

Company registration number: 05998496

Charity registration number: 1118251

Kings People's Church

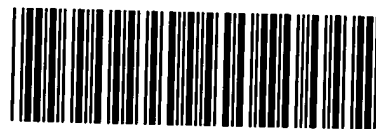
(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 December 2023

KM
Chartered Accountants
1st Floor, Block C
The Wharf
Manchester Road
Burnley
Lancashire
BB11 1JG

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18/09/2024

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COMPANIES HOUSE

Kings People's Church

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Kings People's Church

Reference and Administrative Details

Trustees	Mr A Bladen
	Mr P Denney
	Mr A Dougherty
	Mrs R Eden
	Mrs R Fisher
	Mr I J Scholes
	Mr D M Smith
Charity Registration Number	1118251
Company Registration Number	05998496
Registered Office	The charity is incorporated in England.
	The Mill
	Bury Road
	Bolton
	BL2 6QE
Auditor	KM
	Chartered Accountants
	1st Floor, Block C
	The Wharf
	Manchester Road
	Burnley
	Lancashire
Bankers	BB11 1JG
	Barclays
	1 - 5 Market Street
	Bolton
	BL1 1BU

Kings People's Church

Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 December 2023.

Trustees

Mr A Bladen

Mrs S P Clarke (resigned 27/09/2023)

Mr P Denney (appointed 01/01/2023)

Mr A Dougherty

Mrs R Eden (appointed 01/01/2023)

Mrs R Fisher (appointed 01/01/2023)

Mr I J Scholes

Mr D M Smith

Structure, governance and management

Kings People's Church (also known as Kings Church) is incorporated as a charitable company limited by guarantee and governed by its Memorandum and Articles of Association dated 18 December 2006.

Governance of the organisation resides with the trustees who are responsible for:

- Ensuring clarity of vision, ethos and strategic direction
- Holding leaders (including the Core Team to whom leadership of the church and management of the activities is delegated) to account for performance of the organisation and the effective and efficient performance management of the staff team
- Overseeing the financial performance of the organisation and making sure money is spent well and in accordance with the vision and values of the organisation.

Governance, structure and management are continually monitored by the board, and revised governance policies have been written and implemented over the past financial year. The board of Trustees has been strengthened in the past financial year with the addition of three new Trustees in January 2023. The board are considering future appointments in line with Charity Commission guidance.

The trustees make decisions about strategic matters such as buildings, finance, staff appointments, setting pay and remuneration of the charity's key personnel.

The Core Team has spiritual oversight of the organisation and makes operational decisions about church activities and direction in accordance with the strategic vision. The Core Team was expanded in December 2023 to deepen the breadth of experience of the eldership of the church.

Kings Church is affiliated to the Assemblies of God (AOG) to whom we look for good practice in both spiritual and operating activities. Senior Pastor Derek Smith was appointed to the National Leadership Team of AOG in 2023 with a focus on the area of Church Health. His appointment was approved at board level so as not to compromise ongoing activities of Kings People's Church and services delivered to users.

Kings People's Church

Trustees' Report

Objectives and activities

The objects of the church are to:

- Advance the Christian Faith in accordance with the Statement of Beliefs, in Bolton, Blackpool, Liverpool, Salford, Wigan and the Persian community based in Bolton, and in such other parts of the United Kingdom or the world as the trustees may from time to time think fit
- To provide and assist in the provision of facilities for the benefit of the communities where each of our campuses are based and the surrounding neighbourhood, which facilities may, without limitation, include the provision of childcare services and meetings, lectures, classes and other forms of education, training in life skills, recreation and leisure-time occupation without distinction of race, sex, political, religious or other opinion and with the objective of improving the conditions of life for the said inhabitants as the trustees may from time to time think fit
- Through our Sunday services and midweek programme, training events and other activities, our aim is to bring adults, young people and children into a greater spiritual, intellectual and moral awareness and to advance the practical application of Christianity
- We seek both to mobilise the people of God and express the love of God to those within and outside our congregation through all of our church activities
- We expect to see people's lives changed for the better as they experience God's help in their daily lives and the companionship and practical help of others in our supportive groups and gatherings
- We expect people to be better equipped in life skills through our training and education. We also expect beneficial changes in the lives of those both within and outside our congregation who receive practical help or gifts of food and clothing and of those who receive help from gifts made to overseas aid and famine relief.

All other charitable activities undertaken by the church are to further the attainment of the above objectives.

