KINGS COMMUNITY CHURCH (SOUTHAMPTON)

England & Wales · Charity number 1119560

Details

Status	Registered
Legal form	Charitable company
Company number	06212770
Registered	2007-06-08
Register	View on the Charity Commission register

Contact

Address	Kings Community Church Upper Northam Road Hedge End Southampton SO30 4BZ
Phone	01489784333
Email	info@kingscommunitychurch.co.uk
Website	www.kingscommunitychurch.co.uk

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Activities

Objects: (A) TO ADVANCE THE CHRISTIAN FAITH IN ACCORDANCE WITH THE STATEMENT OF BELIEFS APPEARING IN THE SCHEDULE TO THE ARTICLES HERETO IN SOUTHAMPTON AND THE SURROUNDING AREA AND IN SUCH OTHER PARTS OF THE UNITED KINGDOM AND THE WORLD AS THE TRUSTEES MAY FROM TIME TO TIME THINK FIT AND OTHER SUCH 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 PROVIDE AND MAINTAIN FACILITIES FOR THE BENEFIT OF THE COMMUNITY OF SOUTHAMPTON AND THE SURROUNDING NEIGHBOURHOOD WHICH FACILITIES MAY WITHOUT LIMITATION INCLUDE THE PROVISION OF CHILD CARE SERVICES AND MEETINGS, LECTURES AND CLASSES AND OTHER FORMS OF EDUCATION, RECREATION AND LEISURE-TIME OCCUPATION CONSISTENT WITH THE STATEMENT OF BELIEFS WITHOUT DISTINCTION OF RACE, SEX, POLITICAL, RELIGIOUS OR OTHER OPINION AND WITH THE OBJECT OF IMPROVING THE CONDITIONS OF LIFE FOR THE SAID INHABITANTS AS THE TRUSTEES MAY FROM TIME TO TIME IN THEIR DISCRETION DETERMINE;(C) TO RELIEVE SICKNESS AND FINANCIAL HARDSHIP AND TO PROMOTE AND PRESERVE GOOD HEALTH BY THE PROVISION OF FUNDS, GOODS OR SERVICES OF ANY KIND, INCLUDING THROUGH THE PROVISION OF COUNSELLING AND SUPPORT IN SUCH PARTS OF SOUTHAMPTON AND THE SURROUNDING AREA, THE UNITED KINGDOM AND THE WORLD AS THE TRUSTEES FROM TIME TO TIME MAY THINK FIT; AND(D) THE ADVANCEMENT OF EDUCATION ON THE BASIS OF CHRISTIAN PRINCIPLES AND WITHOUT PREJUDICE TO THE GENERALITY OF THE FOREGOING THE PROVISION OF SUCH EDUCATION IN ANY EDUCATIONAL ESTABLISHMENT AND IF THE TRUSTEES SO DECIDE THE PROVISION OF ONE OR MORE CHARITABLE EDUCATIONAL ESTABLISHMENTS FOR THE GENERAL EDUCATION OF CHILDREN OR ADULTS ON THE BASIS OF SUCH CHRISTIAN PRINCIPLES IN SOUTHAMPTON AND THE SURROUNDING AREA AND IN SUCH OTHER PARTS OF THE UNITED KINGDOM AND THE WORLD AS THE TRUSTEES MAY FROM TIME TO TIME THINK FIT.

Activities: King's Community Church is a member of the national body of the Evangelical Alliance and is best described as a bible believing charismatic Christian church. As such, its highest purpose is to honour Jesus Christ as Lord by seeking to love and serve God, each other in the church and those in the world around us.

Classification

- **How:** Makes Grants To Individuals, Makes Grants To Organisations, Provides Human Resources, Provides Buildings/facilities/open Space, Provides Services
- **What:** Education/training, The Prevention Or Relief Of Poverty, Overseas Aid/famine Relief, Religious Activities, Economic/community Development/employment
- **Who:** The General Public/mankind

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Geography

- **Area of benefit:** HEDGE END, SOUTHAMPTON AND ITS ENVIRONS
- Albania
- Bosnia And Herzegovina
- Bulgaria
- India
- New Zealand
- Pakistan
- Tanzania
- Hampshire
- Portsmouth City
- Southampton City

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£1,757,520	£1,735,264	£3,411,194	20
2024-03-31	£1,657,680	£1,605,540	£3,388,938	19
2023-03-31	£1,419,264	£1,443,720	£3,336,798	20
2022-03-31	£1,177,000	£1,227,000	£2,979,000	20
2021-03-31	£1,275,000	£1,137,000	£3,031,000	19

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Trustees

Name	Role	Appointed
Cheong Wing Wong		2026-01-19
EMMA LOUISE CURTAYNE		
Honour Naa Norkor Quarshie		2023-01-16
IAN HOWARD CHIDDLE		
Ian Conabeer		2024-01-29
Jack Samuel Treacher		2023-01-16
Katharine Rachel Concannon		2025-11-17
RICHARD DAVID HEMMING		2013-01-29
Roy George Goddard		2025-11-17
Sheung Wan Lau		2023-01-16
Stephen Albert McIntyre		2023-01-16

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KINGS COMMUNITY CHURCH (SOUTHAMPTON)

England & Wales - Charity number 1119560

Accounts

Charity registration number 1119560

Company registration number 06212770 (England and Wales)

KINGS COMMUNITY CHURCH (SOUTHAMPTON)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

Caladine

Chartered Certified Accountants

KINGS COMMUNITY CHURCH (SOUTHAMPTON)

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr I Chiddle Ms E Curtayne Mr P Grant Mr R Hemming Mr S McIntyre Mrs H Quarshie Mr J Treacher Mr I Conabeer
Charity number	1119560
Company number	06212770
Registered office	Sovereign Place Upper Northam Road Hedge End Southampton Hampshire SO30 4BZ
Auditor	Sumer Audit Piper House 4 Dukes Court Bognor Road Chichester West Sussex PO19 8FX
Bankers	Barclays Bank plc PO Box 612 Barclays House Southampton Hampshire BX3 2BB Triodos Bank NV Deanery Road Bristol BS1 5AS

KINGS COMMUNITY CHURCH (SOUTHAMPTON)

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KINGS COMMUNITY CHURCH (SOUTHAMPTON)

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2025

The trustees present their annual report and financial statements for the year ended 31 March 2025.

