events featured free refreshments, bouncy castles, petting zoos, crafts, and more.

**Litter Picking.** We collaborated with Bedford Borough Council through litter picking after the River Festival.

## 4. KA Apostolic




King's Arms Apostolic oversees and spearheads the trans-local work of the church in serving other local churches and apostolic networks. As a church, we have the privilege and opportunity to help churches across the world.

King's Arms is part of a relational network of churches called Catalyst, serving over 80 churches in the UK and many other established and new churches in nations across the world. In the UK, Catalyst is led through apostolic Hubs that care for churches and provide strategic direction. Both Simon Holley and Phil Wilthew are part of the core apostolic team for this network and have been actively involved in serving wider Newfrontiers/Catalyst events such as the Catalyst Leaders weekend, leadership training and Impact training.

The Bedford Hub is serving over 50 different Churches which are in varying stages of connection with us. The majority of these are in the UK, with a geographical spread from London to Dundee in Scotland. We also currently serve churches in 10 countries outside the UK, which receive input from our strategy team and church leaders on a regular basis. The Hub is served by a core team made up of 6 leaders, 4 from the King's Arms and 2 leaders from other churches in the UK, with Paul Johnson now playing a consultative role to the team.



In 2023 we served key churches through 14 ministry trips, including France (Paris, Grenoble & Montelimar), Switzerland (Basel), Germany (Stuttgart & Munich) and Wales (Cardiff), taking teams from the Kings Arms Church. Phil Wilthew also travelled to New Zealand with a small team where they met with church leaders in Wellington and Auckland and had a great time leading and sharing at many meetings. Another team travelled to Istanbul for the first ever leaders conference in Turkey where they ran a prophetic seminar stream and prayed with many leaders, seeing many touched by God.

Our online leadership training huddles were further developed during the year, including an Apostolic Foundations huddle (Simon Holley and Phil Wilthew), a European Leaders huddle (Phil Wilthew and Duncan Hanton) to support leaders in related churches in other European countries, and a New Zealand huddle to support church leaders, who due to the time zone difference, find it challenging to join our online Hub gatherings. Simon Holley also runs a Huddle for those wanting to be trained in disciple making.

Our annual Resonate.global conference, themed 'Uprising', was held in February 2023 with 187 guests attending in person and online. We were honoured to have Steve Uppal and Andy McCullough come and share with us. The conference was a beautiful time of worship with our blended international worship teams serving together. Our mealtimes together were a highlight as leaders and their teams from across the world (France, Switzerland, Germany, Spain and Scotland) ate together and exchanged stories and encouraged one another.




We ran a successful second year of 'Amplify', our online Prophetic school for the Hub, led by Phil Wilthew, Rob Davey and Charlene Frammingham. The school ran mostly online via zoom with 2 additional in-person days at Kings House, where we had the privilege of having Angela Kemm and John Scott share with us. The course had 50 UK and international students and 18 coaches participating with termly 'Connect' meetings. The course was run for 9 months over 3 terms with a new course, for the third year, starting in November 2023.

## 5. SEND



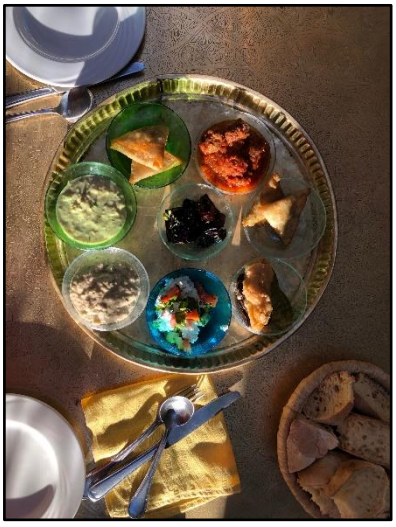
2023 was a year of life changing events for Paula who lives in Tijuana, Mexico. In February she married Uriel in a truly multi-cultural wedding with the English and Mexican families coming together to celebrate the new couple. Then in October came the fantastic news that they were expecting a baby girl in March 2024! Whilst awaiting the birth, Paula continued to serve in the Hope Zone in Tijuana, supporting the local mums with life skills courses, serving in the newly established Medical Centre and going out onto the tough streets with the light and hope that the message of Jesus brings. Paula says it's the mums who influence the families, so if they know the Lord, the families come to know him too. 'Working on the streets gives us the opportunity to invite people into our programmes so they can be part of a godly community. We love to share Jesus with new people each week'. In June a Hope Zone neighbour was drawn to the worship songs being sung there, and spontaneously joined the dads' bible study group!

This year saw the Hope Zone support team purchase their own property and start construction on a 5 storey building, with space for a community café, to bring stability and long lasting impact to the broken community. Within 6 days of owning the property, Paula's team were using it to house a family from South Mexico who had been living on the streets with their 4 children, including a 4-month-old baby.

Paula also celebrated her 10th year as a missionary to Tijuana in 2023, something which we proudly celebrate with her and for which we thank God. She writes 'God has given me a physical and a spiritual home here', and we are thankful for the lives she has faithfully impacted for God and her dedication, hard work and commitment to that desperately needy part of Mexico.

Over in North Africa, our friend 'JS' has been creatively mixing up her language learning by listening to Arabic worship music and memorizing Bible stories in Arabic to retell to her local friends. But the task of mastering a difficult language still requires diligent classroom study and home taught learning. This included, later on in 2023, the opportunity to teach English in the same language school in which she was studying Arabic – a highly sought after skill in that part of the world.

In March we sent two leaders from the UK to visit JS and get a firsthand view of the work she does and to encourage and pray with her. They had many conversations about which country she might be moving to next. Her current location is temporary whilst she learns the local dialect, so together they mapped out the beginning of plans, ideas and dreams for her next, more permanent home. By the end of 2023, three specific locations seemed to come into sharper focus which JS will be visiting in exploratory trips in 2024.



These were not her only house guests in 2023 however, and JS welcomed a steady stream of visitors to her city home. One of these was a new teammate from the UK who, with J's help, has now settled into the group successfully to work alongside her. These guests gave JS the opportunity to visit local sites and, poignantly, the city's rubbish dump where a whole community of Christians live in squalor and worship in caves. Throughout the spring J had some wonderful open conversations with local friends about faith and was able to pray with some who experienced healing afterwards. One of these encounters was in a local mosque and place of learning. These ran alongside the ever-present practical challenges of living somewhere where fixing running repairs in your home take on a different perspective and patience is forever given the opportunity to grow.

## 6. KING'S ARMS HISTORY AND DEVELOPMENT

King's Arms Church was established in 1992 with the support and oversight of Woodside Free Church, Bedford (now Woodside Church). The King's Arms Trust was registered as a charity on 1 January 1995. Prior to this date, the accounts were included within those of Woodside Free Church.

King's Arms Church began to meet separately from Woodside in October 1992, initially on Sunday evenings. Since 1995 the church has met twice on most Sundays and has grown steadily in attendance. The church met in the dining room at Dame Alice Harpur School (now Bedford Girl's School) for many years before moving to King's House in 2010. King's House, which was purchased by the Trust in December 2009, was previously a factory manufacturing Crayola Crayons.

Throughout its history King's Arms has been caring for poor and disadvantaged people in Bedfordshire. The King's Arms Project commenced work among Bedford's homeless in 1989 when a residential house located in Clarendon Street, Bedford was established. The Project has developed with additional houses and elements, all of which have been set up to cater for the needs of poor and disadvantaged people. In order to facilitate its further growth and development, the Project was established as a separate charitable company called King's Arms Project (Bedford) which commenced operating on 1 March 2011.

As a result of the growth in attendance, the King's Arms Church now meets on Sundays as four congregations on three sites in the Bedford area.

In addition, several new churches have been established in the UK and overseas by members of the King's Arms Church and a number of other churches are now being led by people who once attended the King's Arms Church. These include:

David Stroud, the founder of King's Arms Church, who led a team to South Birmingham in 1998 to plant a church and now leads Christ Church, London with four congregations meeting across the city at Mile End, Stockwell, Sutton and Central London.

Matt and Philippa Hatch who moved to Leeds in 2002 and lead Mosaic Church, a multi-site church meeting in three Leeds locations: North Central, South and Hobleck. They have also planted new churches in South Africa and UK.

Adrian and Lucy Hurst, Oasis Church, Birmingham.

Nick and Tracey Priggis, Hope Church, Shrewsbury.

Tim and Vicki Simmonds, Christ Church, Manchester a multisite church with seven meetings each Sunday in five locations across the city.

Robin and Hannah Vincent, The Hill Church, Swansea.

Nick and Sue Griffin, London Life Vineyard Church, Crouch End, London.

Mike and Jen Milner. Vineyard Church, Guam.

Olivier and Elodie Sarkis, Montêlimar, France

Matt and Maèllou Trefcon, Montêlimar, France

Many of these churches are located in multi-racial environments in deprived inner city areas, with an emphasis on caring for poor and disadvantaged people.

**KING'S ARMS TRUST (BEDFORD)**

England & Wales - Charity number 1116359

# Accounts

KING'S ARMS TRUST

# ANNUAL REPORT & FINANCIAL STATEMENTS

For the year 1st January 2022 to 31st December 2022




KING'S ARMS TRUST (BEDFORD) | CHARITY NO 1116359 | COMPANY NO 5899019

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# CHARITY AND COMPANY INFORMATION

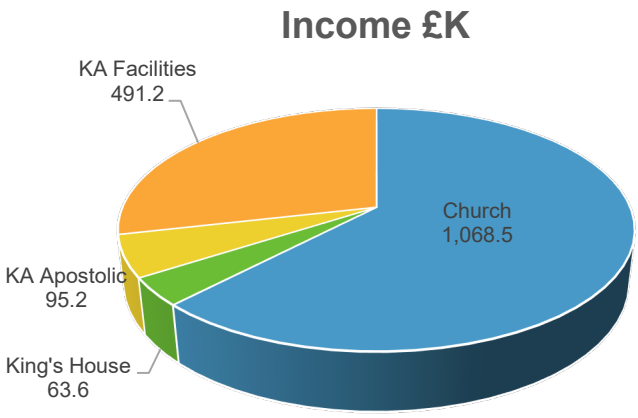
| | | |
|---|---|---|
| **Trustees/Directors** | Roydon Loveley (Chair) | |
| | Rachel Hickman | Simon Holley |
| | Peter Humphrey | Nicola Marfleet |
| | Rotimi Odeniran | Philip Varley |
| **Elders** | Simon Holley (Lead Elder) | |
| | Paul Johnson | Roydon Loveley |
| | Stephen Wilson | Philip Wilthew |
| **Charity Number** | 1116359 | |
| **Company Number** | 5899019 | |
| **Registered Office** | King's House<br>245 Ampthill Road<br>Bedford MK42 9AZ | |
| **Independent Auditor** | Wright Connections<br>Bedford i-Lab<br>Priory Business Park<br>Stannard Way<br>Bedford MK44 3RZ | |
| **Business Address** | King's House<br>245 Ampthill Road<br>Bedford MK42 9AZ | |
| **Solicitors** | Sharman Law<br>1 Harpur Street<br>Bedford MK40 1PF | Wellers Law Group LLP<br>65-68 Leadenhall Street<br>London EC3A 2AD |
| | Avensure Ltd<br>South Central, 11 Peter Street<br>Manchester, M2 5QR | |
| **Bankers** | Unity Trust Bank Plc<br>4 Brindleyplace<br>Birmingham B1 2JB | National Westminster Bank Plc<br>81 High Street<br>Bedford MK40 1YN |
| | Co-operative Bank Plc<br>4th Floor<br>9 Prescot Street<br>London E1 8AZ | Virgin Money Plc<br>Jubilee House<br>Gosforth<br>Newcastle upon Tyne, NE34PL |
| | Shawbrook Bank Ltd<br>Lutea House<br>Warley Hill Business Park<br>The Drive, Great Warley<br>Brentwood, Essex CM13 3BE | Nationwide Building Society<br>Nationwide House<br>Pipers Way<br>Swindon SN38 1NW |

The King's Arms Trust (Bedford) had an encouraging year with the results reflecting a successful recovery from the impact of COVID-19 on the activities and operations of the Trust; being both the company and its subsidiary. The total income of £1,718.5K, was an increase of 8.4% compared with 2021.

The main charitable activities of the Trust (being the company and its subsidiary), all of which provide public benefit, are:

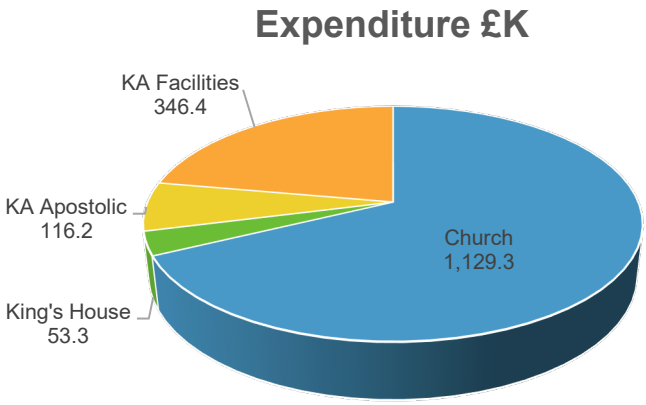
- **King's Arms Church** – A vibrant church of around 1,300 adults, children and youth with numerous meetings and activities held, in-person, and on-line. The church also operates **Re-Track** – an initiative, set-up in response to the pandemic, offering flexible one-to-one support for job seekers. Within King's Arms Church there are also two key further activities identified as separate designated funds that assist in furthering the objectives of the Trust;-
    - **King's House** – the building owned by the Trust, providing the home for the majority of its activities.
    - **KA Facilities (Bedford) Ltd** – A wholly owned subsidiary company from within which a coffee shop and facilities rental are operated.
- **KA Apostolic** – the focus of the work of King's Arms Church in supporting leaders and churches in the UK and other nations.

A summary of the income and expenditure of each of the activities of the Trust is shown in the pie charts. It should be noted that the finances of the various activities of the Trust are controlled and monitored independently of each other.




Income totalled £1,718.5K. The majority of the Church income of £1,068.5K came from individuals attending the King's Arms Church.

Expenditure totalled £1,645.2K, with the church, KA Facilities and the King's House building being the three largest areas.




The net assets of the Trust at the end of 2022 were £2,738.7K an increase of £73.3K compared to 2021.




2022 was the twelfth full year of the church meeting on a Sunday at King's House. The building comprises a 500-seater auditorium, coffee shop, many meeting rooms with capacities up to 250 people and office accommodation.

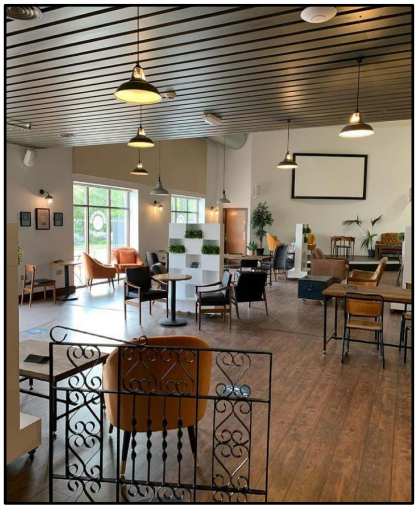
The office space, meeting rooms and auditorium are used by the church and are also made available for commercial rental. The coffee shop is open to the public as well as to visitors and users of the facilities at King's House and those who work in the building.

Throughout the year we enjoyed an increasing level of post pandemic normality with the three church meeting each Sunday: 9:30 am (King's House), 10:30 am (University) and 11:30 am (King's House), with growing numbers attending and people having greater confidence in meeting in large gatherings. We also continued to provide services online, initially through a pre-recorded service each week which transitioned later in the year to a livestream of the 11:30 am meeting.

The growing number of people attending was made up of people returning after the pandemic and also new people connecting to our Sunday gatherings. In the final quarter of the year the average weekly attendance at the three locations was 431 adults with around another 40 connecting online.

In addition, the church ran a wide variety of activities including:

- Children's and Youth meetings both on Sunday and during the week.
- Life Groups or Missional Communities meeting regularly midweek.
- A variety of activities and events for the elderly, prisoners and the local community.
- Pastoral support to those in need within the church community.
- Serving 60 different churches based in the UK and 14 different countries.
- Re-Track Career and Employment Centre offering flexible one-to-one support for job seekers, and coaching for individuals in compiling CVs while searching for employment.
- Much of the above being run or supported by 350 people providing volunteer support.



Of particular note was the KA Facilities trading income which was £510.3K with an operating profit of £144.8K which was 41% higher than 2021. The main reason for this exceptional performance was several long-term bookings for the rental of rooms at King's House. Two of our long-term contracts used King's House 5 days a week: Bedford Hospital training newly arrived international nurses and Serco training new staff. In addition, from January both regular and new customers used King's House for meetings, celebrations and events and on many days all of the rooms were occupied.

Financial support from voluntary donations by church members were maintained throughout the year at very near to pre COVID-19 levels. Expenditure continued to be tightly controlled and budget forecasts monitored with the aim of minimising any depletion of reserves.

In summary, the Trust successfully recovered from the impact of COVID-19 and the Trustees are confident that the Trust will continue as a going concern.

This is the sixteenth report of the King's Arms Trust (Bedford), an incorporated charitable company, which commenced operating on 1 January 2007.

## INTRODUCTION

The Trustees of the King's Arms Trust (Bedford) present herewith their group annual report, together with the financial statements of the charitable company and its trading subsidiary (KA Facilities (Bedford) Limited) for the year 1 January 2022 to 31 December 2022.

The King's Arms Trust (Bedford) is an incorporated charitable company (Charity No. 1116359 and Company No. 5899019) which commenced operating on 1 January 2007. Prior to this date, and from 1 January 1995 to 31 December 2006, the organisation operated as 'The King's Arms Trust', an unincorporated charity (No. 1044098).

The report provides details of the many and varied activities of the Trust.

## PRINCIPAL OBJECTIVES

The principal objectives of the King's Arms Trust (Bedford) are that of the advancement of the Christian faith in the UK and overseas, the advancement for the public benefit of religious and other education including the relief of the aged, poor, sick and disabled.

'Public benefit' is the legal requirement that all charities must have charitable purposes which benefit the public. The Charities Act 2011 underlines this requirement. This report seeks to highlight the public benefit provided by the King's Arms Trust (Bedford).

## LEGAL AND ADMINISTRATIVE INFORMATION

The King's Arms Trust (Bedford) is governed by its constitution as defined in the Memorandum and Articles of Association.

The King's Arms Trust (Bedford) owns the freehold of King's House, a building located at 245 Ampthill Road, Bedford MK42 9AZ. Many of the activities of the Trust are undertaken at King's House.

Throughout the year the Trustees had Property Owners Liability insurance cover with an indemnity limit of £10 million. The cost of the insurance was paid by the charitable company.

KA Facilities (Bedford) Ltd, a wholly owned subsidiary company, commenced operations on 1 January 2013. The company operates facilities within King's House:

- Ground Floor Coffee Shop.
- Rental of the meeting and conference facilities.

## TRUSTEES AND LEADERSHIP

The Trustees/Directors during the year were:

| | |
|---|---|
| Roydon Loveley (Chair) | Rachel Hickman |
| Simon Holley | Peter Humphrey |
| Paul Johnson (Resigned 4 October 2022) | Nicola Marfleet |
| Rotimi Odeniran (Appointed 26 March 2023) | Philip Varley |

The five Elders responsible for the spiritual oversight of the church were:

Simon Holley (Lead Elder)

Paul Johnson Roydon Loveley

Stephen Wilson Philip Wilthew

The activities and operation of the King's Arms Trust (Bedford) are led by the Strategic Leadership Team (SLT). At the end of the year, the team comprised:



Rob Brown
Governance & Finance



Phil Cox
Community & Safeguarding



Simon Holley
Lead Elder



Paul Johnson
Pastoral and Elder



Sue Smith
Connect



Steve Wilson
Impact and Elder



Phil Wilthew
Send and Elder




The team-based leadership structure of the SLT is shown opposite with a member of the SLT responsible for leading each area.

The SLT met frequently to discuss and oversee the affairs of the church and the Trust. They work with other members of staff and a large number of volunteers to implement the vision, goals and objects of the Trust.

Trustees are appointed by the Elders, with the approval of the other Trustees. The Trustees met five times during 2022 and were regularly consulted and informed on matters of importance.

The King's Arms Trust (Bedford) is a member of the Evangelical Alliance and is affiliated to Catalyst, an apostolic team within Newfrontiers, a worldwide family of churches. The church also operates an Apostolic Resource Base (or hub) within Catalyst.

The vision of the church is to serve the local community and also to impact the UK and other nations. As a church we recognise that the pursuit of who we want to be impacts the way we live and so have defined our aspirational culture as those who live with:

**Honour, Generosity, Acceptance, Authenticity and Courage**

## FINANCIAL OVERVIEW

A summary of the income and expenditure (£K) of each of the activities of the Trust during 2022 is shown below. It should be noted that the finances of the various activities of the Trust are independent of each other.

| | King's Arms Church | King's House | KA Facilities (Bedford) Ltd | KA Apostolic | Total |
|---|---|---|---|---|---|
| Income | 1,068.5 | 63.6 | 491.2 | 95.2 | 1,718.5 |
| Expenditure | -1,129.3 | -53.3 | -346.4 | -116.2 | -1,645.2 |
| Internal Transfers | -13.8 | 158.0 | -160.0 | 15.8 | - |
| Net surplus/deficit | -74.6 | 168.3 | -15.2 | -5.2 | 73.3 |

Note that TSM (Training for Supernatural Ministry) and Events/Conferences both ceased operating during the year and KA Media continues but at a very low level and therefore the figures for these are now all included within the total Church figures.

Income totalled £1,718.5K, an increase of 8.4% compared to the previous year. Income for the church, totalling £1,068.5K, mainly came from members and supporters of the church. Expenditure totalled £1,645.2K, an increase of 7.9% compared to the previous year, with the church, King's House and KA Facilities being the largest areas of expenditure. The net assets of the Trust at the end of 2022 were £2,738.7K an increase of £73.3K compared to 2021. The results reflect a full recovery, post the downturn as a consequence of COVID-19. Of particular note was the KA Facilities trading income which was £510.3K with an operating profit of £144.8K which was 41% higher than 2021 (these results include inter-company trading which are not shown in the table above as they have been eliminated on consolidation in presenting the final group financial statements). The main reason for this exceptional performance was several long term bookings for the rental of rooms at King's House.

The building loan balance outstanding at the end of 2022 was £632.5K, compared to the total initial value of £1,430K. In summary 55.8% of the total amount borrowed has been paid off in the last thirteen years. At the year-end it was noted that the Trust was in breach of the loan covenant as described in note 19 of the Financial Statements. Whilst this is a breach which could result in a material uncertainty regarding going concern as the bank could recall the loan, we as trustees believe the risk of this is very low as all repayments have been made in accordance with the loan agreement, the Trust has sufficient unrestricted cash reserves at the year-end of £405K to more than cover the total repayments due in 2023 of £97K, and subsequent to the year-end unrestricted cash reserves have increased to more than £473K as at the end of July 2023.

## KING'S ARMS CHURCH OVERVIEW



There are around 1,000 people who consider themselves to be part of the King's Arms Church community.

Throughout the year we enjoyed an increasing level of post pandemic normality with meetings each Sunday at three locations: 9:30 am (King's House), 10:30 am (University) and 11:30 am (King's House), with growing numbers attending and people having greater confidence in meeting in large gatherings. We also continued

to provide services online for those wanting to connect in this way - initially through a pre-recorded programme each week which transitioned later in the year to a livestream of the 11:30 am meeting.

The growing number of people attending was made up of people returning after the pandemic and also new people connecting to our Sunday gatherings. In the final quarter of the year the average weekly attendance at the three locations was 431 adults with around another 40 connecting online each week.

**King's Kids**




Throughout the year King's Kids met during each of the three church meeting locations on a Sunday morning for Bible teaching, craft activities, singing and playing games. Around 150 children attend supported by over 90 volunteers working on a rota.

During the Spring and Summer term we ran a discipleship group after school once a fortnight for children aged 8-11 and in the autumn term we added a group for children aged 5-7 and a parents' group running in parellel. Once a month there is a kids' social with a different focus each time. These have included games nights, movie nights and nerf gun games and have usually been attended by over 30 children.



Over the year we ran three family fun afternoons at Easter, in the Summer and at Christmas. These involved bouncy castles, farm animals, craft stations and games for all the family to enjoy. These were open to the local community and our Christmas session saw over 200 people attend with about half of the attendees being from the community.

**Youth**



On Sundays we run youth meetings for the 11-14s at the three service locations during school terms. Around 65 young people attend including some of our 15-18s who join us as 'young leaders'. With Covid restrictions no longer in place we also began meeting together again on Wednesday nights with the 11-14s and 15-18s breaking out into separate groups with around 60 young people attending. We also run a sixth form group once a month which regularly sees around 10-15 young people attending.

In August, 81 young people, supported by a team of 15 leaders and helpers, attended Newday, a youth festival run by newfrontiers. The week was filled with fun, encounters with God and multiple salvations. It was amazing to see so many young people from the different Sunday locations connect with one another and make friendships that have continued throughout the year.

In November we went away for a weekend with 70 young people to the Grafham Water Centre where we worshipped, learned about God together, and had fun as a youth family with activities such as high ropes, archery and canoeing. One of the highlights was on Saturday evening when 60 young people responded to wanting to lay their lives down afresh to live for God. There have been so many things to celebrate during the year. We have seen healings and salvations, and 18 of the youth were baptised during the year.

**Group Life**

Over the year Group Life comprised around 55 Missional Communities, Life Groups and Equip Groups. The restrictions and slowdown experienced during the Covid pandemic are now in the past and Group Life is fully re-established in the life of the church.




Life Groups are run by a wide demographic of people who attend the King's Arms Church and they enable every person who attends the church to relate to others in a variety of different ways. We have groups that cater for the younger and older generations, some that have a more family feel, and others for those who'd like to get into community in a deeper manner. We have groups that seek to meet the needs of men and women, meeting at all times of the day and week. We have seen Life Groups grow as people seek deeper connection in community with each other.

Missional communities seek to bring the kingdom in different contexts, for example: seeking to reach specific neighbourhoods, providing meals for the lonely, in the prison, Yarls Wood, praying for sex workers, and supporting medical and teaching professionals. Equip Groups have included a marriage support course, Bible studies, prayer groups, pastoral groups such as "Still I Rise" and Discipleship Making Training.

The Belong group is aimed at people who have recently joined the church and wish to get more connected and build new friendships. During the year two courses were held for new people to meet with the leaders of the church and with each other and learn about the culture and history of the King's Arms.

At the end of the year 480 people were signed-up as members of a group.

**Impact**

A wide variety of other activities continued during the year, including:

- **Alpha.** The Alpha course continued to run at the King's Arms in line with the world-wide Alpha ministry. The course gives people the chance to explore the Christian faith in a relaxed environment.
- **Prison Ministry.** 2022 saw us able to get back into the prison on a regular basis, after all the restrictions of Covid. We lead the Sunday service in the Chapel once a month with worship, prayers, Bible readings, a talk, and time for individual prayer ministry. We also have a weekly Bible study in one of the wings.
- **King's Playhouse.** King's Playhouse runs in term time every Wednesday morning from 10:00-11:30 and over the last year the group has grown with between 60 and 80 children and carers attending each week. In addition to the weekly sessions, hugely successful Christmas and Summer events were organized each with over 100 people in attendance.
- **The Well.** This provides afternoon tea for the retired generation. We now regularly see around 30 people attending each month, with new people at each session. Wendy Miller has taken over leadership and is building a team of volunteers, who gather to pray for The Well each month, as well as serving on the day.
- **Prayer.** In 2022 we endeavoured to respond to the growing and diverse needs of our church community by providing opportunities both to partake in prayer and receive prayer. We continued our daily devotional emails to over 200 people inspiring their daily walk with God in

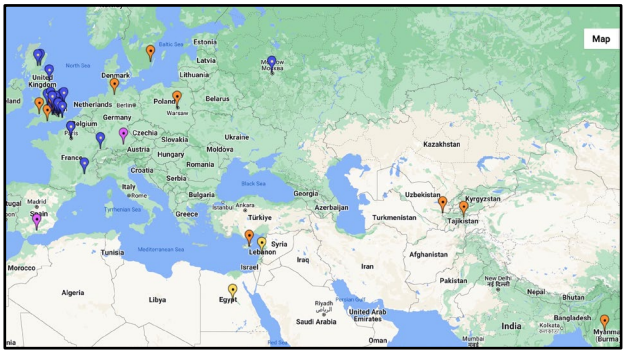


prayer. We now run three weekly prayer Zooms, as well as monthly prayer zooms for missionaries across the world.

- **Design & Communications.** One of our highlights from the year was creating a new Joining King's Arms booklet for newcomers to the church. Another big win was updating all our outdoor signage with our new logo and branding. We have also been refreshing our website and revamping social media posts.
- **Other Events** Every year we invest in community events which aim to provide a context for fun and building strong connections with our locality, while pointing people to the life and connection with God available through Jesus. In the last year these included special events with guest speakers like Carl Beech, and a Christmas Banquet serving the retired generation.

**KA Apostolic**

This area oversees and spearheads the trans-local work of the church in serving other local churches and apostolic networks. We also have the privilege to help, support and work with churches across the world.




King's Arms is part of Catalyst, a relational network of churches serving over 80 churches in the UK and many established and new churches in other nations. In the UK, Catalyst is led through apostolic Hubs that care for churches and provide strategic direction. Both Simon Holley and Phil Wilthew are part of the core apostolic team and have been actively involved in serving events such as the Catalyst Leaders weekend, leadership training and Impact training.

The Bedford Hub is serving over 50 different Churches which are in varying stages of connection with us. The majority of these are in the UK, with a geographical spread from London to Dundee. We also support churches in 14 other nations, and these receive input from our strategy team and church leaders on a regular basis.



In 2022 teams from the King's Arms served other churches through 21 ministry trips within the UK and also to Spain, France, Switzerland, Poland and Germany.

Our on-line leadership training huddles continued to develop including those focusing on Apostolic foundations, a European Leaders huddle, and a huddle to support church leaders in New Zealand who find it challenging to join our on-line Hub gatherings because of the time zone difference.

We also hosted our annual Resonate.global conference in March themed "In His Presence" with over 100 guests attending in person and 14 international guests joining us on line. We were honoured to have Pete Hughes the lead Pastor at King's X Church in London, as the guest speaker.




A new initiative was Amplify, a prophetic school, which runs mostly online with 2 additional in-person days at King's House. We were overwhelmed with applications, and accepted 90 students from the UK, Europe and South Africa.

**Send**

We continued to support people from the King's Arms now working in other countries.



It's been a transformational year for our missionary in Mexico, who finished building her home in Tijuana, after 2 years of fundraising, and moved into it in April 2022. March marked 10 years of Paula living and working amongst the poorest in Mexico – a real cause for celebration! In February, she and her team launched a medical clinic in the Hope Zone in downtown Tijuana with qualified staff volunteering their time to treat the community.

Over in North Africa, our missionary there has moved to a mega city in March 2022. She immediately started to study a new Arabic dialect and has been memorising Bible stories in classical Arabic ready to retell when the opportunity arises. There are many in the city from a neighbouring war torn country who have come for medical treatment. She has been visiting some of the patients in their homes, taking much needed food and sharing some Bible stories and prayers as well as God's kindness and comfort.



In the Middle East, our missionary there has also been continuing with Arabic study. The economic situation in her country continued to deteriorate yet people somehow managed to survive. She writes, 'I picked up a couple of mana'esh (think pizza dough but no sauce) on the way home today. A 6 year old girl came up to me in the street and asked for food. I was grateful I'd bought more than I needed'.

**Pastoral Support**

Looking back, 2020 and 2021 were predominantly about navigating the shifting demands and impacts of caring for people in a pandemic. 2022 saw a shift away from urgent **response to rebuilding**. In broad terms the year was largely about helping people process the practical and psychological after-effects of Covid. It was about coming to terms with loss and learning about restoration. To this end, as a community of pastoral staff and volunteers we gave our time and energies into a number of different areas.

- **Pastoral 'Catch-Up' Sessions.** Loneliness and isolation were two unsurprising experiences in much of the population. So, in response to this we increased the number of Pastoral 'Catch-Up' sessions offered to those from the wider church community providing an opportunity to talk, process and off-load.
- **Practical help/ Care Fund.** A listening ear is always welcome but sometimes practical help is needed. So, 2022 saw the team and volunteers helping with food shopping, taking funerals and catering for wakes, meal rotas, hospital visits, and helping a single mum move house. Once again, our 'Care Fund' was used to help buy food, clothing and everyday essentials when people fell on hard times.
- **Psychological Impact of Covid.** Whilst for most in 2022 life returned to a semblance of normality the psychological impact was still very real. Consequently, we deliberately focused on equipping staff and volunteers to operate in an environment where collective trauma is present.

In addition to these responses, we also continued to pursue our 3 main priorities as a team:

- **Mental Health and Well-Being.** We continued to run practical, 'bite-sized' evenings on Zoom for those who are struggling with their mental health or simply want to be better informed. Additionally, we continued to share best practice and support one another through our **Counselling Network.** We have 21 people either qualified or part qualified as counsellors.
- **Marriage Support.** The past few years have been extremely tough on many relationships. Our team has run practical, accessible evenings which continue to grow in popularity. Topics included Conflict Resolution and Communication, Top Tips for a Healthy Marriage and Planning for your Marriage.

- **Racial Integration.** In common with many groups in our society, we have continued working positively in this area and facing difficult issues together. Fortunately, in our diverse church family we have many courageous and gifted people who can help us move forward. In practical terms we launched our recovering from racial abuse course called "Still I Rise".

A key 'tentpole' of our pastoral care ministry is that the church isn't meant to be a 'holy huddle' but rather serve our local and wider community. During 2022 we continued to provide termly volunteer training at our Pastoral Hub. This was a gathering of roughly 40 volunteers looking at the topics described previously and giving a context for mutual encouragement. In November 22 we laid on our 3rd "Pastoral Forum", a round-table event for other churches to access. Roughly 70 delegates attended from across the nation to discuss our priorities of mental health, families and racial integration. Under this banner we focused on burnout, spiritual abuse, healthy relationships and racism.

**Re-Track**

This initiative started at the end of 2020, with the help of a match-funded grant of £20K through the "Love Your Neighbour" national initiative. Throughout 2022 Re-Track has engaged with various projects to support those in need in Bedford. We offered support in the form of emergency food parcels, Aid for Ukraine, Love Christmas boxes, litter picking, family fun days and warm spaces. Re-Track was staffed by one part-time employee together with trained and supervised volunteers from diverse backgrounds.




Throughout the year emergency food parcels have been provided for those in need. Ongoing support, one-to-one and referrals to the food bank are given to help those in need of long-term support. For the Love Christmas initiative, we created a web page, a video and social media posts enabling people to give money, donate items and/or boxes filled with gifts. Re-Track volunteers helped with preparing and delivering 176 boxes.

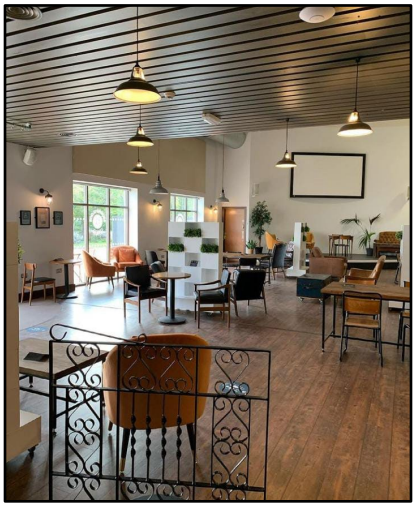
To support those affected by the ongoing conflict in Ukraine, during May and November we sent two vanloads of aid to one of the churches we are connected to in Krakow, Poland.

Elouise, one of the attendees at King's Playhouse wrote:

> Seriously I couldn't sing your praises more. I am always recommending the group as my favorite to anyone asking after somewhere to take their little ones.
> The other week when I was asking about warm spaces and straight away you let me know that there was help and support from you guys and your church was so heart warming. Even though I don't share your faith you were more than happy to help me.
> Your playgroup really is amazing and staffed by such lovely people. I couldn't praise you higher.

All these activities of the King's Arms Church, and others, are described in greater detail in the Appendices.

## King's House Overview



During the week, King's House is used by our wider community as a venue for conferences, meetings and events. After a turbulent 2021 with numerous lock downs and re-openings, 2022 turned out to be our most profitable year to date. Two of our long-term contracts continued to meet in King's House 5 days a week: Bedford Hospital training newly arrived international nurses and Serco training new staff. From January onwards both regular and new customers used King's House for meetings, celebrations and events, and on many days all of the rooms were occupied.

Situated in the foyer area, Ground Floor Coffee shop is open to the public Monday – Friday. Due to our great fresh food and delicious hot drinks, and the fact that after Covid people wanted large open areas, the coffee shop has also seen an increase in guests this year.



In 2021 a new law was introduced; to protect people with food allergies who rely on the transparency of ingredients and food labelling for pre-packaged food. We have implemented a strong labelling system for our pre-packaged food. Food sales have increased since doing this and the feedback from customers is excellent.

**Greenhouse Gas Emissions (GGEs)**




Electricity consumption by the King's Arms has been shown to be the greatest contributor to GGEs. Consequently, 60 solar panels were installed on the roof of King's House in 2021 with the aid of a £10K grant from Bedford Borough Council. Mayor Dave Hodgson visited King's House in April 2022 to learn how the King's Arms was benefiting from the Solar Panels and also about the other initiatives the trust was taking to reduce our GGEs. A further 60 solar panels will be installed on the roof in the first half of 2023 again with a grant of £10K from Bedford Borough Council.

Other energy savings measures include installing LED lights and additional insulation in the ceilings. Another measure under active consideration is the introduction of a smart energy control system.

## GOVERNANCE

The importance of governance to the Trust is shown by the inclusion of a Governance Team Leader in the top-level organisation as described earlier. In addition to the oversight provided by Trustees, the regular management and oversight of governance issues includes:

**Finance Team.** This consists of the Governance Team Leader and Finance Officers and generally meets monthly. The Trust currently employs three Finance Officers (two part-time) with each being responsible for a separate area of the work of the Trust. Monthly management accounts are generated showing income and expenditure against the agreed budget and also annual forecasts.

**Trustees.** Keeping the Trustees regularly informed of all matters of importance and for the organisation of Trustee meetings.

**Legal.** Including ensuring that adequate insurance is in place and managing the leases for the office tenants at King's House.

**Health & Safety.** Including the generation and implementation of H&S Policies.

**HR.** Including policies and procedures, the recruitment of staff and the preparation of contracts of employment and associated job descriptions.

## STAFF

At the end of 2022 there were 82 staff roles, broken down as follows:

| | Church | Building and Facilities | Total |
|---|---|---|---|
| Full time | 5 | 4 | 9 |
| Part time / Zero Hours | 33 | 40 | 73 |
| Total | 38 | 44 | 82 |
| Full time equivalent | 18.3 | 8.4 | 26.7 |

Church staff includes seven members of the SLT (4 full time and 3 part time). Several staff have more than one role and thus have multiple contracts of employment.

A 'Death-in-Service' life insurance scheme was continued in 2022, at no cost to employees, with cover of four times salary. The Trust also contributes to a staff pension scheme.

All staff, including paid Trustees, are subject to a formal annual review/appraisal, the outcome of which assists in determining any salary increases. Salary scales are regularly 'benchmarked' against similar churches, charities and other equivalents.

## SAFEGUARDING

A rewrite of the Safeguarding policy and procedure, identifying best practice was completed followed by training for staff and volunteers. An independent review of Safeguarding at the King's Arms took place during the year, with a professional from outside of the King's Arms reviewing all aspects of Safeguarding. This provided a very positive review but with a number of recommendations, the majority of which have now been implemented. It is planned to undertake similar reviews every three years to ensure that we are up to date with the latest national advice.