New vision statement

In 2023, the Core Team launched Kings Church's new vision statement.

Kings Church exists to establish
Jesus-centred faith communities that
Reach, Teach, Lead and Release.

Our congregations across all campuses are steadily growing and we have ambitions to expand into new communities in line with this new vision statement.

Related parties

The church maintains good working relationships with other churches and community outreach groups in the areas surrounding our campus locations, and also nationally. There is regular co-operation in pursuit of our mutual charitable objectives. None of these are deemed to be related parties.

Public benefit disclosure

Throughout the reporting period, the activities of the charity have been centred on six campus locations - Bolton, Blackpool, Wigan, Salford, Gateshead and Liverpool. All of the activities of the charity are deemed to be in the interest of the public benefit. Our governing document requires that our activities include the provision of facilities expressly for the benefit of people in the communities where we are located. All our community engagement activities have this as the primary objective. We work closely with The Message Trust in our Community Grocery at both The Mill, Bolton and Blackpool.

Kings People's Church

Trustees' Report

Kings Church continues to expand and review the efficacy of its activities and in July 2023, the trustees decided to release the Gateshead campus to operate outside Kings Church as they follow a different strategic direction. In September 2023, Kings Church launched a campus in Liverpool to reach and serve the community there. Future expansion developments include new campuses and Jesus-centred faith communities which form the basis of our core vision statement.

Other examples of the commitment to meeting our public interest objectives include the ministries of Christians Against Poverty (money management and life skills), Secret Angels, Clothes Bank, Love Does, Who Let the Dads Out, Community café and Connect groups, Community events, Community Locker, Mini-Giants (parent and toddler midweek groups), Neon nights, family fun days throughout the year, summer holiday kids' clubs, and family film nights.

Volunteers

Kings People's Church could not function without its volunteers who are highly valued. Most of the midweek activities are led by volunteers, all of whom are vetted, DBS checked (when applicable) and provided with induction training and guidance. On a normal Sunday, more than 150 volunteers across all campuses are involved in service delivery. Charity and local community outreach is undertaken by volunteers and coordinated by a paid staff member.

Social investment

The church's activities continue to expand, and this ensures continued focus on the need to consider the suitability of social investment. Currently debt financing is obtained via Kingdom Bank who support church and charity investments, secured against property.

We maintain research on opportunities with other grant and fund providers to help finance future and potential social investment projects.

Achievements and performance

We have seen attendance at all of our campuses grow over the past year. Almost 900 people call Kings their home, and attend one of our church services each week. Particular notable achievements this year have been in our young people's ministry. Our Encounter Youth programme at Bolton for ages 11-18's runs every Friday night and sees attendance not only from the young people who regularly attend Kings Church on a Sunday, but also from other teenagers from across the North West and in the communities in which we operate. The youth week away in April 2023 was attended by over 70 young people. Many of our young people have had the opportunity to train with the AOG 'Young Lions' programme, offering mentoring and leadership development. Feedback from local teachers has been that our young people are having a strong, positive 'leadership' impact within their school communities.

We continue to develop our community partnerships. We have partnered with a charity called 'Reach', and sponsor 3 events throughout the year at our Bolton Campus, including a Christmas gift appeal to ensure those in our community do not go without over Christmas. Our Salford campus partner with Saddleback Church, sharing facilities to help run additional church services reaching the Hong Kong community in Salford and the wider Manchester area. Our Community Grocery partnership with the Message Trust has expanded, with a grocery opening at our Blackpool campus, giving much needed provision to the community there.

The Trustees undertook a full organisational review this year and have designed and implemented a line management structure for our staff and key volunteers. A raft of new policies helps to ensure everyone, at all levels of our organisation, are striving for excellence, are supported in that aim, and are accountable in that aim. A strategy has been prepared in line with the new Vision statement to provide some practical steps in which to grow the charity and the church. We continue to have a designated trustee with oversight of risks affecting our organisation, recording and maintaining a risk register. We also have a designated trustee with oversight for safeguarding across our organisation.

Kings People's Church

Trustees' Report

A campus pastor recruitment day was very fruitful, and we were excited to welcome new Campus Pastors to provide leadership in our Salford Campus. We continue to develop the next generation of leaders for Kings Church and the wider Christian community. We continue to recruit strategically, finding the right people to work with us as we move forward.