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

Objectives and activities

The trustees regularly review the aims, objectives and activities of the charity. They have considered the Charity Commission's general guidance on public benefit and its supplementary guidance on the advancement of religion for the public benefit.

King's Community Church (Southampton) is a member of the national body of the Evangelical Alliance, as well as being a part of the New Frontiers and Catalyst groups of churches. The Church is best described as a bible believing charismatic Christian church. As such, its highest purpose is to honour Jesus Christ as Lord by seeking to love and serve God, each other in the church and those in the world around us. Specifically we aim to:

- Encourage spiritual growth in Christ.
- Provide pastoral care and fellowship.
- Provide opportunities to develop ministry ability and service.
- Outreach in the community around us.
- Engage in international mission.

We seek to further these objects by providing meetings for corporate worship, fellowship and prayer. More intimate fellowship and sharing opportunities come in the regular connect group meetings. There are specific training courses for new Christians and for various ministry skills useful in the church.

We have a number of activities for young people from the church and local community. These include events for youth and primary school aged children, Chuckles for parents and toddlers, as well as small group meetings for bible study and worship. Our aim is to make all these meetings relevant to young people so that they are able to come to a personal experience of the love of God and find expression for their faith in him.

Our outreach to the community includes a ministry for the elderly, a food centre, as well as a variety of events that will appeal to those who are unchurched. Church members are involved in various voluntary groups, charitable organisations and also direct evangelical enterprises to win people to Christ. Again, our purpose is for people of all ages to come to a place of faith in Christ.

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

Grant making policy

The trustees consider the making of grants to be an effective way of providing support primarily to overseas churches. In conjunction with the elders they review commitments each year as part of the budget setting process. If additional needs arise, these are presented to the church and an offering is taken up.

Applications for grants are not invited.

Volunteers

The church is involved in a wide range of ministry to the local community and internationally. This would not be possible without the voluntary efforts of a large number of the church's members and the trustees are grateful for all the time they have given, often sacrificially.

Achievements and performance

2024 – 2025 was another strong year for King's Community Church. Attendance at both the 9:15am & 11am Hedge End Sunday meetings reached its highest ever levels. Every Sunday from January 2025 to March 2025 was above 900 in total across the 2 Hedge end congregations plus Totton.

On several occasions the total topped 1,000. Totton has grown to around the 80 mark on a regular basis. It has been agreed to launch Totton as a self-governing church (Bridge Church Totton) next financial year as of 7th September 2025. It will exist as a CIO. Hope City (Weston) has already been established as a CIO and so exists legally and financially as a separate entity. Andy Johnston, however, as the Senior Leader of Kings Community Church continues to provide coaching and mentoring to Dave Williams (Team Leader) and the rest of the Hope City team.

The establishment of Hope City Church and the planned launch of Bridge Church Totton are two of the big successes of King's Community Church in recent years. In the vision to reach the whole of the Solent it is imperative to have local expressions of Church as well as a large attractional model at Hedge End.

The children's and youth work of the Church has continued to grow as the priority of serving and equipping the next generation has continued to be emphasized. On Sundays there are regularly in excess of 150 children in our pre-school and primary school activities. In addition, Tuesday night youth gathers around 100 teenagers on a weekly basis. The highlight of the youth programme is Newday, a summer camp to which the Church took 90 young people in August 2024.

In January 2025 a vison was laid before the Church to see £1 million cleared from our mortgage with Triodos Bank. The plan is for this to be achieved over 3 Special Offerings in March 2025, October 2025 and March 2026. The first of the Special Offerings raised £340,000 and so the Church is on target to raise the full amount in due course.

In addition, the sale of Glenbourne (a house owned by the Church) for £508,000 has released £300,000 into over-payment of the mortgage with the remainder of the money going into funding core costs and improvement to the Hedge End Site. The long term aim of reducing our mortgage costs is to be able to make more money available for serving the communities across the Solent.

We took the sad decision to close part of our elderly ministry due to the increased skills, training and experience required of the team. Those attending were increasingly fragile and the requirements were becoming unachievable with unpaid staff.

The construction of a sensory room has been delayed. The Trustees have decided to pause the project until the financial picture is clearer due to significant increases in the build costs. It is our hope that this project will be completed within the next financial year.

The community outreach of the Church has also increased and diversified in the period 2024-25. The Food Centre has continued to serve families in food crisis. However, in addition to this, a Food Pantry has been created which offers £5 for 16 items of food over 6 – 12 months to families who need longer term help. Over 1,000 people have been supported through this programme, and 4 families have been able to move on from the Pantry as they have become more financially stable. In addition, the Church has partnered with Growing Hope a national charity) to establish Growing Hope Solent. Growing Hope Solent as a CIO working in close co-operation with King's community Church will support families which have children with additional needs providing holistic and whole family therapy (occupational therapy, play therapy, speech and language therapy etc). This will be achieved through our Hedge End facilities (Family Hub and our Sensory Room which will be built toward the end of 2025).

Financial review

A substantial proportion of the church's income comes from the regular giving of its members for which the elders and trustees are extremely grateful. This exceeded expectations and was £1,235,603 an increase of 5% from the previous year (2024:£1,173,969)

Special Offering 2025 was £213,909 and was raised solely to overpay on the mortgage. This was made possible due to the sale of Glenbourne of which £200,000 was used to cover the core costs that the special offering is normally used for.

Our conferencing and cafe activity has performed well and achieved a profit of £43,608 (2024: £82,608). Income was broadly similar, although cost of sales was higher than the previous year. The main difference for the lower profit this year was due to increased recharged to KCCE from KCC which included shared costs of ongoing building costs. These recharges have been eliminated from the consolidated figures.