## KA FACILITIES (BEDFORD) LTD

A wholly owned subsidiary company 'KA Facilities (Bedford) Ltd' (Company No: 8314420) commenced trading on 1 January 2013. The Ground Floor Coffee Shop and facilities bookings operate within this subsidiary company which gifts any trading surplus to the parent trust.

No staff are employed by the subsidiary company. Staff working in its support are employed by the parent Trust and their costs, including salary, NI and pension, are recharged to the subsidiary company. The company also pays an annual rental charge of £24K for the use of the coffee shop facilities.

The turnover of the company in 2022 was £510.3K a significant increase over the prior year (£328.8k in 2021). As a result, profits of £144.8K were also significantly higher than the prior year (£102.8K in 2021). Refer to Note 27.

Further details of the activities of the subsidiary company are provided in Appendix 7.

## RELATIONSHIP WITH KING'S ARMS PROJECT (BEDFORD)

The KAP was established in 1989 to work with homeless and disadvantaged people in Bedford. For many years the KAP functioned as part of the King's Arms Trust (Bedford) and its predecessor 'The King's Arms Trust', until in 2011 when a new charitable company was formed called the King's Arms Project (Bedford) with several trustees who were also trustees of the KAT. Since 2011 the number of common trustees has gradually reduced such that since January 2021 there are no common trustees. However there continues to be a close informal relationship between the two trusts with the KAT providing grant funding each year to the KAP. In 2022 this was £20K and in 2023 £10K. Note also that the KAP rented offices at King's House for a number of years but moved to premises in Harpur Street, Bedford in early 2023.

## KING'S ARMS CHURCH, BLUNHAM

The launch of a new Sunday and mid-week meeting location is planned in the Autumn of 2023 in the Blunham Old Meeting Baptist Church. The building is operated under Charity No: 237680 and has four trustees, two of whom are also trustees of the KAT, namely Roydon Loveley and Peter Humphrey. John Wright has been employed by the KAT for two days a week from June 2023 to lead the Blunham congregation. The Blunham Trust will continue to operate separately from the KAT and a collaboration agreement has been generated.



## CATALYST

As mentioned previously, the KAT is part of Catalyst a charitable company – Company No: 08284434, Charity No: 1150242. The KAT and Catalyst share two directors/trustees, namely Roydon Loveley and Simon Holley who leads a Catalyst strategy team made up of leaders from churches who are also part of Catalyst. Simon Holley is employed by the KAT, but Catalyst funds around 20% of his salary to cover his role in leading the strategy team.

## FUTURE PLANS

Along with continuing the current activities, plans for 2023 and beyond include:

- Commencement of Sunday meetings in Blunham at the Family Life Church Building, also known as Blunham Old Meeting Baptist Church.
- Further development of our on-line services and activities.
- Appointing additional Trustees with expertise in legal and HR.
- Appointment of additional Elders.
- Initiatives to further reduce our carbon footprint.

- Various refurbishments at King's House including the replacement of the flat roof over the offices.
- Introduction of further staff benefits including a Sabbatical Policy and Long Service Awards providing additional time off work and financial rewards.

## POST BALANCE SHEET EVENTS

The activities of the Trust have recovered to near, and in some cases exceeding, pre-pandemic levels. Attendance at our Sunday services, being held in three locations, continues to increase. The many and varied other church activities and the facilities bookings and the Ground Floor Coffee Shop at King's House are all operating in a very satisfactory manner.

Financial support from voluntary donations by church members to the end of 2022 was maintained and the Trust is in a healthy financial position with reserves in excess of the policy to hold a minimum of 2 months expenditure.

During the first six months of 2023, donations by church members have been maintained, supplemented by a successful Vision Offering of over £170K and the commitment of over 100 additional individuals (or couples) to support the church financially either through one-off or regular donations.

The impact on donations from church members due to high inflation and the increased cost of living continues to be monitored, and at the present time there is no indication that donations are being adversely affected. It is worth noting that a significant number of our committed financial supporters are retired with index-linked pensions and thus there is confidence that giving will continue, as was the case throughout the period of the pandemic, with no significant decrease.

Should donations decline to any significant extent, then expenses will be controlled and, if necessary, the substantial reserves used to maintain activities and operations.

Thus, the Trust has successfully navigated and recovered from the impact of the COVID-19 pandemic and the Trustees are satisfied that apart from the areas that continue to be monitored as mentioned above, that there are no other events or conditions that cast significant doubts about the ability of the group to continue as a successful on-going concern.

## PUBLIC BENEFIT

All the many and varied activities of the Trust as described in this report are available to, and for the benefit of, the public across the complete age spectrum, including children, teenagers and adults. The development of King's House, located in the Cauldwell area of Bedford, has significantly enhanced the scope of the activities that the Trust is able to provide to the benefit of the local and wider community. Thus, the Trust believes that it fully complies with the requirements of the Charities Act 2011 with respect to public benefit.

## FUNDRAISING

Most funds are provided by voluntary donations from those who attend the King's Arms Church. The Trust does not employ staff, or use professionals, whose sole job is to raise funds. On occasions, grant applications are made to provide funds for Re-Track and other activities, and to develop King's House. As described previously grant applications were made to Bedford Borough Council and £10K was received in 2021 and a further £10K has been awarded in 2023 towards the cost of installing additional solar panels on the roof of King's House.

## TRUSTEE INDUCTION AND TRAINING

The Trustees are also Directors of the company. Trustees are appointed by the Elders, with the approval of the other Trustees in accordance with the Memorandum and Articles of Association. Normally, new Trustees are already familiar with the work of the Trust, as they are committed members of King's Arms Church. However, in certain circumstances someone from another church, with whom we have a relationship, will be invited to become a Trustee. Prior to their appointment, new Trustees will meet with the Chair of the Trustees to review:

- The roles and responsibilities of a Trustee as defined in the Trustee Job Description

- The main documents which set out the operational framework for the charity including the Memorandum and Articles of Association.
- Resourcing and the current financial position as set out in the latest published accounts.
- Future plans and objectives.
- The Trustee Induction Procedure.

## STATEMENT OF TRUSTEES' RESPONSIBILITIES

Charitable company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company and of the profit or loss of the charitable company for that period. In preparing those financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to assume that the charitable company will continue in operation.

The Trustees are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and that are sufficient to show and explain the company's transactions. This ensures that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud or any other irregularities.

## RESERVES

The reserves policy, agreed by the Elders and Trustees, is to maintain a level of free (or unrestricted) reserves to mitigate against the risk that the Trust experiences an unexpected event which would put it in financial difficulty. We believe that the appropriate level of unrestricted reserves should be based on a proportion of our regular costs as follows:

- Four months of long-term commitments, such as loan and utilities payments and the cost of running our Sunday services which are a vital activity to maintain;
- Two months of medium-term commitments such as permanent staff costs and the financial support we provide to overseas work;
- One month of short-term costs, including the day to day ministry activity of the church.

Using the above criteria, a detailed review has estimated that reserves should be at least £300K which represents around 2 months of expenditure. The unrestricted cash reserves held at 31 December 2022 were £405K, well above the target level, which the Trustees judge is reasonable in view of the uncertainties created by the inflationary price increases expected in the short to medium term.

The level of reserves held is reviewed on a monthly basis. In addition, the Trustees annually review the reserves policy to ensure it remains up to date and relevant.

The amount of restricted reserves held at the end of the year was £93,862.

## INVESTMENT POLICY

Reserve funds are invested such that the total in any one bank/building society is ideally less than the £85K guarantee limit provided by the Financial Services Compensation Scheme (FSCS). In order to stay below the limit, accounts have been opened with Co-op Bank, Virgin Money Plc, CAF Bank Ltd, Nationwide Building Society and National Westminster Bank Plc.

With bank/building society interest rates in early 2023 increasing to between 3% or 4% we are planning to invest some of the reserves with the Flagstone Cash Deposit Service operated by St James Place with a wide variety of different banks. Priority will still be given to protecting the reserves under the FSCS.

## RISK MANAGEMENT

The major financial risks, as recognised by the Trustees, are as follows:

**Church.** For the church the risks are considered to be low due to the broad donor base. However, the risks have increased during the past few years due to the greater length of service being accumulated by staff and the contractual payments required should the church lose its donor base.

**Building.** The main risk associated with King's House is that sufficient income may not be generated to cover the costs associated with the operation and management of the building. These include loan repayments, staff salaries, operating and maintenance and any building developments. Risk is minimised by capital expenditure on building development only being sanctioned when funds are available from the normally annual church 'gift days' or from transfers from general church reserves when necessary.

The finances for King's House, including KA Facilities (Bedford) Ltd are monitored and controlled separately from the other areas of the work of the Trust with the main source of income being the gifts and regular giving from members of the church, office rental and the surplus generated by KA Facilities (Bedford) Ltd. A detailed cash forecast has been generated to the end of 2023. Future building developments will only be undertaken when funding is available. Any significant surplus money may be used to reduce the bank loans.

A detailed Risk Register has been generated and the financial and other risks have been reviewed and systems established to manage and mitigate these risks.

## POLICIES AND PROCEDURES

The Trust has established policies which apply to both staff and those who take part in the community life and/or visit the church and building. During the past year existing policies, including Health & Safety policies, have been reviewed and upgraded and various new policies generated. Avensure have been appointed on a 3-year contract to provide legal services and assist with HR and Health and Safety issues.

## AUDITOR

After many years of the auditors being Mazars LLP, it was decided to appoint a different company and, following a review Wright Connections Ltd were appointed as agreed at a meeting of the Trustees on 7 March 2023.

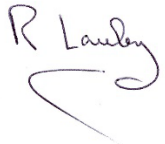
## STATEMENT OF DISCLOSURE TO THE AUDITOR

The Trustees have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

As far as the Trustees are aware, there is no relevant audit information of which the charitable company's auditor is unaware.

The Trustees have prepared this report in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small entities.

Approved by the Trustees on: 19 September 2023



and signed on their behalf:

……

**Roydon Loveley**

Chair of Trustees

# INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE KING'S ARMS TRUST (BEDFORD)

**Opinion**

We have audited the financial statements of The King's Arms Trust (Bedford) (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31 December 2022 which comprise of the Consolidated Statement of Financial Activities, the Balance Sheets, the Consolidated Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including 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's and of the parent charitable company affairs as at 31 December 2022 and of the group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**BASIS FOR OPINION**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**CONCLUSIONS RELATING TO GOING CONCERN**

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company'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 the 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 light of the knowledge and understanding of the group and the 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 and proper accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charity financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specific 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' exemption 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 set out on page 18, the Trustees (who are also the directors of the parent charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the group's and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

**AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Based on our understanding of the group and its activities we identified the principal risks of non-compliance with laws and regulations and considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements as being the Companies Act 2006 and the Financial Reporting Standard 102 applicable to the UK and Republic of Ireland (FRS102) (effective 1 January 2019) and (Charities SORP (FRS102).

We evaluated the Trustees' and management's incentives and opportunities for fraudulent manipulation of the consolidated financial statements, including the risk of management override of controls, and determined that the principal risks related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates.

Our audit procedures were designed to respond to those identified risks, including non-compliance with laws and regulations (irregularities) and fraud that are material to the financial procedures. Our audit procedures included but were not limited to:

- We obtained an understanding of the group and parent charitable company and its activities and identified that the most significant law and regulations it needs to comply with are employment regulation and health and safety regulation, licensing laws and safeguarding regulations.
- We also considered the laws and regulations that have a direct impact on the financial statements as being the Companies Act 2006, FRS 102 and the Charity SORP (2019) FRS102 and Charities Act 2011.
- We completed a disclosure checklist to ensure that the financial statements complied with the disclosures required by the Companies Act 2006, FRS 102 and the Charity SORP (2019)
- We obtained an understanding of how the group complies with these requirements by discussion with the Trustees and management of their policies and procedures regarding compliance with laws and regulations.
- We reviewed the Trustee meeting minutes.
- We ascertained the operational procedures and associated accounting systems to establish the completeness and accuracy of transactions.
- Making enquiries of the Trustees and management on whether they had knowledge of any actual and potential litigation and claims.

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

- Making enquiries of the Trustees and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing review of journals raised and review of consolidation adjustments.

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

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

**USE OF THE AUDIT REPORT**

This report is made solely to the 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 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 company and the company's members as a body for our audit work, for this report, or for the opinions we have formed.



Catherine Brown BA FCA (Senior Statutory Auditor)
For and on behalf of Wright Connections Limited
Statutory Auditor
Bedford I-Lab
Priory Business Park
Stannard Way
Bedford
MK44 3RZ

Date
20 September 2023

## Consolidated Statement of Financial Activities – Year Ended 31 December 2022

INCORPORATING THE INCOME AND EXPENDITURE ACCOUNT

| | Note | Unrestricted funds 2022 £ | Restricted funds 2022 £ | Total funds 2022 £ | Total funds as restated 2021 £ |
|---|---|---|---|---|---|
| **Income from:** | | | | | |
| Donations | **3** | 945,651 | 172,422 | 1,118,073 | 1,106,587 |
| Charitable activities | **4** | 30,119 | 46,314 | 76,433 | 132,616 |
| Other trading activities | **5** | 523,154 | - | 523,154 | 345,881 |
| Investments | **6** | 816 | - | 816 | 562 |
| **Total income** | | **1,499,740** | **218,736** | **1,718,476** | **1,585,646** |
| **Expenditure on:** | | | | | |
| Raising Funds - trading activities | | 346,362 | - | 346,362 | 225,966 |
| Charitable activities | **7** | 1,108,309 | 190,525 | 1,298,834 | 1,298,540 |
| **Total expenditure** | | **1,454,671** | **190,525** | **1,645,196** | **1,524,506** |
| **Net income / (expenditure)** | | **45,069** | **28,211** | **73,280** | **61,140** |
| **Transfer between funds** | | **(7,764)** | **7,764** | **-** | **-** |
| **Net movement in funds** | **22** | **37,305** | **35,975** | **73,280** | **61,140** |
| **Reconciliation of funds:** | | | | | |
| Total funds brought forward | **22** | 2,607,498 | 57,887 | 2,665,385 | 2,604,245 |
| **Total funds carried forward** | **22** | **2,644,803** | **93,862** | **2,738,665** | **2,665,385** |

The Group's income and expenditure all relate to continuing operations. The Group has no recognised gains or losses other than those included above.

The notes on pages 26 to 42 form part of these financial statements.

## Balance Sheet - Year Ended 31 December 2022

| | Note | King's Arms Trust Total funds 2022 £ | King's Arms Group Total funds 2022 £ | King's Arms Trust Total funds as restated 2021 £ | King's Arms Group Total funds as restated 2021 £ |
|---|---|---|---|---|---|
| **Fixed assets:** | | | | | |
| Tangible assets | **15** | **2,875,705** | **2,875,705** | **2,783,856** | **2,783,856** |
| **Current assets:** | | | | | |
| Stock | **16** | - | 2,088 | 1,378 | 3,674 |
| Debtors | **17** | 51,296 | 79,651 | 38,587 | 69,499 |
| Cash at bank and in hand | | 462,059 | 504,045 | 531,191 | 571,491 |
| **Total current assets** | | **513,355** | **585,784** | **571,156** | **644,664** |
| **Liabilities:** | | | | | |
| Creditors: Amounts falling due within one year | **18** | **(118,192)** | **(153,800)** | **(119,357)** | **(140,852)** |
| **Net current assets** | | **395,163** | **431,984** | **451,799** | **503,812** |
| **Total assets less current liabilities** | | **3,270,868** | **3,307,689** | **3,235,655** | **3,287,668** |
| Creditors: Amounts falling due after more than one year | **19** | (569,024) | (569,024) | (622,283) | (622,283) |
| **Total net assets** | | **2,701,844** | **2,738,665** | **2,613,372** | **2,665,385** |
| **The funds of the charity:** | | | | | |
| Restricted funds | **23** | 93,862 | 93,862 | 57,887 | 57,887 |
| Unrestricted funds | **23** | 2,607,982 | 2,644,803 | 2,555,485 | 2,607,498 |
| **Total charity funds** | **23** | **2,701,844** | **2,738,665** | **2,613,372** | **2,665,385** |

The notes on pages 26 to 42 form part of these accounts.

These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small entities.
The financial statements were approved and authorised for issue by the Trustees on 19 September 2023 and signed on their behalf.

R. Loveley
**Trustee**

P. Humphrey
**Trustee**

## Consolidated Statement of Cash Flows Year Ended 31 December 2022

| | Note | Total funds 2022 £ | Prior year funds as restated 2021 £ |
|---|---|---|---|
| **Cash flows from operating activities:** | | | |
| **Net cash provided by operating activities** | **24** | 7,314 | 145,795 |
| **Cash flows from investing activities:** | | | |
| Interest from investments | | 816 | 562 |
| Proceeds from the sale of property, plant and equipment | | - | 351 |
| Purchase of property, plant and equipment | | (17,430) | (34,538) |
| **Net cash provided by (used in) investing activities** | | **(16,614)** | **(33,625)** |
| **Cash flows from financing activities:** | | | |
| Repayments of borrowings | | (58,146) | (65,182) |
| **Net cash provided by (used in) financing activities** | | **(58,146)** | **(65,182)** |
| **Net increase / (decrease) in cash and cash equivalents** | | **(67,446)** | **46,988** |
| **Cash and cash equivalents at 1 January** | | **571,491** | **524,503** |
| **Cash and cash equivalents at 31 December** | | **504,045** | **571,491** |

**Analysis of cash and cash equivalents**

| | Current Year 2022 £ | Prior Year 2021 £ |
|---|---|---|
| Cash in hand | 421,017 | 488,827 |
| Notice deposits (less than 3 months) | 83,028 | 82,664 |
| **Total cash and cash equivalents at 31 December** | **504,045** | **571,491** |

## ACCOUNTING POLICIES

### 1.1 General information

King's Arms Trust (Bedford) Limited is a private company limited by guarantee (5899019), incorporated in England and Wales. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the charity. The address of its registered office and principal place of business is disclosed in the company information on page 3 of this Annual Report.

The principal objectives of the King's Arms Trust (Bedford) are that of the advancement of the Christian faith in the UK and overseas, the advancement for the public benefit of religious and other education including the relief of the aged, poor, sick and disabled. These are achieved through the main activities of the Trust;

- King's Arms Church – A vibrant church of around 1,300 adults, children and youth with numerous meetings and activities held, in-person, and on-line. The group also operates through KA Facilities (Bedford) Ltd – a wholly owned subsidiary company from within which a coffee shop and facilities rental are operated.
- KA Apostolic – the focus of the work of King's Arms Church in supporting leaders and churches in the UK and other nations.

The group consists of King's Arms Trust (Bedford) Limited and its subsidiary KA Facilities (Bedford) Ltd.

### 1.2 Accounting convention and basis of preparation

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

There has been a change in presentation of the SOFA and Notes to ensure the accounts fully comply with the SORP (FRS102). The 2021 comparatives figures are now disclosed differently to those in the filed 2021 Financial Statements however there has been no change in total income or expenditure other than Prior Year Adjustments as disclosed in note 22.

The financial statements are prepared on a going concern basis under the historical cost convention. The Trustees believe the impact of the breach of the loan covenant as described in note 19 does not create a material uncertainty as the bank is unlikely to recall the loan as all monthly loan repayments have been made on time and the unrestricted cash reserves of £405K at the year-end sufficiently cover the loan repayments of £97k for 2023. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £.

### 1.3 Basis of Consolidation

The income and expenditure and assets and liabilities of King's Arms Trust (Bedford) and KA Facilities (Bedford) Limited are consolidated within these Group financial statements to reflect control. All amounts in respect of group balances and transactions have been eliminated in arriving at the group figures.

Under Section 408 of the Companies Act 2006 the charitable company is exempt from the requirement to present its own statement of financial activities. The surplus for the year with the accounts for the charitable parent company was £88,472 (2021: Surplus £3,334).

## 1.4 Funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the note 22 to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the note 22 to the financial statements.

## 1.5 Income recognition

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

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

Tax credits (gift-aid) are included in the financial statements on an accruals basis as recommended by the Statement of Recommended Practice. This means that tax credits are taken into account in the period in which the originating donation was made.

Donated facilities and donated professional services are recognised in income at their fair value when their economic benefit is probable, it can be measured reliably and the charity has control over the item. Fair value is determined on the basis of the value of the gift to the charity. For example, the amount the charity would be willing to pay in the open market for such facilities and services. A corresponding amount is recognised in expenditure. No amount is included in the financial statements for volunteer time in line with the SORP. Further detail is given in the Trustees' Annual Report.

Gifts in kind donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. Where estimating the fair value is practicable upon receipt it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impracticable to fair value the items due to the volume of low value items they are not recognised in the financial statements until they are sold. This income is recognised within 'Income from other trading activities'.

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

The charity received government grants in respect of the Coronavirus Job Retention Scheme (in 2021). Income from government and other grants are recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met then these amounts are deferred.

Interest income is recognised using the effective interest method.

## 1.6 Expenditure recognition

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

- Costs of raising funds includes the costs of the trading subsidiary
- Expenditure on charitable activities includes all costs relating directly or indirectly to those activities

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

## 1.7 Allocation of costs

All costs including salaries and pensions are allocated directly to each activity as far as possible. Any shared support costs are allocated to King's Arms Church with a fixed cost being allocated to KA Facilities and KA Apostolic as agreed annually.

## 1.8 Pension costs

Pension costs in the financial statements represent contributions to employees' defined contribution pension plans.

## 1.9 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. There was no tax due on trading subsidiary profits as they were all paid via gift aid to the parent charity within required timescale.

## 1.10 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less the estimated residual value of each asset over its expected useful life, as follows:

| | |
|---|---|
| Freehold land | not depreciated |
| Freehold buildings | 2% straight line |
| Fixtures & fittings | 4%-33% straight line |
| Motor vehicles | 25% reducing balance |

A Prior Year Adjustment, as described in note 15, has been made to the opening cost and depreciation balances at 1 January 2021 to reverse a valuation made incorrectly in 2016 which revalued Land and Buildings to a value of £2,700,000. Land and Buildings have been restated at cost less deprecation, with the original purchase price being split 50:50 between Land and Buildings with Land not subsequently depreciated and Buildings depreciated at 2% per annum from the purchase date. A further Prior Year Adjustment has been made correcting the Building depreciation charge in 2021.

As also described in note 15, there was a change in estimate of accumulated depreciation for Freehold Land and Buildings as at 31 December 2022 giving rise to an exceptional write back of depreciation in the year.

Tangible assets above £300 are capitalised.

### 1.11 Stock

Stock is held at the lower of cost and net realisable value.

### 1.12 Debtors and creditors receivable / payable within one year

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

### 1.13 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

### 1.14 Loans and borrowings

Loans and borrowings are initially recognised at the transaction price including transaction costs. Subsequently, they are measured at amortised cost using the sum of digit method, less impairment. If an arrangement constitutes a finance transaction it is measured at present value.

### 1.15 Operating leases

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

### 1.16 Judgments in applying accounting policies and key sources of estimation uncertainty

In applying the company's accounting policies, the Trustees are required to make judgements, estimates and assumptions in determining the carrying amounts of assets and liabilities. The Trustees' judgements, estimates and assumptions are based on the best and most reliable evidence available at the time when the decisions are made, and are based on historical experience and other factors that are considered to be applicable. Due to inherent subjectivity involved in making such judgements, estimates and assumptions, the actual results and outcomes may differ.

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

The key area of estimation and uncertainty is the depreciation of freehold land & building. Please refer to accounting policy 1.10 and note 15.

## 2 Comparative Consolidated Statement of Financial Activities

INCORPORATING THE INCOME AND EXPENDITURE ACCOUNT

| | Notes | Unrestricted funds 2021 as restated £ | Restricted funds 2021 as restated £ | Total funds 2021 as restated £ |
|---|---|---|---|---|
| **Income from:** | | | | |
| Donations | **3** | 1,036,260 | 70,327 | 1,106,587 |
| Charitable activities | **4** | 79,387 | 53,229 | 132,616 |
| Other trading activities | **5** | 345,881 | - | 345,881 |
| Investments | **6** | 562 | - | 562 |
| **Total income** | | **1,462,090** | **123,556** | **1,585,646** |
| **Expenditure on:** | | | | |
| Raising funds - trading activities | | 225,966 | - | 225,966 |
| Charitable activities | **7** | 1,183,890 | 114,650 | 1,298,540 |
| **Total expenditure** | | **1,409,856** | **114,650** | **1,524,506** |
| **Net income / (expenditure)** | | **52,234** | **8,906** | **61,140** |
| **Transfer between funds** | | **(14,489)** | **14,489** | - |
| **Net movement in funds** | **22** | **37,745** | **23,395** | **61,140** |
| **Reconciliation of funds:** | | | | |
| Total funds brought forward as restated | **22** | **2,569,753** | **34,492** | **2,604,245** |
| **Total funds carried forward** | **22** | **2,607,498** | **57,887** | **2,665,385** |

## 3 Income from donations

| | 2022 £ | 2021 £ |
|---|---|---|
| Gifts | 1,118,073 | 1,106,587 |
| **Total income from donations** | **1,118,073** | **1,106,587** |

Income from donations was £1,118,073 (2021; £1,106,587) of which £172,422 (2021; £70,327 ) was attributable to restricted and £945,651 (2021; £1,036,260) was attributable to unrestricted funds.

## 4 Income from charitable activities

| | 2022 | 2021 |
|---|---|---|
| | £ | £ |
| **King's Arms Church** | | |
| Performance related grants | 8,000 | 65,706 |
| Conferences, events and serving other churches | 26,191 | 6,392 |
| Training and coaching | 3,564 | 32,043 |
| Sale of books and media | 364 | 171 |
| **Total King's Arms Church** | **38,119** | **104,312** |
| | | |
| **King's Arms Apostolic** | | |
| Performance related grants | 13,000 | 14,035 |
| Conferences, events and serving other churches | 24,594 | 10,369 |
| Training and coaching | 720 | 3,900 |
| **Total King's Arms Apostolic** | **38,314** | **28,304** |
| | | |
| **Total income from charitable activities** | **76,433** | **132,616** |

Income from charitable activities was £76,433 (2021; £132,616) of which £46,314 (2021; £53,229) was attributable to restricted and £30,119 (2021; £79,387) was attributable to unrestricted funds.

No government grants were received in the year, those received in the prior year 2021 of £42,194 were for the Coronavirus Job Retention Scheme.

## 5 Income from other trading activities

| | 2022 | 2021 |
|---|---|---|
| | £ | £ |
| Coffee Shop sales (counter and catering) | 199,710 | 73,291 |
| Room and equipment hire | 287,213 | 241,536 |
| Office rentals | 31,973 | 28,803 |
| Consulting fees | 3,586 | 2,000 |
| Other | 672 | 251 |
| **Total income from other trading activities** | 523,154 | 345,881 |

All income from trading activities was attributable to unrestricted funds.

## 6 Income from investments

| | 2022 | 2021 |
|---|---|---|
| | £ | £ |
| **Interest - deposit accounts** | **816** | **562** |

All income from investments was attributable to unrestricted funds.

## 7 Analysis of expenditure on charitable activities

| Charitable activities 2022 | Activities undertaken directly | Support Costs | Total |
|---|---|---|---|
| | £ | £ | £ |
| King's Arm Church | 1,030,266 | 152,398 | 1,182,664 |
| KA Apostolic | 108,459 | 7,711 | 116,170 |
| **Total** | **1,138,725** | **160,109** | **1,298,834** |

| Charitable activities 2021 | Activities undertaken directly | Support Costs | Total |
|---|---|---|---|
| | £ | £ | £ |
| King's Arm Church | 921,382 | 296,802 | 1,218,184 |
| KA Apostolic | 76,800 | 3,556 | 80,356 |
| **Total** | **998,182** | **300,358** | **1,298,540** |

£190,525 (2021; £114,650) of the above costs were attributable to restricted funds. £1,108,309 (2021; £1,183,890) of the above costs were attributable to unrestricted funds.

## 8 Allocation of support costs

| Support costs 2022 | King's Arms Church | KA Facilities | KA Apostolic | Total |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| Central costs including governance | 20,837 | - | 4,155 | 24,992 |
| Building usage | 131,561 | 24,000 | 3,556 | 159,117 |
| **Activity Total** | **152,398** | **24,000** | **7,711** | **184,109** |

| Support costs 2021 | King's Arms Church | KA Facilities | KA Apostolic | Total |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| Central costs including governance | 17,495 | - | - | 17,495 |
| Building usage | 279,307 | 24,000 | 3,556 | 306,863 |
| **Activity Total** | **296,802** | **24,000** | **3,556** | **324,358** |

**Basis of allocation; -**
All costs including salaries and pensions are allocated directly to each activity as far as possible. Any shared support costs are allocated to King's Arms Church with a fixed cost being allocated to KA Facilities and KA Apostolic as agreed annually.

## 9 Governance costs

| | Note | 2022 | 2021 |
|---|---|---|---|
| | | £ | £ |
| Trustee expenses | **12** | 1,890 | 1,465 |
| Auditor's remuneration | **11** | 12,302 | 15,130 |
| Consultancy | | 10,800 | - |
| Legal fees | | - | 900 |
| **Total governance costs** | | **24,992** | **17,495** |

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

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

| | Note | 2022 | 2021 |
|---|---|---|---|
| | | £ | £ |
| Depreciation of tangible fixed assets | **15** | (74,419) | 90,509 |
| (Gain) / loss on sale of tangible fixed assets | **24** | - | (30) |
| Operating lease rentals | **20** | 5,690 | 4,000 |

Please see Note 15 for further details on the exceptional write back of depreciation as a result in the change in estimate relating to the net book value of land and buildings.

## 11 Auditor's remuneration

| | King's Arms Trust 2022 | King's Arms Group 2022 | King's Arms Trust 2021 | King's Arms Group 2021 |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| Audit fees | 11,802 | 11,802 | 15,180 | 15,180 |
| Non-audit services | - | 500 | - | (50) |
| **Total** | **11,802** | **12,302** | **15,180** | **15,130** |

## 12 Trustees and key management remuneration and expenses

Trustees' remuneration during the year was £112,535 (2021: £125,415) being the total remuneration package for two Trustees employed by the King's Arms Trust (Bedford) for services provided under employment contracts. Paul Johnson resigned as a trustee on 4 October 2022, the figures below only include his remuneration up to the date of his resignation.

| | | 2022 | | 2021 | |
|---|---|---|---|---|---|
| **Trustee** | **Role** | **Salary** | **Pension** | **Salary** | **Pension** |
| | | **£** | **£** | **£** | **£** |
| **Paul Johnson** | Pastoral Elder | 33,500 | 2,848 | 48,128 | 4,091 |
| **Simon Holley** | Lead Elder | 70,218 | 5,969 | 67,462 | 5,734 |
| **Total** | | **103,718** | **8,817** | **115,590** | **9,825** |

Trustee remuneration is paid in accordance with the Trust Memorandum & Articles of Association for services provided to the Trust. Trustee expenses were reimbursed to four (2021: three) Trustees during the year totaling £1,890 (2021: £1,465) being food and travel costs.

Key management personnel for the group is considered to be the Board of Trustees and the Strategic Leadership Team. Total remuneration and benefits (including employer pension contributions) of key management personnel during the year were £361,979 (2021; 353,839).

## 13 Staff costs and employee benefits

| | 2022 | 2021 |
|---|---|---|
| | **£** | **£** |
| Salaries and wages | 986,021 | 909,076 |
| Social security costs | 76,993 | 72,882 |
| Pension | 69,945 | 65,701 |
| **Total** | **1,132,959** | **1,047,659** |

The average number of persons employed by the Group during the year was 64 (2021: 58).

The number of employees whose total employee benefits (excluding employer pension costs) for the year within the band £70,000 to £80,000 was one (2021: within the band £60,000 to £70,000 was one).

During the year defined contribution pension costs of £69,945 (2021: £65,701) were paid on behalf of 44 (2021: 50) employees to pension schemes administered independently of the charitable company.

The Trust also provides a group life insurance scheme as an additional benefit available to all staff, the cost in the year was £3,216 (2021; £3,093)

## 14 Interest payable

| | 2022 | 2021 |
|---|---|---|
| | **£** | **£** |
| **Bank loans** | **25,805** | **18,772** |

## 15 Fixed assets

### Tangible fixed assets

| Group and Charity | Freehold land & buildings | Fixtures & fittings | Motor vehicles | Total |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| **Cost** | | | | |
| As at 1 January 2022 (restated) | 3,067,507 | 430,342 | 7,414 | 3,505,263 |
| Additions | - | 17,430 | - | 17,430 |
| Disposals | - | (659) | - | (659) |
| **Cost at 31 December 2022** | **3,067,507** | **447,113** | **7,414** | **3,522,034** |
| **Depreciation** | | | | |
| As at 1 January 2022 (restated) | 436,349 | 280,315 | 4,743 | 721,407 |
| Charge for the year | (118,842) | 43,755 | 668 | (74,419) |
| Disposals | - | (659) | - | (659) |
| **Depreciation at 31 December 2022** | **317,507** | **323,411** | **5,411** | **646,329** |
| **Net book value** | | | | |
| **At 31 December 2022** | **2,750,000** | **123,702** | **2,003** | **2,875,705** |
| At 31 December 2021 (restated) | 2,631,158 | 150,027 | 2,671 | 2,783,856 |

The estimate for the accumulated depreciation for Freehold Land and Buildings as at 31 December 2022 has been revised due to a RICS valuation report. This change in estimate has resulted in an exceptional item of a write back in depreciation of £118,842 in the year. Had there been not been a change in estimate the depreciation charge on Land and Buildings would have been £45,641. The impact of this change in estimate in current period is therefore a decrease in depreciation of £164,484, and an increase the net book value of Land and Buildings by £164,483 which will be carried forward into future years. The future impact of the change in estimate is also to increase the annual depreciation charge by £11,870 per year.

Prior Year Adjustments have been made as per the 2021 figures restated below to reverse a valuation adjustment made incorrectly in 2016 that was contrary to the accounting policy which is to state fixed assets at cost. The 2016 valuation adjustment incorrectly revalued Land and Buildings to a cost of £2,700,000, which was split 50:50 between Land and Buildings at that time. Land was not subsequently depreciated and Buildings were depreciated at 2% per annum thereafter.

- the opening cost figures for 2021 have been increased by £28,965 to reverse the 2016 valuation and reinstate the original costs, with only the original purchase value of the property in 2010 being split 50:50 between Land and Buildings, with Land not being depreciated and Buildings being depreciated at 2% per annum thereafter.
- the opening depreciation figures for 2021 have been increased by £267,776 to reflect the annual 2% depreciation charge on the original purchase price of the Buildings in 2010 and the cost of all subsequent additions to the end of 2020, for further details please see the table below.
- the depreciation charge for the year 2021 has been recalculated to 2% on the original cost of the Building and all subsequent additions to the end of 2021, which has given rise to an additional depreciation charge for the year of £11,870.

Additions and depreciation charges for 2021 have also been adjusted to reclassify the purchase cost of Solar Panels in 2021 of £20,000 as Fixtures & Fittings, rather than Land & Buildings, together with their associated depreciation charge of £600.

The Prior Year Adjustment and the restated 2021 Tangible fixed asset figures are set out in the table below.

## 2021 Tangible fixed assets figures restated

| Group and Charity | Freehold land & buildings | Fixtures & fittings | Motor vehicles | Total |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| **Cost** | | | | |
| As at 1 January 2021 | 3,038,542 | 400,863 | 7,414 | 3,446,819 |
| Prior year adjustment | 28,965 | - | - | 28,965 |
| Additions | 20,000 | 14,538 | - | 34,538 |
| Additions reclassified | (20,000) | 20,000 | - | - |
| Disposals | - | (5,059) | - | (5,059) |
| **Cost at 31 December 2021 (restated)** | **3,067,507** | **430,342** | **7,414** | **3,505,263** |
| | | | | |
| **Depreciation** | | | | |
| As at 1 January 2021 | 122,932 | 241,076 | 3,852 | 367,860 |
| Prior year adjustment | 267,776 | - | - | 267,776 |
| Charge for the year as originally stated | 34,371 | 43,377 | 891 | 78,639 |
| Additional charge for the year | 11,870 | - | - | 11,870 |
| Charge for the year reclassified | (600) | 600 | - | - |
| Disposals | - | (4,738) | - | (4,738) |
| **Depreciation at 31 December 2021 (restated)** | **436,349** | **280,315** | **4,743** | **721,407** |
| | | | | |
| **Net book value** | | | | |
| **At 31 December 2021 (restated)** | **2,631,158** | **150,027** | **2,671** | **2,783,856** |

## 16 Stock

| | King's Arms Trust 2022 | King's Arms Group 2022 | King's Arms Trust 2021 | King's Arms Group 2021 |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| Books and media | - | - | 1,378 | 1,378 |
| Food and drinks | - | 2,088 | - | 2,296 |
| **Total** | - | **2,088** | **1,378** | **3,674** |

## 17 Debtors

| | King's Arms Trust 2022 | King's Arms Group 2022 | King's Arms Trust 2021 | King's Arms Group 2021 |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| Trade debtors | 17 | 30,749 | 1,059 | 33,796 |
| Prepayments and accrued income | 45,711 | 45,712 | 35,681 | 35,681 |
| Other debtors | 5,568 | 3,190 | 1,847 | 22 |
| **Total debtors** | **51,296** | **79,651** | **38,587** | **69,499** |

## 18 Creditors falling due within one year

| | King's Arms Trust 2022 | King's Arms Group 2022 | King's Arms Trust 2021 | King's Arms Group 2021 |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| Bank loan | 63,438 | 63,438 | 68,325 | 68,325 |
| Trade creditors | 9,148 | 10,962 | 24,425 | 25,157 |
| Accruals and deferred income | 26,040 | 26,289 | 20,538 | 22,446 |
| Taxation and social security | - | 28,037 | - | 16,248 |
| Other creditors | 19,566 | 25,074 | 6,069 | 8,676 |
| **Total creditors** | **118,192** | **153,800** | **119,357** | **140,852** |

## 19 Creditors due after one year

| | King's Arms Trust 2022 | King's Arms Group 2022 | King's Arms Trust 2021 | King's Arms Group 2021 |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| Bank loan | 569,024 | 569,024 | 622,283 | 622,283 |
| **Total creditors due after one year** | **569,024** | **569,024** | **622,283** | **622,283** |

The original bank loan was taken out with Unity Trust in December 2009 on the purchase of the Church building and offices (King's House). A further loan was taken out in December 2010 for the refurbishment of King's House. Both loans were consolidated into one loan in March 2019, repayable in monthly installments over a period of 12 years. The building is held as security against the loan. At the year end the company was in breach of the loan covenant which requires the EBITDA for any accounting period of 12 months to not be less than 130% of the Total Debt Service for the same period. In 2022 the EBITDA was £39,859 whereas 130% of Total Debt Service for same period was £109,135. The total amount repayable is noted below.

| The loan capital is repayable as follows: | King's Arms Trust 2022 | King's Arms Group 2022 | King's Arms Trust 2021 | King's Arms Group 2021 |
|---|---|---|---|---|
| **Amounts falling due:** | £ | £ | £ | £ |
| In one year or less, or on demand | 63,438 | 63,438 | 68,325 | 68,325 |
| Between two and five years | 291,050 | 291,050 | 288,928 | 288,928 |
| In five years or more | 277,974 | 277,974 | 333,355 | 333,355 |
| | **632,462** | **632,462** | **690,608** | **690,608** |

## 20 Leases

Total future minimum lease payments under non-cancellable operating leases are as follows:

| | King's Arms Trust 2022 Other | King's Arms Group 2022 Other | King's Arms Trust 2021 Other | King's Arms Group 2021 Other |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| Expiring within one year | 3,096 | 3,096 | 2,731 | 2,731 |
| Between 1 – 5 years | 9,692 | 9,692 | - | - |

The total operating lease expense for the year was £5,690 (2021: £3,976).