Fundraising

The majority of funds have traditionally come as voluntary donations (tithes & offerings). As our community engagement is part of our core activities, we rely on voluntary donations to meet the majority of our expenditure. There has been no professional fundraising in respect of ordinary activities.

Financial review

During 2023 there was a steady increase in voluntary donations received by way of tithes and offerings which have increased 7.7% year on year. Our Bolton, Blackpool and Persian campuses in particular recorded strong levels of giving. Our original and flagship campus at Bolton remains the strongest numerically and in terms of giving and really supports the campus model of Kings Church.

We expect regular tithes and offerings to continue to steadily grow over the next year as campuses continue to grow.

The church held a Vision Offering on 21 May 2023, the first Vision Offering for two years with the 2022 Vision Offering being withdrawn as the timing coincided with the increase in energy bills and cost-of-living crisis affecting the UK. The Trustees and Core Team have reviewed the circumstances and are reinstating the annual Vision Offering, to be held in May 2024.

The start of 2023 included the strategic recruitment of staff to manage the sites and buildings at Kings Church. A Site Manager maintains the assets of the Church and a Room Booking Administrator is tasked with overseeing room hire activities and conferences.

The trustees undertook a full and detailed review of the organisation's finances and operating strategy in 2023. The review was undertaken to ensure that, as the charity has grown and developed, that it functions in the best and most efficient way possible to achieve the aims of the organisation and to ensure all donations were stewarded and used well, and always to further the Vision and charitable aims and objectives of the organisation. This has led to a reduction in the general expenditure of the organisation and a clear strategy to ensure the long-term growth and sustainability of the church. To further this aim, the building at our Salford campus was re-mortgaged with Kingdom Bank. This consolidated some short-term debt and liabilities, thus reducing expenditure.

Further financial accountability has been implemented with a thorough review and implementation of a new expenses policy, and the removal of all credit cards, except for a central purchasing card in the organisation.

The trustees consider that the continued development of The Mill premises will attract further business opportunities and will enable us to achieve our ambitions to provide hope and help to people in our local community and beyond providing new space not only for our 0-18s programme but also significant increase in our community outreach programmes.

Both Blackpool and Salford assets provide significant opportunity for community outreach development and room hire business to fund the costs of the buildings, with a view that donations will be spent on ministry and mission.

Kings People's Church

Trustees' Report

At the end of the year the financial statements showed a deficit of £150,336 (2022: surplus of £195,338) of which £133,397 was unrestricted and £16,939 was restricted. The surplus that the charity reported last year was derived in the main by the transfer of charitable activities and net assets from Pendlebury Evangelical Church of £324,562.

The funds carried forward at the year end totalled £716,230 made of up £689,059 unrestricted funds and £27,171 restricted funds.

Events after the reporting period

During the year the trustees and management of the charity took the opportunity to merge with another church (Urban Church) who are based in Warrington. The initial work surrounding the merger started towards the end of the financial year with the total time taken for completion to be between 6 to 12 months.

Reserves policy

As part of the ongoing governance review, the reserves policy was updated in January 2023 as follows:

The church aims to maintain free and available reserves equating to 10% of the annual net operating costs. Reserves will be re-assessed regularly and specifically in the following circumstances:

- A significant change in the core operations of Kings Church;
- Information coming to light that casts doubt on future income flows;
- A significant change to the wider environment in which Kings Church operates, including the overarching economic climate;
- Annually, in the event that no other re-assessment has taken place.

Key risks and uncertainties disclosures

The Trustees have assessed the risks that they consider are facing the charity and note the following:

- Cost of living continues to be a challenge, both for our expenditure as an organisation and for the members of our congregation.
- Challenges with developing space and growing our room-hire business. We should seek people who want to use the space we have, rather than trying to develop space to suit what the room-hirers are requesting.
- Expenditure and budgeting are being kept under close review to ensure best stewardship of our resources.
- Potential for capital expenditure on outdated infrastructure. Maintenance of buildings and assets needs to be constantly monitored.

Plans for future periods

2023 involved some substantial groundwork in reviewing Kings church as a whole, and putting in place foundations from which to grow and thrive in years to come. We are excited to see how our new Liverpool campus grows and develops over the coming year and are seeking opportunities to plant Jesus-centred faith communities in other locations. We are confident that we have created a structure and environment in which new communities can thrive from day 1.

Additional funding is being sought to facilitate development of the Mill in Bolton, as well as investment for our buildings in Blackpool and Salford. We are seeking a more permanent home for our Liverpool Campus and our Wigan Campus in order to provide a stable and prominent location within those communities, to further the aims to 'Reach, Teach, Lead and Release'.