Expenditure has been kept constantly under review with the priority being to continue as much ministry as possible within the bounds of financial prudence.

As outlined in last year's accounts, one of the goals for this financial year was to sell Glenbourne. We are pleased to report that this was sold in March 2025. It was sold for £508,000, with £300,000 going to Triodos as an overpayment on the mortgage and £200,000 (after fees) available to the church to help cover its core costs.

Reserves

The total funds held by the charitable group at the balance sheet date are £3,411,194 (2024: £3,388,938). Included in this are £114,299 (2024: £113,339) held in restricted funds and £2,933,122 (2024: £2,844,953) held in designated funds.

The trustees have considered a number of factors in reviewing the level of reserves required:

- The current economic climate
- The level of regular giving by church members
- The requirement for working capital
- The amount of reserves tied up in fixed assets
- The ability to raise additional funds should the church face financial difficulty

The trustees consider that the level of free reserves, after allowing for unrestricted reserves tied up in fixed assets and investments, should be between one and three months expenditure.

Free reserves are £315,576 for the Church and £361,666 for the group, which is around 2.5 months of expenditure.

The trustees have a risk management strategy that includes an annual review of the principle risks and uncertainties facing the charity and its subsidiaries and the establishment of policies and procedures to mitigate those risks.

Plans for future periods

The trustees feel we are well placed to continue our growth strategy and fulfil our mission of preaching the gospel across the Solent area.

Our objectives for the coming year are:

- To see significant numerical growth through people coming to faith in Jesus;
- To hold large scale events at Christmas and Easter, reaching and impacting the community;
- To raise £1m in our Special Offering campaign "£1m to reach 1 million people";
- To start the build of the sensory room project;
- Continue to overpay on the mortgage.

Structure, governance and management

The church was originally established by a Declaration of Trust dated 20 January 1986 and the assets and liabilities were transferred to Kings Community Church (Southampton), a company limited by guarantee, on 1 April 2008 in order to improve the administration of the charity.

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

Mr I Chiddle
Ms E Curtayne
Mr P Grant
Mr R Hemming
Ms S Lau (Resigned 5 November 2024)
Mr S McIntyre
Mrs H Quarshie
Mr J Treacher
Mr I Conabeer

The elders of the church are the members of the company and they appoint the trustees, who remain in office thereafter. The trustees of the charity are drawn from the active members of the church with the appropriate skills for Board membership.

None of the trustees has any beneficial interest in the company.

The elders of the church are the members of the company and guarantee to contribute £1 in the event of a winding up.

The training of elders and trustees is discussed at their meetings and the church budget includes provision for the costs of any required training to be met.

The trustees focus their attention on strategic and policy issues including key financial decisions. The day to day management of the charity is delegated to a management team consisting of Andrew Johnston, Chris Johnston and Emma Roberts. Spiritual matters are overseen by the elders of the church. The trustees meet from time to time with the elders to ensure that strategy and policy are consistent with the spiritual aims of the church.

The elders of the church during the year were:

Sam Afari
Christopher Allison
John Banks
Nicholas Brennan
Martin Hughes (resigned 1 April 2024)
Andrew Johnston
Christopher Johnston
Victor Lau
Maurice Redmill (resigned 24 November 2024)
Tom Williams

The remuneration of key management is reviewed annually by the Trustees. Each role within the church is subject to an evaluation process that considers its responsibilities and the skills and experience required to fulfil it. Pay scales are compared with the market and similar organisations. Pay levels are generally set below the average for the private & public sectors.

The Trustees have adopted the Charity Governance Code and used an assessment template to understand the current level of compliance. An improvement action plan has been prepared and progress will be monitored during the coming year.

The church has one wholly owned subsidiary, KCC Enterprises Ltd, which undertakes commercial activities on behalf of the church.

Asset cover for funds
Note 27 sets out an analysis attributable to the various funds and a description of the trusts. These assets are sufficient to meet the charity's obligations on a fund by fund basis.

Auditor
The auditor, Sumer Audit, is deemed to be re-appointed under s487(2) of the Companies Act 2006.

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

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

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

.....
Mr J Treacher
Trustee

Date: 17/11/2025

KINGS COMMUNITY CHURCH (SOUTHAMPTON)

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2025

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

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

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

- select suitable accounting policies and then apply them consistently;

- observe the methods and principles in the Charities SORP;

- make judgements and estimates that are reasonable and prudent;

- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and

- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

KINGS COMMUNITY CHURCH (SOUTHAMPTON)

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF KINGS COMMUNITY CHURCH (SOUTHAMPTON)

Opinion

We have audited the financial statements of Kings Community Church (Southampton) (the 'charity') for the year ended 31 March 2025 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the 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 charitable company and group's affairs as at 31 March 2025 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's responsibilities for the audit of the financial statements* section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The 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 our audit:

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' report.

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

- adequate 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.
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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.

Identification and assessment of irregularities including fraud

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- Obtaining an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a direct effect on the financial statements and operations;
- Obtaining an understanding of the charity's policies and procedures on fraud risks, including knowledge of any actual, suspected or alleged fraud;
- Discussing among the engagement team how and where fraud might occur in the financial statements and any potential indicators of fraud through our knowledge and understanding of the company and our sector-specific experience.

As a result of these procedures, we considered the opportunities and incentives that may exist within the association for fraud. We are also required to perform specific procedures to respond to the risk of management override. As a result of performing the above, we identified the following areas as those most likely to have an impact on the financial statements: health & safety and employment law, as well as compliance with the UK Companies and Charities Acts.

In addition to the above, our procedures to respond to risks identified included the following:

- Making enquiries of management about any known or suspected instances of non-compliance with laws and regulations and fraud;
- Reviewing minutes of meetings of the board and senior management.
- Reading correspondence with regulators
- Challenging assumptions and judgements made by management in their significant accounting estimates; and
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness.