## 21 Deferred income

| | King's Arms Trust 2022 | King's Arms Group 2022 | King's Arms Trust 2021 | King's Arms Group 2021 |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| At 1 January | 3,365 | 3,365 | 21,851 | 21,851 |
| Received during the year | 7,613 | 7,613 | 3,365 | 3,365 |
| Released to income for the year | (3,365) | (3,365) | (21,851) | (21,851) |
| **At 31 December** | **7,613** | **7,613** | **3,365** | **3,365** |

## 22 Movement in funds

| Movement in funds 2022 | At 1 January 2022 as reported | Prior year adjustment 1 | Prior year adjustment 2 | At 1 January 2022 as restated | Income | Expenditure | Transfers | At 31 December 2022 |
|---|---|---|---|---|---|---|---|---|
| | | | | £ | £ | £ | £ | £ |
| **Unrestricted funds** | | | | | | | | |
| General church funds | 410,109 | - | - | 410,109 | 972,658 | (1,059,604) | 17,558 | 340,721 |
| TSM | 10,494 | - | - | 10,494 | 3,564 | (5,493) | (493) | 8,072 |
| Events | 23,142 | - | - | 23,142 | - | (3) | (23,139) | - |
| KA Media | 3,596 | - | - | 3,596 | 364 | (1,466) | 244 | 2,738 |
| King's House | - | (11,870) | 2,120,014 | 2,108,144 | 31,973 | (41,743) | 158,078 | 2,256,452 |
| KA Facilities | 52,013 | - | - | 52,013 | 491,181 | (346,362) | (160,012) | 36,820 |
| **Total unrestricted funds** | **499,354** | **(11,870)** | **2,120,014** | **2,607,498** | **1,499,740** | **(1,454,671)** | **(7,764)** | **2,644,803** |
| **Restricted funds** | | | | | | | | |
| King's Arms Church | - | - | - | - | 91,949 | (62,754) | (8,000) | 21,195 |
| King's House | 2,358,825 | (238,811) | (2,120,014) | - | 31,601 | (11,601) | - | 20,000 |
| KA Apostolic | 57,887 | - | - | 57,887 | 95,186 | (116,170) | 15,764 | 52,667 |
| **Total restricted funds** | **2,416,712** | **(238,811)** | **(2,120,014)** | **57,887** | **218,736** | **(190,525)** | **7,764** | **93,862** |
| **Total funds** | **2,916,066** | **(250,681)** | **-** | **2,665,385** | **1,718,476** | **(1,645,196)** | **-** | **2,738,665** |

Unrestricted funds comprise general church funds available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes

Unrestricted designated funds comprise unrestricted funds that have been set aside by the trustees for the following purposes; -

- King's House is a fund designated by the trustees to account for money generated by and spent on the building and to also ensure funds are available for the running costs of the building.
- KA Facilities the wholly owned subsidiary company, the profits of which are gift aided to the King's House.
- TSM (Training for Supernatural Ministry) ceased operating during the year however the balance of funds remain separately designated to be used for future training programmes.
- Events ceased operating during the year and the remaining funds were transferred to general church funds.
- KA Media which continues but at a very low level.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors as follows; -

- Church which comprises donations and grants given for specific purposes from donors including those as a result of the Vision offering annual appeal which include activities such as the Friday Night Meeting, Re-Track and the new Blunham location, supporting missionaries overseas, aid to Ukraine and assisting King's Arm Project.
- King's House which comprises donations and grants given for specific purposes from donors including those as a result of the Vision offering annual appeal for both the general running costs of the building and for specific building and maintenance projects as identified by the trustees
- KA Apostolic which comprises donation and grants given for specific purposes of supporting leaders and churches in the UK and other nations

Transfers include the following:

- Transfers of the gift aid/distribution from the trading subsidiary to the King's House (designated) fund.
- Donations made from Church funds to KA Apostolic.
- Other minor transfers made between funds in the year.

**Prior Year Adjustment 1**

As described in Note 15, a Prior Year Adjustment has been made in respect of Land and Buildings resulting in a net decrease of £238,811 in the King's House fund as at 1 January 2021.

This has also given rise to a restated deprecation charge in 2021, increasing costs by £11,870 as reflected above.

**Prior Year Adjustment 2**

A Prior Year Adjustment of £2,120,014 has been made in 2021 reclassifying any funds from restricted to designated where all donor restrictions were either fulfilled on the original purchase of the building or subsequent improvements or where funds intended as designated by the trustees had been incorrectly classified as restricted.

The trustees also now recognise that those funds should have subsequently been classified as designated. The designated King's House building fund therefore includes funds originally given as restricted together with the surplus of money generated by and spent on the building. These funds have been designated to ensure funds are available for the future running costs of the building.

The restricted King's House building fund comprises donations and grants given for specific purposes from donors including those as a result of the Vision offering annual appeal for both the general running costs of the building and for specific building and maintenance projects as identified by the trustees.

## 23 Analysis of net assets between funds

| 2022 | Tangible fixed assets | Stock | Debtors | Cash at bank and in hand | Creditors | Creditors more than one year | Total net assets |
|---|---|---|---|---|---|---|---|
| | £ | £ | £ | £ | £ | £ | £ |
| **Unrestricted funds** | | | | | | | |
| General church funds | - | - | 43,946 | 313,811 | (17,036) | - | **340,721** |
| TSM | - | - | - | 8,072 | - | - | **8,072** |
| KA Media | - | - | 17 | 2,721 | - | - | **2,738** |
| King's House | 2,875,705 | - | 1,050 | 38,689 | (89,968) | (569,024) | **2,256,452** |
| KA Facilities | - | 2,088 | 30,732 | 41,986 | (37,986) | - | **36,820** |
| **Total unrestricted funds** | **2,875,705** | **2,088** | **75,745** | **405,279** | **(144,990)** | **(569,024)** | **2,644,803** |
| **Restricted funds** | | | | | | | |
| King's Arms Church | - | - | - | 21,195 | - | - | **21,195** |
| King's House | - | - | - | 20,000 | - | - | **20,000** |
| KA Apostolic | - | - | 3,906 | 57,571 | (8,810) | - | **52,667** |
| **Total restricted funds** | **-** | **-** | **3,906** | **98,766** | **(8,810)** | **-** | **93,862** |
| **Total funds** | **2,875,705** | **2,088** | **79,651** | **504,045** | **(153,800)** | **(569,024)** | **2,738,665** |

| 2021 | Tangible fixed assets | Stock | Debtors | Cash at bank and in hand | Creditors | Creditors more than one year | Total net assets |
|---|---|---|---|---|---|---|---|
| | as restated | as restated | as restated | as restated | as restated | as restated | as restated |
| | £ | £ | £ | £ | £ | £ | £ |
| **Unrestricted funds** | | | | | | | |
| General church funds | - | - | 24,441 | 418,751 | (33,083) | - | 410,109 |
| TSM | - | - | - | 10,822 | (328) | - | 10,494 |
| Events | - | - | - | 23,142 | - | - | 23,142 |
| KA Media | - | 1,378 | - | 2,218 | - | - | 3,596 |
| King's House | 2,783,856 | - | 12,042 | 14,015 | (79,486) | (622,283) | 2,108,144 |
| KA Facilities | - | 2,296 | 32,758 | 40,300 | (23,341) | - | 52,013 |
| **Total unrestricted funds** | **2,783,856** | **3,674** | **69,241** | **509,248** | **(136,238)** | **(622,283)** | **2,607,498** |
| **Restricted funds** | | | | | | | |
| KA Apostolic | - | - | 258 | 62,243 | (4,614) | - | 57,887 |
| **Total restricted funds** | **-** | **-** | **258** | **62,243** | **(4,614)** | **-** | **57,887** |
| **Total funds** | **2,783,856** | **3,674** | **69,499** | **571,491** | **(140,852)** | **(622,283)** | **2,665,385** |

The comparative analysis of net assets between funds for 2021 have been restated in the table above to reflect the prior year adjustments as described in notes 15 and 22.

## 24 Reconciliation of net income / (expenditure) to net cash flow from operating activities

| | Current Year 2022 £ | Prior Year 2021 £ |
|---|---|---|
| **Net income for the reporting period (as per the Consolidated Statement of Financial Activities)** | **73,280** | **61,140** |
| **Adjustments for:** | | |
| Depreciation charges | (74,419) | 90,509 |
| Interest from investments | (816) | (562) |
| Loss / (profit) on the sale of fixed assets | - | (30) |
| (Increase) / decrease in stocks | 1,586 | (413) |
| (Increase) / decrease in debtors | (10,152) | 13,416 |
| Increase / (decrease) in creditors | 17,835 | (18,265) |
| **Net cash provided by operating activities** | **7,314** | **145,795** |

## 25 Analysis of changes in debt

| | At start of year £ | Cash-flows £ | New finance leases £ | At end of year £ |
|---|---|---|---|---|
| Cash | 571,491 | (67,446) | - | 504,045 |
| Loans falling due within one year | (68,325) | 4,887 | - | (63,438) |
| Loans falling due after one year | (622,284) | 53,260 | - | (569,024) |
| Finance lease obligations | (4,269) | 4,269 | (12,788) | (12,788) |
| **Total** | **(123,387)** | **(5,030)** | **(12,788)** | **(141,205)** |

## 26 Related party transactions

KA Facilities (Bedford) Limited is a wholly owned subsidiary of the charity and as such has taken advantage of the exemptions conferred by FRS102 section 33 Related Party Disclosures to not disclose transactions within the group.

King's Arms Trust (Bedford) provides key management to the charity Catalyst, a network of churches to which the Trust belongs. Catalyst is therefore defined as a related party to the Trust. During the year, the Trust donated £8,000 (2021: £16,700) to Catalyst to support their activities. It also received income of £16,300 (2021: £12,622) from Catalyst of which £13,000 (2021: 12,622) were grants received in respect of the Trust providing key management. Expenses of £2,055 (2021: £700) were paid to Catalyst.

The total amount of aggregate donations received without conditions by all key management personnel and close family members defined as related parties were £86,804 (2021; 78,128).

## 27 Trading Subsidiary

The wholly owned subsidiary undertaking is KA Facilities (Bedford) Limited (company number 8314420), a company which is limited by guarantee and registered in England and Wales. The registered office is the same as that of King's Arms Trust (Bedford). It will gift aid its taxable profits to suitable charities as agreed by the Trustees. A summary of its trading results is shown below.

| | Year ended 31 December 2022 | Year ended 31 December 2021 as restated |
|---|---|---|
| | £ | £ |
| **Turnover** | **510,336** | **328,771** |
| Cost of Sales | (74,181) | (31,104) |
| **Gross Profit** | **436,155** | **297,667** |
| Administrative expenses | (291,335) | (194,862) |
| **Operating profit** | **144,820** | **102,805** |
| **Profit on ordinary activities before tax** | **144,820** | **102,805** |
| Tax | - | - |
| Gift Aid distribution | (160,013) | (45,000) |
| **Net movement in reserves** | **(15,193)** | **57,805** |
| **Net assets** | **36,820** | **52,013** |

## 1. IMPACT

**Alpha**
The Alpha course continues to go from strength to strength each year at King's Arms in line with the world-wide Alpha ministry. Alpha gives people the opportunity to explore the Christian faith, and new Christians the chance to lay some foundations on the credible evidence of the faith in a relaxed and engaging environment, with significant opportunity for making new friends and asking questions.

**Prison Ministry (Inside Out)**
2022 saw us able to get back into the prison as a group on a regular basis, after all the restrictions of the Covid pandemic. We lead a Sunday service in the Chapel once a month, with worship, prayers, Bible readings, a talk, and time for individual prayer ministry. Our team spend time before and after the service talking with the men who attend, offering a listening ear, friendly conversation and prayer if wanted. We also have a weekly Bible study in one of the wings, and we continue to support the work of the Chaplaincy wherever possible. Outside of the prison our group meets fortnightly to pray for the prison and the people we have met there.

**King's Playhouse**
King's Playhouse runs in term time every Wednesday morning from 10:00-11:30. Over the year the group has seen growth and stability in team and those attending. The team has grown from a core of 5, to (with flexibility) 8. Our contact list has grown by 20% and we have 60 - 80 children and carers attending each week. With the weekly sessions, and hugely successful Christmas and Summer events, both seeing over 100 people in attendance, we have been able to share prayer, church events, support and advice to those in our community raising the next generation.



**Prayer**
In 2022 we endeavoured to respond to the growing and diverse needs of our church community by providing opportunities both to partake in and receive prayer. We ran some prayer and worship nights which were well attended, and we continued our daily devotional emails to over 200 people encouraging their daily walk with God in prayer. A prayer request and testimony form is available on the website and over 40 people responded in 2022, many of whom we've been able to provide with ongoing prayer and pastoral support whether they are from our church community or not. We now run three weekly prayer Zooms, as well as monthly prayer Zooms for missionaries across the world. Our "Crossover" service on New Year's Eve was one of the busiest of the year and celebrated the diversity that we now enjoy at King's Arms, and we were grateful to be able to pray for teenagers.

**The Well**
This provides afternoon tea for the retired generation. We now regularly see around 30 people each month, with new people joining each time. Wendy Miller has taken over the leadership and is building a strong team of volunteers who gather to pray for The Well each month, as well as serving on the day.

**Design & Communications**
Staff changes during the year included Josh John, who previously led the team, stepping into a new role as Worship Team Pastor at the beginning of the year, while continuing to work one day a week within the team. Daisy Douglas is now the team leader, working 3.5 days a week. Additionally, we added an in-house graphic designer, Jon Marfleet doing 3 days a week. Gareth Squance continues to make most of our videos.

One of our highlights from the year was creating a new Joining King's Arms booklet for newcomers to the church. Another big win was updating all our outdoor signage with our new logo and branding. Amongst many other projects, we have also refreshed our website and revamped the social media posts. We are excited to continue to serve the church and those in and around our community with excellence and to keep all our creative projects fresh, inspiring and life-giving, and most importantly pointing to Jesus.

**Other Events**
Every year we invest in community events which aim to provide a context for fun whilst also building strong connections with our locality and pointing people to the life and connection with God available through Jesus. This last year these included special events with guest speakers like Carl Beech and a Christmas Banquet serving the retired generation. These are in addition to our usual special congregational moments where we celebrate Christmas, Easter and Baptisms.

## 2. CONNECT

The Connect team is led by Sue Smith and is responsible for our Sunday Services, King's Kids and worship.

**Sunday Services**



Throughout the year we enjoyed more "normal" post-pandemic meetings in our three congregations, meeting each Sunday at 9:30am (King's House), 10:30am (University) and 11:30am (King's House) with growing numbers showing greater confidence in returning to larger gatherings. We also continued to provide online provision for those wanting to connect in this way, initially through a pre-recorded programme each week which transitioned later in the year to the launch of a livestream of our 11:30 am meeting. Livestream offers a way for those with health concerns to connect with Sunday gatherings as well as members of the community who may be away for the weekend.



We have seen steady growth both in the numbers of people returning post-pandemic and in new people connecting to our Sunday gatherings with the final quarter of the year seeing a weekly average attendance of 431 adults connecting to in person meetings and around 40 connecting online each week. A real sense of community and serving has been growing throughout the year, alongside seeing many encouraged through prayer and prophetic ministry.

**King's Kids**



Throughout the year King's Kids met during each of the three church meeting locations on a Sunday morning. The sessions run for 1.5 hours and involve the children with singing, hearing Bible teaching, craft activities and playing games. Across the three church meeting locations approximately 140-160 children attend, with over 90 volunteers working in rota.

During the Spring and Summer terms we ran a discipleship group after school once a fortnight for children aged 8-11. In the autumn term we added a group for children aged 5-7 and a parents' group running alongside them. Once a month there is a kids' social with different focus each time, including games nights, movie nights and nerf gun games. These are often attended by over 30 children.




Over the year we ran three family fun afternoons: at Easter, in the summer and at Christmas. These involved bouncy castles, farm animals, craft stations and games for all the family to enjoy. These were open to the local community and our Christmas session saw over 200 people attend with about half of the attendees being from the community. In October, we held a lightparty event on Halloween where we had about 170 children and parents attend. The families were involved in fun games as well as hearing a short talk and having a time of singing.

**Worship**

The worship team, consisting of our musicians and sound engineers, continued to faithfully serve the King's Arms community throughout the year, and we've seen fresh momentum imparted to the team. The worship team served the church across both physical locations and also learnt to adapt to the launch of the 11.30am live stream at King's House. 2022 was a year of making further gains in the areas of community and saw the team continue to grow with new musicians and vocalists integrated into the team. Another key development as a team is seeing greater diversity within the team and the songs we sing, ensuring we are making progress in being a team that reflects the diverse make-up of our church family.

## 3. COMMUNITY

**Group Life: Life Groups, Missional Communities and Equip Groups**




It has been an exciting year for Group Life. We average around 55 Missional Communities, Life Groups and Equip Groups. The slowdown during the Covid pandemic is now well over, and groups are well re-established in the life of the church.

We have Life Groups run by a wide demographic of people, doing life together and seeking to bring a place of rest in a busy world. We have groups that cater for young and older generations, those who want a more family feel, and then those who'd like to get into community in a deeper manner. We have groups that seek to meet the needs of men and women, meeting at all times of the day and week! We have seen this area of groups grow as people seek deeper connection with community and with each other. Missional communities are seeking to bring the kingdom in different contexts: seeking to reach specific neighbourhoods, providing meals for the lonely, in the prison, Yarls Wood detention centre, praying for sex workers, and supporting medical and teaching professionals. Equip Groups remained steady in number and variety this year. They have included a marriage support course, Bible studies, prayer groups, pastoral groups such as "Still I Rise" and Discipleship Making Training.

Our groups have adopted a half-yearly rhythm where we open "sign up" for two weeks at the beginning of each half year. We make this the focus of church life during this period and encourage people to access the groups via the website. This means we can maximise the opportunity to get as many people connected as possible. This rhythm allows groups to run for half a year only, if they wish, giving leaders the freedom to run a group for a limited period, as well giving the whole church the opportunity to try different groups throughout the year. We have around 25% new groups each cycle, with a similar percentage of groups stopping.

**Belong**

After 6 years of running Belong and developing the King's Arms Joining Course, Charlene Frammingham handed over the baton to Lou Saunders at the start of the year. Two Joining Courses were held during 2022, with the second being a family affair, including children on a Sunday afternoon. Feedback was positive, as it enabled people to come straight after church, spend time with each other over food, and learn about the cultures and history of King's Arms. The Belong Group continues to meet on Monday evenings and remains open to new members all year so that newcomers can quickly start to meet other church members and get involved in group life. Various King's Arms leaders attend from time to time to speak to the group, so that the culture and ethos of the church are communicated, and new people can get to know the leaders.










**Safeguarding**

A rewrite of the Safeguarding policy and procedure, identifying best practice, and then training staff and volunteers was completed. An independent review of Safeguarding at King's Arms occurred during the year, with an external professional reviewing all aspects of Safeguarding. The review was very positive about our policy and procedures, but with several recommendations, the majority of which have been implemented. It is planned to undertake similar reviews every three years to ensure that we are up to date with the latest national advice on safeguarding. The recommendations included making sure that an annual review of the Safeguarding procedures for each part of the church is completed, and that King's Kids and Youth have child-friendly welcome booklets that explain what a new young person can expect from their time with us.

**Youth**

King's Arms Youth saw a lot of change at the start of 2022 with a transition of leadership, as Lauren Wilthew stepped up to oversee Youth in April and Matt Knapp started leading the 15-18s in May. We began meeting together again on Wednesday nights as a youth group with the 11-14s and 15-18s breaking out into separate groups. With Covid restrictions no longer in place we have been able to meet regularly, connect with one another and reform our foundations as a youth group. On Wednesdays we see around 60 young people each week, this is a mixture of church families and friends from school. We also run a sixth form group once a month which regularly sees 10-15 young people attending.



On Sundays we run youth for 11-14s at all our locations and services during school terms. Around 65 young people attend including some of our 15-18s who join us as 'young leaders'. It has been amazing to see and develop some of our future leaders.

In August we attended Newday, a youth festival run by newfrontiers. We took 81 young people, supported by a team of 15 leaders and helpers. The week was filled with fun, encounters with God and multiple salvations. It was amazing to see so many young people from the different Sunday locations connect with one another and many precious friendships were formed that have continued throughout the year.

In November we went away for a weekend with 70 young people to the Grafham Water Centre where we worshipped, learned about God together, and had fun as a youth family with activities such as high ropes, archery and canoeing. Many precious memories were made. One of the highlights was on Saturday evening when 60 young people responded to wanting to lay their lives down afresh to live for God, they came and knelt at the front of the room and were prayed for.



There have been many things to celebrate this year. God has been so faithful to us as a youth group. We have seen healings, salvations and 18 of our young were baptised during the year. God is so good and so, so faithful.

## 4. PASTORAL

Looking back, 2020 and 2021 were predominantly about navigating the shifting demands and impacts of caring for people in a pandemic. 2022 saw a shift away from urgent **response to rebuilding**. In broad terms the year was largely about helping people process the practical and psychological after-effects of the Covid pandemic. It was about coming to terms with loss and learning about restoration. To this end as a community of pastoral staff and volunteers we gave our time and energies into a number of different areas.

**Pastoral 'Catch-Up' Sessions.**

Loneliness and isolation are two unsurprising experiences in much of the population. In response to this we increased the number of Pastoral 'Catch-Up' sessions offered to those from the wider church community. These are times when anyone can book a session through the church website to chat on Zoom or in 3D! It's an opportunity to talk, process and off-load. While these aren't counselling sessions, we are in the fortunate position that all those taking the sessions are qualified counsellors who can use their skills and experience to help a wide range of people. For those who need more ongoing support we have a list of local counsellors we can refer people to and sometimes match-fund the costs where there is a need.

**Almost half (45%) of the UK population had felt anxious or worried in the previous two weeks, which rose to 64% of respondents who have a pre-existing mental health condition.**

**Practical help/ Care Fund**

A listening ear is always welcome but sometimes practical help is what's needed. So 2022 saw the team and volunteers rolling up their sleeves for a number of different needs. We pitched in with food shopping, taking funerals and catering for wakes, meal rotas, hospital visits, and helping a single mum move house. Most of these activities aren't even registered or recorded centrally, they're just seen as what you do for one another in a church family. Once again, our 'Care Fund' was used to help buy food, clothing and everyday essentials when people fell on hard times. Knowing that Covid was likely to result in financial hardship for many we increased our fund.

**Psychological Impact of the Covid Pandemic**

Whilst for most in 2022 life returned to a semblance of normality the psychological impact was still very real. Consequently, we deliberately focused on equipping staff and volunteers to operate in an environment where collective trauma is present. This included:

- Two of the team running training on stress and burnout at a national church leader's event.
- Training church staff on Psychological Safety. (Trauma-informed training is planned in 2023).
- Using our "Pastoral Hub" volunteer evenings to upskill around emotional fatigue and stress.
- Our Living Through Illness group continued to serve those continuing to isolate and those with chronic illnesses, just as it has done for the past 11 years.

**Refusing to change the subject**

Whilst it's important to respond to shifting circumstances and current events we also recognise that there's power in refusing to change the subject. Back in 2019, after a day of prayer and reflection as a team, we felt that we needed to focus on 3 particular areas. Now, nearly 4 years later we still don't want to change the subject. If anything, those areas seem more relevant and urgent than they did before Covid. They are:

**1. Mental Health and Well Being.**

We continued to run practical, "bite-sized" evenings on Zoom for those who are struggling with their mental health or simply want to be better informed. The advantage of on-line sessions is that they enable people who may have medical issues or social anxiety to participate. Additionally, we continued to share best practice and support one another through our **Counselling Network. At the l**ast count we had 21 people either qualified or part qualified as counsellors. This gives a great environment for upskilling one another and for mutual support to make our work more sustainable.

2. **Marriage Support.**

The past few years have been extremely tough on many relationships. Our team has run practical, accessible evenings which continue to grow in popularity. Topics included Conflict Resolution and

Communication, Top Tips for a Healthy Marriage and Planning for your Marriage. The evening on **"How to apologise well"** looking at the different types of apology and how to "own" an apology provoked a lot of conversation!

3. **Racial Integration**
Churches like so many groups in our society must stubbornly refuse to change the conversation when it comes to race. Fortunately, in such a diverse church family we have many courageous and gifted people who can help us try to move forward. In practical terms we moved our recovering from racial abuse course (**Still I Rise**) from pilot to launch. Once again, the feedback has been both powerful and deeply moving. As a team we're investigating how this course might be scaled up to serve our local community and beyond.

**The "Still I Rise" course takes its name from a famous poem by poet, social commentator and civil rights activist Maya Angelou.**

**You can read the poem and find out more about Maya at: poets.org/poem/still-i-rise**

Alongside this we continue to keep an 'open conversation' as a church family through our **Snapshots** evenings. These are evenings which are open to all where space is given simply for people to share their experiences of racism or their journey of understanding in this area. Both "Still I Rise" and Snapshots aim to provide contexts for open and sometimes painful reflection in a safe environment.

**Pastors of the "Town"**
A key "tentpole" of our pastoral care ministry is that the church isn't meant to be a "holy huddle" but rather serve our local and wider community. During 2022 we continued to provide termly volunteer training at our Pastoral Hub. This was a gathering of roughly 40 volunteers looking at the topics described previously and giving a context for mutual encouragement.

**Pastoral Forum**.
In Nov 22 we laid on our 3rd "Pastoral Forum", a round-table event for other churches to access. Roughly 70 delegates attended from across the nation discussing our priorities of mental health, families and racial integration. Under this banner we focused on burnout, spiritual abuse, healthy relationships and racism.

**Sozo**
This is a ministry in which the main aim is to get to the root of those things hindering a personal connection with God. Sozo consists of a single session, with an option to book in for another in a couple of months. The person is led through prayers of forgiveness towards people who have hurt them, are helped to deal with any traumatic issues from the past, and in the process are helped to listen to God for themselves. At the end of the session, the person leaves with a list of promises and truths that they have heard from God, and almost always say they feel lighter – and it shows in their expressions!

Here are a few comments that people were happy to share after their Sozo:

- Life changing! Deeply affirming, Safe Space and a "thin" place even online.
- I felt the love of Father Jesus and Holy Spirit above everything else.
- Experienced all three persons of the Godhead in a deeply impactful way during the session and this has continued. I have experienced freedom from a long-seated niggling guilt.
- It brought consolidation to a number of ongoing issues. Very helpful and I felt I was in a safe place to open my heart and soul to friendly personnel.

The majority of Sozos in 2022 were conducted in person at King's House, with one person leading the session, helping the guest to process their experiences and to hear from God, and the second team member recording the truths the guest hears from God and praying. We are still offering Sozo on Zoom, with a minority of people opting for this. In total, there were 22 in-person Sozo sessions, and 4 on Zoom. This is a smaller number than in previous years, but people were still recovering from the effects of lockdown and Covid, and some were still avoiding contact with other people. Numbers started to build up over the course of the year, and we continue to offer Sozo appointments on a regular basis.

## 5. SEND



It's been a transformational year for Paula who finished building her home in Tijuana, Mexico after 2 years of fundraising, and moved into it in April 2022. She now uses it not just as her home but to welcome local friends and those joining her work for a while. March marked 10 years of Paula living and working amongst the poorest in Mexico – a real cause for celebration! In February, she and her team launched a medical clinic in the Hope Zone in downtown Tijuana with qualified staff volunteering their time to treat the community. One local girl aged 7 told her mum that when she grows up, she wants to be a dentist and work in Hope Zone helping the other kids. In the summer, Hope Zone ran a kids' programme with themed days, including tents and camping games for the whole family and fun water games. Taking the Hope Zone mums out for coffee in the autumn, two of them said that they had never been out for coffee with their girlfriends! Paula says "God loves to use many things to express his love to others". At the end of October Paula got engaged to Uriel. With the wedding planned in February 2023 and her work as busy as ever, it's been a year of celebration.

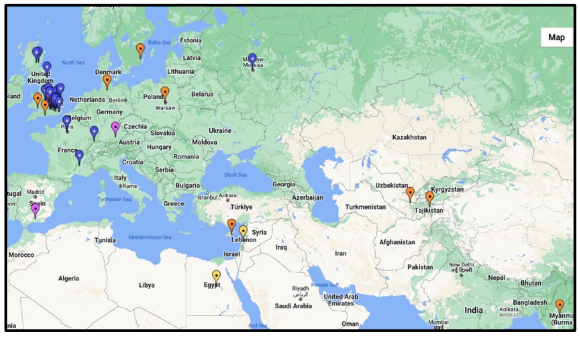
Over in North Africa, JS moved to a mega-city in March 2022. She immediately started to study a new Arabic dialect whilst looking for a place to live and has also enjoyed the novelty of going to the local gym. She has been memorising Biblical stories in classical Arabic ready to retell when the opportunity arises. Then there's home study and chatting to people in everyday life at the shops, the gym and with neighbours. There are many in the city from a neighbouring war-torn country who have come for medical treatment. Some are helped by a local clinic which JS has connection with. Through this she has been visiting some of the patients in their homes, taking much needed food and sharing some Bible stories and prayers as well as God's kindness and comfort. In October JS experienced a slice of local life when she attended a wedding. The bride and groom came down the aisle together, following a man tapping a little brass cymbal, and they were later made to wear capes and crowns!



In the Middle East, HH has also been continuing with Arabic study, moving to online lessons again with a new teacher who is helping to hone her speech in the local dialect. The economic situation in her country continued to deteriorate yet people somehow managed to survive. She writes, 'I picked up a couple of mana'esh (pizza dough but with no sauce) on the way home today. A 6 year old girl came up to me in the street and asked for food. I was grateful I'd bought more than I needed'. The country geared up for elections in May with the streets full of giant posters of politicians (some draped down 6 storey buildings!). There were fears of an increase in sectarian tensions escalating into violence but mercifully all went off peacefully. Later in the year, HH began teaching English in an adult language centre. This was fun and challenging as she learnt about the working world in her adopted country. After a 2-year search, she moved into shared accommodation with some local ladies in a new area of the city. Since the conversations are all in the local language, her Arabic is moving on apace!

Meanwhile, Abigail finished her three years at Youth With A Mission in Harpenden by leading a missions team to Mexico City and indigenous villages on the Mexican coast. Having spent the early part of 2022 training and mentoring other students at the UK training base and leading an activities week in Coventry, she spent her time prior to the Mexico trip in fundraising and learning as much Spanish as she could. Whilst in Mexico, Abigail was impacted most by working with young boys in a juvenile detention centre in the city and youngsters from broken homes in the villages. She also got to teach English in a Mexican village primary school. In September she started her UK university studies in British Sign Language and we wish her all the best!

## 6. KA Apostolic




King's Arms Apostolic oversees and spearheads the trans-local work of the church in serving other local churches and apostolic networks. As a church, we have the privilege to help churches across the world.

King's Arms is part of a relational network of churches called Catalyst, serving over 80 churches in the UK and many established and new churches in other nations. In the UK, Catalyst is led through apostolic Hubs that care for churches and provide strategic direction. Both Simon Holley and Phil Wilthew are part of the core apostolic team and have been actively involved in serving events such as the Catalyst Leaders weekend, leadership training and Impact training.

The Bedford Hub is serving over 50 different Churches which are in varying stages of connection with us. The majority of these are in the UK, with a geographical spread from London to Dundee. We also support churches in 14 countries outside the UK, and these receive input from our strategy team and church leaders on a regular basis. The Hub is served by a core team of 6 leaders, 4 from King's Arms and 2 from other UK churches.

In 2022 teams from the King's Arms served other churches through 21 ministry trips to various places, including Granada-Spain, Paris-France, Basel-Switzerland, Krakow-Poland, Stuttgart-Germany, Cardiff-Wales.



Our online leadership training huddles continued to develop during the year including those focusing on Apostolic Foundations (Simon Holley and Phil Wilthew), European Leaders (Phil Wilthew and Duncan Hanton) to support leaders in related churches in other European countries, and a huddle to support church leaders in New Zealand who because of the time difference often find it challenging to join our online Hub gatherings. Simon Holley also ran a Discipleship making Huddle for those in our Hub who were wanting to be trained.




We were excited to host our annual Resonate.global conference in March themed "In His Presence", as a hybrid model with over 100 guests attending in person and 14 international guests joining us online. We were honoured to have Pete Hughes, the lead Pastor at King's X Church in London as our guest speaker. Pete is an exceptional teacher and many felt inspired and provoked by his talk "Redeeming the Earth". Another highlight was our Twenties panel of young leaders who shared the challenges and strengths of the next generation of leaders. The conference was a beautiful time of worship and fellowship together with representation from the many nations we work with.

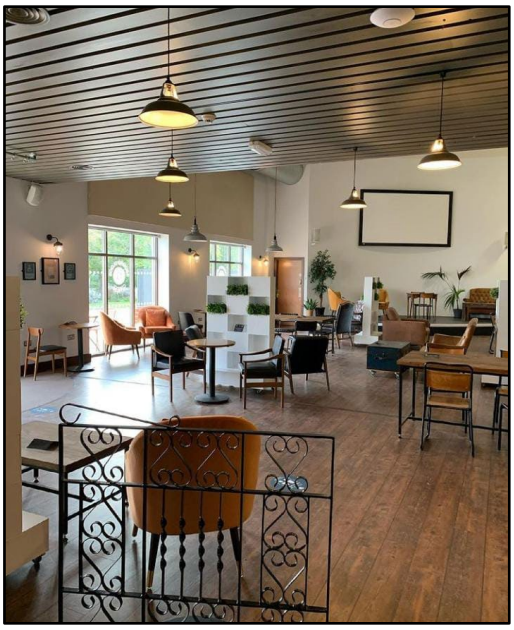
A new initiative was Amplify, an online Prophetic school for the Hub, led by Phil Wilthew, Rob Davey and Charlene Frammingham. This school ran mostly online via zoom with 2 additional in-person days at King's House. We were overwhelmed with applications, and accepted 90 students from the UK, Europe and South Africa, We recruited 15 coaches from many different streams of churches in the UK. The course was set up in 3 terms to run for 9 months which included hosting guest speakers Julian Adams and Ben Armstrong and a Bethel Church team from Redding, California. This course ran to the end of July and we launched a second year in November, focusing on a smaller group of 50 Students and 18 coaches for more in depth training. This course has the addition of training for coaches, and termly coach and students "connect" meetings.

## 7. KA Facilities (Bedford)

During the week, King's House is used by the wider community as a venue for conferences, meetings and events. After a turbulent 2021 with numerous lockdowns and re-openings, 2022 turned out to be our most profitable year to date. Two of our long-term contracts continued to meet in King's House 5 days a week: Bedford Hospital training newly arrived international nurses and Serco training new staff. In addition, from January both regular and new customers used King's House for meetings, celebrations and events and on many days all of the rooms were occupied.




The building has had all of the exterior and interior signage re-done by our Design and Communications team to fit with our new branding – which looks great. We also have a new website.



Situated in the foyer area, Ground Floor Coffee shop is open to the public Monday – Friday. Due to our great fresh food and delicious hot drinks, and the fact that after the Covid pandemic people wanted large open areas, the coffee shop has also seen an increase in guests this year.

In late October 2021, a new law was introduced, to protect people with food allergies who rely on the transparency of ingredients and food labelling for pre-packaged food. We have implemented a strong labelling system for our pre-packaged food and also decided to purchase a new chiller cabinet to display our freshly made sandwiches and paninis – so not having all of our food pre-packaged. Food sales have increased since doing this and the feedback from customers both verbally and on-line is excellent.

## 8. Re-Track

Re-Track started at the end of 2020, with the help of a match-funded grant of £20K through the 'Love Your Neighbour' national initiative.




Throughout 2022 Re-Track has engaged with various projects to support those in need in Bedford. We offered support in the form of emergency food parcels, Aid for Ukraine, Love Christmas boxes, litter picking, family fun days, and warm spaces.

Re-Track was staffed by one part-time employee together with trained and supervised volunteers from diverse backgrounds.

**Emergency Food Parcels.** Throughout the year emergency food parcels have been provided for those in need. Ongoing support and referrals to the food bank are given to help those in need of long-term support.

**Love Christmas.** For this initiative we created a web page, a video and social media posts giving people time to give money, donate items and/or boxes filled with gifts. Several Re-Track volunteers helped with preparing and delivering the Love Christmas boxes. 156 boxes were donated, and an additional 20 boxes were purchased using cash given, filled with food items and gifts, and each box also included the book The Christmas Story and information about King's Arms Church.

- 45 Love Christmas boxes went to families in need through F4YP.
- 59 Love Christmas boxes were received by attendees at the Friday Night Meeting.
- 37 boxes went to the homeless supported via the King's Arms Project.
- 35 Love Christmas boxes were given to the elderly.

**Aid for Ukraine.** To support those affected by the ongoing conflict in Ukraine, during May and November we sent two vanloads of aid to one of the churches we are connected to in Krakow, Poland. These have been very successful trips thanks to the many donations we received and the volunteers who have helped make this happen.

**Family Fundays.** Joining with the King's Arms Kids' team, Re-Track co-hosted a couple of family fundays. We gave tickets for the families we are supporting. These days included free refreshments, bouncy castles, petting zoos, crafts and more. Thanks to our amazing volunteers we are able to organize these events to bless those in our town.

**Value added.**

- Volunteers from the King's Arms Church engaged.
- Partnership working with the F4YP and the King's Arms Project.
- Gospel story book into the hands of families.
- Increased awareness of Re-Track and the King's Arms Church.
- Increased partnership working with Bedford Borough Council through litter picking after the River Festival.



## 9. KING'S ARMS HISTORY AND DEVELOPMENT

King's Arms Church was established in 1992 with the support and oversight of Woodside Free Church, Bedford (now Woodside Church). The King's Arms Trust was registered as a charity on 1 January 1995. Previous to this date the accounts were included within those of Woodside Free Church.

King's Arms Church began to meet separately from Woodside in October 1992, initially on Sunday evenings. Since 1995 the church has met twice on most Sundays and has grown steadily in attendance. The church met in the dining room at Dame Alice Harpur School (now Bedford Girl's School) for many years before moving to King's House in 2010. King's House, which was purchased by the Trust in December 2009, was previously a factory manufacturing Crayola Crayons.

Throughout its history King's Arms has been caring for poor and disadvantaged people in Bedfordshire. The King's Arms Project commenced work among Bedford's homeless in 1989 when a residential house located in Clarendon Street, Bedford was established. The Project has developed with additional houses and elements, all of which have been set up to cater for the needs of poor and disadvantaged people. In order to facilitate its further growth and development, the Project was established as a separate charitable company called King's Arms Project (Bedford) which commenced operating on 1 March 2011.

Several new churches have been established in the UK and overseas by members of the King's Arms Church and a number of other churches are now being led by people who once attended the King's Arms Church. These include:

David Stroud, the founder of King's Arms Church, who led a team to South Birmingham in 1998 to plant a church and now leads Christ Church, London with four congregations meeting across the city at Mile End, Stockwell, Sutton and Central London.

Matt and Philippa Hatch who moved to Leeds in 2002 and lead Mosaic Church, a multi-site church meeting in three Leeds locations: North Central, South and Hobleck. They have also planted new churches in South Africa and UK.

Adrian and Lucy Hurst, Oasis Church, Birmingham.

Nick and Tracey Priggis, Hope Church, Shrewsbury.

Tim and Vicki Simmonds, Christ Church, Manchester a multisite church with seven meetings each Sunday in five locations across the city.

Robin and Hannah Vincent, The Hill Church, Swansea.

Nick and Sue Griffin, London Life Vineyard Church, Crouch End, London.

Mike and Jen Milner. Vineyard Church, Guam.

Olivier and Elodie Sarkis, Montêlimar, France

Matt and Maèllou Trefcon, Montêlimar, France

Many of these churches are located in multi-racial environments in deprived inner city areas, with an emphasis on caring for poor and disadvantaged people.

Other ex-members of the King's Arms Church, now working in an influential positions include:

Mathew Neville, CEO of Alpha International.