Kings People's Church

Trustees' Report

Disclosure of information to auditor

Each trustee has taken steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information. The trustees confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

The annual report was approved by the trustees of the charity on 16 September 2024 and signed on its behalf by:



Mr I J Scholes
Trustee

Kings People's Church

Statement of Trustees' Responsibilities

The trustees (who are also the directors of Kings People's Church for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including its income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards, comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the trustees of the charity on 16 September 2024 and signed on its behalf by:



Mr I J Scholes
Trustee

Kings People's Church

Independent Auditor's Report to the Members of Kings People's Church

Opinion

We have audited the financial statements of Kings People's Church (the 'charity') for the year ended 31 December 2023, which comprise the Statement of Financial Activities, Balance Sheet, 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 United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2023 and of its 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 responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were 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.

Kings People's Church

Independent Auditor's Report to the Members of Kings People's Church

Opinion on other matter 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 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 the light of our knowledge and understanding of the charity 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 where the Companies Act 2006 requires us to report to you if, in our opinion:

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

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities (set out on page 8), the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor 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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below.

Our approach to identifying and assessing the risks of material misstatement 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 charity through discussions with trustees and other management, and from our knowledge and experience of the charity sector;

Kings People's Church

Independent Auditor's Report to the Members of Kings People's Church

- we focussed on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charity, including the Charities Act 2011;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- we identified laws and regulations which 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 charity'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 on material balances for which robust, substantive analytical procedures have been undertaken to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions; and
- investigated the rationale behind significant or unusual transactions.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of noncompliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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 our report

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

Kings People's Church

Independent Auditor's Report to the Members of Kings People's Church



.....
Mark Heaton FCCA DchA (Senior Statutory Auditor)
For and on behalf of KM, Statutory Auditor

1st Floor, Block C
The Wharf
Manchester Road
Burnley
Lancashire
BB11 1JG

16 September 2024

Kings People's Church

Statement of Financial Activities for the Year Ended 31 December 2023
(Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2023 £	Unrestricted funds £	Restricted funds £	Total 2022 £
Income from:							
Donations	4	843,876	23,986	867,862	780,071	53,659	833,730
Charitable activities	5	50,573	-	50,573	90,031	18	90,049
Other income	6	216,223	-	216,223	520,551	-	520,551
Total income		<u>1,110,672</u>	<u>23,986</u>	<u>1,134,658</u>	<u>1,390,653</u>	<u>53,677</u>	<u>1,444,330</u>
Expenditure on:							
Charitable activities	7	(1,256,611)	(28,383)	(1,284,994)	(1,224,411)	(24,581)	(1,248,992)
Total expenditure		<u>(1,256,611)</u>	<u>(28,383)</u>	<u>(1,284,994)</u>	<u>(1,224,411)</u>	<u>(24,581)</u>	<u>(1,248,992)</u>
Net (expenditure)/income		(145,939)	(4,397)	(150,336)	166,242	29,096	195,338
Transfers between funds		<u>12,542</u>	<u>(12,542)</u>	<u>-</u>	<u>6,527</u>	<u>(6,527)</u>	<u>-</u>
Net movement in funds		(133,397)	(16,939)	(150,336)	172,769	22,569	195,338
Reconciliation of funds							
Total funds brought forward		<u>822,456</u>	<u>44,110</u>	<u>866,566</u>	<u>649,687</u>	<u>21,541</u>	<u>671,228</u>
Total funds carried forward	19	<u>689,059</u>	<u>27,171</u>	<u>716,230</u>	<u>822,456</u>	<u>44,110</u>	<u>866,566</u>

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2022 is shown in note 19.

The notes on pages 16 to 27 form an integral part of these financial statements.

Kings People's Church

(Registration number: 05998496)
Balance Sheet as at 31 December 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	13	1,018,923	1,124,777
Current assets			
Debtors	14	94,651	79,619
Cash at bank and in hand		<u>166,679</u>	<u>66,797</u>
		261,330	146,416
Creditors: Amounts falling due within one year	15	<u>(122,130)</u>	<u>(116,012)</u>
Net current assets		<u>139,200</u>	<u>30,404</u>
Total assets less current liabilities		1,158,123	1,155,181
Creditors: Amounts falling due after more than one year	16	<u>(441,893)</u>	<u>(288,615)</u>
Net assets		<u>716,230</u>	<u>866,566</u>
Funds of the charity:			
Restricted income funds			
Restricted funds		27,171	44,110
Unrestricted income funds			
Unrestricted funds		<u>689,059</u>	<u>822,456</u>
Total funds	19	<u>716,230</u>	<u>866,566</u>

The financial statements on pages 13 to 27 were approved by the trustees, and authorised for issue on 16 September 2024 and signed on their behalf by:



Mr I J Scholes
Trustee

The notes on pages 16 to 27 form an integral part of these financial statements.