Due to the inherent limitations of an audit, there is an unavoidable risk that some material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK). For instance, the further removed non-compliance is from the events and transactions reflected in the financial statements, the less likely the auditor is to become aware of it or to recognise the non-compliance.

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

Use of our report

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

Robin Evans BA FCA CTA DChA (Senior Statutory Auditor)
for and on behalf of Sumer Audit

25/11/2025

Chartered Certified Accountants
Statutory Auditor

Piper House
4 Dukes Court
Bognor Road
Chichester
West Sussex
PO19 8FX

Sumer Audit is a trading name of Sumer Auditco Limited

KINGS COMMUNITY CHURCH (SOUTHAMPTON)

STATEMENT OF FINANCIAL ACTIVITIES (CONSOLIDATED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2025

	Notes	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
Income from:							
Donations and legacies	3	1,316,224	60,035	1,376,259	1,137,243	59,726	1,196,969
Charitable activities	4	30,637	905	31,542	46,010	570	46,580
Other trading activities	5	291,409	-	291,409	295,941	-	295,941
Investments	6	4,645	-	4,645	3,213	-	3,213
Other income	7	53,665	-	53,665	114,977	-	114,977
Total income		1,696,580	60,940	1,757,520	1,597,384	60,296	1,657,680
Expenditure on:							
Raising funds	8	204,671	-	204,671	198,730	-	198,730
Charitable activities	9	1,460,453	70,140	1,530,593	1,334,305	72,505	1,406,810
Total expenditure		1,665,124	70,140	1,735,264	1,533,035	72,505	1,605,540
Net incoming/(outgoing) resources before transfers		31,456	(9,200)	22,256	64,349	(12,209)	52,140
Gross transfers between funds	25	(10,160)	10,160	-	1,263	(1,263)	-
Net income for the year/ Net income/(expenditure) for the year							
Net movement in funds		21,296	960	22,256	65,612	(13,472)	52,140
Fund balances at 1 April 2024		3,275,599	113,339	3,388,938	3,209,987	126,811	3,336,798
Fund balances at 31 March 2025		3,296,895	114,299	3,411,194	3,275,599	113,339	3,388,938

All income and expenditure derive from continuing activities.

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

KINGS COMMUNITY CHURCH (SOUTHAMPTON)

STATEMENT OF FINANCIAL ACTIVITIES (CHARITY ONLY) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2025

	Notes	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
Income from:							
Donations and legacies	3	1,316,224	60,035	1,376,259	1,137,243	59,726	1,196,969
Charitable activities	4	30,637	905	31,542	46,010	570	46,580
Investments	6	88,306	-	88,306	79,085	-	79,085
Other income	7	96,795	-	96,795	129,579	-	129,579
Total income		1,531,962	60,940	1,592,902	1,391,917	60,296	1,452,213
Expenditure on:							
Charitable activities	9	1,460,453	70,140	1,530,593	1,334,305	72,505	1,406,810
Total expenditure		1,460,453	70,140	1,530,593	1,334,305	72,505	1,406,810
Net incoming/(outgoing) resources before transfers		71,509	(9,200)	62,309	57,612	(12,209)	45,403
Gross transfers between funds	25	(10,160)	10,160	-	1,263	(1,263)	-
Net income for the year/ Net income/(expenditure) for the year Net movement in funds		61,349	960	62,309	58,875	(13,472)	45,403
Fund balances at 1 April 2024		3,187,350	113,339	3,300,689	3,128,475	126,811	3,255,286
Fund balances at 31 March 2025		3,248,699	114,299	3,362,998	3,187,350	113,339	3,300,689

All income and expenditure derive from continuing activities.

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

KINGS COMMUNITY CHURCH (SOUTHAMPTON)

BALANCE SHEET (CONSOLIDATED)

AS AT 31 MARCH 2025

	Notes	2025 £	2025 £	2024 £	2024 £
Fixed assets					
Tangible assets	**17**		4,743,617		4,781,017
Investment property			-		495,000
			4,743,617		5,276,017
Current assets					
Stocks	**19**	3,272		2,581	
Debtors	**20**	124,987		113,423	
Cash at bank and in hand		670,367		521,427	
		798,626		637,431	
Creditors: amounts falling due within one year	**22**	(169,254)		(157,452)	
Net current assets			629,372		479,979
Total assets less current liabilities			5,372,989		5,755,996
Creditors: amounts falling due after more than one year	**21**		(1,961,795)		(2,367,058)
Net assets			3,411,194		3,388,938
Income funds					
Restricted funds	**25**		114,299		113,339
Unrestricted funds					
Designated funds:					
Fixed Asset fund		2,688,122		2,812,953	
Mortgage fund		228,000		15,000	
Sick pay reserve		17,000		17,000	
	26	2,933,122		2,844,953	
General unrestricted funds		363,773		430,646	
			3,296,895		3,275,599
			3,411,194		3,388,938

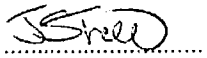
These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

KINGS COMMUNITY CHURCH (SOUTHAMPTON)

BALANCE SHEET (CONSOLIDATED)

AS AT 31 MARCH 2025

The financial statements were approved by the Trustees on 17/11/2025



Mr J Treacher
Trustee

Company registration number 06212770

KINGS COMMUNITY CHURCH (SOUTHAMPTON)

BALANCE SHEET (CHARITY ONLY)

AS AT 31 MARCH 2025

	Notes	2025 £	2025 £	2024 £	2024 £
Fixed assets					
Tangible assets	**17**		4,741,511		4,777,858
Investment property			-		495,000
Investments	**18**		1,000		1,000
			4,742,511		5,273,858
Current assets					
Stocks	**19**	917		-	
Debtors	**20**	161,049		110,194	
Cash at bank and in hand		582,003		438,416	
		743,969		548,610	
Creditors: amounts falling due within one year	**22**	(161,687)		(154,721)	
Net current assets			582,282		393,889
Total assets less current liabilities			5,324,793		5,667,747
Creditors: amounts falling due after more than one year	**21**		(1,961,795)		(2,367,058)
Net assets			3,362,998		3,300,689
Income funds					
Restricted funds	**25**		114,299		113,339
Unrestricted funds					
Designated funds:					
Fixed Asset fund		2,688,122		2,812,954	
Mortgage fund		228,000		15,000	
Sick pay reserve		17,000		17,000	
	26	2,933,122		2,844,954	
General unrestricted funds		315,577		342,396	
			3,248,699		3,187,350
			3,362,998		3,300,689