**KING'S ARMS TRUST (BEDFORD)**

England & Wales - Charity number 1116359

# Accounts

KING'S ARMS TRUST

# ANNUAL REPORT & FINANCIAL STATEMENTS

For the year 1st January 2021 to 31st December 2021











KING'S ARMS TRUST (BEDFORD) | CHARITY NO 1116359 | COMPANY NO 5899019

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# CHARITY AND COMPANY INFORMATION

| | | |
|---|---|---|
| **Trustees/Directors** | Roydon Loveley (Chair) | |
| | Rachel Hickman | Simon Holley |
| | Peter Humphrey | Paul Johnson |
| | Nicola Marfleet | Philip Varley |
| **Elders** | Simon Holley (Lead Elder) | |
| | Paul Johnson | Roydon Loveley |
| | Stephen Wilson | Philip Wilthew |
| **Charity Number** | 1116359 | |
| **Company Number** | 5899019 | |
| **Registered Office** | King's House<br>245 Ampthill Road<br>Bedford MK42 9AZ | |
| **Independent Auditor** | Mazars LLP<br>The Pinnacle<br>160 Midsummer Boulevard<br>Milton Keynes MK9 1FF | |
| **Business Address** | King's House<br>245 Ampthill Road<br>Bedford MK42 9AZ | |
| **Solicitors** | Sharman Law<br>1 Harpur Street<br>Bedford MK40 1PF | Wellers Law Group LLP<br>65-68 Leadenhall Street<br>London EC3A 2AD |
| | Avensure Ltd<br>South Central, 11 Peter Street<br>Manchester, M2 5QR | |
| **Bankers** | Unity Trust Bank Plc<br>4 Brindleyplace<br>Birmingham B1 2JB | National Westminster Bank Plc<br>81 High Street<br>Bedford MK40 1YN |
| | Co-operative Bank Plc<br>4th Floor<br>9 Prescot Street<br>London E1 8AZ | Virgin Money Plc<br>Jubilee House<br>Gosforth<br>Newcastle upon Tyne, NE34PL |
| | Shawbrook Bank Ltd<br>Lutea House<br>Warley Hill Business Park<br>The Drive, Great Warley<br>Brentwood, Essex CM13 3BE | Nationwide Building Society<br>Nationwide House<br>Pipers Way<br>Swindon SN38 1NW |

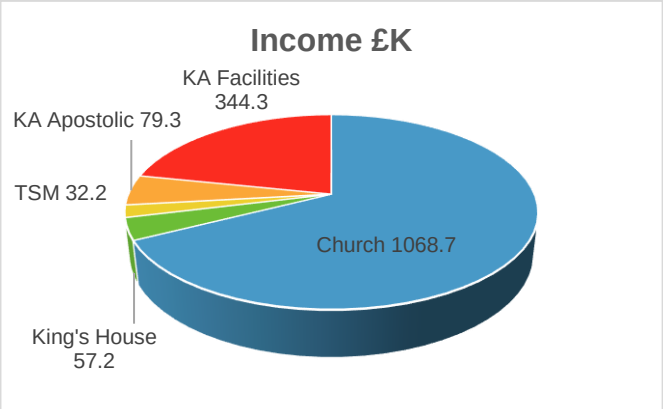
# EXECUTIVE SUMMARY

The King's Arms Trust (Bedford) had an encouraging year despite the continuing impact of COVID-19 on the activities and operations of the Trust. The total income of £1,586K, was a decrease of 4% compared with 2020.

The main activities of the Trust, all of which provide public benefit, are:

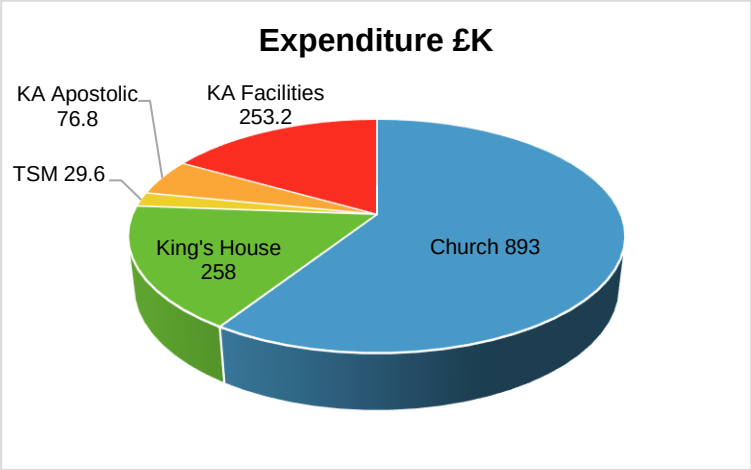
- **King's Arms Church** – A vibrant church of around 1,300 adults, children and youth with numerous meetings and activities held, in-person, and on-line.
- **TSM (Training for Supernatural Ministry)** – A training course aimed at equipping men and women of all ages and from all stages of life to live like Jesus did, with 130 students attending.
- **KA Apostolic** – the focus of the work of King's Arms Church in supporting leaders and churches in the UK and other nations.
- **KA Facilities (Bedford) Ltd** – A wholly owned subsidiary company from within which a coffee shop and facilities rental are operated.
- **Re-Track** – An initiative, set-up in response to the pandemic, offering flexible one-to-one support for job seekers.

A summary of the income and expenditure of each of the activities of the Trust is shown in the pie charts. It should be noted that the finances of the various activities of the Trust are controlled and monitored independently of each other.




Income totalled £1,586K. The majority of the Church income of £1,069K came from individuals attending the King's Arms Church.

Expenditure totalled £1,513K, with the church, KA Facilities and the King's House building being the three largest areas.




The net assets of the Trust at the end of 2021 were £2.92M an increase of £73K compared to 2020.

# EXECUTIVE SUMMARY




2021 was the eleventh full year of the church meeting on a Sunday at King's House. The building comprises a 500-seater auditorium, coffee shop, many meeting rooms with capacities up to 250 people and office accommodation.

The office space, meeting rooms and auditorium are used by the church and are also made available for commercial rental. The coffee shop is open to the public as well as to visitors and users of the facilities at King's House and those who work in the building.

2021 saw some major challenges and changes in how the church operated in the on-going response to COVID-19. For the first three months of the year Sunday meetings were held on-line. At Easter we were able to recommence in-person meetings at King's House, whilst continuing a reduced on-line stream for those choosing to stay home based. In September we relaunched our in-person University location meetings in a temporary home at Bedford Academy. Attendance at the in-person meetings gradually increased to 500 towards the end of the year.

In addition, the church ran a wide variety of activities including:

- Children's and Youth meetings both on Sunday and during the week.
- Life Groups or Missional Communities meeting regularly midweek.
- A variety of activities and events for the elderly, prisoners and the local community.
- Pastoral support to those in need within the church community.
- Serving 60 different churches based in the UK and 14 different countries.
- Re-Track Career and Employment Centre offering flexible one-to-one support for job seekers, and coaching for individuals in compiling CVs while searching for employment.
- Much of the above being run or supported by 350 people providing volunteer support.



The Ground Floor Coffee Shop was also closed for most of the first half of the year but opened after restrictions were lifted in late June. Although facilities booking were restricted during the first half of the year, from January to June King's House was used as the main hub for the Clinical Commissioning Group's vaccination centre in Bedford and from June to December, we had 3 long term contracts using the building multiple times a week including, Bedford Hospital training newly arrived international nurses and Jobs-22, a government scheme helping Universal Credit claimants to find jobs.

Financial support from voluntary donations by church members were maintained throughout the year at very near to pre COVID-19 levels. Expenditure continued to be tightly controlled and budget forecasts monitored with the aim of minimising any depletion of reserves.

In summary, the Trust successfully navigated the impact of COVID-19 and the Trustees are confident that the Trust will continue as a going concern.

This is the fifteenth report of the King's Arms Trust (Bedford), an incorporated charitable company, which commenced operating on 1 January 2007.

# TRUSTEES' REPORT

## INTRODUCTION

The Trustees of the King's Arms Trust (Bedford) present herewith their annual report, together with the financial statements of the charitable company for the year 1 January 2021 to 31 December 2021.

The King's Arms Trust (Bedford) is an incorporated charitable company (Charity No. 1116359 and Company No. 5899019) which commenced operating on 1 January 2007. Prior to this date, and from 1 January 1995 to 31 December 2006, the organisation operated as 'The King's Arms Trust', an unincorporated charity (No. 1044098).

The report provides details of the many and varied activities of the Trust which, despite the continuing impact of the COVID-19 pandemic, commenced recovery to its pre-pandemic level of activities. It clearly demonstrates the public benefit provided by the Trust in compliance with the Charities Act 2011.

## PRINCIPAL OBJECTIVES

The principal objectives of the King's Arms Trust (Bedford) are that of the advancement of the Christian faith in the UK and overseas, the advancement for the public benefit of religious and other education, and the relief of the aged, poor, sick and disabled.

'Public benefit' is the legal requirement that all charities must have charitable purposes which benefit the public. The Charities Act 2011, underlines this requirement. This report seeks to highlight the public benefit provided by the King's Arms Trust (Bedford).

## LEGAL AND ADMINISTRATIVE INFORMATION

The King's Arms Trust (Bedford) is governed by its constitution as defined in the Memorandum and Articles of Association. King's Arms Church together with TSM (Training for Supernatural Ministry), Events/Conferences, KA Media and KA Apostolic comprise the King's Arms Trust (Bedford). The aims and activities of each of these are described in this report.

The King's Arms Trust (Bedford) owns the freehold of King's House, a building located at 245 Ampthill Road, Bedford MK42 9AZ. Most of the activities of the Trust are undertaken at King's House.

Throughout the year the Trustees had Property Owners Liability insurance cover with an indemnity limit of £10 million. The cost of the insurance was paid by the charitable company.

KA Facilities (Bedford) Ltd, a wholly owned subsidiary company, commenced operations on 1 January 2013. The company operates facilities within King's House:

- Ground Floor Coffee Shop.
- Rental of the meeting and conference facilities.

# TRUSTEES' REPORT

## TRUSTEES AND LEADERSHIP

The Trustees/Directors were:

| | |
|---|---|
| Roydon Loveley (Chair) | Rachel Hickman |
| Simon Holley | Peter Humphrey |
| Paul Johnson | Nicola Marfleet |
| Philip Varley | |

The activities and operation of the King's Arms Trust (Bedford) are led by the Strategic Leadership Team (SLT). At the end of the year, the team comprised the following:



Rob Brown
Governance & Finance



Phil Cox
Community & Safeguarding



Simon Holley
Lead Elder



Paul Johnson
Pastoral and Elder



Sue Smith
Connect



Steve Wilson
Impact and Elder



Phil Wilthew
Send and Elder




The team-based leadership structure of the SLT is shown opposite with a member of the SLT responsible for leading each area.

The SLT met frequently to discuss and oversee the affairs of the church and the Trust. They work with other members of staff and a large number of volunteers to implement the vision, goals and objects of the Trust.

Trustees are appointed by the Elders, with the approval of the other Trustees. The Trustees met three times during 2021 and were regularly consulted and informed on matters of importance.

The King's Arms Trust (Bedford) is a member of the Evangelical Alliance and is affiliated to Catalyst, an apostolic team within Newfrontiers, a worldwide family of churches. The church also operates an Apostolic Resource Base (or hub) within Catalyst.

The vision of the church is to serve the local community and also to impact the UK and other nations. As a church we recognise that the pursuit of who we want to be impacts the way we live and so have defined our aspirational culture as those who live with:

**Honour, Generosity, Acceptance, Authenticity and Courage**

# TRUSTEES' REPORT

## FINANCIAL OVERVIEW

A summary of the income and expenditure (£K) of each of the activities of the Trust during 2021 is shown below. It should be noted that the finances of the various activities of the Trust are independent of each other.

| | Church | King's House | TSM | Events/ Confs | KA Media | KA Apostolic | KA Facilities (Bedford) Ltd | Total |
|---|---|---|---|---|---|---|---|---|
| Income | 1,068.7 | 57.2 | 32.2 | 3.8 | 0.1 | 79.3 | 344.3 | 1,585.6 |
| Expenditure | -893.0 | -258.0 | -29.6 | -2.0 | 0.0 | -76.8 | -253.2 | -1,512.6 |
| Internal Transfers | -219.8 | 231.4 | -0.2 | 1.0 | 0.0 | 20.9 | -33.3 | - |
| Net surplus/deficit | -44.1 | 30.6 | 2.4 | 2.8 | 0.1 | 23.4 | 57.8 | 73.0 |

Income totalled £1,585.6K, a decrease of 4% compared to the previous year. Income for the church, totalling £1,068.7K, mainly came from members and supporters of the church.

Expenditure totalled £1,512.6K, a decrease of 2% compared to the previous year, with the church, King's House and KA Facilities being the largest areas of expenditure.

The net assets of the Trust at the end of 2021 were £2.91M an increase of £73.0K compared to 2020.

As a consequence of COVID-19 both income and expenditure in 2021 were lower than the previous year in most of the areas detailed in the above table. The main exception being KA Facilities trading income which was higher as COVID-19 restrictions were relaxed during 2021.

The £73.0K surplus was aided both by expenditure reductions and payments from the government Job Retention Scheme of:

- £27.2K for the subsidiary company KA Facilities. This enabled the avoidance of staff redundancies because of the closure of the Ground Floor Coffee Shop and facilities bookings during the lockdown periods.
- £15.0K for church staff. This enabled staff to be retained when they were not able to work during the periods of lockdown.

The building mortgage balance outstanding at the end of 2021 was £690.6K, compared to the total initial value of £1,430K. In summary 51.7% of the total amount borrowed has been paid off in the last twelve years.

## KING'S ARMS CHURCH OVERVIEW

2021 saw some major challenges and changes in how the church operated in the on-going response to COVID-19.

In line with the government response to the Delta variant we stopped our Sunday in-person meetings and reverted to meeting on-line using the Raw church model launched in September 2020. We had three Raw gatherings at 9:30am, 10:30am and 11:30am, as well as our on-line church stream.

At Easter we were able to recommence in-person meetings at King's House, whilst continuing a reduced on-line stream hosted at 9:30am for those choosing to stay more home based. We held two services each Sunday at our King's House location at 9:30am and 11:30am with 180 people being present on the first week back. In September we relaunched our in-person University location meetings, which found a temporary home at Bedford

Academy for a term until the University was ready to host us in early 2022. Attendance at the in-person meetings gradually increased to 500 toward the end of the year.

Throughout the Autumn Term our on-line community continued to meet using a live streamed zoom meeting and gathered around 30 people each Sunday. A highlight of the year was a Sunday afternoon family meeting at Bedford Academy which saw many from the community join us for festive crafts, treats and a live nativity scene.

In response to the growing concern over the Omicron variant we decided to cancel our Christmas in-person meetings and instead hosted several Facebook live meetings which were light and fun connection points for people to join together in the festive season.



**King's Kids.** Due to lockdown at the beginning of the year, we started an on-line Family Service over Zoom which was well attended by families. We also ran a midweek Discipleship group for the children in School Years 4-6. The children were also involved in creating videos and pictures for some of our on-line resources.

After Easter we were able to start an in-person Family Service with 12 families joining together in one room. In the Autumn term we started running King's Kids at 3 sites, two at King's House and one at Bedford Acadamy and over the term these gradually grew in size. The children were involved in singing, craft, games and teaching from the Bible. During this term we also were involved in running a Discipleship group for children from the church, as well as a Christian Union in a local primary school.

**Youth.** King's Arms Youth is made up of around 200 young people in total, with 55 attending on a Sunday across the three services. The young people are split into two age groups, 11-14s and 15-18s but regard themselves as one youth family, doing as much they can together. Despite having to adapt to ever-changing restrictions we were able to run a youth weekend with 71 young people attending. We also ran a Youth summer camp with 63 young people attending. These events were full of God's presence, and we had an amazing time re-connecting as a youth group.



In the spring, we ran a park discipleship group where young people would meet in groups of 5 with a leader to go deeper in their relationship with God whilst either walking or sitting in a circle socially distanced. We had several new families join our youth group during this season and many young people come back to church.




**Group Life.** Groups slowly re-emerged from the pandemic to become a solid place of community within the church. We re-established our three types of group - Missional Communities, (groups that focus on a mission), Life Groups, (groups that focus on community) and Equip Groups, (groups that focus on learning a new skill).

At the end of the year there were 480 people signed-up as a member of a group with most groups having the majority of signed-ups attending each session.

**Impact.** A wide variety of other activities either continued or recommenced during the year, including:

- **Alpha.** The Alpha course continued to run at the King's Arms in line with the world-wide Alpha ministry. In the Autumn we were able to return to King's House for an in-person Alpha Course for the first time since the pandemic. It was great to be back and to give many people the opportunity to explore faith in a relaxed environment.
- **Prison Ministry.** During the year COVID-19 restrictions still played a big part in what we were able to do inside the prison. Despite these we had members of our group who were able to go in individually; one spent a term helping with weekly visits to prisoners who are at risk of self-harm or suicide or other requested visits. Another member has been going in weekly to visit prisoners for individual support and conversations, as well as encouragement in bible study and discussion. When groups were allowed to meet again, two of our members held an Alpha course on one wing, as mixing prisoners across wings was still restricted. Sunday services were unable to go ahead during the year, but we hope to start again in early 2022.
- **King's Playhouse.** King's Playhouse reopened after lockdown with a limited capacity and ran in term time every Wednesday morning. Owing to COVID-19 many of the children who attended two years ago had started school and thus it very much felt like we were starting again from scratch. We began with a capacity for 15 adults in the group per session and within four weeks we were booking past capacity. As restrictions ended the group grew and we now have 76 individuals on our sign-up list with 25-30 adults and around 35 children attending each week. The majority of our weekly visitors are from outside the church community.



- **The Well.** This provides an afternoon tea for the retired generation. It started with one and half tables, and now has four tables full, with new people coming each monthly session. The retired generation are enjoying the time, and the Easter Banquet (replacing the Christmas one that we cancelled due to COVID-19 concerns) was well received.
- **Prayer.** 2021 saw a regrouping around those things which are most important to us, and as a church we have found prayer to be a key focus. We started the year with a week of prayer and fasting, with more than 300 people engaging in a variety of ways. We continued a daily devotion email to more than 200 people, and we now have systems in place to cover prayer needs that arise across our community.
- **Design & Communications.** After the challenges of adapting and fulfilling the needs that arose during the pandemic, we were pleased with how well our team adjusted. A highlight during the year was launching our "Preview" weekly announcement videos as a way of sharing notices and information across all 4 of our Sunday services/locations (three in-person and one on-line) and helping us keep communicating our one church message.




**TSM (Training for Supernatural Ministry)** This is a training course aimed at equipping men and women of all ages and stages of life to live like Jesus. The 9-month course ran on-line until June 2021 and has since transitioned into a small group coaching model.

Over the last 13 years we have seen more than 800 students come through TSM. The course running from October 2020 to June 2021 looked very different, due to the restructuring of the course and the COVID-19 crisis, with six modules each lasting four weeks and with around 80 full course students and 50 modular students participating. In October 2021 we pivoted our model again and now is run through small coaching groups centred around a specific subject.

# TRUSTEES' REPORT



**KA Apostolic**. This area oversees and spearheads the trans-local work of the church in serving other local churches and apostolic networks. As a church, we are having the increasing privilege and opportunity to help churches across the world.

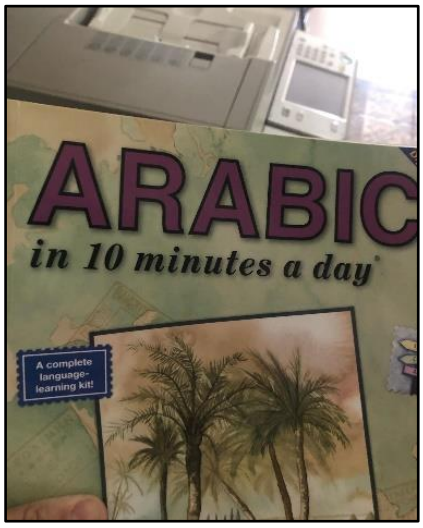
King's Arms is part of a relational network of churches called Catalyst, serving over 80 churches in the UK and many other established and new churches in other nations across the world. In the UK, Catalyst is led through apostolic Hubs that care for churches and provide strategic direction. Both Simon Holley and Phil Wilthew are part of the core apostolic team for this network and have been actively involved in serving wider Newfrontiers/Catalyst events such as the Catalyst Leaders weekend, leadership training and Impact training.

The Bedford Hub is serving over 60 different Churches which are in varying stages of connection with us. The majority of these are in the UK, with a geographical spread from Horsham in Sussex to Dundee in Scotland. We also currently serve churches in 14 countries outside the UK, which receive input from our strategy team and church leaders on a regular basis.

2021 has been an interesting year with our travel being paused due to COVID-19 and travel restrictions, however the team managed to still continue to serve a number of key churches in places ranging from New Zealand, Spain and Zimbabwe to Bournemouth and other relationships across the world through on-line Zoom meetings. A key relationship this year was developed with the YMCA ministry in Stuttgart, Germany and were able to serve them through an on-line conference.

Due to COVID-19 we ran the annual Resonate.global conference on-line in March with over 135 attending from across the UK and other nations. We also launched a new on-line Prophetic school for the Hub, called Amplify. This school ran mostly on-line via zoom with 2 additional in-person days at Kings House. We were overwhelmed with applications, and accepted 90 students from the UK, Europe and South Africa.

**Send.** In Tijuana, Mexico, our friend Paula finally got her permanent residency card for Mexico in January. Her work in the Hope Zone in downtown Tijuana continued apace, working with the some of the poorest and most vulnerable in a broken community. She and her team distributed bibles and prayed for local people on the streets, seeing several miraculous healings. They continued to run children's activities in a safe environment whilst teaching the parents both spiritual and practical skills. In February, 7 families from the Hope Zone came together to build a much needed 'flat pack' home for another family in their community.




In the Middle East, our friend 'HH' spent the first part of the year confined to her apartment under the country's COVID-19 restrictions. As restrictions eased her visits to local friends resumed, and her language learning moved once again to face to face lessons.

Looking further afield, King's Arms continued their support of a growing church group in a country in Central Asia. The COVID-19 pandemic hit this country hard, with their government's slow response to the pandemic and the borders of the surrounding countries been closed. King's Arms helped by providing funds for a youth camp in July which was attended by around 70 Christians and friends.

During 2021 King's Arms strengthened their relationship with the Unreached Network. This organization brings together best practice and first-hand experience in spreading the Christian message of hope and healing into the most hardened of places globally.

**Pastoral Support.** The changing situation with COVID-19 meant that 2021 was a year of constantly adapting and re-shaping the way we were able to provide pastoral care. Helping people to navigate loss, uncertainty and isolation formed a large part of our role across the year. Activities the team were involved with, included:

- **Pastoral Response.** As the year progressed the attritional impact of Lockdown became more pronounced. Consequently, many of our group and individual sessions with the church family were focused around assisting people with resilience through very difficult times.
- **'Welfare Check'** phone calls to those in Lockdown or isolating.
- **Meal rotas** for those isolating or shielding.
- **Training sessions** for our amazing team of over 30 volunteers on resilience and self-care.
- **Support** through the Long-Term Illness Group for those with chronic conditions compounded by the pandemic.
- **Pastoral Drop-ins** on a weekly basis for anyone who needed the chance to 'decompress' emotionally. Zoom provided the opportunity for people to receive similar support remotely.
- **Freedom Appointments**. Of the small requests we received for prayer we were able to pair those people up with individual team members for a one-off prayer session.

In addition to these responses, we also continued to pursue our 3 main priorities as a team.

- **Mental Health Needs.** Even prior to the pandemic we were conscious of the mental health crisis and the needs are even greater now. As a result, this became an emphasis for training volunteers, equipping practitioners and public messaging. Held on-line and allowing for anonymity we held mental health and wellbeing evenings on: low mood, anxiety, resilience and stress. Where necessary we signposted people to mental health professionals.

- **Cultural/racial diversity awareness.** As a diverse church community, we draw people from dozens of different nations and cultures. We see how this enriches us as a church community. However, back in 2019 we had begun to discuss how to take our cultural awareness deeper. We continued with our 'Snapshots' evenings over Zoom. These evenings aim to provide an opportunity for people to give us a 'snapshot' of their experiences of race and racism.

  During 2021 we piloted and renamed our "Recovering from Racial Abuse" course. The course gives those attending, space to explore their experiences of racism and to look at how they can rise up from those challenges and to stand in their identity as children of God.

- **Marriages and Family.** 2021 saw some significant strides forward in this area with the formation of a 12 strong team from diverse backgrounds and experiences. They help couples and families who are needing people to walk alongside them. This varies from one-off phone calls through to more intensive support. In some cases, we've provided informal mediation to help families understand one another and reconnect. In addition, we re-worked the materials of our Pre-Marriage course, to bring greater structure and clarity.

Despite the challenges of COVID-19 two of the team completed their training as counsellors and are now fully qualified. Since then, we have started to gather those who are qualified, or training to be counsellors and with over 20 qualified counsellors in the church, we believe that there is the potential for mutual support, training and encouragement.

In November 21 we laid on our 3rd "Pastoral Forum", a round-table event for other churches to access. Despite COVID-19 complications over 70 delegates were able to attend and we spent the day discussing our priorities of mental health, families and racial integration.

# TRUSTEES' REPORT




**Re-Track.** The Re-Track Career and Employment Centre started at the end of 2020, with the help of a match-funded grant of £20,125 from DCMS through the 'Love Your Neighbour' national initiative.

Throughout 2021 Re-Track offered flexible one-to-one support for job seekers, coaching individuals in compiling their CVs, searching for appropriate employment opportunities, developing covering letters, filling in application forms and preparing for interviews. We also offer additional support in the form of emergency food parcels, development of workable personal budgets and signposting to debt-relief support through other agencies. The uniqueness of this project lies in it being a flexible one-to-one support service that works with jobseekers through all stages of seeking employment at a time to suit them, rather than a time-bound training course.

Re-Track was staffed by one part-time employee together with trained and supervised volunteers from diverse backgrounds. Job seekers are referred to Re-Track by the Job Centre, organisations working with ex-offenders and victims of domestic violence, the Citizen's Advice Bureau, and other local agencies. We also encourage self-referrals. The service is open Monday to Friday from 10am - 2pm.

**Love Easter.** For this initiative we created a web page, a video and Easter postcards inviting people donate money, Easter Eggs and/or laptops. Seven Re-Track volunteers helped with preparing and delivering the donations and as a result:

- **Easter Eggs.** 468 were donated to 241 families together with a gift and a book telling the Easter Story.
- **Laptops.** Forty laptops were purchased with 25 being donated to Bedford Academy and 15 to Kempston Challenger Academy.





This award was made by
The High Sheriff of Bedfordshire
to

**KINGS ARMS CHURCH**

in recognition of
great and valuable services
to the community

*The award also recognises the appreciation of the residents and people of the said High Sheriff's County for activity and contribution in enhancing the life of the community*

*Dated this* 6th *day of* April *2021*

High Sheriff

The work of the King's Arms Church, an in particular the Re-Track initiative, was recognized by The High Sheriff of Bedfordshire in the award shown opposite.

All these activities and others are described in greater detail in the Appendices.

## King's House Overview



During the week, King's House is used by our wider community as a venue for conferences, meetings and events. 2021 was obviously a difficult year due to the COVID-19 pandemic, with on and off lock-downs, people having to work from home and the number of people allowed to gather together being restricted. However, from January to June 2021 King's House was used as the main hub for the Clinical Commissioning Group's vaccination centre in Bedford. It was a privilege to be able to use the building for such a vital service for the community. From June to December, we had 3 long term contracts using the building multiple times a week:

- Bedford Hospital training newly arrived international nurses.
- Serco training new staff.
- Jobs-22, a government scheme helping Universal Credit claimants to find jobs.

Throughout the closures first aid courses and blood donations continued to take place and from September onwards we had several of our regular customers return.



Situated in the foyer area, Ground Floor Coffee shop is open to the public from Monday to Friday. 2021 was a difficult year for the hospitality industry, with various rules as to when coffee shops could or couldn't open. We opened for takeaway only for a couple of weeks, and then closed for two months. We were then only allowed to serve guests outside, then guests could come inside – but in groups of 6 only, and then finally the restrictions were lifted on the 21 June. Since then, we opened but with shortened opening hours.



**Greenhouse Gas Emissions (GGEs)**. Analysis showed that electricity consumption by the King's Arms was by far the greatest contributor to GGEs. In 2019 King's House consumed 238,000 kWh of electricity resulting in around 60 tonnes of GGEs being emitted into the atmosphere. Consequently, the possibility of installing solar panels on the roof of King's House was investigated and in mid-2020 a grant of £10K was awarded by Bedford Borough Council towards the £20K cost of installing 60 panels. The installation was completed in early 2021 with a projected annual reduction of 7 tonnes of GGEs.

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# TRUSTEES' REPORT

## GOVERNANCE

The importance of governance to the Trust is shown by the inclusion of a Governance Team in the top-level organisation as described earlier. In addition to the oversight provided by Trustees, the regular management and oversight of governance issues of the Trust provided includes:

**Governance Operations Team.** The team generally meets termly and oversees the management and operations and development of King's House and staff issues.

**Finance Team.** This consists of the Governance Team Leader and Finance Officers and generally meets monthly. The Trust currently employs three Finance Officers (two part-time) with each being responsible for a separate area of the work of the Trust. Monthly management accounts are generated showing income and expenditure against the agreed budget and also annual forecasts.

**Trustees.** Keeping the Trustees regularly informed of all matters of importance and for the organisation of Trustee meetings.

**Legal.** Including ensuring that adequate insurance is in place and managing the leases for the office tenants at King's House.

**Health & Safety.** Including the generation and implementation of H&S Policies.

**HR.** Including policies and procedures, the recruitment of staff and the preparation of contracts of employment and associated job descriptions.

## STAFF

At the end of 2021 there were 64 staff roles, broken down as follows:

| | Church | TSM | Building | Total |
|---|---|---|---|---|
| Full time | 7 | 0 | 4 | 11 |
| Part time / Zero Hours | 28 | 1 | 24 | 53 |
| Total | 35 | 1 | 28 | 64 |
| Full time equivalent | 17.8 | 0.6 | 6.4 | 24.8 |

The full-time church staff includes six members of the SLT. Several staff have more than one role and thus have multiple contracts of employment.

A 'Death-in-Service' life insurance scheme was continued in 2021, at no cost to employees, with cover of four times salary. The Trust also contributes to a staff pension scheme.

All staff, including the two paid trustees, are subject to a formal annual review/appraisal, the outcome of which assists in determining any salary increases. Salary scales are regularly 'benchmarked' against similar churches, charities and other equivalents.

## SAFEGUARDING

The Safeguarding policy and procedures have been totally re-written with help from the national charity Thirtyone:Eight. Following the introduction of the procedures all staff and teams have been trained and tested on their knowledge of what to do if they encounter any concerns around safeguarding. Trustees have also received training on their role and responsibility in regard to safeguarding and safeguarding is regularly discussed during Trustee's meetings.

An independent audit of our safeguarding provision was recently undertaken which demonstrated that we have all the main structures robustly in place. The recommendations from this audit will be reviewed and implemented over the coming year.

## KA FACILITIES (BEDFORD) LTD

A wholly owned subsidiary company 'KA Facilities (Bedford) Ltd' (Company No: 8314420) commenced trading on 1 January 2013. The Ground Floor Coffee Shop and facilities bookings operate within this subsidiary company which gifts any trading surplus to the parent trust.

No staff are employed by the subsidiary company. Staff working in its support are employed by the parent Trust and their costs, including salary, NI and pension, are charged to the subsidiary company. The company also pays an annual rental charge of £24K for the use of the coffee shop facilities.

The turnover of the company in 2021 was £328.8K a significant increase over the prior year (£156.8k in 2020) but lower than pre-pandemic levels (£425.8K in 2019). However, profits of £102.8K were higher than both the prior year (£4.6K loss in 2020) and pre-pandemic levels (£91.4K profit in 2019). Refer to Note 16.

Further details of the activities of the subsidiary company are provided in Appendix 9.

## FUTURE PLANS



Post the effects of the COVID-19 lockdowns, plans include:

- Commencement of Sunday meetings in Blunham at the Family Life Church Building, also known as Blunham Old Meeting Baptist Church.
- Further development of our on-line services and activities.
- Appointing additional Trustees with expertise in legal and HR.
- Initiatives to further reduce our carbon footprint.
- Various refurbishments at King's House including the replacement of the flat roof over the offices.
- Introduction of further staff benefits including a Sabbatical Policy and Long Service Awards providing additional time off work and financial rewards.

## POST BALANCE SHEET EVENTS

With the easing of the effects and restrictions caused by the COVID-19 pandemic, at the end of 2021 the activities of the Trust had recovered to near pre-pandemic levels. Our Sunday services were being held in three locations, the many and varied other church activities and facilities bookings and the Ground Floor Coffee Shop at King's House were all operating close to where they were in 2019.

Financial support from voluntary donations by church members to the end of 2021 was maintained at very near to pre COVID-19 levels. During the period of the pandemic, expenses were controlled such that unrestricted reserves increased by £83,913 at the end of 2021 compared to the end of 2019. Thus, the Trust emerged from the pandemic in a healthy financial situation with reserves in excess of the policy to hold a minimum of 2 months expenditure.

During the first six months of 2022 donations levels by church members have been maintained, supplemented by a successful Vision Offering of over £100K and the commitment of a further 30 individuals (or couples) to support the church financially either through one-off or regular donations.

The impact on donations from church members of the projected increases in inflation and the cost of living is uncertain. However, a significant number of our committed financial supporters are retired with index linked

pensions and thus there is confidence that giving will continue with no significant decrease, as was the case throughout the period of the pandemic.

Should donations decline to any significant extent, then expense will be controlled and, if necessary, the substantial reserves used to maintain activities and operations.

Thus, the Trust has successfully navigated the impact of COVID-19 and the Trustees are satisfied that apart from the material uncertainty mentioned, that there are no other events or conditions that may cast significant doubts about the ability of the group to continue as a successful on-going concern.

## PUBLIC BENEFIT

All the many and varied activities of the Trust as described in this report are available to, and for the benefit of, the public across the complete age spectrum, including children, teenagers and adults. The development of King's House, located in the Cauldwell area of Bedford, has significantly enhanced the scope of the activities that the Trust is able to provide to the benefit of the local and wider community. Thus, the Trust believes that it fully complies with the requirements of the Charities Act 2011 with respect to public benefit.

## FUNDRAISING

Most funds are provided by voluntary donations from those who attend the King's Arms Church. The Trust does not employ staff, or use professionals, whose sole job is to raise funds. On occasions, grant applications are made to provide funds to develop King's House. As a result of a grant application made in 2020 to Bedford Borough Council, £10K was received in 2021 towards the £20K cost of installing 60 solar panels on the roof of King's House.

## TRUSTEE INDUCTION AND TRAINING

The Trustees are also Directors of the company. Trustees are appointed by the Elders, with the approval of the other Trustees in accordance with the Memorandum and Articles of Association. Normally, new Trustees are already familiar with the work of the Trust, as they are committed members of King's Arms Church. However, in certain circumstances someone from another church, with whom we have a relationship, will be invited to become a Trustee. Prior to their appointment, new Trustees will meet with the Chair of the Trustees to review:

- The roles and responsibilities of a Trustee as defined in the Trustee Job Description
- The main documents which set out the operational framework for the charity including the Memorandum and Articles of Association.
- Resourcing and the current financial position as set out in the latest published accounts.
- Future plans and objectives.
- The Trustee Induction Procedure.

## STATEMENT OF TRUSTEES' RESPONSIBILITIES

Charitable company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company and of the profit or loss of the charitable company for that period. In preparing those financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to assume that the charitable company will continue in operation.

# TRUSTEES' REPORT

The Trustees are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and that are sufficient to show and explain the company's transactions. This ensures that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud or any other irregularities.

## RESERVES

The reserves policy, agreed by the Elders and Trustees, is to maintain a level of free (or unrestricted) reserves to mitigate against the risk that the Trust experiences an unexpected event which would put it in financial difficulty. We believe that the appropriate level of unrestricted reserves should be based on a proportion of our regular costs as follows:

- Four months of long-term commitments, such as mortgage and utilities payments and the cost of running our Sunday services which are a vital activity to maintain;
- Two months of medium-term commitments such as permanent staff costs and the financial support we provide to overseas work;
- One month of short-term costs, including the day to day ministry activity of the church.

Using the above criteria, a detailed review has estimated that reserves should be at least £300K which represents around 2 months of expenditure. The unrestricted reserves held at 31 December 2021 were £462K, well above the target level, which the Trustees judge is reasonable in view of the uncertainties created by COVID-19 and inflationary price increases expected in the short to medium term.

The level of reserves held is reviewed on a monthly basis. In addition, the Trustees annually review the reserves policy to ensure it remains up to date and relevant.

## INVESTMENT POLICY

Reserve funds are invested such that the total in any one bank/building society is ideally less than the £85K guarantee limit provided by the Financial Services Compensation Scheme (FSCS). In order to stay below the limit, accounts have been opened with Co-op Bank, Virgin Money Plc, CAF Bank Ltd, Nationwide Building Society and National Westminster Bank Plc. In the current uncertain financial climate and with interest rates being low, priority is being given to protecting the reserves under FSCS rather than seeking to maximize interest.

## RISK MANAGEMENT

The major financial risks, as recognised by the Trustees, are as follows:

**Church.** For the church the risks are considered to be low due to the broad donor base. However, the risks have increased during the past few years due to the greater length of service being accumulated by staff and the contractual payments required should the church lose its donor base.

**Building.** The main risk associated with King's House is that sufficient income may not be generated to cover the costs associated with the operation and management of the building. These include loan repayments, staff salaries, operating and maintenance and any building developments. Risk is minimised by capital expenditure on building development only being sanctioned when funds are available from the normally annual church 'gift days' or from transfers from general church reserves when necessary.

The finances for King's House, including KA Facilities (Bedford) Ltd are monitored and controlled separately from the other areas of the work of the Trust with the main source of income being the gifts and regular giving from members of the church, office rental and the surplus generated by KA Facilities (Bedford) Ltd. A detailed cash flow forecast has been generated to the end of 2022. Future building developments will only be undertaken when funding is available. Any significant surplus money may be used to reduce the bank loans.

# TRUSTEES' REPORT

## POLICIES AND PROCEDURES

The Trust has established policies which apply to both staff and those who take part in the community life and/or visit the church and building. During the past year existing policies, including Health & Safety policies, have been reviewed and upgraded and various new policies generated. Avensure have been appointed on a 3-year contract to provide legal services and assist with HR and Health and Safety issues.

## AUDITOR

The auditor, Mazars LLP, have signified their willingness to continue in office. A resolution to re-appoint them was passed at a meeting of the Trustees on 18 January 2022.

## STATEMENT OF DISCLOSURE TO THE AUDITOR

The Trustees have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

As far as the Trustees are aware, there is no relevant audit information of which the charitable company's auditor is unaware.

The Trustees have prepared this report in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small entities.

Approved by the Trustees on: Sep 24, 2022

and signed on their behalf: Roydon Loveley

……

**Roydon Loveley**

Chair of Trustees

# INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE KING'S ARMS TRUST (BEDFORD)

**OPINION**

We have audited the financial statements of The King's Arms Trust (Bedford) (the 'parent charity') and its subsidiary (the 'group') for the year ended 31 December 2021 which comprise of the Consolidated Statement of Financial Activities, the Balance Sheets, the Consolidated Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent charity's affairs as at 31 December 2021 and of the group's income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**BASIS FOR OPINION**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**CONCLUSIONS RELATING TO GOING CONCERN**

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company'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 Trustees' 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 the audit:

- he 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 light of the knowledge and understanding of the group and the parent charity 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 and proper accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charity financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specific 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' exemption 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 set out on page 17, the trustees (who are also the directors of the parent charity for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and the parent charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

**AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

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

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- Inquiring of management and, where appropriate, those charged with governance, as to whether the company is in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;
- Inspecting correspondence, if any, with relevant licensing or regulatory authorities;
- Communicating identified laws and regulations to the engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the company which were contrary to applicable laws and regulations, including fraud.

We also considered those laws and regulations that have a direct effect on the preparation of the financial statements, such as Charities Act 2011 the Charities Statement of Recommended Practice, UK tax legislation, pensions legislation, employment regulation and health and safety regulation, anti-bribery, corruption and fraud, money laundering.