Kings People's Church

Statement of Cash Flows for the Year Ended 31 December 2023

	Note	2023 £	2022 £
Cash flows from operating activities			
Net cash (expenditure)/income		(150,336)	195,338
Adjustments to cash flows from non-cash items			
Depreciation		<u>104,654</u>	<u>105,463</u>
		(45,682)	300,801
Working capital adjustments			
(Increase)/decrease in debtors	14	(15,032)	2,136
Increase in creditors	15	5,750	9,199
Increase in deferred income	16	<u>20,375</u>	<u>-</u>
Net cash flows from operating activities		<u>(34,589)</u>	<u>312,136</u>
Cash flows from investing activities			
Purchase of tangible fixed assets	13	(26,908)	(445,066)
Sale of tangible fixed assets		<u>28,108</u>	<u>332,000</u>
Net cash flows from investing activities		<u>1,200</u>	<u>(113,066)</u>
Cash flows from financing activities			
Repayment of bank borrowings		(49,986)	(166,822)
Proceeds from new bank borrowings during the period		248,400	-
Repayment of capital element of finance leases and HP contracts	17	<u>(65,143)</u>	<u>(38,157)</u>
Net cash flows from financing activities		<u>133,271</u>	<u>(204,979)</u>
Net increase/(decrease) in cash and cash equivalents		99,882	(5,909)
Cash and cash equivalents at 1 January		<u>66,797</u>	<u>72,706</u>
Cash and cash equivalents at 31 December		<u><u>166,679</u></u>	<u><u>66,797</u></u>

All of the cash flows are derived from continuing operations during the above two periods.

The notes on pages 16 to 27 form an integral part of these financial statements.

Kings People's Church

Notes to the Financial Statements for the Year Ended 31 December 2023

1 Charity status

The charity is limited by guarantee, incorporated in England, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

The address of its registered office is:

The Mill
Bury Road
Bolton
BL2 6QE

These financial statements were authorised for issue by the trustees on 16 September 2024.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

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)) (issued in October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Basis of preparation

Kings People's Church 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 notes.

Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

Income

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of the income receivable can be measured reliably.

Donations

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

Kings People's Church

Notes to the Financial Statements for the Year Ended 31 December 2023

Grants receivable

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

Deferred income

Deferred income represents amounts received for future periods and is released to incoming resources in the period for which, it has been received. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees meetings and reimbursed expenses.

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Tangible fixed assets

Individual fixed assets are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Kings People's Church

Notes to the Financial Statements for the Year Ended 31 December 2023

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Buildings	Not depreciated
Leasehold improvements	Depreciated over the life of the leasehold
Fixtures and fittings	25% per annum straight line basis
Equipment	25% per annum straight line basis

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Statement of Financial Activities over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the charity has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Kings People's Church

Notes to the Financial Statements for the Year Ended 31 December 2023

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees discretion in furtherance of the objectives of the charity.

Designated funds are unrestricted funds set aside for specific purposes at the discretion of the trustees.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Pensions and other post retirement obligations

The charity operates a defined contribution pension scheme which is a pension plan under which fixed contributions are paid into a pension fund and the charity has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised in the Statement of Financial Activities when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

3 Judgements and key sources of estimation uncertainty

Judgements

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

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

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

Depreciation

The depreciation expense is the recognition of the decline in the value of the asset and allocation of the cost of the asset over the periods in which the asset will be used. Judgements are made as to the estimated useful life of the assets; these are regularly reviewed to reflect the changing environment.

Deferred and accrued income

Deferred and accrued income is based on the assumption that the amounts received or to be received are recognised in the period in which the work was done. Any amounts estimated are based on past experiences and amounts received after the year end. These judgements are regularly reviewed to reflect the changing environment.