KINGS COMMUNITY CHURCH (SOUTHAMPTON)

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2025

	Notes	2025 £	2025 £	2024 £	2024 £
Cash flows from operating activities					
Cash generated from operations	31		151,424		240,101
Investing activities					
Purchase of tangible fixed assets		(102,962)		(6,809)	
Proceeds from disposal of investment property		501,096		-	
Investment income received		4,645		3,213	
Net cash generated from/(used in) investing activities			402,779		(3,596)
Financing activities					
Repayment of bank loans		(405,263)		(77,899)	
Net cash used in financing activities			(405,263)		(77,899)
Net increase in cash and cash equivalents			148,940		158,606
Cash and cash equivalents at beginning of year			521,427		362,821
Cash and cash equivalents at end of year			670,367		521,427

1 Accounting policies

Company information

Kings Community Church (Southampton) is a private company limited by guarantee incorporated in England and Wales governed by its Memorandum and Articles of Association dated 13 April 2007. The registered office is Sovereign Place, Upper Northam Road, Hedge End, Southampton, Hampshire, SO30 4BZ.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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). The charity is a Public Benefit Entity as defined by FRS 102.

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

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future, and no material uncertainties exist regarding this assumption. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

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

Designated funds comprise funds which have been set aside at the discretion of the trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

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

1.4 Income

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

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

1 Accounting policies (Continued)

1.5 Expenditure

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

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

1.6 Tangible fixed assets

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

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

Freehold land and buildings	2% Straight Line
Fixtures and fittings	20% Straight Line
Motor vehicles	20% Reducing Balance

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

Assets purchased are capitalised if they are anticipated to be used within the Church's activities for at least 12 months, and cost in excess of £1,000 (net of VAT).

1.7 Investment property

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in profit or loss.

1.8 Impairment of fixed assets

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

1.9 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. Items held for distribution at no or nominal consideration are measured the lower of replacement cost and cost.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

1 Accounting policies (Continued)

1.10 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.11 Financial instruments

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

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

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

Basic financial assets

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

Basic financial liabilities

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

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

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

Derecognition of financial liabilities

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

1.12 Employee benefits

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

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

1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Critical accounting estimates and judgements

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

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

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2025	2025	2025	2024	2024	2024
	£	£	£	£	£	£
Donations and gifts	1,195,669	39,935	1,235,604	1,137,243	36,726	1,173,969
Grant Income	(2,100)	20,100	18,000	-	23,000	23,000
Donated goods and services	122,655	-	122,655	-	-	-
	1,316,224	60,035	1,376,259	1,137,243	59,726	1,196,969

4 Charitable activities

	Church Activities	Youth Work	Total 2025	Church Activities	Youth Work	Community Outreach	Total 2024
	2025	2025		2024	2024	2024	
	£	£	£	£	£	£	£
Sales within charitable activities	7,727	23,815	31,542	17,443	28,567	570	46,580
Analysis by fund							
Unrestricted funds	7,727	22,910	30,637	17,443	28,567	-	46,010
Restricted funds	-	905	905	-	-	570	570
	7,727	23,815	31,542	17,443	28,567	570	46,580

5 Other trading activities

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Non-charitable trading activities via subsidiary company	291,409	295,941

6 Investments

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Interest receivable	4,645	3,213

The charity only Statement of Financial Activities also includes distributions received from the trading subsidiary of £83,661 (2024: £75,872).

7 Other income

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Net gain on disposal of tangible fixed assets	6,096	-
Car park rental and miscellaneous income	34,902	27,744
Office rent income	12,667	87,233
	53,665	114,977

The charity only Statement of Financial Activities also includes a recharge to the subsidiary for rent, utilities and administration support of £43,129 (2024: £14,602).

8 Expenditure on raising funds

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Trading costs		
Operating trading company undertaking non-charitable trading activity	69,489	86,441
Staff costs	133,169	104,839
Support costs	2,013	7,450
	204,671	198,730

9 Charitable activities

	Church Activities	Youth Work	Community outreach	International outreach	Total 2025	Total 2024
	2025 £	2025 £	2025 £	2025 £	£	£
Staff costs	342,561	79,524	42,821	6,117	471,023	454,159
Activities undertaken directly	42,144	37,116	144,236	6,622	230,118	115,427
Pastoral costs	2,684	130	163	-	2,977	3,922
Office and administration costs	6,577	46	1,937	-	8,560	7,139
Property & equipment running and maintenance	97,869	2,650	13,647	10	114,176	82,955
	491,835	119,466	202,804	12,749	826,854	663,602
Grant funding of activities (see note 10)	9,104	-	100	35,827	45,031	69,978
Share of support costs (see note 11)	436,863	106,042	81,237	11,317	635,459	653,680
Share of governance costs (see note 11)	15,983	3,880	2,972	414	23,249	19,550
	953,785	229,388	287,113	60,307	1,530,593	1,406,810
Analysis by fund						
Unrestricted funds	950,581	229,388	251,870	28,614	1,460,453	1,334,305
Restricted funds	3,204	-	35,243	31,693	70,140	72,505
	953,785	229,388	287,113	60,307	1,530,593	1,406,810