In addition, we evaluated the Trustees' and management's incentives and opportunities for fraudulent manipulation of the consolidated financial statements, including the risk of management override of controls, and determined that the principal risks related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, in particular in relation to revenue recognition (which we pinpointed to the cut-off assertion), and significant one-off or unusual transactions.

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

- Making enquiries of the directors and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

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

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

**USE OF THE AUDIT REPORT**

This report is made solely to the 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 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 company and the company's members as a body for our audit work, for this report, or for the opinions we have formed.

Vincent Marke (Sep 28, 2022 20:56 GMT+1)

Vincent Marke (Senior Statutory Auditor)
for and on behalf of Mazars LLP
Chartered Accountants and Statutory Auditor
The Pinnacle
160 Midsummer Boulevard
Milton Keynes
MK9 1FF

Date: Sep 28, 2022

## Consolidated Statement of Financial Activities for the year ended 31 December 2021

INCORPORATING THE INCOME AND EXPENDITURE ACCOUNT

| | | Unrestricted funds | Designated funds | Restricted funds | Total funds Year ending | Total funds Year ending |
|---|---|---|---|---|---|---|
| | | | | | 2021 | 2020 |
| **Income from:** | **Notes** | **£** | **£** | **£** | **£** | **£** |
| Trading income | **16** | 344,279 | - | - | 344,279 | 210,089 |
| Church | | 1,068,726 | - | - | 1,068,726 | 1,258,022 |
| TSM | | - | 32,225 | - | 32,225 | 40,284 |
| Events | | - | 3,849 | - | 3,849 | 25,416 |
| KA Media | | - | 141 | - | 141 | 1,799 |
| KA Apostolic | | - | - | 79,262 | 79,262 | 63,029 |
| King's House | | - | - | 57,164 | 57,164 | 57,407 |
| **Total income** | **2** | **1,413,005** | **36,215** | **136,426** | **1,585,646** | **1,656,046** |
| **Expenditure:** | | | | | | |
| **Expenditure on raising funds** | | | | | | |
| Trading expenditure | **16** | 253,167 | - | - | 253,167 | 229,212 |
| **Expenditure on Charitable activities** | | | | | | |
| Church | | 892,978 | - | - | 892,978 | 882,460 |
| TSM | | - | 29,642 | - | 29,642 | 33,848 |
| Events | | - | 2,054 | - | 2,054 | 16,380 |
| KA Media | | - | 7 | - | 7 | 1,181 |
| KA Apostolic | | - | - | 76,801 | 76,801 | 90,915 |
| King's House | | - | - | 239,215 | 239,215 | 275,555 |
| Finance costs - King's House | | - | - | 18,772 | 18,772 | 21,083 |
| **Total expenditure** | **3** | **1,146,145** | **31,703** | **334,788** | **1,512,636** | **1,550,634** |
| **Net movement in funds** | | **266,860** | **4,512** | **(198,362)** | **73,010** | **105,412** |
| Transfer between funds | **6** | (253,143) | 850 | 252,293 | - | - |
| Balance brought forward | | 448,405 | 31,870 | 2,362,781 | 2,843,056 | 2,737,644 |
| **Balances carried forward as at 31 December** | **6 & 12** | **462,122** | **37,232** | **2,416,712** | **2,916,066** | **2,843,056** |

The Group's income and expenditure all relate to continuing operations. The Group has no recognised gains or losses other than those included above.

The notes on pages 26 to 37 form part of these accounts.

## Balance Sheets as at 31 December 2021

| | Notes | King's Arms Trust 2021 £ | King's Arms Group 2021 £ | King's Arms Trust 2020 £ | King's Arms Group 2020 £ |
|---|---|---|---|---|---|
| **Plant, property and equipment** | | | | | |
| Tangible assets | **7** | 3,034,537 | 3,034,537 | 3,078,959 | 3,078,959 |
| **Current assets** | | | | | |
| Stock | | 1,378 | 3,674 | 1,378 | 3,261 |
| Debtors | **8** | 38,587 | 69,499 | 73,653 | 82,915 |
| Cash and cash equivalents | **9** | 531,191 | 571,491 | 520,390 | 524,503 |
| **Total current assets** | | **571,156** | **644,664** | **595,421** | **610,679** |
| Creditors falling due within one year | **10** | (119,357) | (140,852) | (136,241) | (157,291) |
| **Net current assets** | | **451,799** | **503,812** | **459,180** | **453,388** |
| Creditors due after one year | **11** | (622,283) | (622,283) | (689,291) | (689,291) |
| **Net assets** | | **2,864,053** | **2,916,066** | **2,848,848** | **2,843,056** |
| **Funds** | | | | | |
| Unrestricted funds | | 410,109 | 462,122 | 454,197 | 448,405 |
| Designated funds | | 37,232 | 37,232 | 31,870 | 31,870 |
| Restricted funds | | 2,416,712 | 2,416,712 | 2,362,781 | 2,362,781 |
| **Total funds** | **6 & 12** | **2,864,053** | **2,916,066** | **2,848,848** | **2,843,056** |

The notes on pages 26 to 37 form part of these accounts.

These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small entities.

Under Section 408 of the Companies Act 2006 the charitable company is exempt from the requirement to present its own profit and loss account. The surplus for the year with the accounts for the charitable parent company was £15,205 (2020: £166,443).

The financial statements were approved and authorised for issue by the Trustees on Sep 24, 2022 and signed on their behalf.



R. Loveley
**Trustee**



P. Humphrey
**Trustee**

## Consolidated Statement of Cash Flows at 31 December 2021

| | 2021 | 2021 | 2020 | 2020 |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| **Cash flows from operating activities** | | | | |
| Net movement in funds | 73,010 | | 105,412 | |
| Adjustments for: | | | | |
| Depreciation | 78,639 | | 76,487 | |
| Investment income | (562) | | (1,057) | |
| Finance costs | 18,772 | | 21,083 | |
| Profit on disposal of plant, property and equipment | (30) | | (3,684) | |
| Decrease in debtors | 13,416 | | 33,213 | |
| Decrease in creditors | (18,265) | | (20,650) | |
| Increase in stock | (413) | | (193) | |
| **Cash flows generated from operating activities** | | **164,567** | | **210,611** |
| Purchase of plant, property and equipment | (34,538) | | (61,607) | |
| Proceeds from sale of plant, property and equipment | 351 | | 3,684 | |
| Investment income | 562 | | 1,057 | |
| **Cash flows used in investing activities** | | **(33,625)** | | **(56,866)** |
| Repayment of loans | (65,182) | | (31,842) | |
| Finance costs | (18,772) | | (21,083) | |
| **Cash flows used in financing activities** | | **(83,954)** | | **(52,925)** |
| **Net increase in cash and cash equivalents** | | **46,988** | | **100,820** |
| **Cash and cash equivalents brought forward** | | **524,503** | | **423,683** |
| **Cash and cash equivalents carried forward** | | **571,491** | | **524,503** |

# NOTES TO THE FINANCIAL STATEMENTS

## ACCOUNTING POLICIES

### 1.1 General information

The King's Arms Trust (Bedford) is a company limited by guarantee (5899019), incorporated in England and Wales. The address of its registered office and principal place of business is disclosed in the company information page.

Our principal activities are to provide that of the advancement of the Christian faith in the UK and overseas; the advancement for the public benefit of religious and other education, and the relief of the aged, poor, sick and disabled.

The financial statements are presented in Sterling and this is the functional currency of the charity.

The financial statements are rounded to the nearest whole pound.

### 1.2 Accounting convention and basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)) and the Companies Act 2006.

King's Arms Trust (Bedford) meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

### 1.3 Basis of Consolidation

The income and expenditure and assets and liabilities of King's Arms Trust (Bedford) and KA Facilities (Bedford) Limited are consolidated within these Group financial statements to reflect control. All amounts in respect of group balances and transactions have been eliminated in arriving at the group figures.

Under Section 408 of the Companies Act 2006 the charitable company is exempt from the requirement to present its own profit and loss account. The surplus for the year with the accounts for the charitable parent company was £15,205 (2020: £166,443).

### 1.4 Going concern

These financial statements have been prepared on a going concern basis.

Whilst income has decreased year on year over the two years 2020 and 2021 during the COVID-19 pandemic, expenses have decreased by a greater margin which has led to an increase in unrestricted reserves of £83,913 from the end of 2019 compared to the end of 2021. During the first six months of 2022 income has increased and a small surplus generated as activities and operations have begun to return to normal. Considering both these factors the Trust has emerged from the pandemic in healthy financial situation. The effects of Cost of Living Crisis are yet to be fully understood but will be monitored closely and actions taken as necessary.

The Trustees are satisfied that there are no material uncertainties related to events or conditions that may cast significant doubts about the ability of the group to continue as a going concern.

### 1.5 Income

Tax credits (gift-aid) are included in the financial statements on an accruals basis as recommended by the Statement of Recommended Practice. This means that tax credits are taken into account in the period in which the originating donation was made.

Income from grants is recognised in the year that it is received unless the donor specifies otherwise or the grant is given to cover service provision in more than one financial year. In such cases the income is deferred (see note 10).

Rents receivable are credited to the relevant restricted fund based on the total due for the current year.

### 1.6 Voluntary assistance

Voluntary assistance to the charitable company was provided by approximately 350 (2020: 300) volunteers giving an estimated 35,000 (2020: 30,000) hours of service. Volunteers provided assistance in areas such as Trustees' duties, children's workers, leading Life Groups/Missional Communities, building maintenance, car park attendants and sound teams.

### 1.7 Allocation of costs

Costs are allocated directly to funds whenever applicable.

### 1.8 Pension costs

The pension costs charged in the financial statements represent the contributions payable by the charitable company during the year.

### 1.9 Operating leases

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

### 1.10 Tangible fixed assets and depreciation

Tangible fixed assets other than freehold land are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less the estimated residual value of each asset over its expected useful life, as follows:

| | |
|---|---|
| Freehold land | not depreciated |
| Buildings | 2%-4% straight line |
| Fixtures & fittings | 15%-33% straight line |
| Motor vehicles | 25% reducing balance |

The freehold land and buildings were valued by Pinders Professional & Consultancy Services Limited in 2016 using a basis of valuation reported by the Royal Institution of Chartered Surveyors (RICS). This was a deemed cost adjustment on transition to FRS 102 in 2016. The building has subsequently been depreciated.

Depreciation is charged on the building over an estimated useful life of 50 years. The value of the building was estimated at half the valuation in 2016, the other half being freehold land which is not depreciated.

Tangible assets above £300 are capitalised.

### 1.11 Stock

Stock is held at the lower of cost and net realisable value.

### 1.12 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

## 1.13 Recognition of liabilities

All categories of liabilities are recognised in the period that they are incurred.

## 1.14 Unrestricted, designated and restricted funds

Unrestricted funds are funds given for the general purposes of the charitable company and these funds may be expended on the objects of the charitable company at the discretion of the Trustees.

Designated funds are unrestricted funds set aside for a purpose as determined by the Trustees.

Restricted funds are those funds that have been given for a specific purpose and they must only be expended on that purpose.

## 1.15 Financial instruments

Financial assets and liabilities are recognised on the Balance Sheet when the charity has become a party to the contractual provisions of the instrument.

## 1.16 Judgments in applying accounting policies and key sources of estimation uncertainty

In applying the company's accounting policies, the Trustees are required to make judgements, estimates and assumptions in determining the carrying amounts of assets and liabilities. The Trustees' judgements, estimates and assumptions are based on the best and most reliable evidence available at the time when the decisions are made, and are based on historical experience and other factors that are considered to be applicable. Due to inherent subjectivity involved in making such judgements, estimates and assumptions, the actual results and outcomes may differ.

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

The key area of estimation and uncertainty is the depreciation of freehold land & building. Please refer to accounting policy 1.10 and note 7.

## 2 Total income

| | Donations / Grants | Rent | Student Income | Investment Income | Events/ conferences/ Other Income | 2021 Total | 2020 Total |
|---|---|---|---|---|---|---|---|
| | £ | £ | £ | £ | £ | £ | £ |
| **Unrestricted income** | | | | | | | |
| Trading income | 27,201 | - | - | - | 317,078 | 344,279 | 210,089 |
| Church | 1,055,488 | - | - | 562 | 12,676 | 1,068,726 | 1,258,022 |
| | **1,082,689** | **-** | **-** | **562** | **329,754** | **1,413,005** | **1,468,111** |
| **Designated income** | | | | | | | |
| TSM | 182 | - | 32,043 | - | - | 32,225 | 40,284 |
| Events/conferences | - | - | - | - | 3,849 | 3,849 | 25,416 |
| KA Media | - | - | - | - | 141 | 141 | 1,799 |
| | **182** | **-** | **32,043** | **-** | **3,990** | **36,215** | **67,499** |
| **Restricted income** | | | | | | | |
| KA Apostolic | 58,419 | - | 3,900 | - | 16,943 | 79,262 | 63,029 |
| King's House | 28,361 | 28,803 | - | - | - | 57,164 | 57,407 |
| | **86,780** | **28,803** | **3,900** | **-** | **16,943** | **136,426** | **120,436** |
| **Total income** | **1,169,651** | **28,803** | **35,943** | **562** | **350,687** | **1,585,646** | **1,656,046** |

## 3 Direct charitable expenditure

| | Staff Costs | Direct Costs | Indirect Costs | Depreciation | 2021 Total | 2020 Total |
|---|---|---|---|---|---|---|
| | £ | £ | £ | £ | £ | £ |
| **Unrestricted expenses** | | | | | | |
| Trading expenses | 186,093 | - | 67,074 | - | 253,167 | 229,212 |
| Church | 693,487 | 199,491 | - | - | 892,978 | 882,460 |
| | **879,580** | **199,491** | **67,074** | **-** | **1,146,145** | **1,111,672** |
| **Designated expenses** | | | | | | |
| TSM | 26,878 | 2,764 | - | - | 29,642 | 33,848 |
| Events/conferences | 851 | 1,203 | - | - | 2,054 | 16,380 |
| KA Media | - | 7 | - | - | 7 | 1,181 |
| | **27,729** | **3,974** | **-** | **-** | **31,703** | **51,409** |
| **Restricted expenses** | | | | | | |
| KA Apostolic | 67,003 | 9,798 | - | - | 76,801 | 90,915 |
| King's House | 76,439 | 84,137 | - | 78,639 | 239,215 | 275,555 |
| King's House - Finance costs | - | - | 18,772 | - | 18,772 | 21,083 |
| | **143,442** | **93,935** | **18,772** | **78,639** | **334,788** | **387,553** |
| **Total** | **1,050,751** | **297,400** | **85,846** | **78,639** | **1,512,636** | **1,550,634** |

The difference between Staff Costs in the above and Employee Information in Note 5 is £3,092. This is due to staff life insurance being included in the figures above but not in Note 5.

## 4 Auditor's remuneration

| | King's Arms Trust | King's Arms Group | King's Arms Trust | King's Arms Group |
|---|---|---|---|---|
| | 2021 | 2021 | 2020 | 2020 |
| | £ | £ | £ | £ |
| Statutory audit | 15,180 | 15,180 | 14,490 | 14,490 |
| Non-audit services | - | (50) | - | 400 |
| **Total** | **15,180** | **15,130** | **14,490** | **14,890** |

## 5 Employee information

| | King's Arms Trust | King's Arms Group | King's Arms Trust | King's Arms Group |
|---|---|---|---|---|
| | 2021 | 2021 | 2020 | 2020 |
| | £ | £ | £ | £ |
| Salaries | 744,784 | 909,076 | 742,891 | 912,477 |
| Social security costs | 62,238 | 72,882 | 59,153 | 68,740 |
| Pension | 54,544 | 65,701 | 54,372 | 65,997 |
| **Total** | **861,566** | **1,047,659** | **856,416** | **1,047,214** |

The average number of persons employed by the Trust during the year was 39 (2020: 41).

The average number of persons employed by the Group during the year was 58 (2020: 68).

One employee was paid between £60,000 to £70,000 (2020: One employee was paid between £60,000 to £70,000).

Trustees' remuneration during the year was £125,415 (2020: £122,726) being the total remuneration package for two Trustees employed by the King's Arms Trust (Bedford) for services provided under employment contracts.

| | | 2021 | | 2020 | |
|---|---|---|---|---|---|
| **Trustee** | **Role** | **Salary** | **Pension** | **Salary** | **Pension** |
| | | £ | £ | £ | £ |
| **Paul Johnson** | Pastoral Elder | 48,128 | 4,091 | 47,056 | 3,987 |
| **Simon Holley** | Lead Elder | 67,462 | 5,734 | 66,067 | 5,616 |
| **Total** | | **115,590** | **9,825** | **113,123** | **9,603** |

Trustee remuneration is paid in accordance with the Trust Memorandum & Articles of Association for services provided to the Trust.

Trustee expenses were reimbursed to three (2020: three) Trustees during the year totaling £1,465 (2020: £748) being food & travel costs.

Key management personnel for the group is considered to be the Board of Trustees.

## 6 Movement in funds

| | At 1 January 2021 | Income | Expenditure including finance costs | Transfer (A) | Transfer (B) | Transfers (C ) | Transfer (D) | At 31 December 2021 |
|---|---|---|---|---|---|---|---|---|
| | £ | £ | £ | £ | £ | £ | £ | £ |
| **Unrestricted funds** | | | | | | | | |
| Trading Company | (5,792) | 344,279 | (253,167) | (45,000) | 11,693 | - | - | 52,013 |
| Church | 454,197 | 1,068,726 | (892,978) | - | (10,719) | (111,004) | (98,113) | 410,109 |
| | **448,405** | **1,413,005** | **(1,146,145)** | **(45,000)** | **974** | **(111,004)** | **(98,113)** | **462,122** |
| **Designated Funds** | | | | | | | | |
| TSM | 8,079 | 32,225 | (29,642) | - | - | (1,146) | 978 | 10,494 |
| Events/Conferences | 20,348 | 3,849 | (2,054) | - | (80) | (754) | 1,833 | 23,142 |
| KA Media | 3,443 | 141 | (7) | - | - | - | 19 | 3,596 |
| | **31,870** | **36,215** | **(31,703)** | **-** | **(80)** | **(1,900)** | **2,830** | **37,232** |
| **Restricted funds** | | | | | | | | |
| KA Apostolic | 34,491 | 79,262 | (76,801) | - | (894) | 23,795 | (1,966) | 57,887 |
| King's House | 2,328,290 | 57,164 | (257,987) | 45,000 | - | 89,109 | 97,249 | 2,358,825 |
| | **2,362,781** | **136,426** | **(334,788)** | **45,000** | **(894)** | **112,904** | **95,283** | **2,416,712** |
| **Total funds** | **2,843,056** | **1,585,646** | **(1,512,636)** | **-** | **-** | **-** | **-** | **2,916,066** |

The following transfers have been made:

- Transfer A: The transfer of £45,000 represents the gifts/distribution received from the trading subsidiary in the year.
- Transfer B: This represents charges by trading subsidiary to the Trust for services provided in the year.
- Transfers C: These relate to cross charges between different elements of the Trust, which are eliminated on consolidation as they are intra-group transactions.
- Transfer D: These represent cash transfers made between funds in the year.

## 7 Plant, property and equipment

| Group and Charity | Freehold land & buildings | Fixtures & fittings | Motor vehicles | Total |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| **Cost** | | | | |
| As at 1 January 2021 | **3,038,542** | **400,863** | **7,414** | **3,446,819** |
| Additions | 20,000 | 14,538 | - | 34,538 |
| Disposals | - | (5,059) | - | (5,059) |
| **Cost at 31 December 2021** | **3,058,542** | **410,342** | **7,414** | **3,476,298** |
| **Depreciation** | | | | |
| As at 1 January 2021 | **122,932** | **241,076** | **3,852** | **367,860** |
| Charge for the year | 34,371 | 43,377 | 891 | 78,639 |
| Disposals | - | (4,738) | - | (4,738) |
| **Depreciation at 31 December 2021** | **157,303** | **279,715** | **4,743** | **441,761** |
| **Net book value** | | | | |
| **At 31 December 2021** | **2,901,239** | **130,627** | **2,671** | **3,034,537** |
| At 31 December 2020 | **2,915,610** | **159,787** | **3,562** | **3,078,959** |

The freehold land and buildings were valued by Pinders Professional & Consultancy Services Limited in 2016 using a basis of valuation reported by the Royal Institution of Chartered Surveyors (RICS). This was a deemed cost adjustment on transition to FRS 102 in 2016. The building has subsequently been depreciated.

## 8 Debtors

| | King's Arms Trust | King's Arms Group | King's Arms Trust | King's Arms Group |
|---|---|---|---|---|
| | 2021 | 2021 | 2020 | 2020 |
| | £ | £ | £ | £ |
| Other debtors | 1,060 | 33,796 | 7,137 | 29,546 |
| Due from subsidiary Company | - | - | 13,147 | - |
| Accrued income & prepayments | 22,302 | 22,324 | 23,663 | 23,663 |
| Tax credit (gift-aid) | 13,379 | 13,379 | 29,706 | 29,706 |
| VAT refund due | 1,846 | - | - | - |
| **Total debtors** | **38,587** | **69,499** | **73,653** | **82,915** |

## 9 Cash and cash equivalents

| | King's Arms Trust 2021 £ | King's Arms Group 2021 £ | King's Arms Trust 2020 £ | King's Arms Group 2020 £ |
|---|---|---|---|---|
| Bank - current accounts | 285,558 | 325,858 | 275,406 | 279,519 |
| Bank - instant access deposit accounts | 245,633 | 245,633 | 244,984 | 244,984 |
| **Total cash and cash equivalents** | **531,191** | **571,491** | **520,390** | **524,503** |

## 10 Creditors falling due within one year

| | King's Arms Trust 2021 £ | King's Arms Group 2021 £ | King's Arms Trust 2020 £ | King's Arms Group 2020 £ |
|---|---|---|---|---|
| Accrued expenses & creditors | 47,667 | 52,914 | 36,318 | 38,486 |
| Deferred income | 3,365 | 3,365 | 21,851 | 21,851 |
| Loans | 68,325 | 68,325 | 66,499 | 66,499 |
| Other taxation and social security | - | 16,248 | 8,690 | 27,572 |
| Other creditors | - | - | 2,883 | 2,883 |
| **Total creditors** | **119,357** | **140,852** | **136,241** | **157,291** |

Included in accruals are £0 of pension costs (2020: £0).

| **Deferred income** | King's Arms Trust 2021 £ | King's Arms Group 2021 £ | King's Arms Trust 2020 £ | King's Arms Group 2020 £ |
|---|---|---|---|---|
| At 1 January | 21,851 | 21,851 | 40,839 | 40,839 |
| Received during the year | 3,365 | 3,365 | 21,851 | 21,851 |
| Released to income for the year | (21,851) | (21,851) | (40,839) | (40,839) |
| **At 31 December** | **3,365** | **3,365** | **21,851** | **21,851** |

Student income is deferred as fees for the academic year (September-June) are paid in advance. Rental income is deferred when invoiced in advance for the following year.

## 11 Creditors due after one year

| | King's Arms Trust 2021 | King's Arms Group 2021 | King's Arms Trust 2020 | King's Arms Group 2020 |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| Unity Trust Bank Mortgage | 622,283 | 622,283 | 689,291 | 689,291 |
| **Total creditors due after one year** | **622,283** | **622,283** | **689,291** | **689,291** |

The original mortgage was taken out in December 2009 on the purchase of the Church building and offices (King's House). A further loan was taken out in December 2010 for the refurbishment of King's House. Both the mortgage and the loan were consolidated into one mortgage in March 2019, repayable over a period of 12 years. The building is held as security against the mortgage.

| The mortgage capital is repayable as follows: | King's Arms Trust 2021 | King's Arms Group 2021 | King's Arms Trust 2020 | King's Arms Group 2020 |
|---|---|---|---|---|
| **Amounts falling due:** | £ | £ | £ | £ |
| In one year or less, or on demand | 68,325 | 68,325 | 66,499 | 66,499 |
| Between two and five years | 288,928 | 288,928 | 281,862 | 281,862 |
| In five years or more | 333,355 | 333,355 | 407,429 | 407,429 |
| | **690,608** | **690,608** | **755,790** | **755,790** |

## 12 Net assets held by funds

| | Plant, property and equipment | Stock | Debtors | Cash and cash equivalents | Creditors | Inter-company balances | Total |
|---|---|---|---|---|---|---|---|
| | £ | £ | £ | £ | £ | £ | £ |
| **Unrestricted** | | | | | | | |
| Trading Company | - | 2,296 | 32,758 | 40,300 | (23,341) | - | **52,013** |
| Church | - | - | 24,441 | 418,751 | (33,083) | - | **410,109** |
| | **-** | **2,296** | **57,199** | **459,051** | **(56,424)** | **-** | **462,122** |
| **Designated Funds** | | | | | | | |
| TSM | - | - | - | 10,822 | (328) | **-** | **10,494** |
| Events/Conferences | - | - | - | 23,142 | - | - | **23,142** |
| KA Media | - | 1,378 | - | 2,218 | - | - | **3,596** |
| | **-** | **1,378** | **-** | **36,182** | **(328)** | **-** | **37,232** |
| **Restricted** | | | | | | | |
| KA Apostolic | - | - | 258 | 62,243 | (4,614) | - | **57,887** |
| King's House | 3,034,537 | - | 12,042 | 14,015 | (701,769) | - | **2,358,825** |
| | **3,034,537** | **-** | **12,300** | **76,258** | **(706,383)** | **-** | **2,416,712** |
| **Total net assets** | **3,034,537** | **3,674** | **69,499** | **571,491** | **(763,135)** | **-** | **2,916,066** |

Whilst King's House is classified as a restricted fund, is does include funds transferred from unrestricted Church and Trading Company funds for both the purchase and maintenance of the property.

## 13 Financial commitments and contingent liabilities

At the year end the charitable company was committed to making the following payments under operating leases in the coming years:

| | 2021<br>Other<br>£ | 2020<br>Other<br>£ |
|---|---|---|
| Expiring within one year | 2,731 | 4,003 |
| Between 1 – 5 years | - | 2,001 |

The total operating lease expense for the year was £3,976 (2020: £4,003).

At the year end the charitable company was entitled to the following rental income under operating leases in the coming years:

| | 2021<br>Other<br>£ | 2020<br>Other<br>£ |
|---|---|---|
| Expiring within one year | - | - |
| Between 1 – 5 years | - | - |

There were no contingent liabilities at the year-end (2020: none).

## 14 Pension costs

During the year defined contribution pension costs of £65,701 (2020: £65,997) were paid on behalf of 50 (2020: 44) employees to pension schemes administered independently of the charitable company.

## 15 Related Party transactions

KA Facilities (Bedford) Limited is a wholly owned subsidiary of the charity and as such has taken advantage of the exemptions conferred by section 33 Related Party Disclosures not to disclose transactions within the group needed by the charity.

The King's Arms Project (Bedford) was previously part of the King's Arms Trust (Bedford) and no longer shares any Trustees (Directors). R Loveley resigned as King's Arms Project (Bedford) Trustee (Director) and Chairman on 31 December 2021. During the year £20,436 (2020: £22,831) was donated to King's Arms Project (Bedford) and £200 was received as donations from King's Arms Project (Bedford) (2020: £0). Rent and service charges of £33,623 (2020: £22,914) were paid by the King's Arms Project (Bedford) for use of offices at King's House. A total of £0 (2020: £24,435) were paid by King's Arms Project (Bedford) for staff seconded by King's Arms Trust (Bedford). An outstanding balance of £0 was due to the King's Arms Trust (Bedford) at the year-end (2020: £5,029).

During the year KA Facilities (Bedford) Limited donated £815 (2020: £0) to King's Arms Project (Bedford). Charges for conference facilities of £2,740 (2020: £1,292) were paid by King's Arms Project (Bedford) to KA Facilities (Bedford) Limited. An outstanding balance of £0 was due by King's Arms Project (Bedford) at the year-end (2020: £0).

During the year, King's Arms Trust (Bedford) donated £16,700 (2020: £104,000) to Catalyst Network of Churches, a charity which has two Trustees, R Loveley and S Holley, who are also Trustees of the King's Arms Trust (Bedford), to support their activities. Income of £12,622 (2020: £12,534) was received from Catalyst Network of Churches, and expenses of £700 (2020: £1,291) were paid to Catalyst Network of Churches. KA Facilities (Bedford) Limited received income of £0 (2020: £4,389) from Catalyst Network of Churches for the provision of conference facilities during the year.

## 16 Trading Subsidiary

The wholly owned subsidiary undertaking is KA Facilities (Bedford) Limited (company number 8314420), a company which is limited by guarantee and registered in England and Wales. The registered office is the same as that of King's Arms Trust (Bedford). It will gift aid its taxable profits to suitable charities as agreed by the Trustees. A summary of its trading results is shown below. Accounts have been prepared and will be filed with the Registrar of Companies in due course.

| | Year ended 31 December 2021 | Year ended 31 December 2020 |
|---|---|---|
| | £ | £ |
| **Grants (CJRS – Furlough Scheme)** | **27,202** | **67,833** |
| **Turnover** | **328,771** | **156,754** |
| Cost of Sales | (31,104) | (19,523) |
| **Gross Profit** | **297,667** | **137,231** |
| Administrative expenses | (222,064) | (209,689) |
| **Operating profit** | **75,603** | **(72,458)** |
| **Profit on ordinary activities before tax** | **102,805** | **(4,625)** |
| Tax | - | - |
| Gift Aid distribution | (45,000) | (56,406) |
| **Net movement in reserves** | **57,805** | **(61,031)** |
| **Reserves carried forward** | **52,013** | **(5,792)** |

Income of £11,693 (2020: £14,498) has been eliminated on consolidation, being intra-group transactions.

## 17 Financial instruments

| | King's Arms Trust | King's Arms Group | King's Arms Trust | King's Arms Group |
|---|---|---|---|---|
| | 2021 | 2021 | 2020 | 2020 |
| | £ | £ | £ | £ |
| Financial assets measured at fair value through profit and loss | 531,191 | 571,491 | 520,390 | 524,503 |
| Financial assets that are debt instruments measured at amortised cost | 1,060 | 33,796 | 20,285 | 29,547 |
| | **532,251** | **605,287** | **540,675** | **554,050** |
| Financial liabilities measured at amortised cost | **738,275** | **743,522** | **794,991** | **797,159** |

Financial assets measured at fair value through profit or loss comprise cash and cash equivalents.

Financial assets measured at amortised cost comprise other debtors and gift aid debtor.

Financial liabilities measured at amortised cost comprise trade creditors, other creditors, accruals and loan account.

## 18 Comparative Statement of Financial Activities

| | Unrestricted funds | Designated Funds | Restricted funds | Total funds 2020 |
|---|---|---|---|---|
| **Income from:** | **£** | **£** | **£** | **£** |
| Trading income | 210,089 | - | - | 210,089 |
| Church | 1,258,022 | - | - | 1,258,022 |
| TSM | - | 40,284 | - | 40,284 |
| Events | - | 25,416 | - | 25,416 |
| KA Media | - | 1,799 | - | 1,799 |
| KA Apostolic | - | - | 63,029 | 63,029 |
| King's House | - | - | 57,407 | 57,407 |
| **Total income** | **1,468,111** | **67,499** | **120,436** | **1,656,046** |
| | | | | |
| **Expenditure:** | | | | |
| **Expenditure on raising funds** | | | | |
| Trading expenditure | 229,212 | - | - | 229,212 |
| **Expenditure on Charitable activities** | | | | |
| Church | 882,460 | - | - | 882,460 |
| TSM | - | 33,848 | - | 33,848 |
| Events | - | 16,380 | - | 16,380 |
| KA Media | - | 1,181 | - | 1,181 |
| KA Apostolic | - | - | 90,915 | 90,915 |
| King's House | - | - | 275,555 | 275,555 |
| Finance costs - King's House | - | - | 21,083 | 21,083 |
| **Total expenditure** | **1,111,672** | **51,409** | **387,553** | **1,550,634** |
| | | | | |
| **Net movement in funds** | **356,439** | **16,090** | **(267,117)** | **105,412** |
| Transfer between funds | (286,243) | (9,672) | 295,915 | - |
| Balance brought forward | 378,209 | 25,452 | 2,333,983 | 2,737,644 |
| **Balances carried forward as at 31 December 2020** | **448,405** | **31,870** | **2,362,781** | **2,843,056** |

## 1. IMPACT

**Alpha**
The Alpha course continued to run at the King's Arms in line with the world-wide Alpha ministry. In the Autumn we were able to return to King's House for an in-person Alpha Course for the first time since the pandemic. It was great to be back and to give people the chance to explore faith in a relaxed environment.

**Prison Ministry (Inside Out)**
In 2021, COVID-19 restrictions still played a big part in what we were able to do inside the prison. Despite these we had members of our group who were able to go in individually; one spent a term helping out weekly with visits to prisoners who are at risk of self-harm or suicide (on Assessment, Care in Custody and Teamwork (ACCT) agreements) or other requested visits. Another member has been going in weekly to visit prisoners for individual support and conversations, as well as encouragement in bible study and discussion.

We have continued to meet as a group to pray for the prison and chaplaincy and have had regular contact with the chaplaincy to provide support wherever possible. We continued to encourage and support the prison, taking chocolates and notes for the prison staff to thank them for all they are doing in such a challenging time.

When groups were allowed to meet again, two members held an Alpha course on one wing, as mixing prisoners across wings was still restricted. Sunday services were unable to go ahead during the year, but we hope to start again in early 2022.

**King's Playhouse**
King's Playhouse reopened after lockdown with a limited capacity and ran in term time every Wednesday morning from 10:00-11:30. Owing to COVID-19 many of the children who attended two years ago had started school and thus it very much felt like we were starting again from scratch. We began with a capacity for 15 adults in the group per session and within four weeks we were booking past capacity. As restrictions ended the group grew and we now have 76 individuals on our sign-up list with 25-30 adults and around 35 children attending each week. The majority of our weekly visitors are from outside the church community. Praise Jesus for this amazing opportunity to reach the community with our fun, inclusive playgroup.



**Prayer**
2021 saw a regrouping around those things which are most important to us, and as a church we have found prayer to be a key focus. We started the year with a week of prayer and fasting, with more than 300 people engaging in a variety of ways. We continued a daily devotion email to more than 200 people, and we now have systems in place to cover prayer needs that arise across our community. Staff continue to prioritise prayer with a dedicated prayer time bi-weekly and many teams praying as a part of their regular meetings. We continued to use zoom for weekly prayer meetings, as it has proved accessible, but have increasingly enjoyed gathered times to pray together as restrictions allowed.

**Design & Communications**
After the challenges of adapting and fulfilling the needs that arose during the pandemic, we were pleased with how well our team adjusted. We felt the need to add an in-house videographer to the team, alongside Josh John, as there was a continued high demand for videos to be made for On-line church, as well as the usual video projects that needed to be created and we hired Luke Cameron for this role in June for 4 days a week.

A highlight during the year was launching our "Preview" weekly announcement videos as a way of sharing notices and information across all 4 of our Sunday services/locations (three in-person and one on-line) and helping us keep communicating our one church message.

## 2. CONNECT

The Connect team is led by Sue Smith and is responsible for our Sunday Services, King's Kids and conferences /events. 2021 saw some major challenges in how the Team operated in the on-going response to COVID-19.

**Sunday Services**

In line with the government response to the Delta variant we decided to press pause on our in-person meetings and reverted to meeting on-line through our Raw church model launched in September 2020. We had three gatherings at 9:30am, 10:30m and 11:30am, as well as our on-line church stream.

In-person meetings at King's House were relaunched at Easter, whilst continuing a reduced on-line stream hosted at 9:30am for those choosing to stay more home based. We held two services at our King's House location at 9:30am and 11:30am and gathered 180 people the first week back. In Mid-September we relaunched in-person University location meetings, which found a temporary home at Bedford Academy until the University was ready to rebook in early 2022. It has been brilliant to see many regathering in-person with a high attendance of 500 in October. Throughout the Autumn Term Hannah Joy and Mojtaba Hosseini led our on-line community using a live streamed zoom meeting and gathered around 30 people each week.

A highlight of the year was our afternoon family meeting at Bedford Academy which saw many from the community join us for festive crafts, treats and a live nativity scene. In response to the growing concern over the Omicron variant we decided to cancel our Christmas in-person meetings and instead hosted a number of Facebook live meetings which were great, light and fun connection points to connect to the festive season.

**King's Kids**



Due to lockdown at the beginning of the year, we started an on-line Family Service over Zoom which was well attended by families. We also ran a midweek Discipleship group for the children in School Years 4-6. The children were also involved in creating videos and pictures for some of our on-line resources.

On Good Friday we ran a Family event in the park, where families followed a trail around Bedford Park finding pictures from the Easter Story. After Easter we were able to start an in-person Family Service with 12 families joining together. During May, we paricipated in creating a video for the Catalyst Festival.

In the Autumn term we started running King's Kids at 3 sites, two at King's House and one at Bunyan School and over the term these gradually grew in size. The children were involved in singing, craft, games and teaching from the Bible. During this term we also were involved in running a Discipleship group for children from the church, as well as a Christian Union in a local primary school. We also ran Socials for our children in School Years 4-6 which included a movie night, and an icecream factory.

In December we ran a Christmas Family Service on a Sunday morning and in the afternoon a Family Christmas Fun afternoon with a farm, bouncy castles, craft and refreshments.

**Worship**

The community of King's Arms continues to be served fantastically well by a team of musicians and sound engineers. 2021 proved to be a year of significant challenges as well as opportunities in the team as we underwent a major internal transition of team leadership in the summer of 2021. The end of this process resulted in the appointment of Josh John as Worship Team Pastor in early 2022.

During 2021 the worship team continued to serve the church across its various locations, both physical and on-line. A high point in the year was the successful running of our first auditions since the start of the pandemic, with numbers of new musicians and vocalists joining the team, all of whom are now a fully integrated part of the team. 2021 was a year of rebuilding, regathering and reconnecting.

**Events**

As we came out of the pandemic lockdowns we decided to decentralise our events function and this has now been devolved into the various departments for them to run their own budgets.

## 3. COMMUNITY

**Group Life: Life Groups, Missional Communities and Equip Groups**




Groups slowly re-emerged from the pandemic to become a solid place of community within the church. We re-established our three types of group - Missional Communities, (groups that focus on a mission), Life Groups, (groups that focus on community) and Equip Groups, (groups that focus on learning a new skill).

Group life was strengthened with the splitting the Assistant Leaders role and the appointment of Claire John and Vicky Miller to join assist Phil Cox in leading this area.

There are now 480 people signed-up as a member of a group with most groups having the majority of signed-ups attending each session.

Notable successes include Playhouse which is back up and running with Abbie Prosser leading. The Well, which provides an afternoon tea for the retired generation, started with one and half tables, and now has four tables full, with new people coming each monthly session. The retired generation are enjoying the time, and the Easter Banquet (replacing the Christmas one that we cancelled due to COVID-19 concerns) was well received, with some non-churched people now attending the Sunday Gatherings.

**Safeguarding**

The Safeguarding policy and procedures have been totally re-written with help from the national charity Thirtyone:Eight. Following the introduction of the procedures all staff and teams have been trained and tested on their knowledge of what to do if they encounter any concerns around safeguarding. Trustees have also received training on their role and responsibility in regard to safeguarding and safeguarding is regularly discussed during Trustee's meetings.

An independent audit of our safeguarding provision was recently undertaken which demonstrated that we have all the main structures robustly in place. The recommendations from this audit will be reviewed and implemented over the coming year.

As within any large community of people, there will inevitably be safeguarding concerns which are raised. However, after the training and insights from the recent audit we now feel more equipped than ever before to handle these concerns with both professionalism and compassion under the guidance of the Safeguarding Coordinator.







**Youth**

King's Arms Youth is made up of around 200 young people in total, with 55 attending on a Sunday across the three services. It is overseen by Owen Tuffin, supported by Lauren Wilthew, Tim Brown and a team of volunteers who are all DBS checked. The young people are split into two age groups, 11-14s and 15-18s but we regard ourselves as one youth family, doing as much as we can all together.