Kings People's Church

Notes to the Financial Statements for the Year Ended 31 December 2023

4 Income from donations

	Unrestricted funds		Restricted funds	Total 2023	Total 2022
	Designated £	General £	£	£	£
Donations from individuals	82,721	633,703	140	716,564	665,272
Gift aid reclaimed	-	125,452	-	125,452	114,771
Grants	-	2,000	23,846	25,846	53,687
	<u>82,721</u>	<u>761,155</u>	<u>23,986</u>	<u>867,862</u>	<u>833,730</u>

5 Income from charitable activities

	Unrestricted funds General £	Total 2023 £	Total 2022 £
Courses and training	9,610	9,610	7,807
Hospitality and cafe income	-	-	2,779
Events and activities income	40,963	40,963	79,463
	<u>50,573</u>	<u>50,573</u>	<u>90,049</u>

6 Other income

	Unrestricted funds General £	Total 2023 £	Total 2022 £
Miscellaneous income	20,213	20,213	-
Room hire	100,997	100,997	130,583
Rental income	95,013	95,013	65,406
Transfer of assets	-	-	324,562
	<u>216,223</u>	<u>216,223</u>	<u>520,551</u>

In January 2022 the legal transfer of a building from Pendlebury Evangelical Church Ltd to Kings People's Church Ltd took place. The building had been gifted to the charity after the charitable activities were transferred over from Pendlebury Evangelical Church in 2019. The building was transferred at the market value of £360,000 and current assets of totalling £10,713 less mortgage loan commitments of £46,151 totalling £324,562.

Kings People's Church

Notes to the Financial Statements for the Year Ended 31 December 2023

7 Expenditure on charitable activities

		Unrestricted funds		Restricted	Total	Total
	Note	Designated	General	funds	2023	2022
		£	£	£	£	£
Premises costs		78,126	422,800	18,794	519,720	536,472
Administration costs		-	155,884	-	155,884	165,847
Mission expenses		-	580,748	9,589	590,337	526,064
Training and development		-	14,063	-	14,063	12,195
Governance costs	8	-	4,990	-	4,990	8,414
		<u>78,126</u>	<u>1,178,485</u>	<u>28,383</u>	<u>1,284,994</u>	<u>1,248,992</u>

8 Analysis of governance and support costs

Governance costs

	Unrestricted funds	Total	Total
	General	2023	2022
	£	£	£
Audit of the financial statements	4,000	4,000	3,600
Accountancy fees	990	990	4,814
	<u>4,990</u>	<u>4,990</u>	<u>8,414</u>

9 Trustees remuneration and expenses

During the year, two trustees received remuneration from employment with the charity.

Payment was made to Mr D Smith under the terms of Kings People's Church standard terms of employment for his role as Senior Pastor. The amount of the remuneration paid during the year was £50,865 (2022: £48,000) together with pension contributions of £5,048 (2022: £5,044).

Payment was made to Mrs S P Clarke under the terms of Kings People's Church standard terms of employment for her role as Operations Director. The amount of the remuneration paid was £32,264 (2022: £18,377) along with pension contributions of £915 (2022: £548). Mrs S P Clarke resigned from the board of trustees on the 27th September 2023, though employment continued past the date of resignation and payments were made as part of this.

One trustee received reimbursement for out of pocket expenses for work carried out for charitable activities and not for responsibilities undertaken as a trustee (2022: One). The total expenses repaid during the year for travel costs and day to day running costs of the church was £1,907 (2022: £2,348).

Kings People's Church

Notes to the Financial Statements for the Year Ended 31 December 2023

10 Staff costs

The aggregate payroll costs were as follows:

	2023	2022
	£	£
Staff costs during the year were:		
Wages and salaries	418,249	373,063
Social security costs	21,530	20,705
Pension costs	10,657	10,193
	<u>450,436</u>	<u>403,961</u>

The monthly average number of persons (including senior management / leadership team) employed by the charity during the year expressed as full time equivalents was as follows:

	2023	2022
	No	No
Number of staff	<u>28</u>	<u>24</u>

No employee received emoluments of more than £60,000 during the year.

11 Auditors' remuneration

	2023	2022
	£	£
Audit of the financial statements	<u>4,000</u>	<u>3,600</u>

12 Taxation

The charity is a registered charity and is therefore exempt from taxation.