9 Charitable activities (Continued)

For the year ended 31 March 2024

	Church Activities	Youth Work	Community outreach	International outreach	Total 2024
	£	£	£	£	£
Staff costs	330,298	76,676	41,287	5,898	454,159
Activities undertaken directly	45,538	38,727	27,437	3,725	115,427
Pastoral costs	3,453	52	417	-	3,922
Office and administration costs	4,944	(23)	2,190	28	7,139
Property & equipment running and maintenance	74,325	1,762	6,865	3	82,955
	458,558	117,194	78,196	9,654	663,602
Grant funding of activities (see note 10)	8,627	-	4,823	56,528	69,978
Share of support costs (see note 11)	440,322	121,234	83,029	9,095	653,680
Share of governance costs (see note 11)	13,169	3,626	2,483	272	19,550
	920,676	242,054	168,531	75,549	1,406,810
Analysis by fund					
Unrestricted funds	915,984	242,054	132,352	43,915	1,334,305
Restricted funds	4,692	-	36,179	31,634	72,505
	920,676	242,054	168,531	75,549	1,406,810

10 Grants payable

	Church Activities 2025 £	Community outreach 2025 £	International outreach 2025 £	Total 2025 £	Church Activities 2024 £	Community outreach 2024 £	International outreach 2024 £	Total 2024 £
Grants to institutions:								
Care and Relief for the Young	-	-	-	-	-	-	6,057	6,057
	-	-	-	-	-	3,700	-	3,700
Other	1,900	100	-	2,000	3,902	100	1,041	5,043
	1,900	100	-	2,000	3,902	3,800	7,098	14,800
Grants to individuals	7,204	-	35,827	43,031	4,725	1,023	49,430	55,178
	9,104	100	35,827	45,031	8,627	4,823	56,528	69,978

11 Support costs

	Support costs	Governance costs	2025	Support costs	Governance costs	2024
	£	£	£	£	£	£
Staff costs	140,698	-	140,698	135,659	-	135,659
Depreciation	139,309	-	139,309	159,319	-	159,319
Other costs	12,435	-	12,435	16,852	-	16,852
Pastoral costs	1,220	-	1,220	902	-	902
Office and administration costs	253,355	-	253,355	262,885	-	262,885
Property & equipment running and maintenance	82,564	-	82,564	70,689	-	70,689
Grant related costs	5,878	-	5,878	7,374	-	7,374
Audit fees	-	9,500	9,500	-	6,040	6,040
Accountancy	-	15,749	15,749	-	14,560	14,560
Legal and professional	-	13	13	-	6,400	6,400
	635,459	25,262	660,721	653,680	27,000	680,680
Analysed between						
Trading	-	2,013	2,013	-	7,450	7,450
Charitable activities	635,459	23,249	658,708	653,680	19,550	673,230
	635,459	25,262	660,721	653,680	27,000	680,680

12 Trustees

The Articles of Association provide for a minority of the trustees to be paid. None of the trustees received any remuneration during the year for their role as trustees.

During the previous year, one trustee received a payment of £152 for casual work done during the period of their trusteeship. In 2024, this was paid through the payroll, and totalled £1,835.

Emma Curtayne has been employed as a Children's Work and her total remuneration for the year was £16,718 (2024: £16,014).

Total expenses of £476 were reimbursed to trustees, and their related parties, for Church running and operational costs (2024 £407).

Identifiable donations from trustees, and their related parties, amounted to £44,677 during the year (2024: £46,409). This excludes amounts where the donor is not identifiable, where the donations were given in cash etc.

13 Employees

The average monthly number of employees during the year was:

	2025 Number	2024 Number
Church activities	9	9
Youth work	3	3
Community outreach	1	1
Management and administration	5	4
Subsidiary companies	2	2
Total	20	19

Employment costs	2025 £	2024 £
Wages and salaries	674,839	634,465
Social security costs	41,606	33,483
Other pension costs	28,445	26,709
	744,890	694,657

During the previous year there were redundancy costs of £5,951 (2025: £nil).

The number of employees whose annual remuneration was more than £60,000 is as follows:

	2025 Number	2024 Number
£60,000 to £70,000	1	-

14 Retirement benefit schemes

Defined contribution schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £28,445 (2024: £26,709).

15 Taxation

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

16 Net movement in funds

	2025	2024
	£	£
The net movement in funds is stated after charging/(crediting):		
Fees payable for the audit of the charity's financial statements	9,500	6,040
Depreciation of owned tangible fixed assets	140,362	160,372
Profit on disposal of tangible fixed assets	(6,096)	-

17 Tangible fixed assets

Group	Freehold land and buildings	Fixtures and fittings	Motor vehicles	Total
	£	£	£	£
Cost				
At 1 April 2024	6,169,873	548,032	4,000	6,721,905
Additions	71,766	31,196	-	102,962
Disposals	-	(8,914)	-	(8,914)
At 31 March 2025	6,241,639	570,314	4,000	6,815,953
Depreciation and impairment				
At 1 April 2024	1,424,614	512,274	4,000	1,940,888
Depreciation charged in the year	115,522	24,840	-	140,362
Eliminated in respect of disposals	-	(8,914)	-	(8,914)
At 31 March 2025	1,540,136	528,200	4,000	2,072,336
Carrying amount				
At 31 March 2025	4,701,503	42,114	-	4,743,617
At 31 March 2024	4,745,259	35,758	-	4,781,017

Charity only	Freehold land and buildings	Fixtures and fittings	Motor vehicles	Total
	£	£	£	£
Cost				
At 1 April 2024	6,169,873	502,979	4,000	6,676,852
Additions	71,766	31,196	-	102,962
Disposals	-	(8,914)	-	(8,914)
At 31 March 2025	6,241,639	525,261	4,000	6,770,900
Depreciation and impairment				
At 1 April 2024	1,424,614	470,380	4,000	1,898,994
Depreciation charged in the year	115,522	23,787	-	139,309
Eliminated in respect of disposals	-	(8,914)	-	(8,914)
At 31 March 2025	1,540,136	485,253	4,000	2,029,389
Carrying amount				
At 31 March 2025	4,701,503	40,008	-	4,741,511
At 31 March 2024	4,745,259	32,599	-	4,777,858

17 Tangible fixed assets (Continued)

The freehold land and buildings are subject to a charge in favour of Triodos Bank NV.