This year has looked different for Youth and we've had to adapt to ever-changing restrictions. We were able to run our youth weekend with 71 young people attending. We also ran a Youth summer camp with 63 young people attending. These events were full of God's presence, and we had an amazing time re-connecting as a youth group.



In the spring, we ran a park discipleship group where young people would meet in groups of 5 with a leader to go deeper in their relationship with God whilst either walking or sitting in a circle socially distanced. We had several new families join our youth group during this season and we saw many young people come back to church.

We've run what we can this year and have pursued God in all of our meetings. We've seen 7 young people give their lives to God, 70-80 youth hoodies have been given out to build family and we've seen over 100 young people access events that we have run. We are praising God for what he has done and are expectant for what he will do next.

## 4. PASTORAL

**Pastoral Support**
The changing situation with COVID-19 meant that 2021 was a year of constantly adapting and re-shaping the way we were able to provide pastoral care. Helping people to navigate loss, uncertainty and isolation formed a large part of our role across the year. Here are some of the activities the team were involved in.

i) **Pastoral Response**
As the year progressed the attritional impact of Lockdown became more pronounced. Consequently, many of our group and individual sessions with the church family were focused around assisting people with resilience through very difficult times.

Whilst the format changed from in-person, to Zoom, to walks the aim was always the same, to let people know they weren't alone, and they weren't forgotten.

Sometimes this was through our core team of 6, but most usually it was through what the bible calls 'one anothering' - i.e. people in the church family looking out for one another and those in the community around them.

ii) **'Welfare Check'** phone calls. Once again the team and volunteers made hundreds of phone calls to those in Lockdown or isolating.

iii) **Meal rotas** for those isolating or shielding.

iv) **Training sessions** for our amazing team of over 30 volunteers on resilience and self-care.

v) **Support** through the Long-Term Illness Group for those with chronic conditions compounded by the pandemic.

vi) **Pastoral Drop-ins** on a weekly basis for anyone who needs a cup of tea and the chance to 'decompress' emotionally. Zoom provided the opportunity for people to receive similar support remotely. Although they had to make their own tea!

vi) **Freedom Appointments** looked a bit different in 2021 due to key members of the team being heavily involved in the healthcare system. We weren't able to provide prayer support in the formal way we had before. Of the small requests we received for prayer we were able to pair those people up with individual team members for a one-off prayer session.

In addition to these responses, we also continued to pursue our 3 main priorities as a team.

**1. Mental Health Needs.** Even prior to the pandemic we were conscious of the mental health crisis. The needs are even greater now. As a result, this became an emphasis for training volunteers, equipping practitioners and public messaging. Held on-line and allowing for anonymity we held mental health and wellbeing evenings on: low mood, anxiety, resilience and stress. Where necessary we signposted people to mental health professionals.

**2. Cultural/racial diversity awareness.** As a diverse church community, we draw people from dozens of different nations and cultures. We see how this enriches us as a church community. However, back in 2019 we had begun to discuss how to take our cultural awareness deeper. The heightened awareness of these issues follow George Floyd's murder only served to reinforce the importance of this initiative.

We continued with our 'Snapshots' evenings over Zoom. These evenings aim to provide an opportunity for people to give us a 'snapshot' of their experiences of race and racism. This simple format, giving people a platform to share their experiences and being heard by others, proved to be extremely powerful for all those involved.

During 2021 we piloted and renamed our "Recovering from Racial Abuse" course. The course gives those attending, space to explore their experiences of racism and to look at how they can rise up from those challenges and to stand in their identity as children of God. The course name was inspired by Maya Angelou's poem of the same title. As a team we wrote the course and then sent it out to several church members from the ethnic minorities for their feedback. We then adjusted the course based on that feedback and invited a group to attend. We had 6 regular attendees over the 4 sessions of the course and the overall feedback was positive. So, we are now in the process of opening up this course to the wider church.

**3. Marriages and Family.** 2021 saw some significant strides forward in this area with the formation of a 12 strong team from diverse backgrounds and experiences. They help couples and families who are needing people to walk alongside them. This varies from one-off phone calls through to more intensive support. In some cases, we've provided informal mediation to help families understand one another and reconnect. In addition, we re-worked the materials of our Pre-Marriage course, to bring greater structure and clarity.

**Further Developments**

**1. Counselling Network.** Despite the challenges of COVID-19 two of the team completed their training as counsellors and are now fully qualified. Congratulations to them both! Since then we have started to gather those who are qualified, or training to be counsellors. With over 20 qualified counsellors in the church, we believe that there is the potential for mutual support, training and encouragement.

The aim of these gatherings was to build a network of connections with the counsellors within our church community so that we can pool our resources, learn from one another, and provide a level of peer supervision. Our hope is that this will in turn provide support to those in the church but also importantly to those in the wide community who have experienced so many challenges over the past 2 years.

**2. Pastoral Forum.** In Nov 21 we laid on our 3rd "Pastoral Forum", a round-table event for other churches to access. Despite COVID-19 complications over 70 delegates were able to attend and we spent the day discussing our priorities of mental health, families and racial integration.

**Sozo**

This is a ministry in which the main aim is to get to the root of those things hindering a personal connection with God. Sozo consists of a single session, with an option to book in for another in a couple of months. The person is led through prayers of forgiveness towards people who have hurt them, are helped to deal with any traumatic issues from the past, and in the process are helped to listen to God for themselves. At the end of the session, the person leaves with a list of promises and truths that they have heard from God, and almost always say they feel lighter – and it shows in their expressions! Here are a few comments that people were happy to share after their Sozo:

- Releasing, easy to do. Surprised how easily I heard God. Affirming. I felt comfortable and safe and loved.
- Great to have a safe place to hear and explore what the Lord is saying.
- Emotional, revealing, exhausting, yet joy giving. Freeing.
- Amazing. Turning point in my life, a place where God could bring his light and show me his truth. A place where he showed me his perspective on my life

As COVID-19 and lockdown were still affecting us in 2021, the majority of Sozos were conducted on-line by Zoom, with a leader and seconder trained in Sozo techniques, and a guest, each in their own home, and the follow up notes were sent via email. We started in-person Sozos at King's House in September but have continued doing some Sozos on-line as it suits some people better. It enables us to do Sozos with people who are not local to Bedford, and we have continued to do some with churches overseas that we have relationship with. There were 22 Sozos on Zoom, and 8 in-person Sozos at King's House. This was less than usual, as things were still getting back to normal after the pandemic.

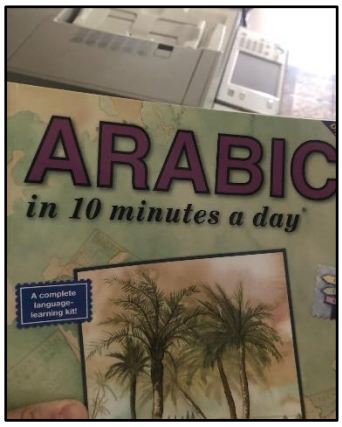
As Lockdown had finished in September and groups had restarted, we were able to run a training group on Sozo techniques which was much appreciated and well attended.

## 5. SEND



In Tijuana, Mexico, our friend Paula finally got her permanent residency card for Mexico in January. Her work in the Hope Zone in downtown Tijuana continued apace, working with the some of the poorest and most vulnerable in a broken community. She and her team distributed bibles and prayed for local people on the streets, seeing several miraculous healings. They continued to run children's activities in a safe environment whilst teaching the parents both spiritual and practical skills. In February, 7 families from the Hope Zone came together to build a much needed 'flat pack' home for another family in their community.

A particular highlight was when 'Debbie' – addicted to hard drugs for 15 years – started to engage with the Hope Zone and as a result has been free from drugs for over a year. This meant that the authorities allowed her children to live with her again.




In the Middle East, our friend 'HH' spent the first part of the year confined to her apartment under the country's COVID-19 restrictions. Her visits to local friends were curtailed and her language learning was moved on-line - she became very adept at asking 'is your microphone switched on' in Arabic! Continuing economic collapse in her adopted country meant that there were frequent power cuts and a very unstable internet connection. As restrictions eased her visits to local friends resumed, and her language learning moved once again to face to face lessons. We continue to pray for her work in that country, where the economy is in freefall, with queues for fuel and cooking gas, and a bottle of water costs twelve times what it did in the previous year.

After spending 18 months in the UK following the pandemic, 'JS' returned to her North African home in the autumn of 2021. Her visit was only for a few weeks as she packed her belongings and said many tearful farewells to her local friends. After 7 years of building friendships and sharing her faith as the opportunity arose, she was moved to tears by a local friend who said 'I think God sent you here to tell us about the Lord'. Just a few words but so significant.

During her 'forced exile in the UK' (her words) she had sensed God clearly moving her onto a new nation in North Africa. This was to be a change not only in environment – moving from a large town to a huge city – but also fresh study to learn a new Arabic dialect. She used her time in the UK to build up funds for her new venture, and strengthening relationships and her support base within the King's Arms.

Abigail has had a varied year in her role with 'Youth With A Mission', based in Harpenden. Working around her day job of manning the reception and running the library on the YWAM base, she has also been leading local children's bible studies and youth groups as well as teaching in an on-line international Bible School. Students came from as far away as Venezuela and South Korea. In the summer she was part of a YWAM team which went to Cornwall. She was involved in helping a local church to run their Summer club, and leading their Sunday service, as well as beach mission. During her home visit to Bedford, she helped out at the Hope Space in the town – a drop in centre where people can come for prayer and to chat about their spiritual life. She also found time to start learning British Sign Language!



Looking further afield, King's Arms continued their support of a growing church group in a country in Central Asia. The COVID-19 pandemic has hit this country hard, with their government's slow response to the pandemic and the borders of the surrounding countries closed. This in turn stopped the flow of funds and help from migrant workers back to their families in that country. Sadly, crime and suicide rates have risen. King's Arms helped by providing funds for a youth camp in July which was attended by around 70 Christians and friends. The camp gave much needed rest and hope for them to continue their work in this beleaguered part of the world.

During 2021 King's Arms strengthened their relationship with the Unreached Network. This organization brings together best practice and first-hand experience in spreading the Christian message of hope and healing into the most hardened of places globally. It has been a great resource for the Send team during the year.

## 6. TSM




TSM (Training for Supernatural Ministry) is a training course aimed at equipping men and women of all ages and stages of life to live like Jesus. The 9-month course ran on-line until June 2021 and has since transitioned into a small group coaching model.

Over the last 13 years we have seen more than 800 students come through TSM. The course starting in October 2020 looked very different due to the restructuring of the course and the COVID-19 crisis. The course finishing in June 2021 had six modules that lasted four weeks each with around 80 full course students and 50 modular students.

TSM is led by an incredible team, some of whom are employed but most of whom are volunteers. We are so grateful for the time they give to make TSM what it is. In October 2021 we pivoted our model again and now is run through small coaching groups centred around a specific subject.

Students attending TSM tend to embark on an inward journey, which then affects their outward journey. We teach students who God is as their good Father and who they are as His beloved sons and daughters. This truth often leads to internal freedom, which then brings courage and lightness to students as they learn to release God's Kingdom wherever they go. As students go about their day-to-day lives we are encouraging them to ask the question, 'what does courage look like?' We hear stories each week of friends, family members and often complete strangers who have encountered God's love through the boldness of our TSM family.

The coaching groups have been really powerful. Students have been taught about their identity being rooted in Christ and loved by the Father. In addition, students have been learning about hearing God's voice and being obedient to the voice of God. Students have stepped out in their families, churches and workplaces.

## 7. KA Apostolic

King's Arms Apostolic oversees and spearheads the trans-local work of the church in serving other local churches and apostolic networks. As a church, we are having the increasing privilege and opportunity to help churches across the world.

King's Arms is part of a relational network of churches called Catalyst, serving over 80 churches in the UK and many other established and new churches in other nations across the world. In the UK, Catalyst is led through apostolic Hubs that care for churches and provide strategic direction. Both Simon Holley and Phil Wilthew are part of the core apostolic team for this network and have been actively involved in serving wider Newfrontiers/Catalyst events such as the Catalyst Leaders weekend, leadership training and Impact training.

The Bedford Hub is serving over 60 different Churches which are in varying stages of connection with us. The majority of these are in the UK, with a geographical spread from Horsham in Sussex to Dundee in Scotland. We also currently serve churches in 14 countries outside the UK, which receive input from our strategy team and church leaders on a regular basis. The Hub is served by a core team made up of 8 leaders, 5 from King's Arms and 3 leaders from other churches in the UK.

2021 has been an interesting year with our travel being paused due to COVID-19 and travel restrictions, however the team managed to still continue to serve a number of key churches in places ranging from New Zealand, Spain and Zimbabwe to Bournemouth and other relationships across the world through on-line Zoom meetings. A key relationship this year was developed with the YMCA ministry in Stuttgart, Germany and were able to serve them through an on-line conference. It has been a privilege to continue to support and offer aid to churches in developing worlds and embryo businesses through encouraging the churches in our Hub to give to the Catalyst emergency fund.

On-line leadership training huddles continued to develop during the year including those focusing on Apostolic foundations huddle (Simon Holley and Phil Wilthew), a European Leaders Huddle to support leaders in related churches in other European countries, and a New Zealand huddle to support church leaders in NZ who due to time zone difference often find it challenging to join our on-line Hub gatherings. Simon hosted an on-line zoom huddle with Dave Devenish called Legacy for church leaders. We also launched our new Sub Hub on-line Huddle for those who are not in a hub as we wanted to create an opportunity for more connection and support for those leaders who may feel isolated.

Due to COVID-19 we ran our Resonate.global conference fully on-line on 3-5th March 2021 with over 135 attending from across the UK and other nations. We were very excited to have Martin Koornstra who leads Royal Missions in the Netherlands as our guest speaker for the second year in a row. The conference was a beautiful representation of the many nations we work with ranging from Kenya to Scotland. At the conference we celebrated and prayed for our dear friend Michael Feulner who now leads his own Apostolic Hub in Turkey.

We were excited to launch our new on-line Prophetic school for the Hub, called Amplify, and this was led by Phil Wilthew, Rob Davey and Charlene Frammingham. This school ran mostly on-line via zoom with 2 additional in-person days at Kings House. We were overwhelmed with applications, and we accepted 90 students from the UK, Europe and South Africa, we also recruited 15 coaches from many different streams of churches in the UK. The course was set up in 3 terms to run for 9 months which included hosting guest speakers Julian Adams and Ben Armstrong and a Bethel Church team from Redding, California.

## 8. KA Media



KA Media is an on-line store and resource centre with our products including:

- Video and audio recordings of our conferences such as Sounds of Glory 2021.
- Teaching series, such as 'Working in Teams' and 'Culture Matters'.
- Books written by those in our community, such as 'Momentum' and 'Leading as Sons and Daughters'.

Due to COVID-19 and our normal conferences not running, we were unable to refresh some of our products, however we were able to fulfil physical orders again this year and have continued to receive a steady flow of digital orders throughout the year. Plans for 2022 include creating more partnerships with authors, artists and speakers.

## 9. KA Facilities (Bedford)



During the week, King's House is used by our wider community as a venue for conferences, meetings and events. 2021 was obviously a difficult year due to the pandemic, with on and off lock-downs, people having to work from home and the number of people allowed to gather together being restricted. However, from January to June 2021 King's House was used as the main hub for the Clinical Commissioning Group's vaccination centre in Bedford. It was a privilege to be able to use the building for such a vital service for the community. From June to December, we had 3 long term contracts using the building multiple times a week: Bedford Hospital training newly arrived international nurses, Serco training new staff and Jobs-22 a government scheme helping Universal Credit claimants to find jobs. Throughout the closures first aid courses and blood donations continued to take place and from September onwards we had several of our regular customers return.



Situated in the foyer area, Ground Floor Coffee shop is open to the public Monday – Friday. 2021 was a difficult year for the hospitality industry, with various rules as to when coffee shops could or couldn't open. We opened for takeaway only for a couple of weeks, and then closed for two months. We were then only allowed to serve guests outside, then guests could come inside – but in groups of 6 only, and then finally the restrictions were lifted on the 21 June. Since then, we opened but with shortened opening hours.

## 10. Re-Track

Re-Track Career and Employment Centre started at the end of 2020, with the help of a match-funded grant of £20,125 from DCMS through the 'Love Your Neighbour' national initiative. Throughout 2021 Re-Track offered flexible one-to-one support for job seekers, coaching individuals in compiling their CVs, searching for appropriate employment opportunities, developing covering letters, filling in application forms and preparing for interviews. We also offer additional support in the form of emergency food parcels, development of workable personal budgets and signposting to debt-relief support through other agencies. The uniqueness of this project lies in it being a flexible one-to-one support service that works with jobseekers through all stages of seeking employment at a time to suit them rather than a time-bound training course.




Re-Track was staffed by one part-time employee together with trained and supervised volunteers from diverse backgrounds. Job seekers are referred to Re-Track by the Job Centre, organisations working with ex-offenders and victims of domestic violence, the Citizen's Advice Bureau and other local agencies. We also encourage self-referrals. The service is open Monday to Friday from 10am - 2pm.

**Love Easter.** For this initiative we created a web page, a video and Easter postcards giving people time to give money, donate Easter Eggs and/or laptops. Seven Re-Track volunteers helped with preparing and delivering the Love Easter gifts (Eggs and Laptops).

**Easter Eggs.** 468 were donated such that 241 families received an Easter Egg and gift, including the Easter Story Book where families had children.

- Easter Eggs went to Shackleton Primary School, Cauldwell Primary School (both part of Bedford Academy Trust) and Springfield Primary School (Kempston Challenger Trust) and Cameston Primary School. All in deprived areas and the gifts went to the neediest families.
- 165 Easter Eggs went to Families First who work with vulnerable families including those who have experienced Domestic Violence situations
- 56 Easter Eggs went to KAP families (single adult clients were not given a Easter Book which was aimed at children)
- The Asian Outreach group life were given 25 Easter Gifts with a book.
- 4 Emergency food parcel families were given Easter Egg gifts, 3 with a book.

**Laptops.** Forty laptops were purchased from SoftCat and donated to Bedford Academy (25) and Kempston Challenger Academy (15). Four laptops were donated by members of the church.

**Monies.** The total donated was around £11,150 of which £10,800 was used to purchase the Softcat laptops.

**Value added.**

- Volunteers engaged.
- Partnership working with the two School Trusts.
- Easter story (in form of books) into the hands of families.
- Increased awareness of Re-Track and King's Arms church.
- Increased partnership working with King's Arms Project.
- Ideas for further partnership working with schools on helping to bridge the digital divide to be explored.

## 11. KING'S ARMS HISTORY AND DEVELOPMENT

The King's Arms Church was established in 1992 with the support and oversight of Woodside Free Church, Bedford (now Woodside Church). The King's Arms Trust was registered as a charity on 1 January 1995. Previous to this date the accounts were included within those of Woodside Free Church.

The King's Arms Church began to meet separately from Woodside in October 1992, initially on Sunday evenings. Since 1995 the church has met twice on most Sundays and has grown steadily in attendance. The church met in the dining room at Dame Alice Harpur School (now Bedford Girl's School) for many years before moving to King's House in 2010. King's House, which was purchased by the Trust in December 2009, was previously a factory manufacturing Crayola Crayons.

Throughout its history the King's Arms has been caring for poor and disadvantaged people in Bedfordshire. The King's Arms Project commenced work among Bedford's homeless in 1989 when a residential house located in Clarendon Street, Bedford was established. The Project has developed with additional houses and elements, all of which have been set up to cater for the needs of poor and disadvantaged people. In order to facilitate its further growth and development, the Project was established as a separate charitable company called the King's Arms Project (Bedford) which commenced operating on 1 March 2011.

Several new churches have been established in the UK and overseas by members of the King's Arms Church and a number of other churches are now being led by people who once attended the King's Arms Church. These include:

David Stroud, the founder of the King's Arms Church, who led a team to South Birmingham in 1998 and now leads Christ Church, London with five congregations meeting across the city.

Martin and Louise White who moved to North Birmingham in 1998 and lead The Crown Church.

Matt and Philippa Hatch who moved to Leeds in 2002 and lead Mosaic Church, a multi-site church meeting in three locations around Leeds. They have also planted new churches in South Africa and UK.

Adrian and Lucy Hurst, Oasis Church, Birmingham.

Nick and Tracey Priggis, Hope Church, Shrewsbury.

Tim and Vicki Simmonds, Christ Church, Manchester.

Robin and Hannah Vincent, The Hill Church, Swansea.

Nick and Sue Griffin, London Life Vineyard Church, Crouch End, London.

Mike and Jen Milner. Vineyard Church, Guam.

Most of these churches are located in a multi-racial environment in deprived inner city areas, with an emphasis on caring for poor and disadvantaged people.

Other ex-members of the King's Arms Church include:

Mathew Neville, CEO of Alpha International.

**KING'S ARMS TRUST (BEDFORD)**

England & Wales - Charity number 1116359

# Accounts

KING'S ARMS TRUST

# ANNUAL REPORT & FINANCIAL STATEMENTS

FOR THE YEAR 1ST JANUARY 2020 TO 31ST DECEMBER 2020



KING'S ARMS TRUST (BEDFORD) | CHARITY NO 1116359 | COMPANY NO 5899019

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# CHARITY AND COMPANY INFORMATION

| | | |
|---|---|---|
| **Trustees/Directors** | Roydon Loveley (Chair) | |
| | Rachel Hickman | Simon Holley |
| | Peter Humphrey | Paul Johnson |
| | Nicola Marfleet | Philip Varley |
| **Elders** | Simon Holley (Lead Elder) | |
| | Paul Johnson | Roydon Loveley |
| | Stephen Wilson | Philip Wilthew |
| **Charity Number** | 1116359 | |
| **Company Number** | 5899019 | |
| **Registered Office** | King's House<br>245 Ampthill Road<br>Bedford MK42 9AZ | |
| **Independent Auditor** | Mazars LLP<br>The Pinnacle<br>160 Midsummer Boulevard<br>Milton Keynes MK9 1FF | |
| **Business Address** | King's House<br>245 Ampthill Road<br>Bedford MK42 9AZ | |
| **Solicitors** | Sharman Law<br>1 Harpur Street<br>Bedford MK40 1PF | Wellers Law Group LLP<br>65-68 Leadenhall Street<br>London EC3A 2AD |
| | Avensure Ltd<br>South Central, 11 Peter Street<br>Manchester, M2 5QR | |
| **Bankers** | Unity Trust Bank Plc<br>4 Brindleyplace<br>Birmingham B1 2JB | National Westminster Bank Plc<br>81 High Street<br>Bedford MK40 1YN |
| | Co-operative Bank Plc<br>4th Floor<br>9 Prescot Street<br>London E1 8AZ | Virgin Money Plc<br>Jubilee House<br>Gosforth<br>Newcastle upon Tyne, NE34PL |
| | Shawbrook Bank Ltd<br>Lutea House<br>Warley Hill Business Park<br>The Drive, Great Warley<br>Brentwood, Essex CM13 3BE | Nationwide Building Society<br>Nationwide House<br>Pipers Way<br>Swindon SN38 1NW |

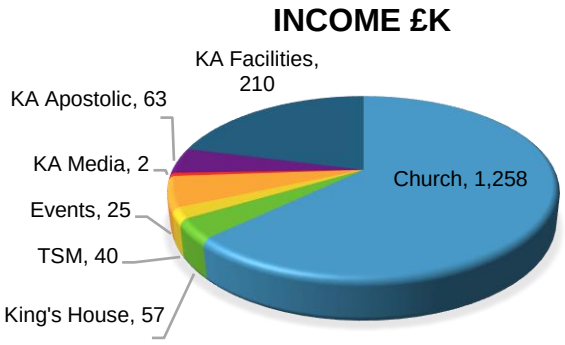
# EXECUTIVE SUMMARY

The King's Arms Trust (Bedford) had an encouraging year despite the very significant impact of COVID-19 on the activities and operations of the Trust. The total income of £1,656K, was a decrease of 8% compared with 2019.

The main activities of the Trust, all of which provide public benefit, are:

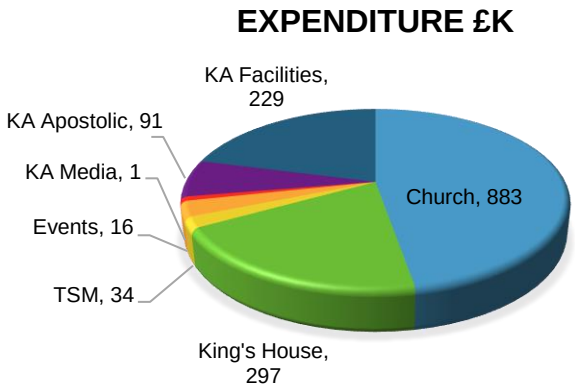
- **King's Arms Church** – A vibrant growing church of around 1,300 adults, children and youth with numerous meetings and activities held, when permitted in-person, and also on-line.
- **TSM (Training for Supernatural Ministry)** – A training course aimed at equipping men and women of all ages and from all stages of life to live like Jesus did, with 80 students attending.
- **Events & Conferences** – Just one conference was held during the year with around 350 people from the UK and overseas attending.
- **KA Apostolic –** the focus of the work of King's Arms Church supporting leaders and churches in the UK and other nations.
- **KA Facilities (Bedford) Ltd** – A wholly owned subsidiary company within which a coffee shop and facilities rental are operated.
- **Re-Track** – A new initiative, set-up in response to the pandemic, offering flexible one-to-one support for job seekers.

A summary of the income and expenditure of each of the activities of the Trust is shown in the pie charts. It should be noted that the finances of the various activities of the Trust are controlled and monitored independently of each other.




Income totalled £1,656K. The majority of the Church income of £1,258K came from individuals attending the King's Arms Church.

Expenditure totalled £1,551K, with the church, KA Facilities and the King's House building being the three largest areas.




The net assets of the Trust at the end of 2020 were £2.84M an increase of £105K compared to 2019.

# EXECUTIVE SUMMARY




2020 was the tenth full year of the church meeting on a Sunday at King's House. The building comprises a 500-seater auditorium, coffee shop, many meeting rooms with capacities up to 250 people and office accommodation.

The office space, meeting rooms and auditorium are used by the church and are also made available for commercial rental. The coffee shop is open to the public as well as to visitors and users of the facilities at King's House and those who work in the building.

The year 2020 started much as the previous year with the King's Arms Church running a wide variety of activities including:

- Two Sunday services with on average 600 adults attending.
- Children's and Youth meetings both on Sunday and during the week with over 250 in attendance.
- Life Groups or Missional Communities meeting regularly midweek – about 60
- A variety of activities and events for the elderly, prisoners and local community.
- Pastoral support being provided to those in need within the church community.
- Serving 48 different churches based in the UK and 14 different countries.
- Much of the above being run or supported by 500 roles in which people were providing volunteer support.

Due to growth in attendance at our Sunday services we launched a third meeting at the Polhill Campus of the University of Bedfordshire on the 9 March with 100 people attending. However, this new venture and majority of the other activities of the Trust were abruptly halted by the first UK lockdown caused by COVID-19. As a result, Zoom was used to continue many of our activities in innovative ways to the benefits of people in the King's Arms community and also many in other parts of the UK and overseas.

The Ground Floor Coffee Shop was also closed and facilities bookings by both internal and external customers suspended.

As COVID-19 restrictions were eased in early 2021, Sunday meetings and activities at King's House were restarted on a limited basis. In July 2021 with the further easing of restrictions Sunday meetings were further expanded and current plans are to get back to the pre COVID situation of three meetings each Sunday in September.

The Ground Floor Coffee Shop reopened in June 2021 and facilities bookings by both internal and external customers have started to recover, helped by King's House being used as a vaccination centre for 6.5 days a week for the first 6 months of 2021.

Financial support from voluntary donations by church members to the end of September 2021 has been maintained at very near to pre COVID-19 levels. Expenditure has continued to be minimised and budget forecasts continue to be generated with the aim of minimising any depletion of reserves.

The Trust has successfully navigated the impact of COVID-19 and the Trustees are confident that the Trust will continue as a going concern.

This is the fourteenth report of the King's Arms Trust (Bedford), an incorporated charitable company, which commenced operating on 1 January 2007.

# TRUSTEES' REPORT

## INTRODUCTION

The Trustees of the King's Arms Trust (Bedford) present herewith their annual report, together with the financial statements of the charitable company for the year 1 January 2020 to 31 December 2020.

The King's Arms Trust (Bedford) is an incorporated charitable company (Charity No. 1116359 and Company No. 5899019) which commenced operating on 1 January 2007. Prior to this date, and from 1 January 1995 to 31 December 2006, the organisation operated as 'The King's Arms Trust', an unincorporated charity (No. 1044098).

The report provides details of the many and varied activities of the Trust which, despite the impact of the COVID-19 pandemic, continued but often in a very different form from previous years. It clearly demonstrates the public benefit provided by the Trust in compliance with the Charities Act 2011.

## PRINCIPAL OBJECTIVES

The principal objectives of the King's Arms Trust (Bedford) are that of the advancement of the Christian faith in the UK and overseas, the advancement for the public benefit of religious and other education, and the relief of the aged, poor, sick and disabled.

'Public benefit' is the legal requirement that all charities must have charitable purposes which benefit the public. The Charities Act 2011, underlines this requirement. This report seeks to highlight the public benefit provided by the King's Arms Trust (Bedford).

## LEGAL AND ADMINISTRATIVE INFORMATION

The King's Arms Trust (Bedford) is governed by its constitution as defined in the Memorandum and Articles of Association. King's Arms Church together with TSM (Training for Supernatural Ministry), Events/Conferences, KA Media and KA Apostolic comprise the King's Arms Trust (Bedford). The aims and activities of each of these are described in this report.

The King's Arms Trust (Bedford) owns the freehold of King's House, a building located at 245 Ampthill Road, Bedford MK42 9AZ. Most of the activities of the Trust are undertaken at King's House.

Throughout the year the Trustees had Property Owners Liability insurance cover with an indemnity limit of £10 million. The cost of the insurance was paid by the charitable company.

KA Facilities (Bedford) Ltd, a wholly owned subsidiary company, commenced operations on 1 January 2013. The company operates facilities within King's House:

- Ground Floor Coffee Shop.
- Rental of the meeting and conference facilities.

# TRUSTEES' REPORT

## TRUSTEES AND LEADERSHIP

The Trustees/Directors were:

| | |
|---|---|
| Roydon Loveley (Chair) | Rachel Hickman (appointed 30 June 2020) |
| Simon Holley | Peter Humphrey |
| Paul Johnson | Vanessa Lipski (resigned 20 October 2020) |
| Nicola Marfleet (appointed 21 January 2020) | Philip Varley (appointed 20 October 2020) |

The activities and operation of the King's Arms Trust (Bedford) are led by the Strategic Leadership Team (SLT). At the end of the year, the team comprised the following:



Rob Brown
Governance & Finance



Kirstie Cook
CEO King's Arms Project



Phil Cox
Community & Safeguarding



Simon Holley
Lead Elder



Paul Johnson
Pastoral and Elder



Sue Smith
Connect



Steve Wilson
Impact and Elder



Phil Wilthew
Send and Elder




The team-based leadership structure of the SLT is shown opposite with a member of the SLT responsible for leading each area.

The SLT met frequently to discuss and oversee the affairs of the church and the Trust. They work with other members of staff and a large number of volunteers to implement the vision, goals and objects of the Trust.

Trustees are appointed by the Elders, with the approval of the other Trustees. The Trustees met four times during 2020 and were regularly consulted and informed on matters of importance.

The King's Arms Trust (Bedford) is a member of the Evangelical Alliance and is affiliated to Catalyst, an apostolic team within Newfrontiers, a worldwide family of churches. The church also operates an Apostolic Resource Base (or hub) within Catalyst.

The vision of the church is to serve the local community and also to impact the UK and other nations. As a church we recognise that the pursuit of who we want to be impacts the way we live and so have defined our aspirational culture as those who live with:

**Honour, Generosity, Acceptance, Authenticity and Courage**

# TRUSTEES' REPORT

## FINANCIAL OVERVIEW

A summary of the income and expenditure (£K) of each of the activities of the Trust during 2020 is shown below. It should be noted that the finances of the various activities of the Trust are independent of each other.

| | Church | King's House | TSM | Events/ Confs | KA Media | KA Apostolic | KA Facilities (Bedford) Ltd | Total |
|---|---|---|---|---|---|---|---|---|
| Income | 1,258.0 | 57.4 | 40.3 | 25.4 | 1.8 | 63.0 | 210.1 | 1,656.0 |
| Expenditure | -882.5 | -296.6 | -33.8 | -16.4 | -1.2 | -90.9 | -229.2 | -1,550.6 |
| Internal Transfers | -244.3 | 249.0 | -2.3 | -7.5 | 0.1 | 46.9 | -41.9 | - |
| Net surplus/deficit | 131.2 | 9.8 | 4.2 | 1.5 | 0.7 | 19.0 | -61.0 | 105.4 |

Income totalled £1,656.0K, a decrease of 8% compared to the previous year. Income for the church, totalling £1,258K, mainly came from members and supporters of the church.

Expenditure totalled £1,550.6K, a decrease of 11% compared to the previous year, with the church, King's House and KA Facilities being the largest areas of expenditure.

The net assets of the Trust at the end of 2020 were £2.84M an increase of £105.4K compared to 2019.

As a consequence of COVID-19 both income and expenditure in 2020 were lower than the previous year in most of the areas detailed in the above table. The exception being church income which was higher, mainly due to special offerings totalling £78.0K which were donated to Catalyst for the relief of hardship caused by the pandemic in the countries in which it is working. Donations made by attendees of the King's Arms specifically for the church totalled £1,135.0K an increase of 6% compared to the previous year.

The £105.4K surplus was aided both by expenditure reductions and:

- Payments from the government Job Retention Scheme of:
    - £67.8K for the subsidiary company KA Facilities. This enabled the avoidance of staff redundancies as a result of the closure of the Ground Floor Coffee Shop and facilities bookings during the lockdown periods.
    - £32.1K for church staff. This enabled staff to be retained when they were not able to work during the periods of lockdown.
- £30.8K due to taking advantage of a 6-month capital payment holiday on the building loans.

Loans totalling £755.8K were outstanding at the end of 2020, compared to the total initial value of £1,430K. In summary 47.1% of the total amount borrowed has been paid off in the last eleven years.

## KING'S ARMS CHURCH OVERVIEW

The year 2020 started much as the previous year with the King's Arms Church running a wide variety of activities including:

- Two Sunday services with on average 600 adults attending.
- Children's and Youth meetings both on Sunday and during the week with over 250 in attendance.

- Life Groups or Missional Communities meeting regularly midweek – about 60
- King's Playhouse.
- A variety of activities and events for the elderly, prisoners and local community.
- Conferences.
- Pastoral support being provided to those in need within the church community.
- Serving 48 different churches based in the UK and 14 different countries.
- Much of the above being run or supported by 500 roles in which people were providing volunteer support.

Due to growth in attendance at our Sunday services and after much planning and preparation, we launched a third meeting at the Polhill Campus of the University of Bedfordshire on the 9 March with 100 people attending. However, this new venture and majority of the other activities of the Trust were abruptly halted by the first UK lockdown caused by COVID-19.

As a result, Zoom was used to continue many of our activities. Initially, as we wrestled with using the technology areas of church life struggled, but over the next weeks and months we embraced the technology in innovative ways to the benefits of people in the King's Arms community and also many in other parts of the UK and overseas. In particular:

**Sunday Services.** In March with the onset of the first lockdown we moved our services online and for the following six months ran live hosted meetings at 9:30am, 11:30am and 8pm with an average weekly attendance of 1,042 people watching.

In late September we reopened our physical doors and relaunched in-person meetings, whilst continuing a reduced online stream. We held two services at our King's House location at 9:30am and 11:30am and saw attendance gradually increase from the first week of 45 people to around 70 before we were thrown into a second lockdown and churches were asked to close again.

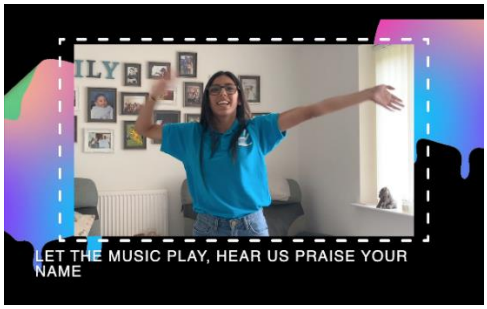


We worked hard to put safe protocols in place in line with government guidance to ensure that we were a covid secure place of worship for those choosing to return to in-person gatherings and it took significant effort getting used to social distancing and new room layouts and one-way systems. For those few weeks it was a joy to be together in person to worship God and reconnect, albeit in a very weird socially distanced format.

With the onset of the second lockdown in November, we launched a new way of gathering on a Sunday through 'Raw Church' using a disciple-making tool 'Discovery Bible Study', and ran three Raw Church meetings at 9:30am, 10:30 (focused initially on those attending the University location) and 11:30am. Each Raw Church saw around 70 people sign up to grow together in God's word each week.

We ended the year enjoying worship services in all three formats with people choosing what best suited them.

**King's Kids.** The year started with the first three months being similar to 2019 with between 180 and 210 attending King's Kids on a Sunday morning during the two services based at King's House. In March with the start of the second site, King's Kids was also run at the University.




However, all changed with the start of the first lockdown in March. Since then, we have produced an online recording for families to watch at home together. This has involved videos made by team and families, and has included singing, storytelling, challenges and even science experiments.

After Easter we ran two midweek groups for school aged children online each week during term time. This gave them the opportunity to continue seeing each other and they were able to do fun activities with between 5 to 15 children attending each one.

During the Autumn term, as well as running the online sessions, we also returned to King's House where we ran a Family Service for up to 12 families at a time. Families sat together on rugs, socially distanced from each other, and were able to watch the pre-recorded session whilst also doing craft activities.

In November, we helped to create a KS1 and KS2 nativity assembly video for our local schools. This was accessible at no cost and was downloaded by over 60 schools with an estimated 7,000 to 9,000 children watching.

**Youth.** King's Arms Youth has around 200 young people, with 100-110 normally attending on a Sunday over the two services. This year has looked different and we've had to adapt to ever-changing restrictions. At the start of the national lockdown, we ran a Wednesday night Zoom group where we picked a verse from scripture and studied it in breakout groups. In the summer, we ran a park discipleship group where young people would meet in groups of 5 with a leader to go deeper in their relationship with God whilst keeping socially distanced.



In September we ran a Youth evening service with an average attendance of 50 young people.




**Group Life.** The basic purpose of a group is to meet with people, and for much of the year this was not possible. However, group life has continued to run, on-line, and when able to meet up in a social distanced manner. At the end of 2020 we had 35 groups (compared to 60 last year) with 420 people signed up.

We have diverse leadership ranging from the young 20s up to late 80s, different genders and ethnic backgrounds. Our mantra is: "What is God saying and what are you going to do about it?".

**Impact.** A wide variety of other activities either continued or were initiated during lockdown, including:

- **Alpha.** The Alpha course has been running at the King's Arms for many years, in line with the world-wide Alpha ministry. During lockdown we ran two online Alpha courses and were pleased that moving to a Zoom based course was still a positive place for people to explore faith in a relaxed context.
- **Prison Ministry.** Our activity within the walls of HMP Bedford has been limited due to restrictions preventing the team from entering the prison. Activity, however, has continued as a team in prayer and support of the chaplaincy. Prior to lockdown a member of the team was able to meet weekly with prisoners who are at risk of self-harm or suicide. We contributed DVDs for the lending library, and gave £500 which was used to support the residents during this incredibly difficult time, including buying DVD and CD players as the men were required to spend most of the time in their cells.
- **King's Playhouse.** Prior to lockdown Playhouse started the year with nearly 100 carers and children in attendance each week. The group closed in early March, a week before the national lockdown, as we

had several elderly and vulnerable people in attendance with limited ability to socially distance tiny children.