Kings People's Church

Notes to the Financial Statements for the Year Ended 31 December 2023

13 Tangible fixed assets

	Buildings and leasehold improvements £	Fixtures, fittings and equipment £	Total £
Cost			
At 1 January 2023	1,138,693	579,864	1,718,557
Additions	26,908	-	26,908
Disposals	(26,908)	(2,400)	(29,308)
At 31 December 2023	<u>1,138,693</u>	<u>577,464</u>	<u>1,716,157</u>
Depreciation			
At 1 January 2023	101,855	491,925	593,780
Charge for the year	24,458	80,196	104,654
Eliminated on disposals	-	(1,200)	(1,200)
At 31 December 2023	<u>126,313</u>	<u>570,921</u>	<u>697,234</u>
Net book value			
At 31 December 2023	<u>1,012,380</u>	<u>6,543</u>	<u>1,018,923</u>
At 31 December 2022	<u>1,036,838</u>	<u>87,939</u>	<u>1,124,777</u>

Included within the net book value of land and buildings above is £624,328 (2022 - £678,143) in respect of freehold land and buildings and £388,052 (2022 - £358,695) in respect of leaseholds.

14 Debtors

	2023 £	2022 £
Trade debtors	18,856	21,937
Prepayments	44,228	42,890
Accrued income	31,567	7,486
Other debtors	-	7,306
	<u>94,651</u>	<u>79,619</u>

Kings People's Church

Notes to the Financial Statements for the Year Ended 31 December 2023

15 Creditors: amounts falling due within one year

	2023 £	2022 £
Bank loans	6,578	5,797
Trade creditors	9,066	7,422
Hire purchase and finance leases	64,264	85,052
Other taxation and social security	5,315	5,151
VAT grant repayable	2,891	-
Other creditors	4,414	7,890
Accruals	9,227	4,700
Deferred income	20,375	-
	<u>122,130</u>	<u>116,012</u>

16 Creditors: amounts falling due after one year

	2023 £	2022 £
Bank loans	441,893	244,260
Hire purchase and finance leases	-	44,355
	<u>441,893</u>	<u>288,615</u>

17 Obligations under leases

The total value of future minimum lease payments was as follows:

	2023 £	2022 £
Within one year	257,341	276,078
In two to five years	1,029,363	1,029,364
In over five years	2,811,007	3,066,646
	<u>4,097,711</u>	<u>4,372,088</u>

18 Pension and other schemes

Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the charity to the scheme and amounted to £10,657 (2022 - £10,193).

Kings People's Church

Notes to the Financial Statements for the Year Ended 31 December 2023

19 Funds

	Balance at 1 January 2023 £	Incoming resources £	Resources expended £	Transfers £	Other recognised gains/(losses) £	Balance at 31 December 2023 £
Unrestricted funds						
<i>General</i>						
General	10,926	1,027,951	(1,177,285)	273,252	(1,200)	133,644
<i>Designated</i>						
Projects, Missions and Events	42,752	82,721	(78,126)	(11,438)	-	35,909
Fixed asset reserve	768,778	-	-	(249,272)	-	519,506
	<u>811,530</u>	<u>82,721</u>	<u>(78,126)</u>	<u>(260,710)</u>	<u>-</u>	<u>555,415</u>
Total unrestricted funds	<u>822,456</u>	<u>1,110,672</u>	<u>(1,255,411)</u>	<u>12,542</u>	<u>(1,200)</u>	<u>689,059</u>
Restricted funds						
Sydney and Sheila McGhee Charitable Trust	3,508	-	(3,508)	-	-	-
Bolton CVS Summer Holiday Activities	304	-	(304)	-	-	-
CAP Life Skills	9,317	1,000	(6,240)	-	-	4,077
Household Support Fund Grant	1,000	-	(650)	-	-	350
SFD Winter Welcome	850	769	(146)	-	-	1,473
Other small immaterial funds	29,131	1,837	(15,395)	(12,542)	-	3,031
Garfield Weston	-	15,000	-	-	-	15,000
The Beatrice Laing Trust	-	2,500	-	-	-	2,500
Bolton Council Warm Spaces	-	2,880	(2,140)	-	-	740
	<u>44,110</u>	<u>23,986</u>	<u>(28,383)</u>	<u>(12,542)</u>	<u>-</u>	<u>27,171</u>
Total funds	<u>866,566</u>	<u>1,134,658</u>	<u>(1,283,794)</u>	<u>-</u>	<u>(1,200)</u>	<u>716,230</u>