18 Fixed asset investments

Charity only

	Investment property	Other investments	Total
	£		£
Cost or valuation			
At 1 April 2024	495,000	1,000	496,000
Disposals	(495,000)	-	(495,000)
At 31 March 2025	-	1,000	1,000
Carrying amount			
At 31 March 2025	-	1,000	1,000
At 31 March 2024	495,000	1,000	496,000

19 Stocks

	Group 2025	Charity 2025	Group 2024	Charity 2024
	£	£	£	£
Finished goods and goods for resale	3,272	917	2,581	-

20 Debtors

	Group 2025	Charity 2025	Group 2024	Charity 2024
Amounts falling due within one year:	£	£	£	£
Trade debtors	11,468	2,074	23,828	4,055
Amounts owed by subsidiary undertakings	-	46,026	-	17,382
Other debtors	109,733	109,733	76,634	76,634
Prepayments and accrued income	3,786	3,216	12,961	12,123
	124,987	161,049	113,423	110,194

21 Creditors: amounts falling due after more than one year

	Notes	2025	2024
		£	£
Bank loans	23	1,961,795	2,367,058

22 Creditors: amounts falling due within one year

	Notes	Group 2025 £	Charity 2025 £	Group 2024 £	Charity 2024 £
Bank loans	23	84,450	84,450	84,450	84,450
Other taxation and social security		16,490	16,490	10,654	10,654
Trade creditors		16,771	15,533	23,554	21,873
Other creditors		5,961	5,961	4,769	4,769
Accruals and deferred income		45,582	39,253	34,025	32,975
		169,254	161,687	157,452	154,721

23 Loans and overdrafts

	2025 £	2024 £
Bank loans	2,046,245	2,451,508
Payable within one year	84,450	84,450
Payable after one year	1,961,795	2,367,058
Amounts included above which fall due after five years:		
Payable by instalments	892,941	1,060,157

The Church has a long term loan from Triodos Bank NV, which is secured on its freehold land and buildings. The loan is at a variable interest rate of base rate + 2.75% and is repayable on a reducing balance basis. On 9 April 2020 it was agreed that between April 2020 and March 2021 there would be monthly interest only repayments. There would then be interest and capital repayments until August 2039.

During the year there were interest payments on this loan of £185,527 (2024: £194,680).

24 Operating lease commitments

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

	2025 £	2024 £
Within one year	1,380	1,380
Between two and five years	2,831	4,139
	4,211	5,519

25 Restricted funds

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

	Movement in funds				Movement in funds				
	Balance at 1 April 2023	Incoming resources	Resources expended	Transfers	Balance at 1 April 2024	Incoming resources	Resources expended	Transfers	Balance at 31 March 2025
	£	£	£	£	£	£	£	£	£
Food Centre Fund	50,248	27,575	(31,947)	-	45,876	39,715	(35,242)	-	50,349
Rebuild Fund	50,250	-	-	-	50,250	-	-	-	50,250
Help Fund	6,028	1,626	(4,692)	-	2,962	900	(3,204)	-	658
Treasure Trove Fund	6,925	-	-	-	6,925	-	-	-	6,925
Other Restricted Funds	13,360	31,095	(35,866)	(1,263)	7,326	20,325	(31,694)	10,160	6,117
	126,811	60,296	(72,505)	(1,263)	113,339	60,940	(70,140)	10,160	114,299

The Food Centre Fund is monies raised for the Food Centre Project

The Rebuild Fund is for a number of investment projects and for general purposes.

The Help Fund is to provide support to people affected by the Covid-19 pandemic both locally and internationally.

The Treasure Trove Fund is for the creation of a sensory room for people with additional needs.

Other restricted funds are a large number of small funds, which have been given for specific ministries of the Church. The Church holds sufficient cash balances to enable them to be applied.

26 Designated funds

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

Group

	Balance at 1 April 2023	Resources expended	Transfers	Balance at 1 April 2024	Resources expended	Transfers	Balance at 31 March 2025
	£	£	£	£	£	£	£
Fixed asset fund	2,895,960	(159,319)	76,313	2,812,953	(139,309)	14,478	2,688,122
Mortgage fund	-	-	15,000	15,000	-	213,000	228,000
Sick Pay reserve	-	-	17,000	17,000	-	-	17,000
	2,895,960	(159,319)	108,313	2,844,953	(139,309)	227,478	2,933,122

Charity

	Balance at 1 April 2023	Resources expended	Transfers	Balance at 1 April 2024	Resources expended	Transfers	Balance at 31 March 2025
	£	£	£	£	£	£	£
Fixed asset fund	2,895,960	(159,319)	76,313	2,812,953	(139,309)	14,478	2,688,122
Mortgage fund	-	-	15,000	15,000	-	213,000	228,000
Sick Pay reserve	-	-	17,000	17,000	-	-	17,000
	2,895,960	(159,319)	108,313	2,844,953	(139,309)	227,478	2,933,122

The Fixed Asset Fund is a designated fund that represents reserves invested in fixed assets and investments and, therefore, not generally available for use. The fund balance also accounts for the balance outstanding on the mortgage, which is charged against the property. The movements in the year reflect the depreciation expense, as well as changes in value.

The trustees have also decided to set aside funds towards early payment of the mortgage, as well as £17,000 to cover possible sick pay costs going forward.