- **Special Events.** COVID-19 meant the cancellation, delay or postponement of most of our planned events. However, despite this, we ran many events in varied and creative forms, including:
    - **Comedy Event.** With Mark Ritchie, a gifted Scottish communicator, joining us on a Sunday.
    - **Big Pub Quizzes.** These were enjoyed via Zoom on three occasions.
    - **Gladiator ACE**, real name Warren Furman, joined us to share his incredible story of being a man who had fame, money and celebrity yet felt empty and lonely, and his subsequent journey of meeting Christ.



    - **#LoveChristmas initiative.** In partnership with churches across the UK, hundreds of beautifully wrapped Christmas boxes filled with gifts and treats were sent to the elderly in our community, homeless and refugees as well as families in poverty.
    - **Christmas Day Service.** Our online meeting had 1,000s of people watching our performance song and inspirational message.
    - **Al Massira discipleship course.** This was run to help Farsi speakers communicate the gospel and share their story with others from the same language group.

**TSM (Training for Supernatural Ministry)** is a training course aimed at equipping men and women of all ages and stages of life to live like Jesus. The course starting in October 2020 looked very different due to a restructuring of the course and the COVID-19 crisis. We had around 80 full course students and 50 modular students with the course being available online.




**KA Apostolic**. This oversees and spearheads the trans-local work of the church in serving other local churches and apostolic networks. We are working with over 48 different mainly UK based churches. In addition we are working with churches in 14 other countries.

After lockdown travel was paused but we continued to serve churches in places ranging from New Zealand and Russia to Southampton through online Zoom meetings. It has been a privilege to support and offer aid to churches and micro businesses in developing world through the Catalyst emergency fund.

Online leadership training huddles continued to develop including those focusing on women in leadership (Wendy Mann) an Apostolic foundations huddle (Simon Holley and Phil Wilthew), and a European Leaders Huddle to support leaders in related churches in other European countries. We also launched our KA alumni huddle for friends of King's Arms who have moved away.

Just before the first lockdown we ran a very successful Resonate.global conference with over 159 attending from across the UK and other nations.

# TRUSTEES' REPORT

**Send.** Our Send programme came to an abrupt halt mid-March. The planned trip to North Africa was cancelled as was our annual International and Missions Sundays as we moved most of our gatherings online. We waited as long as possible to review our 'Homes of Hope' team trip to Mexico, planned for October, hoping to still go ahead with building a basic but sturdy, clean home for a struggling family in the Tijuana area. In August we had to reluctantly cancel those plans too.



What we had not anticipated was the wider reach we would have by moving our programmes and training online. 2020 saw us meeting up with our overseas friends and workers more often via online prayer meetings and training courses. Some of those had to be very early in the morning in order to span time zones, but seeing friends from America to Asia in one 'room' made it such a joy.

**Pastoral Support.** Perhaps unsurprisingly 2020 proved to be a demanding time for the Pastoral Team and Pastoral Volunteers at the King's Arms. Many of our structures and activities needed to be reworked in the constantly changing environment that COVID-19 wrought.

Social distancing and lockdowns meant that the majority of our in-person support through groups needed to be drastically reduced. Additionally, we saw a steep rise in the number of people requesting pastoral support for a variety of reasons. In some cases, this meant taking funerals and supporting families of loved ones who had died of the virus. In other situations, it meant connecting with those who were experiencing anxiety, depression or isolation as a consequence of the pandemic.
It has been inspiring to see how the church has responded to this crisis. Just a few examples of this amongst many would be:

- Operation Kindness. A team of volunteers bought and transported food and medicines to those in the community who needed to isolate.
- A pastoral team of over 40 volunteers made two rounds of 'checking in' phone calls to all those in the church community. Each round meant that over 1,000 calls were made. New connections and friendships were formed through these calls.
- Meal rotas for those with new born babies or infirmities.
- Takeaway vouchers for single parents juggling the demands of home schooling and work.
- Support through the Long-Term Illness Group for those with chronic conditions compounded by the pandemic

In addition to these responses, we also decided to pursue 3 main priorities in 2020

**Mental Health Needs.** Even prior to the pandemic we were conscious of the mental health crisis. The needs are even greater now. As a result, this became an emphasis for training volunteers, equipping practitioners and public messaging.

**Cultural/racial diversity awareness.** As a diverse church community, we draw people from dozens of different nations and cultures. We see how this enriches us as a church community. However, during 2019 we had begun to discuss how to take our cultural awareness deeper. We formed a small group of people drawn from a variety of backgrounds to move us forward in this area. The impact of George Floyd's murder only sought to underline the importance of this.

**Family conflicts.** The final area we decided to focus on was that of conflict within the family. This included conflict within relationships but also extended families. We continue to support a number of families and couples experiencing difficulties and in 2020 began to develop more materials around conflict resolution. The relational and financial pressures on families as a result of COVID have meant that this work has never been more important.

# TRUSTEES' REPORT




**Re-Track.** Realising the pandemic would be likely to dramatically affect Bedford, the King's Arms Church looked at how we could best serve our community during this difficult time. We asked the Mayor, MP and Local Councillors for their opinion. They felt unemployment would adversely affect many lives and should be addressed. As a community in Cauldwell, unemployment and underemployment was a major concern as we started coming out of the pandemic.

In response, from October 2020, Re-Track Career and Employment Centre was developed with the recruitment and training of volunteers as well as establishing links with referral agencies. Re-Track offers flexible one-to-one support for job seekers in helping with compiling CVs, searching for appropriate employment opportunities and preparing for interviews.

Between mid-October and the end of the year Re-Track accomplished the following:

- Successful recruitment of a Re-Track Manager
- Recruitment and training of 20 volunteers
- Provision of 48 emergency food parcels, helping 64 adults and 91 children.
- Support provided to 7 job seekers with creating CVs, searching for jobs and making applications.

All of these activities and others are described in greater detail in the Appendices.

## King's House Overview

King's House is a 30,000 sq ft building located on a 3 acre site, 1.5 km from the town centre on the Ampthill Road, Bedford. The purchase of the building was completed in late 2009 and, following development, now comprises: office accommodation on two floors at the front of the building, a 500-seater auditorium, reception/foyer, a variety of meeting rooms for up to 250 people, children's/youth facilities, toilets, kitchen and a coffee shop.

King's House similarly started 2020 like the previous year with the building being used during the week for numerous meetings, conferences and training events by local community organisations and businesses and on many days every room was being used. However, due to the Covid-19 pandemic, in mid-March we closed King's House to all but essential meetings, only opening initially for blood donations. As the first lock down lifted a few essential training sessions started to take place again.



For the past 9 years, we have been able to partner with the NHS and in December we became a vaccination centre for the Clinical Commissioning Group in Bedford.

Situated in the foyer area, Ground Floor Coffee shop was closed and all staff went on to the Corona Virus Job Retention Scheme. Between April and September, we renovated the coffee shop and protective screens were installed and the staff were trained in keeping themselves and our guests safe. We opened in September, but with few meetings being able to take place, sales were slow.

**Greenhouse Gas Emissions (GGEs)**. The government has committed to reduce the UK GGEs by at least 68% on 1990 levels by 2030 and to net zero on 1990 levels by 2050. In May 2019, Parliament declared a 'climate change emergency'. Consequently, the Trustees of the King's Arms agreed to assess the GGEs of the many activities of the Trust, and in particular King's House, with the aim of formulating policies and plans to reduce GGEs.

Using information provided by the Department for Business, Energy & Industrial Strategy, GGEs are classified as:

- Direct Emissions.
- Energy Indirect Emissions.
- Other Indirect Emissions.

Analysis showed that Electricity consumption by the King's Arms was by far the greatest contributor to GGEs. In 2019 King's House consumed 238,000 kWh of electricity resulting in around 60 tonnes of GGEs being emitted into the atmosphere. Consequently, the possibility of installing solar panels onto the roof of King's House was investigated and in mid-2020 a grant of £10K was awarded by Bedford Borough Council towards the £20K cost of installing 60 panels. The installation was completed in early 2021 with a projected annual reduction of 7 tonnes of GGEs.



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# TRUSTEES' REPORT

## GOVERNANCE

The importance of governance to the Trust is shown by the inclusion of a Governance Team in the top-level organisation as described earlier. In addition to the oversight provided by Trustees, the regular management and oversight of governance issues of the Trust includes:

**Governance Operations Team.** The team generally meets monthly and oversees the management and operations and development of King's House and staff issues.

**Finance Team.** This consists of the Governance Team Leader and Finance Officers and generally meets monthly. The Trust currently employs three Finance Officers (two part-time) with each being responsible for a separate area of the work of the Trust. Monthly management accounts are generated showing income and expenditure against the agreed budget and also annual forecasts.

**Trustees:** Keeping the Trustees regularly informed of all matters of importance and for the organisation of Trustee meetings.

**Legal:** Including ensuring that adequate insurance is in place and managing the leases for the office tenants at King's House.

**Health & Safety:** Including the generation and implementation of H&S Policies.

**HR:** Including policies and procedures, the recruitment of staff and the preparation of contracts of employment and associated job descriptions.

## STAFF

At the end of 2020 the Trust employed 61 staff, broken down as follows:

| | Church | TSM | Building | Total |
|---|---|---|---|---|
| Full time | 7 | 0 | 3 | 10 |
| Part time | 29 | 2 | 20 | 51 |
| Total | 36 | 2 | 23 | 61 |
| Full time equivalent | 18.7 | 0.8 | 6.3 | 25.8 |

The full-time church staff includes seven members of the SLT. Several staff have more than one role and thus have multiple contracts of employment.

A 'Death-in-Service' life insurance scheme was continued in 2020, at no cost to employees, with cover of four times salary. The Trust also contributes to a staff pension scheme.

All staff, including the two paid trustees, are subject to a formal six-monthly review/appraisals, the outcome of which assists in determining any salary increases. Salary scales are regularly 'benchmarked' against similar churches, charities and other equivalents.

## SAFEGUARDING

A full re-configuration of the safeguarding policy has taken place, with the policy and practice guidelines being re-written with help from the national charity Thirtyone:Eight. Trustees, the Safeguarding Coordinator and deputies are being trained in their responsibilities, guidelines for each area of the Trust's practice are being re-written, and a roll-out of policy and training will be completed during 2021 for all staff and volunteers.

# TRUSTEES' REPORT

## KA FACILITIES (BEDFORD) LTD

A wholly owned subsidiary company 'KA Facilities (Bedford) Ltd' (Company No: 8314420) commenced trading on 1 January 2013. The Ground Floor Coffee Shop and facilities bookings operate within this subsidiary company which gifts the trading surplus to the parent trust.

No staff are employed by the subsidiary company. Staff working in its support are employed by the parent Trust and their costs, including salary, NI and pension, are charged to the subsidiary company. The company also pays an annual rental charge of £24K for the use of the coffee shop facilities.

Due to the impact of COVID-19 the turnover of the company in 2020 was much reduced at £224.6K (£425.8K in 2019) with a loss of £4.6K (profit of £91.4K in 2019). Refer to Note 16.

Further details of the activities of the subsidiary company are provided in Appendix 9.

## FUTURE PLANS

Post the effects of the COVID-19 lockdowns plans include:

- Expanding the number of Sunday meetings at King's House and other venues in Bedford and the surrounding area.
- Further development of our on-line services and activities.
- Appointing additional Trustees with expertise in legal and HR.



## POST BALANCE SHEET EVENTS

As COVID-19 restrictions were eased in early 2021, Sunday meetings and activities at King's House were restarted. Initially the numbers attending Sunday meetings were limited and prior on-line booking was required. In July 2021 with the further easing of restrictions Sunday meetings were further expanded and current plans are to get back to the pre COVID situation of three meetings each Sunday in September.

The Ground Floor Coffee Shop reopened in June 2021 and facilities bookings by both internal and external customers have started to recover, helped by King's House being used as a vaccination centre for 6.5 days a week for the first 6 months of the year.

Financial support from voluntary donations by church members to the end of September 2021 has been maintained at very near to pre COVID-19 levels. Expenditure has continued to be minimized and budget forecasts continue to be generated with the aim of minimising any depletion of reserves.

The Trust has successfully navigated the impact of COVID-19 and the Trustees are confident that the Trust will continue as a going concern.

## PUBLIC BENEFIT

All the many and varied activities of the Trust as described in this report are available to, and for the benefit of, the public across the complete age spectrum, including children, teenagers and adults. The development of King's House, located in the Cauldwell area of Bedford, has significantly enhanced the scope of the activities that the Trust is able to provide to the benefit of the local and wider community. Thus, the Trust believes that it fully complies with the requirements of the Charities Act 2011 with respect to public benefit.

# TRUSTEES' REPORT

## FUNDRAISING

Most funds are provided by voluntary donations from those who attend the King's Arms Church. The Trust does not employ staff, or use professionals, whose sole job is to raise funds. On occasions, grant applications are made to provide funds to develop King's House. One grant application was made in 2020 to Bedford Borough Council for £10K to cover 50% of the cost of installing solar panels on the roof of King's House as described on Page 14.

## TRUSTEE INDUCTION AND TRAINING

The Trustees are also Directors of the company. Trustees are appointed by the Elders, with the approval of the other Trustees in accordance with the Memorandum and Articles of Association. Normally, new Trustees are already familiar with the work of the Trust, as they are committed members of King's Arms Church. However, in certain circumstances someone from another church, with whom we have a relationship, will be invited to become a Trustee. Prior to their appointment, new Trustees will meet with the Chair of the Trustees to review:

- The roles and responsibilities of a Trustee as defined in the Trustee Job Description
- The main documents which set out the operational framework for the charity including the Memorandum and Articles of Association.
- Resourcing and the current financial position as set out in the latest published accounts.
- Future plans and objectives.
- The Trustee Induction Procedure.

## STATEMENT OF TRUSTEES' RESPONSIBILITIES

Charitable company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company and of the profit or loss of the charitable company for that period. In preparing those financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to assume that the charitable company will continue in operation.

The Trustees are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and that are sufficient to show and explain the company's transactions. This ensures that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud or any other irregularities.

## RESERVES

The reserves policy, agreed by the Elders and Trustees, is to maintain a level of free (or unrestricted) reserves to mitigate against the risk that the Trust experiences an unexpected event which would put it in financial difficulty. We believe that the appropriate level of unrestricted reserves should be based on a proportion of our regular costs as follows:

- Four months of long-term commitments, such as mortgage and utilities payments and the cost of running our Sunday services which are a vital activity to maintain;
- Two months of medium-term commitments such as permanent staff costs and the financial support we provide to overseas work;
- One month of short-term costs, including the day to day ministry activity of the church.

Using the above criteria, a detailed review has estimated that reserves should be at least £300K which represents around 2 months of expenditure. The reserves held at 31 December 2020 are above the target level, which the Trustees judge is reasonable in view of the uncertainties created by COVID-19.

The level of reserves held is reviewed on a monthly basis. In addition, the Trustees annually review the reserves policy to ensure it remains up to date and relevant.

## INVESTMENT POLICY

Reserve funds are invested such that the total in any one bank/building society is ideally less than the £85K guarantee limit provided by the Financial Services Compensation Scheme (FSCS). In order to stay below the limit, accounts have been opened with Co-op Bank, Virgin Money Plc, CAF Bank Ltd, Nationwide Building Society and National Westminster Bank Plc. In the current uncertain financial climate and with interest rates being very low, priority is being given to protecting the reserves under FSCS rather than seeking to maximize interest.

## RISK MANAGEMENT

The major financial risks, as recognised by the Trustees, are as follows:

**Church.** For the church the risks are considered to be low due to the broad donor base. However, the risks have increased during the past few years due to the greater length of service being accumulated by staff and the contractual payments required should the church lose its donor base.

**Building.** The main risk associated with King's House is that sufficient income may not be generated to cover the costs associated with the operation and management of the building. These include loan repayments, staff salaries, operating and maintenance and any building developments. Risk is minimised by further capital expenditure on building development only being sanctioned when funds are available from the normally annual church 'gift days' or from transfers from general church reserves when necessary.

The finances for King's House, including KA Facilities (Bedford) Ltd are monitored and controlled separately from the other areas of the work of the Trust with the main source of income being the gifts and regular giving from members of the church, office rental and the surplus generated by KA Facilities (Bedford) Ltd. A detailed cash flow forecast has been generated to the end of 2021. Future building developments will only be undertaken when funding is available. Any significant surplus money may be used to reduce the bank loans.

## POLICIES AND PROCEDURES

The Trust has established policies which apply to both staff and those who take part in the community life and/or visit the church and building. During the past year existing policies, including Health & Safety policies, have been reviewed and upgraded and various new policies generated. Avensure have been appointed on a 3-year contract to provide legal services and assist with HR and Health and Safety issues.

## AUDITOR

The auditor, Mazars LLP, have signified their willingness to continue in office. A resolution to re-appoint them was passed at a meeting of the Trustees on 30 Jun 2020.

# TRUSTEES' REPORT

## STATEMENT OF DISCLOSURE TO THE AUDITOR

The Trustees have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

As far as the Trustees are aware, there is no relevant audit information of which the charitable company's auditor is unaware.

The Trustees have prepared this report in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small entities.

Approved by the Trustees on: Sep 28, 2021

and signed on their behalf:



.....

**Roydon Loveley**

Chair of Trustees

# INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE KING'S ARMS TRUST (BEDFORD)

**OPINION**

We have audited the financial statements of the King's Arms Trust (Bedford) (the 'parent charity') and its subsidiary (the 'group') for the year ended 31 December 2020 which comprise of the Consolidated Statement of Financial Activities, the Balance Sheets, the Consolidated Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent charity's affairs as at 31 December 2020 and of the group's income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**BASIS FOR OPINION**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**CONCLUSIONS RELATING TO GOING CONCERN**

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our audit procedures to evaluate the trustees' assessment of the charity's ability to continue to adopt the going concern basis of accounting included but were not limited to:

- Undertaking an initial assessment at the planning stage of the audit to identify events or conditions that may cast significant doubt on the charity's ability to continue as a going concern;
- Obtaining an understanding of the relevant controls relating to the trustees' going concern assessment;
- Evaluating the trustees' method to assess the company's ability to continue as a going concern;
- Reviewing the trustees' going concern assessment;
- Evaluating the key assumptions used and judgements applied by the trustees in forming their conclusions on going concern; and
- Reviewing the appropriateness of the trustees' disclosures in the financial statements.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material

misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**OPINIONS ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006**

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

- the information given in the Trustees' Report which includes the 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 light of the knowledge and understanding of the group and the parent charity 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 and proper accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charity financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specific 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' exemption 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 set out on page 17, the trustees (who are also the directors of the parent charity for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and the parent charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

**AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Based on our understanding of the group and parent charity and its activities, we identified that the principal risks of non-compliance with laws and regulations related to the Charities Act 2011, the Charities Statement of Recommended Practice, UK tax legislation, pensions legislation, employment regulation and health and safety regulation, anti-bribery, corruption and fraud, money laundering and non-compliance with implementation of

government support schemes relating to COVID-19, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements, such as the Companies Act 2006.

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

Our audit procedures were designed to respond to those identified risks, including non-compliance with laws and regulations (irregularities) and fraud that are material to the financial statements. Our audit procedures included but were not limited to:

- Discussing with the directors and management their policies and procedures regarding compliance with laws and regulations;
- Communicating identified laws and regulations throughout our engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the company which were contrary to applicable laws and regulations, including fraud.

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

- Making enquiries of the directors and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

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

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

**USE OF THE AUDIT REPORT**

This report is made solely to the 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 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 company and the company's members as a body for our audit work, for this report, or for the opinions we have formed.


Vincent Marke (Sep 28, 2021 18:45 GMT+1)

Vincent Marke (Senior Statutory Auditor)
for and on behalf of Mazars LLP
Chartered Accountants and Statutory Auditor
The Pinnacle
160 Midsummer Boulevard
Milton Keynes
MK9 1FF

Date: Sep 28, 2021

## Consolidated Statement of Financial Activities for the year ended 31 December 2020

INCORPORATING THE INCOME AND EXPENDITURE ACCOUNT

| | | Unrestricted funds | Designated funds | Restricted funds | Total funds Year ending | Total funds Year ending |
|---|---|---|---|---|---|---|
| | | | | | 2020 | 2019 |
| **Income from:** | **Notes** | **£** | **£** | **£** | **£** | **£** |
| Church | | 1,258,022 | - | - | 1,258,022 | 1,130,425 |
| King's House | | - | - | 57,407 | 57,407 | 64,324 |
| TSM | | - | 40,284 | - | 40,284 | 35,052 |
| Events | | - | 25,416 | - | 25,416 | 98,599 |
| KA Apostolic | | - | - | 63,029 | 63,029 | 81,535 |
| KA Media | | - | 1,799 | - | 1,799 | 10,181 |
| Trading income | **16** | 210,089 | - | - | 210,089 | 377,399 |
| **Total income** | **2** | **1,468,111** | **67,499** | **120,436** | **1,656,046** | **1,797,515** |
| **Expenditure:** | | | | | | |
| **Expenditure on raising funds** | | | | | | |
| Trading expenditure | **16** | 229,212 | - | - | 229,212 | 334,415 |
| **Expenditure on Charitable activities** | | | | | | |
| Church | | 882,460 | - | - | 882,460 | 901,949 |
| King's House | | - | - | 275,555 | 275,555 | 254,095 |
| TSM | | - | 33,848 | - | 33,848 | 27,416 |
| Events | | - | 16,380 | - | 16,380 | 61,033 |
| KA Apostolic | | - | - | 90,915 | 90,915 | 129,462 |
| KA Media | | - | 1,181 | - | 1,181 | 7,951 |
| Finance costs | | - | - | 21,083 | 21,083 | 26,394 |
| **Total expenditure** | **3** | **1,111,672** | **51,409** | **387,553** | **1,550,634** | **1,742,715** |
| **Net movement in funds** | | **356,439** | **16,090** | **(267,117)** | **105,412** | **54,800** |
| Transfer between funds | **6** | (286,243) | (9,672) | 295,915 | - | - |
| Balance brought forward | | 378,209 | 25,452 | 2,333,983 | 2,737,644 | 2,682,844 |
| **Balances carried forward as at 31 December** | **6 & 12** | **448,405** | **31,870** | **2,362,781** | **2,843,056** | **2,737,644** |

The Group's income and expenditure all relate to continuing operations. The Group has no recognised gains or losses other than those included above.

The notes on pages 26 to 37 form part of these accounts.

## Balance Sheets as at 31 December 2020

| | Notes | King's Arms Trust 2020 £ | King's Arms Group 2020 £ | King's Arms Trust 2019 £ | King's Arms Group 2019 £ |
|---|---|---|---|---|---|
| **Fixed assets** | | | | | |
| Tangible assets | **7** | 3,078,959 | 3,078,959 | 3,093,839 | 3,093,839 |
| **Current assets** | | | | | |
| Stock | | 1,378 | 3,261 | 1,478 | 3,068 |
| Debtors | **8** | 73,653 | 82,915 | 69,223 | 116,128 |
| Cash and cash equivalents | **9** | 520,390 | 524,503 | 386,805 | 423,683 |
| **Total current assets** | | **595,421** | **610,679** | **457,506** | **542,879** |
| Creditors falling due within one year | **10** | (136,241) | (157,291) | (141,404) | (171,538) |
| **Net current assets** | | **459,180** | **453,388** | **316,102** | **371,341** |
| Creditors due after one year | **11** | (689,291) | (689,291) | (727,536) | (727,536) |
| **Net assets** | | **2,848,848** | **2,843,056** | **2,682,405** | **2,737,644** |
| **Funds** | | | | | |
| Unrestricted funds | | 454,197 | 448,405 | 322,970 | 378,209 |
| Designated funds | | 31,870 | 31,870 | 25,452 | 25,452 |
| Restricted funds | | 2,362,781 | 2,362,781 | 2,333,983 | 2,333,983 |
| **Total funds** | **6 & 12** | **2,848,848** | **2,843,056** | **2,682,405** | **2,737,644** |

The notes on pages 26 to 37 form part of these accounts.

These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small entities.

Under Section 408 of the Companies Act 2006 the charitable company is exempt from the requirement to present its own profit and loss account. The surplus for the year with the accounts for the charitable parent company was £166,443 (2019: £45,315).

The financial statements were approved and authorised for issue by the Trustees on Sep 28, 2021 and signed on their behalf.



R. Loveley
**Trustee**




P. Humphrey
**Trustee**

## Consolidated Statement of Cash Flows at 31 December 2020

| | 2020 | 2020 | 2019 | 2019 |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| **Cash flows from operating activities** | | | | |
| Net movement in funds | 105,412 | | 54,800 | |
| Adjustments for: | | | | |
| Depreciation | 76,487 | | 67,251 | |
| Investment income | (1,057) | | (1,778) | |
| Finance costs | 21,083 | | 26,394 | |
| (Profit) / Loss on disposal of tangible fixed assets | (3,684) | | 3 | |
| Decrease / (Increase) in debtors | 33,213 | | (47,591) | |
| (Decrease) / Increase in creditors | (20,650) | | 3,582 | |
| Increase in stock | (193) | | (1,128) | |
| **Cash flows generated from operating activities** | | **210,611** | | **101,533** |
| Purchase of tangible fixed assets | (61,607) | | (201,124) | |
| Proceeds from sale of tangible fixed assets | 3,684 | | 816 | |
| Investment income | 1,057 | | 1,778 | |
| **Cash flows used in investing activities** | | **(56,866)** | | **(198,530)** |
| Repayment of loans | (31,842) | | (58,541) | |
| Finance costs | (21,083) | | (26,394) | |
| **Cash flows used in financing activities** | | **(52,925)** | | **(84,935)** |
| **Net increase / (decrease) in cash and cash equivalents** | | **100,820** | | **(181,932)** |
| **Cash and cash equivalents brought forward** | | **423,683** | | **605,615** |
| **Cash and cash equivalents carried forward** | | **524,503** | | **423,683** |

# NOTES TO THE FINANCIAL STATEMENTS

## ACCOUNTING POLICIES

### 1.1 General information

The King's Arms Trust (Bedford) is a company limited by guarantee (5899019), incorporated in England and Wales. The address of its registered office and principal place of business is disclosed in the company information page.

Our principal activities are to provide that of the advancement of the Christian faith in the UK and overseas; the advancement for the public benefit of religious and other education, and the relief of the aged, poor, sick and disabled.

The financial statements are presented in Sterling and this is the functional currency of the charity.

The financial statements are rounded to the nearest whole pound.

### 1.2 Accounting convention and basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)) and the Companies Act 2006.

King's Arms Trust (Bedford) meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

### 1.3 Basis of Consolidation

The income and expenditure and assets and liabilities of King's Arms Trust (Bedford) and KA Facilities (Bedford) Limited are consolidated within these Group financial statements to reflect control. All amounts in respect of group balances and transactions have been eliminated in arriving at the group figures.

Under Section 408 of the Companies Act 2006 the charitable company is exempt from the requirement to present its own profit and loss account. The surplus for the year with the accounts for the charitable parent company was £166,443 (2019: £45,315).

### 1.4 Going concern

These financial statements have been prepared on a going concern basis. The Trustees are satisfied that there are no material uncertainties related to events or conditions that may cast significant doubts about the ability of the group to continue as a going concern.

As detailed on page 16, as COVID-19 restrictions were eased in early 2021, Sunday meetings and activities at King's House were restarted on a limited basis. In July 2021 with the further easing of restrictions Sunday meetings were further expanded and current plans are to get back to the pre COVID situation of three meetings each Sunday in September.

The Ground Floor Coffee Shop re-opened in June 2021 and facilities bookings by both internal and external customers have started to recover, helped by King's House being used as a vaccination centre for 6.5 days a week for the first 6 months of the year.

Financial support from voluntary donations by church members to the end of July 2021 has been maintained at very near to pre COVID-19 levels. Expenditure has continued to be minimized and budget forecasts continue to be generated with the aim of minimising any depletion of reserves.

The Trust has successfully navigated the impact of COVID-19 and the Trustees are confident that the Trust will continue as a going concern.

## 1.5 Income

Tax credits (gift-aid) are included in the financial statements on an accruals basis as recommended by the Statement of Recommended Practice. This means that tax credits are taken into account in the period in which the originating donation was made.

Income from grants is recognised in the year that it is received unless the donor specifies otherwise or the grant is given to cover service provision in more than one financial year. In such cases the income is deferred (see note 10).

Rents receivable are credited to the relevant restricted fund based on the total due for the current year.

## 1.6 Voluntary assistance

Voluntary assistance to the charitable company was provided by approximately 300 (2019: 500) volunteers giving an estimated 30,000 (2019: 72,000) hours of service. Volunteers provided assistance in areas such as Trustees' duties, children's workers, leading Life Groups/Missional Communities, building maintenance, car park attendants and sound teams.

## 1.7 Allocation of costs

Costs are allocated directly to funds whenever applicable.

## 1.8 Pension costs

The pension costs charged in the financial statements represent the contributions payable by the charitable company during the year.

## 1.9 Operating leases

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

## 1.10 Tangible fixed assets and depreciation

Tangible fixed assets other than freehold land are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less the estimated residual value of each asset over its expected useful life, as follows:

| | |
|---|---|
| Freehold land | not depreciated |
| Buildings | 2% straight line |
| Fixtures & fittings | 15%-33% straight line |
| Motor vehicles | 25% reducing balance |

The freehold land and buildings were valued by Pinders Professional & Consultancy Services Limited in 2016 using a basis of valuation reported by the Royal Institution of Chartered Surveyors (RICS). This was a deemed cost adjustment on transition to FRS 102 in 2016. The building has subsequently been depreciated.

Depreciation is charged on the building over an estimated useful life of 50 years. The value of the building was estimated at half the valuation in 2016, the other half being freehold land which is not depreciated.

Tangible assets above £300 are capitalised.

## 1.11 Stock

Stock is held at the lower of cost and net realisable value.

### 1.12 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

### 1.13 Recognition of liabilities

All categories of liabilities are recognised in the period that they are incurred.

### 1.14 Unrestricted, designated and restricted funds

Unrestricted funds are funds given for the general purposes of the charitable company and these funds may be expended on the objects of the charitable company at the discretion of the Trustees.

Designated funds are unrestricted funds set aside for a purpose as determined by the Trustees.

Restricted funds are those funds that have been given for a specific purpose and they must only be expended on that purpose.

### 1.15 Financial instruments

Financial assets and liabilities are recognised on the Balance Sheet when the charity has become a party to the contractual provisions of the instrument.

### 1.16 Judgments in applying accounting policies and key sources of estimation uncertainty

In applying the company's accounting policies, the Trustees are required to make judgements, estimates and assumptions in determining the carrying amounts of assets and liabilities. The Trustees' judgements, estimates and assumptions are based on the best and most reliable evidence available at the time when the decisions are made, and are based on historical experience and other factors that are considered to be applicable. Due to inherent subjectivity involved in making such judgements, estimates and assumptions, the actual results and outcomes may differ.

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, if the revision affects only that period, or in the period of the revision and future periods, if the revision affects both current and future periods.

The key area of estimation and uncertainty is the depreciation of freehold land & building. Please refer to accounting policy 1.10 and note 7.

## 2 Total income

| | Donations | Rent | Student Income | Investment Income | Events/ conferences/ Other Income | 2020 Total | 2019 Total |
|---|---|---|---|---|---|---|---|
| | £ | £ | £ | £ | £ | £ | £ |
| **Unrestricted income** | | | | | | | |
| Church | 1,240,450 | - | - | 1,057 | 16,515 | 1,258,022 | 1,130,425 |
| Trading income | - | - | - | - | 210,089 | 210,089 | 377,399 |
| | **1,240,450** | **-** | **-** | **1,057** | **226,604** | **1,468,111** | **1,507,824** |
| **Designated income** | | | | | | | |
| TSM | 1,238 | - | 39,046 | - | - | 40,284 | 35,052 |
| Events/conferences | 1 | - | - | - | 25,415 | 25,416 | 98,599 |
| KA Media | - | - | - | - | 1,799 | 1,799 | 10,181 |
| | **1,239** | **-** | **39,046** | **-** | **27,214** | **67,499** | **143,832** |
| **Restricted income** | | | | | | | |
| King's House | 21,739 | 31,985 | **-** | **-** | 3,683 | 57,407 | 64,324 |
| KA Apostolic | 62,248 | - | - | - | 781 | 63,029 | 81,535 |
| | **83,987** | **31,985** | **-** | **-** | **4,464** | **120,436** | **145,859** |
| **Total income** | **1,325,676** | **31,985** | **38,046** | **1,057** | **258,282** | **1,656,046** | **1,797,515** |

## 3 Direct charitable expenditure

| | Staff Costs | Direct Costs | Indirect Costs | Depreciation | 2020 Total | 2019 Total |
|---|---|---|---|---|---|---|
| | £ | £ | £ | £ | £ | £ |
| Church | 626,805 | 255,655 | - | - | 882,460 | 901,949 |
| King's House | 112,951 | 86,117 | - | 76,487 | 275,555 | 254,095 |
| TSM | 30,285 | 3,563 | - | - | 33,848 | 27,416 |
| Events/conferences | 8,670 | 7,710 | - | - | 16,380 | 61,033 |
| KA Apostolic | 80,410 | 10,505 | - | - | 90,915 | 129,462 |
| KA Media | 637 | 544 | - | - | 1,181 | 7,951 |
| **Sub-total** | **859,758** | **364,094** | **-** | **76,487** | **1,300,339** | **1,381,906** |
| *Trading expenses* | 190,796 | - | 38,416 | - | 229,212 | 334,415 |
| *Finance costs* | - | - | 21,083 | - | 21,083 | 26,394 |
| **Total** | **1,050,554** | **364,094** | **59,499** | **76,487** | **1,550,634** | **1,742,715** |

The difference between Staff Costs in the above and Employee Information in Note 5 is £3,340. This is due to staff life insurance being included in the figures above but not in Note 5.

## 4 Auditor's remuneration

| | King's Arms Trust | King's Arms Group | King's Arms Trust | King's Arms Group |
|---|---|---|---|---|
| | 2020 | 2020 | 2019 | 2019 |
| | £ | £ | £ | £ |
| Statutory audit | 14,490 | 14,490 | 13,445 | 12,945 |
| Non-audit services | - | 400 | - | 400 |
| **Total** | **14,490** | **14,890** | **13,445** | **13,345** |

## 5 Employee information

| | King's Arms Trust | King's Arms Group | King's Arms Trust | King's Arms Group |
|---|---|---|---|---|
| | 2020 | 2020 | 2019 | 2019 |
| | £ | £ | £ | £ |
| Salaries | 742,891 | 912,477 | 702,942 | 904,142 |
| Social security costs | 59,153 | 68,740 | 57,725 | 68,251 |
| Pension | 54,372 | 65,997 | 50,250 | 62,762 |
| **Total** | **856,416** | **1,047,214** | **810,917** | **1,035,155** |

The average number of persons employed by the Trust during the year was 41 (2019: 43).

The average number of persons employed by the Group during the year was 68 (2019: 68).

One employee was paid over £60,000 (2019: One).

Trustees' remuneration during the year was £122,726 (2019: £119,982) being the total remuneration package for two Trustees employed by the King's Arms Trust (Bedford) for services provided under employment contracts.

| | | 2020 | | 2019 | |
|---|---|---|---|---|---|
| **Trustee** | **Role** | **Salary** | **Pension** | **Salary** | **Pension** |
| | | £ | £ | £ | £ |
| **Paul Johnson** | Pastoral Elder | 47,056 | 3,987 | 46,524 | 3,934 |
| **Simon Holley** | Lead Elder | 66,067 | 5,616 | 64,154 | 5,370 |
| **Total** | | **113,123** | **9,603** | **110,678** | **9,304** |

Trustee remuneration is paid in accordance with the Trust Memorandum & Articles of Association for services provided to the Trust.

Trustee expenses were reimbursed to three (2019: three) Trustees during the year totaling £748 (2019: £2,446) being food & travel costs.

Key management personnel for the group is considered to be the Board of Trustees.

## 6 Movement in funds

| | At 1 January 2020 | Income | Expenditure including finance costs | Transfer (A) | Transfer (B) | Transfers (C ) | Transfer (D) | At 31 December 2020 |
|---|---|---|---|---|---|---|---|---|
| | £ | £ | £ | £ | £ | £ | £ | £ |
| **Unrestricted funds** | | | | | | | | |
| Church | 322,970 | 1,258,022 | (882,460) | - | (875) | (110,210) | (133,250) | 454,197 |
| Trading Company | 55,239 | 210,089 | (229,212) | (56,406) | 14,498 | - | - | (5,792) |
| | **378,209** | **1,468,111** | **(1,111,672)** | **(56,406)** | **13,623** | **(110,210)** | **(133,250)** | **448,405** |
| **Designated Funds** | | | | | | | | |
| TSM | 3,926 | 40,284 | (33,848) | - | (142) | (3,220) | 1,079 | 8,079 |
| Events/Conferences | 18,798 | 25,416 | (16,380) | - | (7,540) | (905) | 959 | 20,348 |
| KA Media | 2,728 | 1,799 | (1,181) | - | - | - | 97 | 3,443 |
| | **25,452** | **67,499** | **(51,409)** | **-** | **(7,682)** | **(4,125)** | **2,135** | **31,870** |
| **Restricted funds** | | | | | | | | |
| King's House | 2,318,492 | 57,407 | (296,638) | 56,406 | - | 90,187 | 102,436 | 2,328,290 |
| KA Apostolic | 15,491 | 63,029 | (90,915) | - | (5,941) | 24,148 | 28,679 | 34,491 |
| | **2,333,983** | **120,436** | **(387,553)** | **56,406** | **(5,941)** | **114,335** | **131,115** | **2,362,781** |
| **Total funds** | **2,737,644** | **1,656,046** | **(1,550,634)** | **-** | **-** | **-** | **-** | **2,843,056** |

The following transfers have been made:

- Transfer A: The transfer of £56,406 represents the gifts/distribution received from the trading subsidiary in the year.
- Transfer B: This represents the support income provided by the parent to its subsidiary undertaking.
- Transfers C: These relate to cross charges between different elements of the Trust, which are eliminated on consolidation as they are intra-group transactions.
- Transfer D: These represent cash transfers made between funds in the year.

## 7 Fixed Assets

| Group and Charity | Freehold land & buildings | Fixtures & fittings | Motor vehicles | Total |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| **Cost** | | | | |
| As at 1 January 2020 | 3,014,333 | 368,515 | 7,414 | 3,390,262 |
| Additions | 24,209 | 37,398 | - | 61,607 |
| Disposals | - | (5,050) | - | (5,050) |
| **Cost at 31 December 2020** | **3,038,542** | **400,863** | **7,414** | **3,446,819** |
| **Depreciation** | | | | |
| As at 1 January 2020 | 89,433 | 204,326 | 2,664 | 296,423 |
| Charge for the year | 33,499 | 41,801 | 1,187 | 76,487 |
| Disposal | - | (5,050) | - | (5,050) |
| **Depreciation at 31 December 2020** | **122,932** | **241,077** | **3,851** | **367,860** |
| **Net book value** | | | | |
| **At 31 December 2020** | **2,915,610** | **159,786** | **3,563** | **3,078,959** |
| At 31 December 2019 | **2,924,900** | **164,189** | **4,750** | **3,093,839** |

The freehold land and buildings were valued by Pinders Professional & Consultancy Services Limited in 2016 using a basis of valuation reported by the Royal Institution of Chartered Surveyors (RICS). This was a deemed cost adjustment on transition to FRS 102 in 2016. The building has subsequently been depreciated.