Kings People's Church

Notes to the Financial Statements for the Year Ended 31 December 2023

	Balance at 1 January 2022 £	Incoming resources £	Resources expended £	Transfers £	Other recognised gains/(losses) £	Balance at 31 December 2022 £
Unrestricted funds						
<i>General</i>						
General	87,193	1,390,653	(1,127,956)	(333,713)	(5,251)	10,926
Revaluation reserve	<u>332,000</u>	<u>-</u>	<u>-</u>	<u>(332,000)</u>	<u>-</u>	<u>-</u>
	<u>419,193</u>	<u>1,390,653</u>	<u>(1,127,956)</u>	<u>(665,713)</u>	<u>(5,251)</u>	<u>10,926</u>
<i>Designated</i>						
Projects, Missions and Events	29,762	-	(91,204)	104,194	-	42,752
Fixed asset reserve	<u>200,732</u>	<u>-</u>	<u>-</u>	<u>568,046</u>	<u>-</u>	<u>768,778</u>
	<u>230,494</u>	<u>-</u>	<u>(91,204)</u>	<u>672,240</u>	<u>-</u>	<u>811,530</u>
Total unrestricted funds	<u>649,687</u>	<u>1,390,653</u>	<u>(1,219,160)</u>	<u>6,527</u>	<u>(5,251)</u>	<u>822,456</u>
Restricted funds						
Awards For All	4,289	-	(4,289)	-	-	-
All Churches Trust	5,178	-	(5,178)	-	-	-
Community Grocery	56	18,180	(18,236)	-	-	-
Sydney and Sheila McGhee Charitable Trust	3,432	15,000	(14,924)	-	-	3,508
Bolton CVS Summer Holiday Activities	470	-	(166)	-	-	304
Calm Before the Storm	-	1,000	(1,000)	-	-	-
CAP Life Skills	-	13,348	(4,031)	-	-	9,317
Household Support Fund Grant	-	1,000	-	-	-	1,000
SFD Winter Welcome	-	2,000	(1,150)	-	-	850
Other small immaterial funds	<u>8,116</u>	<u>3,149</u>	<u>24,393</u>	<u>(6,527)</u>	<u>-</u>	<u>29,131</u>
	<u>21,541</u>	<u>53,677</u>	<u>(24,581)</u>	<u>(6,527)</u>	<u>-</u>	<u>44,110</u>
Total funds	<u>671,228</u>	<u>1,444,330</u>	<u>(1,243,741)</u>	<u>-</u>	<u>(5,251)</u>	<u>866,566</u>

Kings People's Church

Notes to the Financial Statements for the Year Ended 31 December 2023

20 Analysis of net assets between funds

	Unrestricted funds		Restricted funds	Total funds at 31 December 2023
	General	Designated		
	£	£	£	£
Tangible fixed assets	-	1,018,923	-	1,018,923
Current assets	198,249	35,910	27,171	261,330
Current liabilities	(64,606)	(57,524)	-	(122,130)
Creditors over 1 year	-	(441,893)	-	(441,893)
Total net assets	<u>133,643</u>	<u>555,416</u>	<u>27,171</u>	<u>716,230</u>

	Unrestricted funds		Restricted funds	Total funds at 31 December 2022
	General	Designated		
	£	£	£	£
Tangible fixed assets	-	1,124,777	-	1,124,777
Current assets	60,554	42,752	43,110	146,416
Current liabilities	(48,628)	(67,384)	-	(116,012)
Creditors over 1 year	-	(288,615)	-	(288,615)
Total net assets	<u>11,926</u>	<u>811,530</u>	<u>43,110</u>	<u>866,566</u>

21 Related party transactions

There were a few related party transactions that took place during the year.

Mr I J Scholes is a trustee of Kings People's Church and a director of Spacious Place Contact Ltd and IJS Ventures Ltd. Both these companies provide the charity with phone line services. The total expenditure incurred during the year was £1,542 (2022: £1,529).

Mr D Smith is a trustee of Kings People's Church. During the financial year the charity employed Mrs G Smith, the spouse of Mr D Smith. The total remuneration received including employer's National Insurance and employer's pension amounted to £28,353 (2022: £25,722).

At the start of the year Mrs R Fisher became a trustee of the charity. The spouse of Mrs R Fisher is Mr T Fisher, who is employed within the charity as the Finance Manager. The total remuneration received including employer's National Insurance and employer's pension amounted to £19,527.

During the year a number of trustees loaned the charity some money in order to help short term cashflow, these loans were issued with 0% interest and all of them were repaid shortly after the payment, many in the following month the amounts were received.