## 8 Debtors

| | King's Arms Trust | King's Arms Group | King's Arms Trust | King's Arms Group |
|---|---|---|---|---|
| | 2020 | 2020 | 2019 | 2019 |
| | £ | £ | £ | £ |
| Other debtors | 7,138 | 29,547 | - | 46,845 |
| Due from subsidiary Company | 13,147 | - | - | - |
| Accrued income & prepayments | 23,663 | 23,663 | 28,989 | 29,049 |
| Tax credit (gift-aid) | 29,705 | 29,705 | 18,573 | 18,573 |
| VAT refund due | - | - | 21,661 | 21,661 |
| **Total debtors** | **73,653** | **82,915** | **69,223** | **116,128** |

## 9 Cash and cash equivalents

| | King's Arms Trust 2020 £ | King's Arms Group 2020 £ | King's Arms Trust 2019 £ | King's Arms Group 2019 £ |
|---|---|---|---|---|
| Bank - current accounts | 275,406 | 279,519 | 223,073 | 259,951 |
| Bank - instant access deposit accounts | 244,984 | 244,984 | 163,732 | 163,732 |
| **Total cash and cash equivalents** | **520,390** | **524,503** | **386,805** | **423,683** |

## 10 Creditors falling due within one year

| | King's Arms Trust 2020 £ | King's Arms Group 2020 £ | King's Arms Trust 2019 £ | King's Arms Group 2019 £ |
|---|---|---|---|---|
| Accrued expenses & creditors | 36,318 | 38,486 | 37,586 | 42,794 |
| Deferred income | 21,851 | 21,851 | 40,839 | 40,839 |
| Loans | 66,499 | 66,499 | 60,096 | 60,096 |
| Other taxation and social security | 8,690 | 27,572 | - | 24,926 |
| Other creditors | 2,883 | 2,883 | 2,883 | 2,883 |
| **Total creditors** | **136,241** | **157,291** | **141,404** | **171,538** |

Included in accruals are £0 of pension costs (2019: £7,360).

| **Deferred income** | King's Arms Trust 2020 £ | King's Arms Group 2020 £ | King's Arms Trust 2019 £ | King's Arms Group 2019 £ |
|---|---|---|---|---|
| At 1 January | 40,839 | 40,839 | 45,652 | 45,652 |
| Received during the year | 21,851 | 21,851 | 40,839 | 40,839 |
| Released to income for the year | (40,839) | (40,839) | (45,652) | (45,652) |
| **At 31 December** | **21,851** | **21,851** | **40,839** | **40,839** |

Student income is deferred as fees for the academic year (September-June) are paid in advance. Rental income is deferred when invoiced in advance for the following year.

## 11 Creditors due after one year

| | King's Arms Trust 2020 | King's Arms Group 2020 | King's Arms Trust 2019 | King's Arms Group 2019 |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| Unity Trust Bank Mortgage | 689,291 | 689,291 | 727,536 | 727,536 |
| **Total creditors due after one year** | **689,291** | **689,291** | **727,536** | **727,536** |

The original mortgage was taken out in December 2009 on the purchase of the Church building and offices (King's House). The original loan was taken out in December 2010 for the refurbishment of King's House. Both the mortgage and the loan were consolidated into one mortgage in March 2019, which is repayable over a period of 12 years. The building is held as security against both the mortgage and the loan.

| The mortgage and loan capital is repayable as follows: | King's Arms Trust 2020 | King's Arms Group 2020 | King's Arms Trust 2019 | King's Arms Group 2019 |
|---|---|---|---|---|
| **Amounts falling due:** | £ | £ | £ | £ |
| In one year or less, or on demand | 66,499 | 66,499 | 60,096 | 60,096 |
| Between two and five years | 281,862 | 281,862 | 259,910 | 259,910 |
| In five years or more | 407,429 | 407,429 | 467,626 | 467,626 |
| | **755,790** | **755,790** | **787,632** | **787,632** |

## 12 Net assets held by funds

| | Fixed assets | Stock | Debtors | Cash and cash equivalents | Creditors | Inter-company balances | Total |
|---|---|---|---|---|---|---|---|
| | £ | £ | £ | £ | £ | £ | £ |
| **Unrestricted** | | | | | | | |
| Church | - | - | 47,026 | 420,473 | (26,449) | 13,147 | **454,197** |
| Trading Company | - | 1,883 | 22,409 | 4,113 | (21,050) | (13,147) | **(5,792)** |
| **Designated Funds** | | | | | | | |
| TSM | - | - | - | 29,707 | (21,628) | - | **8,079** |
| Events/Conferences | - | - | - | 20,512 | (164) | - | **20,348** |
| KA Media | - | 1,378 | 93 | 1,972 | - | - | **3,443** |
| **Restricted** | | | | | | | |
| King's House | 3,078,959 | - | 13,222 | 12,825 | (776,716) | - | **2,328,290** |
| KA Apostolic | - | - | 165 | 34,901 | (575) | - | **34,491** |
| **Total net assets** | **3,078,959** | **3,261** | **82,915** | **524,503** | **(846,582)** | **-** | **2,843,056** |

Whilst King's House is classified as a restricted fund, is does include funds transferred from unrestricted Church and Trading Company funds for both the purchase and maintenance of the property.

## 13 Financial commitments and contingent liabilities

At the year end the charitable company was committed to making the following payments under operating leases in the coming years:

| | 2020<br>Other<br>£ | 2019<br>Other<br>£ |
|---|---|---|
| Expiring within one year | 4,003 | 4,003 |
| Between 1 – 5 years | 2,001 | 6,004 |

The total operating lease expense for the year was £4,003 (2019: £4,003).

At the year end the charitable company was entitled to the following rental income under operating leases in the coming years:

| | 2020<br>Other<br>£ | 2019<br>Other<br>£ |
|---|---|---|
| Expiring within one year | - | 45,295 |
| Between 1 – 5 years | - | 1,110 |

There were no contingent liabilities at the year-end (2019: none).

## 14 Pension costs

During the year defined contribution pension costs of £65,997 (2019: £62,762) were paid on behalf of 44 (2019: 40) employees to pension schemes administered independently of the charitable company.

## 15 Related Party transactions

KA Facilities (Bedford) Limited is a wholly owned subsidiary of the charity and as such has taken advantage of the exemptions conferred by section 33 Related Party Disclosures not to disclose transactions within the group needed by the charity.

The King's Arms Project (Bedford) was previously part of the King's Arms Trust (Bedford) and now shares one Trustee (Director), R Loveley. S Holley and P Johnson both resigned as King's Arms Project (Bedford) Trustees (Directors) on 31 December 2020 and 15 February 2020 respectively. During the year £22,831 (2019: £73,000) was donated to King's Arms Project (Bedford). Rent and service charges of £22,914 (2019: £31,973) were paid by the King's Arms Project (Bedford) for use of offices at King's House. A total of £24,435 (2019: £0) were paid by King's Arms Project (Bedford) for staff seconded by King's Arms Trust (Bedford). An outstanding balance of £5,029 was due to the King's Arms Trust (Bedford) at the year-end (2019: £0).

During the year KA Facilities (Bedford) Limited donated £0 (2019: £113) to King's Arms Project (Bedford). Charges for conference facilities of £1,292 (2019: £9,334) were also paid by King's Arms Project (Bedford) to KA Facilities (Bedford) Limited. An outstanding balance of £0 was due by King's Arms Project (Bedford) at the year-end (2019: £388).

During the year, King's Arms Trust (Bedford) donated £104,000 (2019: £8,000) to Catalyst Network of Churches, a charity which has two Trustees, R. Loveley and S Holley, who are also Trustees of the King's Arms Trust (Bedford), to support their activities. Income of £12,534 (2019: £12,288) was received from Catalyst Network of Churches, and expenditure of £1,291 (2019: £1,018) was incurred to Catalyst Network of Churches. KA Facilities (Bedford) Limited received income of £4,389 (2019: £4,115) from Catalyst Network of Churches for the provision of conference facilities during the year.

## 16 Trading Subsidiary

The wholly owned subsidiary undertaking is KA Facilities (Bedford) Limited (company number 8314420), a company which is limited by guarantee and registered in England and Wales. The registered office is the same as that of King's Arms Trust (Bedford). It will gift aid its taxable profits to suitable charities as agreed by the Trustees. A summary of its trading results is shown below. Accounts have been prepared and will be filed with the Registrar of Companies in due course.

| | Year ended 31 December 2020 | Year ended 31 December 2019 |
|---|---|---|
| | £ | £ |
| **Turnover** | 224,587 | 425,820 |
| Cost of Sales | (19,523) | (61,166) |
| **Gross Profit** | **205,064** | **364,654** |
| Administrative expenses | (209,689) | (273,248) |
| **Operating profit** | **(4,625)** | **91,406** |
| **Profit on ordinary activities before tax** | **(4,625)** | **91,406** |
| Tax | - | - |
| Gift Aid distribution | (56,406) | (81,921) |
| **Net movement in reserves** | **(61,031)** | **9,485** |
| **Reserves carried forward** | **(5,792)** | **55,239** |

Income of £14,498 (2019: £48,421) has been eliminated on consolidation, being intra-group transactions.

## 17 Financial instruments

| | King's Arms Trust | King's Arms Group | King's Arms Trust | King's Arms Group |
|---|---|---|---|---|
| | 2020 | 2020 | 2019 | 2019 |
| | £ | £ | £ | £ |
| Financial assets measured at fair value through profit and loss | 520,390 | 524,503 | 386,805 | 423,683 |
| Financial assets that are debt instruments measured at amortised cost | 20,285 | 29,547 | - | 46,845 |
| | **540,675** | **554,050** | **386,805** | **470,528** |
| Financial liabilities measured at amortised cost | **794,991** | **797,159** | **828,101** | **833,309** |

Financial assets measured at fair value through profit or loss comprise cash and cash equivalents.

Financial assets measured at amortised cost comprise other debtors and gift aid debtor.

Financial liabilities measured at amortised cost comprise trade creditors, other creditors, accruals and loan account.

## 18 Comparative Statement of Financial Activities

| | Unrestricted funds | Designated Funds | Restricted funds | Total funds Year 2019 |
|---|---|---|---|---|
| **Income from:** | **£** | **£** | **£** | **£** |
| Church | 1,130,425 | - | - | 1,130,425 |
| King's House | - | - | 64,324 | 64,324 |
| TSM | - | 35,052 | - | 35,052 |
| Events | - | 98,599 | - | 98,599 |
| KA Apostolic | - | - | 81,535 | 81,535 |
| KA Media | - | 10,181 | - | 10,181 |
| Trading income | 377,399 | - | - | 377,399 |
| **Total income** | **1,507,824** | **143,832** | **145,859** | **1,797,515** |
| | | | | |
| **Expenditure:** | | | | |
| Expenditure on raising funds | | | | |
| Trading expenditure | 334,415 | - | - | 334,415 |
| **Expenditure on Charitable activities** | | | | |
| Church | 901,949 | - | - | 901,949 |
| King's House | - | - | 254,095 | 254,095 |
| TSM | - | 27,416 | - | 27,416 |
| Events | - | 61,033 | - | 61,033 |
| KA Apostolic | - | - | 129,462 | 129,462 |
| KA Media | - | 7,951 | - | 7,951 |
| Finance costs | - | - | 26,394 | 26,394 |
| **Total expenditure** | **1,236,364** | **96,400** | **409,951** | **1,742,715** |
| | | | | |
| **Net movement in funds** | **271,460** | **47,432** | **(264,092)** | **54,800** |
| Transfer between funds | (312,088) | (40,438) | 352,526 | - |
| Balance brought forward | 418,837 | 18,458 | 2,245,549 | 2,682,844 |
| **Balances carried forward as at 31 December 2019** | **378,209** | **25,452** | **2,333,983** | **2,737,644** |

## 1. IMPACT

### Alpha



The Alpha course has been running at the King's Arms for many years, in line with the world-wide Alpha ministry. During lockdown, we ran two online Alpha courses and were pleased that moving to a Zoom based course was still a positive place for people to explore faith in a relaxed context.

### Prison Ministry (Inside Out)

This team has had to function differently this year due to COVID-19 restrictions. Our activity within the walls of HMP Bedford has been limited due to restrictions preventing the team from entering the prison. Activity, however, has continued as a team in prayer and support of the chaplaincy. We have delivered chocolates and notes for the prison staff to thank them for all they are doing in this time.

Individually, members of the team have been able to continue our work at certain times. One was able to volunteer weekly for a term (before total lockdown) in meeting with prisoners who are at risk of self-harm or suicide, as part of their ACCT agreement and support. This also involved offering general chaplaincy conversations to other men on the wings. Another team member was able to visit on several occasions to encourage residents and chaplaincy staff at the prison.

We have contributed DVDs for the lending library, and the King's Arms gave £500 which was used to support the residents during this incredibly difficult time, including buying DVD and CD players as the men were required to spend almost all day and night locked up in their cells.

### King's Playhouse

King's Playhouse normally runs every Wednesday morning in term time from 10:00-11:30 and started the year with over 80 families on its register, and nearly 100 carers and children in attendance each week. We closed the group in early March, a week before the national lockdown went into effect, as we had several elderly and vulnerable people in attendance with limited ability to socially distance tiny children. We have stayed closed throughout 2020, and though we did some outreach on Facebook, we had no uptake on offers of walks or meetups in the park. Our Facebook page continues to get regular traffic, and we opened again in April 2021.

### Special Events

COVID-19 meant the cancellation, delay or postponement of most of our planned events. However, despite this, we ran many events in varied and creative forms, including:

**Comedy Event.** We started the year with Mark Ritchie, a gifted Scottish communicator, joining us on a Sunday and were thrilled to see a response to the gospel from around 70 people.

**Big Pub Quizzes.** These were enjoyed on three occasions as guests were invited to take part in a Zoom based online quiz.

**Easter.** We held a special movie watching of **'The Heart of This Place',** with a modern retelling of the Biblical story of the Lost Son.

**Gladiator ACE**, real name Warren Furman, joined us to share his incredible story of being a man who had fame, money and celebrity yet felt empty and lonely, and his subsequent journey of meeting Christ.

'**Catching Up With…'** a LiveCast conversation between King's Arms leaders and inspirational figures shared live on our YouTube and Facebook platforms. These events were an excellent way of speaking about real issues both inside and outside the church in a dynamic way. We had contributions from Rachel Gardner, Andrew Cannon and Andy Kind and plan for a 2021 podcast to continue in the same format looking at Discipleship.



**#LoveChristmas initiative.** In partnership with churches across the UK, hundreds of beautifully wrapped Christmas boxes filled with gifts and treats were sent from the King's Arms to the elderly in our community, homeless and refugees as well as families in poverty.

**Christmas Day Service.** Our online meeting had 1,000s of people watching our performance song and inspirational message.

**Al Massira discipleship course.** This was run to help Farsi speakers communicate the gospel and share their story with others from the same language group.

**Costa Coffee Healing Cafe**

The Costa Coffee Healing Café is where a team from the King's Arms goes into the High Street branch of Costa Coffee each week looking for opportunities to pray for customers. Since it started over two years ago, we've had hundreds of encounters with people, seen God do some wonderful things, and built a tremendous rapport with the branch staff. In 2020 we were only able to operate until the March lockdown but even in these two months we had over 70 encounters with different people. In January, in response to a prompt from God, we saw a member of staff able to walk without pain in his knee after prayer. In February, a lady who had been crying out to God the night before also received healing in her right knee after being prayed for.

**Prayer**

Momentum has been built in the prayer life of the church even while our physical doors have been closed. Face to face prayer meetings have been replaced by those happening on Zoom, and we've been creative in how we pray together. We started a 'daily devotion' email that goes out to over 200 people, and two weekly Zoom prayer meetings. We also 'prayer walked' 40% of Bedford's streets through the summer and a group of leaders spent 10 days praying and fasting for the church, "Zooming" each morning for 15 minutes to pray together. During our weekly staff meetings, 50% of the time is now given to praying. This adaption has enabled many people to pray together in ways that would not have previously been possible, so we're grateful for a year of moving forwards.

**Design & Communications**

The year required lots of change and flexibility for the Design and Communications team as we had to react to the demands of COVID-19. Highlights include getting a studio at King's House up and running, and maintaining a high standard for our video content with all our meetings going online. The team worked well together, facilitating the necessary rapid pivoting as the year progressed, and always approaching the many changes in a willing and faith-filled manner.

Unfortunately, Jules Burt had to step down from the role of Videographer due to long term illness but we were pleased to welcome Gareth Squance on a temporary basis to fulfil the role. Josh Shaw was added to the team as studio manager, overseeing the management and running of the studio, a role he currently holds until the University site is able to meet again.

## 2. CONNECT

The Connect team is led by Sue Smith and is responsible for the oversight of our Sunday Services, King's Kids and conferences/events. 2020 saw some major challenges and changes in how the Team operated in response to COVID-19.



**Sunday Services**

In the first two months of the year the team worked hard as we transitioned to being a multi-location church with the launch of a new site at the Polhill Campus of the University of Bedfordshire. We had a fantastic launch across both locations in early March for one week before everything changed.



In March with the onset of the first lockdown we moved our services online and for the following six months ran live hosted meetings at 9:30am, 11:30am and 8pm with an average weekly attendance of 1,042 people watching.

In late September we reopened our physical doors and relaunched in-person meetings, whilst continuing a reduced online stream hosted at 9:30am for those choosing to stay more home based. We held two services at our King's House location at 9:30am and 11:30am and saw attendance gradually increase from the first week of 45 people to around 70 before we were thrown into a second lockdown and churches were asked to close again.

As a team we worked hard to put safe protocols in place in line with government guidance to ensure that we were a covid secure place of worship for those choosing to return to in-person gatherings and it took significant effort getting used to social distancing and new room layouts and one-way systems. For those few weeks it was a joy to be together in person to worship God and reconnect, albeit in a very weird socially distanced format.



With the onset of the third lockdown in November, we launched a new way of gathering on a Sunday through 'Raw Church'. Following a pilot through the month of August, where 40 people gathered on Zoom to try out a disciple-making tool known as Discovery Bible Study, we launched three Raw Church meetings at 9:30am, 10:30 (focussed initially on those attending the University location) and 11:30am. Each Raw Church saw around 70 people sign up to grow together in God's word each week. One person comments of their experience of Raw Church:

> *"it's been sooo nice to connect. Enjoying the worship, getting to know different people, delving a bit deeper into the Bible and checking in what we did about last week's thoughts".*

We ended the year enjoying worship services in all three formats with people choosing what best suited them.

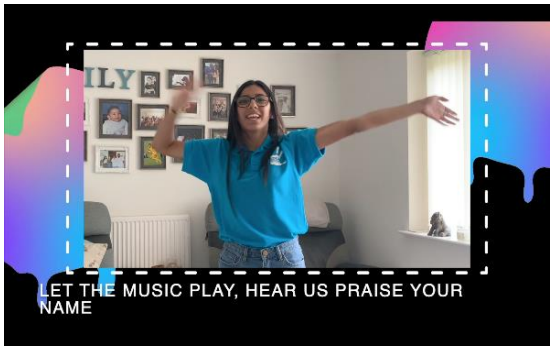
**King's Kids**



The year started with January to March being similar to 2019 with between 180 and 210 attending King's Kids on a Sunday morning during the two services based at King's House. In March with the start of the second site, King's Kids was also run at the University.

However, all changed with the start of the first lockdown in March. Since then, we have produced an online recording for families to watch at home together. This has involved videos made by team and families, and has included singing, storytelling, challenges and even science experiments.

In addition, we ran an online 'Expectant mum's' group to help support those expecting babies and those who were new mums.




After Easter we ran two midweek groups for school aged children online each week during term time. This gave them the opportunity to continue seeing each other and they were able to do fun activities with between 5 to 15 children attending each one.

In May we joined with a number of other churches to produce a session for families from all the churches for the Catalyst Festival. In August we joined with these same churches to produce 6 sessions that were then shown across the churches during the Summer holidays. These sessions included bible teaching, singing and fun challenges.

During the Autumn term, as well as running the online sessions, we also returned to King's House where we ran a Family Service for up to 12 families at a time. Families sat together on rugs, socially distanced from each other, and were able to watch the pre-recorded session whilst also doing craft activities.

In late October we ran a 'Light Party' online where we had a fun evening for children from the church and local community. This was pre-recorded in conjunction with Duggie Dug Dug.

In November, we helped to create a KS1 and KS2 nativity assembly video for our local schools. This was accessible at no cost and was downloaded by over 60 schools with an estimated 7,000 to 9,000 children watching.

In December we ran our Christmas Family Service attended by 25 families at King's House and also online for those unable to attend in person. Activity packs were provided for families to use at home to help with connection.

**Events and Conferences**



Throughout January and February our Events and Conferences continued, allowing opportunities for local, national and international guests to deepen their relationships with Christ by hearing powerful, equipping teaching and through great worship and prayer. In early February we hosted our annual "Sounds of Glory" conference with 342 delegates in attendance to hear teaching from Mike Pilavachi, Simon Holley, Phil Wilthew and Rachel Milano.

From March onwards we paused our conferences, but in September we held our first ever live online Father Heart Conference. We had over 100 delegates join us virtually to hear teaching from the team at Father Heart Ministries, Simon Holley and Amanda Humphrey.

## 3. COMMUNITY

**Group Life: Life Groups, Missional Communities and Equip Groups**

This was a difficult year due to COVID-19 as the basic purpose of a group is to meet with people, and obviously this has not been allowed. However, group life has continued to run, on-line, and when able to meet up in a social distanced manner. At the end of 2020 we had 35 groups (compared to 60 last year) with 420 people signed up. We are looking forward to the lifting of restrictions when we will relaunch Missional Communities, (groups that focus on a mission), Life Groups, (groups that focus on community) and Equip Groups, (groups that focus on learning a new skill).




The stories and impact in group life over 2020 continue to be astonishing - punching above its weight. These include spiritual transformation in the local immigration centre, groups praying for people and seeing various healings from mental health to physical ailments, and communities coming together to support each other.

During the year we changed from a termly to a half yearly rhythm where people have two weekends and one week to sign in. We then have Belong open for all those who come after the sign-up period. We make this the focus of church life during this period and encourage people to access the groups via the King's Arms website. This means we can maximise the opportunity to get as many people connected as possible.

We have diverse leadership, from young 20s up to late 80s, different genders and ethnic backgrounds. Our mantra of "what is God saying and what are you going to do about it" means we allow all to have a go - with clear boundaries as to what we can do and attempt to achieve.

**Safeguarding:**
A full re-configuration of the safeguarding policy has taken place, with the policy and practice guidelines being re-written with help from the national charity Thirtyone:Eight. Trustees, the Safeguarding Coordinator and deputies are being trained in their responsibilities, guidelines for each area of the Trust's practise are being re-written, and a roll-out of policy and training will be completed during 2021 for all staff and volunteers.










**Youth**

King's Arms Youth is made up of around 200 young people in total, with 100-110 attending on a Sunday over the two services. It is overseen by Owen Tuffin, supported by Lauren Wilthew, Tim Brown and a team of volunteers who are all DBS checked. The young people are split into two age groups, 11-14s and 15-18s but we regard ourselves as one youth family, doing as much as we can all together.



This year has looked different for Youth and we've had to adapt to ever-changing restrictions. At the start of the national lockdown, we ran a Wednesday night Zoom group where we picked a verse from scripture and studied it in breakout groups. For Sundays, we ran an online chat whilst the church Sunday meetings were running, so young people could chat with us whilst watching the main meeting.




In the summer, we ran a park discipleship group where young people would meet in groups of 5 with a leader to go deeper in their relationship with God whilst either walking or sitting in a circle, socially-distanced.

In September we were able to run a Youth evening service where we had an average attendance of 50 young people. In these times we played some socially-distanced quizzes and games as well as worshipping without singing through drawing or reflective thinking. We would then have a 10–15-minute talk.

## 4. PASTORAL

**Pastoral Support**
Perhaps unsurprisingly 2020 proved to be a demanding time for the Pastoral Team and Pastoral Volunteers at the King's Arms. Many of our structures and activities needed to be reworked in the constantly changing environment that COVID 19 wrought.

Social distancing and lockdowns meant that the majority of our in-person support through groups needed to be drastically reduced. Additionally, we saw a steep rise in the number of people requesting pastoral support for a variety of reasons. In some cases, this meant taking funerals and supporting families of loved ones who had died of the virus. In other situations, it meant connecting with those who were experiencing anxiety, depression or isolation as a consequence of the pandemic.

**Pastoral Response in 2020.** Having said this, it has been inspiring to see how the church has responded to this crisis. Just a few examples of this amongst many would be:

- Operation Kindness. A team of volunteers bought and transported food and medicines to those in the community who needed to isolate.
- A pastoral team of over 40 volunteers made two rounds of 'checking in' phone calls to all those in the church community. Each round meant that over 1,000 calls were made. New connections and friendships were formed through these calls.
- Meal rotas for those with new born babies or infirmities.
- Takeaway vouchers for single parents juggling the demands of home schooling and work.
- Support through the Long-Term Illness Group for those with chronic conditions compounded by the pandemic

**Pastoral Priorities in 2020.** In addition to these responses, we also decided to pursue 3 main priorities in 2020

**1. Mental Health Needs**

Even prior to the pandemic we were conscious of the mental health crisis. The needs are even greater now. As a result, this became an emphasis for training volunteers, equipping practitioners and public messaging.

We ran mental health and wellbeing evenings over Zoom and signposted people to mental health professionals. Two of the team are in the final stages of qualifying as counsellors and we are hoping that they and others within the church family will be able to offer support to the wider community in the months and years to come.

**2. Cultural/racial diversity awareness**

As a diverse church community, we draw people from dozens of different nations and cultures. We see how this enriches us as a church community. However, during 2019 we had begun to discuss how to take our cultural awareness deeper. We formed a small group of people drawn from a variety of backgrounds to move us forward in this area. The impact of George Floyd's murder only sought to underline the importance of this.

To deepen our understanding, we launched our 'Snapshots' evenings over Zoom. The aim of these evenings was to provide an opportunity for people to give us a 'snapshot' of their experiences of race and racism. This simple format, giving people a platform to share their experiences and being heard by others, proved to be extremely powerful for all those involved. So much so that the series continues into 2021.

We are also working on a "Recovering from Racial Abuse" course that will pilot once lockdowns are eased.

**3. Family conflicts**

The final area we decided to focus on was that of conflict within the family. This included conflict within relationships but also extended families. We continue to support a number of families and couples experiencing difficulties and in 2020 began to develop more materials around conflict resolution. Additionally, we have been involved in various extended family mediations.

The relational and financial pressures on families as a result of COVID have meant that this work has never been more important.

**Sozo**

This is a ministry in which the main aim is to get to the root of those things hindering a personal connection with God. Sozo consists of a single session, with an option to book in for another in a couple of months. The person is led through prayers of forgiveness towards people who have hurt them, are helped to deal with any traumatic issues from the past, and in the process are helped to listen to God for themselves. At the end of the session, the person leaves with a list of promises and truths that they have heard from God, and almost always say they feel lighter – and it shows in their expressions!

2020 has been a different year owing to the COVID-19 pandemic and lockdown restrictions. Before lockdown we held 12 Sozo sessions, supported and led in prayer by two people from the Sozo team who are trained in using Sozo techniques. During lockdown we started to try doing Sozo online using Zoom. It has worked well, with the three people (leader, seconder and guest) each in their own home, and the follow up notes being sent via email. This has enabled us to deliver Sozos to some people who live far away from Bedford, including places like Scotland and Zimbabwe! We held 15 online Sozos between May and November. However, some people on the waiting list for a Sozo have opted to wait until they can have a face-to-face Sozo, which for some will mean waiting many months.

Lockdown has meant limited opportunities for training and updating our techniques, but some training sessions such as the Basic Bethel Sozo UK Training and the Advanced Training are beginning to be put online, so we will be able to access these in the coming months.

## 5. SEND



Our Send programme came to an abrupt halt mid-March as the first lockdown took effect. Suddenly, our March trip to North Africa to visit our friend working there was cancelled. Gone too was our annual International and Missions Sundays as we moved most of our gatherings online. We waited as long as possible to review our 'Homes of Hope' team trip to Mexico, planned for October, hoping to still go ahead with building a basic but sturdy, clean home for a struggling family in the Tijuana area. In August we had to reluctantly cancel those plans too.

What we had not anticipated was the wider reach we would have by moving our programmes and training online. 2020 saw us meeting up with our overseas friends and workers more often via online prayer meetings and training courses. Some of those had to be very early in the morning in order to span time zones, but seeing friends from America to Asia in one 'room' made it such a joy. Through these online meetings we have had firsthand accounts and prayed for needs in Central Asia, Mozambique and North African nations. In August, we received eyewitness reports of the factory explosion in Lebanon from a friend living there. Following this we sent support and finances to help with the relief efforts.



Our friend Paula has had a year of negotiating uncertain restrictions in Northern Mexico where the country was hard hit by the pandemic. Towards the end of the year, she was able to resume working amongst families in downtown Tijuana bringing hope, training and life skills to the poorest in her community – see picture opposite. We are so proud of her!

In September we donated to Seedfund Limited, a charity committed to helping small businesses in developing countries. Then, in November, we gave financially to help support our friends in Izmir, Turkey following an earthquake in their city. We have also continued to support our dear friends in Central Asia and the Middle East as they battled the effects of the Covid-19 pandemic in their own countries with very limited resources.

More locally we have been supporting Abigail as she continues her training and ministry with young people via 'Youth With A Mission'. Although she moved back home during the pandemic, her work continued online with a lot of creativity and fun.

## 6. TSM

TSM (Training for Supernatural Ministry) is a training course aimed at equipping men and women of all ages and stages of life to live like Jesus. The course runs for nine months from October to July as an evening school. All TSM students attend the evening school which takes place one evening a week and five Saturdays throughout the year.

Over the last 12 years we have seen more than 800 students come through TSM. The course starting in October 2020 looked very different due to a restructuring of the course and the COVID-19 crisis. The course now has six modules that last four weeks each. We had around 80 full course students and 50 modular students in 2020. TSM is led by an incredible team, some of whom are employed but most of whom are volunteers. We are so grateful for the time they give to make TSM what it is.




Students attending TSM tend to embark on an inward journey, which then affects their outward journey. We teach students who God is as their good Father and who they are as His beloved sons and daughters. This truth often leads to internal freedom, which then brings courage and lightness to students as they learn to release God's Kingdom wherever they go. As students go about their day-to-day lives we are encouraging them to ask the question, 'what does courage look like?' We hear stories each week of friends, family members and often complete strangers who have encountered God's love through the boldness of our TSM family.

Since October 2020 we made TSM available online instead of an in-person course. The uptake and impact have been very positive. TSM has a great team that loves serving God together and sees students equipped in their faith. Students are very positive and even churches have brought groups of people to attend a module or the full course.

In 2019 we started getting vision for a new leadership school for a smaller number of people that want to implement the TSM material in their own environments. In January 2020 we launched TSM Lead, which ran with a maximum of 30 people over four weekends. We held two fantastic weekends before the corona crisis hit and we postponed the rest of the course till a later date.

One student writes:

> *"TSM is a game changer!! I have been blown away by the amazing teaching and wonderful presence of God. In the last session I cried almost the whole evening. I have been freed from 47 years of a broken and painful relationship with my Mum. I have had my heart completely changed towards her, feeling compassion and love for her in a new and wonderful way."*

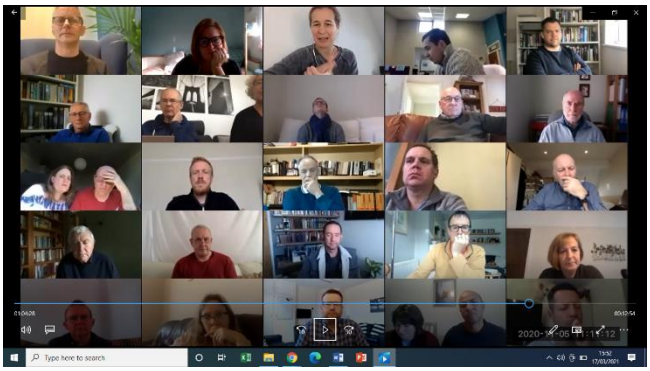
## 7. KA Apostolic

King's Arms Apostolic oversees and spearheads the trans-local work of the church in serving other local churches and apostolic networks. As a church, we are having the increasing privilege and opportunity to help churches across the world.

King's Arms is part of a relational network of churches called Catalyst, serving over 80 churches in the UK and many other established and new churches in other nations across the world. In the UK, Catalyst is led through apostolic Hubs that care for churches and provide strategic direction. Both Simon Holley and Phil Wilthew are part of the core apostolic team for this network and have been actively involved in serving wider Newfrontiers/Catalyst events such as the Catalyst Festival, leadership training, Newday youth conference and Impact training.

The Bedford Hub is serving over 48 different Churches which are in varying stages of connection with us. The majority of these are in the UK, with a geographical spread from Horsham in Sussex to Dundee in Scotland. We also currently serve churches in 14 countries outside the UK, which receive input from our strategy team and church leaders on a regular basis. The Hub is served by a core team made up of 7 leaders from across the UK, Pyn Shabong joined the team after the Summer, he has input into many churches in India and Myanmar.

2020 has been an interesting year with our teams travelling at the beginning of the year to St Neots and Harpenden. After lockdown travel was paused but we continued to serve a number of key churches in places ranging from New Zealand and Russia to Southampton and also other relationships across the world through online Zoom meetings. It has been a privilege to support and offer aid to churches in developing worlds and businesses through encouraging the churches in our Hub to give to the Catalyst emergency fund.



Online leadership training huddles continued to develop this year including those focusing on women in leadership (Wendy Mann) an Apostolic foundations huddle (Simon Holley and Phil Wilthew), and a European Leaders Huddle to support leaders in related churches in other European countries. We also launched our KA alumni huddle for friends of King's Arms who have moved away overseas who have the potential to be a part of church planting in the future.



Just before the first lockdown we ran a very successful Resonate.global conference in February with over 159 attending from across the UK and other nations. We were very excited to have Martin Koornstra who leads Royal Missions in the Netherlands as our guest speaker.

The conference was a beautiful representation of the many nations we work with from Russia to Scotland. The conference started with our international leaders evening which was a social event with over 38 leaders enjoying food cooked on a wood fire. The conference theme was 'wave after wave' and many went away feeling encouraged.

## 8. KA Media

KA Media is an online store and resource centre with our products including:

- Video and audio recordings of our conferences.
- Teaching series, such as 'Working in Teams' and 'Culture Matters'.
- Books written by those in our community, such as 'Momentum' and 'Leading as Sons and Daughters'.

Due to COVID-19 and our normal conferences not running, we were unable to refresh some of our products and we were also unable to fulfil physical orders. However, we still maintained a steady flow of digital orders throughout the year.

Plans for 2021 include continuing to move towards more digital products and creating more partnerships with authors, artists and speakers.



## 9. KA Facilities (Bedford)

During the week, King's House is used by our wider community as a venue for conferences, meetings and events. During the first few months of 2020, bookings were steady, with many days when every room was being used. However, due to the Covid-19 pandemic, in mid-March we closed King's House to all but essential meetings, only opening initially for blood donations. As the first lock down lifted a few essential training sessions started to take place again.



For the past 9 years, we have been able to partner with the NHS and in usual times we have given a 30% discount on our rental rates whenever they have used the building. In September we were asked to quote for them to use the building as a vaccination centre. We extended our discount to 40%, meaning that we came out as the best value for money venue and so in December we became the main hub for the Clinical Commissioning Group in Bedford.

Situated in the foyer area, Ground Floor Coffee shop is open to the public Monday – Friday, 8.30am – 3.30pm but from mid-March the coffee shop closed and all staff went on to the Corona Virus Job Retention Scheme. Between April and September, we renovated the coffee shop with some new furniture, re-painting all the walls, and we also worked on a new brand – including renaming many of our products and using different fonts for our displays. We also ensured that protective screens were in place and the staff were trained in keeping themselves and our guests safe. We opened in September, but with few meetings being able to take place, sales were slow.



## 10. Re-Track

Realising the pandemic would be likely to dramatically affect Bedford, the King's Arms Church looked at how we could best serve our community during this difficult time. We asked the Mayor, MP and Local Councillors for their opinion. They felt unemployment would adversely affect many lives and should be addressed. As a community in Cauldwell, unemployment and underemployment was a major concern as we started coming out of the pandemic. Many residents have zero-hours contracts and their hours have reduced dramatically. Some have been furloughed and have anxiety about their long-term employment prospects, and others have been made redundant. Some are still working but suffering the effects of lock down on their mental health.




In response, from mid-October 2020, the Re-Track Career and Employment Centre was developed with the help of a match-funded grant of £20,125 from DCMS through the 'Love Your Neighbour' national initiative. The weeks until the end of December 2020 were spent recruiting and training volunteers as well as establishing links with referral agencies. Re-Track offers flexible one-to-one support for job seekers. We coach individuals in compiling their CVs, searching for appropriate employment opportunities, developing covering letters, filling in application forms and preparing for interviews. We also offer additional support in the form of emergency food parcels, development of workable personal budgets and signposting to debt-relief support through other agencies. The uniqueness of this project lies in it being a flexible one-to-one support service that works with jobseekers through all stages of seeking employment at a time to suit them rather than a time-bound training course.

Re-Track is staffed by one part-time employee together with trained and supervised volunteers from diverse backgrounds. Job seekers are referred to Re-Track by the Job Centre, those organisations working with ex-offenders and victims of domestic violence, the Citizen's Advice Bureau and other local agencies. We also encourage self-referrals. The service is open Monday to Friday from 10am - 2pm.

The first meeting with a jobseeker is usually face-to-face. It involves obtaining a work-life history and assistance in formulating a CV. We recognise that many jobseekers do not have access to a computer, their mobile phones being their only way of communicating and accessing the internet. Should Covid restrictions make it impossible for a jobseeker to attend a meeting with a Re-Track volunteer in person, we send them a link to Zoom on their mobile phone and meet with them virtually. Should this too prove difficult for them, we meet with them on WhatsApp video. The volunteer composes the CV on the Re-Track laptop (thus helping to address digital exclusion) in consultation with the jobseeker. Subsequent meetings which include job-searching and job-applications, are also conducted this way.

Between mid-October and the end of the year Re-Track accomplished the following:

- Successful recruitment of a Re-Track Manager
- Recruitment and training of 20 volunteers
- Provision of 48 emergency food parcels, helping 64 adults and 91 children.
- Support provided to 7 job seekers with creating CVs, searching for jobs and applying for them.

## 11. KING'S ARMS HISTORY AND DEVELOPMENT

The King's Arms Church was established in 1992 with the support and oversight of Woodside Free Church, Bedford (now Woodside Church). The King's Arms Trust was registered as a charity on 1 January 1995. Previous to this date the accounts were included within those of Woodside Free Church.

The King's Arms Church began to meet separately from Woodside in October 1992, initially on Sunday evenings. Since 1995 the church has met twice on most Sundays and has grown steadily in attendance. The church met in the dining room at Dame Alice Harpur School (now Bedford Girl's School) for many years before moving to King's House in 2010. King's House, which was purchased by the Trust in December 2009, was previously a factory manufacturing Crayola Crayons.

Throughout its history the King's Arms has been caring for poor and disadvantaged people in Bedfordshire. The King's Arms Project commenced work among Bedford's homeless in 1989 when a residential house located in Clarendon Street, Bedford was established. The Project has developed with additional houses and elements, all of which have been set up to cater for the needs of poor and disadvantaged people. In order to facilitate its further growth and development, the Project was established as a separate charitable company called the King's Arms Project (Bedford) which commenced operating on 1 March 2011.

Several new churches have been established in the UK and overseas by members of the King's Arms Church and a number of other churches are now being led by people who once attended the King's Arms Church. These include:

David Stroud, the founder of the King's Arms Church, who led a team to South Birmingham in 1998 and now leads Christ Church, London with five congregations meeting across the city.

Martin and Louise White who moved to North Birmingham in 1998 and lead The Crown Church.

Matt and Philippa Hatch who moved to Leeds in 2002 and lead Mosaic Church, a multi-site church meeting in four different locations around Leeds. They have also planted churches in Ireland, Ghana, South Africa and the UK.

Adrian and Lucy Hurst, Oasis Church, Birmingham.

Nick and Tracey Priggis, Hope Church, Shrewsbury.

Tim and Vicki Simmonds, Christ Church, Manchester.

Robin and Hannah Vincent, The Hill Church, Swansea.

Nick and Sue Griffin, London Life Vineyard Church, Crouch End, London.

Mike and Jen Milner. Vineyard Church, Guam.

Most of these churches are located in a multi-racial environment in deprived inner city areas, with an emphasis on caring for poor and disadvantaged people.

Other ex-members of the King's Arms Church include:

Mathew Neville, CEO of Alpha International.