27 Analysis of net assets between funds

Group	Unrestricted funds 2025	Designated funds 2025	Restricted funds 2025	Total 2025	Unrestricted funds 2024	Designated funds 2024	Restricted funds 2024	Total 2024
	£	£	£	£	£	£	£	£
Fund balances are represented by:								
Tangible assets	2,106	4,741,511	-	4,743,617	3,159	4,777,858	-	4,781,017
Investment properties	-	-	-	-	-	495,000	-	495,000
Current assets/(liabilities)	361,667	153,406	114,299	629,372	427,487	(60,847)	113,339	479,979
Long term liabilities	-	(1,961,795)	-	(1,961,795)	-	(2,367,058)	-	(2,367,058)
	363,773	2,933,122	114,299	3,411,194	430,646	2,844,953	113,339	3,388,938

Charity	Unrestricted funds 2025	Designated funds 2025	Restricted funds 2025	Total 2025	Unrestricted funds 2024	Designated funds 2024	Restricted funds 2024	Total 2024
	£	£	£	£	£	£	£	£
Fund balances are represented by:								
Tangible assets	-	4,741,511	-	4,741,511	-	4,777,858	-	4,777,858
Investment properties	-	-	-	-	-	495,000	-	495,000
Investments	1,000	-	-	1,000	-	1,000	-	1,000
Current assets/(liabilities)	314,577	153,406	114,299	582,282	342,396	(61,846)	113,339	393,889
Long term liabilities	-	(1,961,795)	-	(1,961,795)	-	(2,367,058)	-	(2,367,058)
	315,577	2,933,122	114,299	3,362,998	342,396	2,844,954	113,339	3,300,689

28 Subsidiaries

These financial statements are consolidated charity financial statements for the King's Community Church (Southampton) group.

Details of the charity's subsidiaries at 31 March 2025 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct	% Held Indirect
KCC Enterprises Ltd	England	Corporate events and running of a cafe	Ordinary	100.00	

The results for KCC Enterprises Ltd have been consolidated into these accounts, with charity-only figures shown for clarity.

In the charity-only Balance Sheet, the investment is stated at cost. The registered office of KCC Enterprises is the same as the parent. Its company number is 7992952.

The accounts for KCC Enterprises Ltd show the following information at 31 March 2025 and for the year then ended:

	£
Total assets	102,789
Total liabilities	(53,593)
Total funds	49,196
Total turnover	291,410
Total expenditure	(247,802)
Profit/(Loss) for the year)	43,608

29 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2025 £	2024 £
Aggregate compensation	124,201	146,225

During the year the spouse of a trustee was employed, in operational Church duties. The salary paid for the period in question was £28,015 (2024: £19,842).

During the year the Church received £83,661 (2024: £75,872) as a distribution from KCC Enterprises Ltd, a 100% subsidiary. The Church recharged salary costs of £133,169 (2024: £104,839) to KCC Enterprises Ltd, as well as a contribution towards utility and premises costs of £43,129 (2024: £14,602).

Ian Chiddle is a trustee of Care and Relief for the Young Ltd. During the year the Church made donations to Care and Relief for the Young Ltd of £2,768 (2024: £12,232) and received recharges and rent of £9,039 from them for office facilities provided (2024: £2,705).

30 Analysis of changes in net (debt)/funds

	At 1 April 2024	Cash flows	At 31 March 2025
	£	£	£
Cash at bank and in hand	521,427	148,940	670,367
Loans falling due within one year	(84,450)	-	(84,450)
Loans falling due after more than one year	(2,367,058)	405,263	(1,961,795)
	(1,930,081)	554,203	(1,375,878)

31 Cash generated from operations

	2025	2024
	£	£
Surplus for the year	22,256	52,140
Adjustments for:		
Investment income recognised in statement of financial activities	(4,645)	(3,213)
Gain on disposal of tangible fixed assets	(6,096)	-
Depreciation and impairment of tangible fixed assets	140,362	160,372
Movements in working capital:		
(Increase) in stocks	(691)	(1,807)
(Increase)/decrease in debtors	(40,208)	111,888
Increase/(decrease) in creditors	40,446	(79,279)
Cash generated from operations	151,424	240,101

KINGS COMMUNITY CHURCH (SOUTHAMPTON)

England & Wales - Charity number 1119560

Accounts

Charity registration number 1119560

Company registration number 06212770 (England and Wales)

KINGS COMMUNITY CHURCH (SOUTHAMPTON)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

Caladine

Chartered Certified Accountants

KINGS COMMUNITY CHURCH (SOUTHAMPTON)

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr I Chiddle	
	Ms E Curtayne	
	Mr P Grant	
	Mr R Hemming	
	Ms S Lau	
	Mr S McIntyre	
	Mrs H Quarshie	
	Mr J Treacher	
	Mr Ian Conabeer	(Appointed 29 January 2024)
Secretary	Mr G Brombley	
Charity number	1119560	
Company number	06212770	
Registered office	Sovereign Place Upper Northam Road Hedge End Southampton Hampshire SO30 4BZ	
Auditor	Sumer Audit Piper House 4 Dukes Court Bognor Road Chichester West Sussex PO19 8FX	
Bankers	Barclays Bank plc PO Box 612 Barclays House Southampton Hampshire BX3 2BB	
	Triodos Bank NV Deanery Road Bristol BS1 5AS	

KINGS COMMUNITY CHURCH (SOUTHAMPTON)

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KINGS COMMUNITY CHURCH (SOUTHAMPTON)

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2024

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

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

Objectives and activities

The trustees regularly review the aims, objectives and activities of the charity. They have considered the Charity Commission's general guidance on public benefit and its supplementary guidance on the advancement of religion for the public benefit.

King's Community Church (Southampton) is a member of the national body of the Evangelical Alliance, as well as being a part of the New Frontiers and Catalyst groups of churches. The Church is best described as a bible believing charismatic Christian church. As such, its highest purpose is to honour Jesus Christ as Lord by seeking to love and serve God, each other in the church and those in the world around us. Specifically we aim to:

- Encourage spiritual growth in Christ.
- Provide pastoral care and fellowship.
- Provide opportunities to develop ministry ability and service.
- Outreach in the community around us.
- Engage in international mission.

We seek to further these objects by providing meetings for corporate worship, fellowship and prayer. More intimate fellowship and sharing opportunities come in the regular connect group meetings. There are specific training courses for new Christians and for various ministry skills useful in the church.

We have a number of activities for young people from the church and local community. These include events for youth and primary school aged children, Chuckles for parents and toddlers, as well as small group meetings for bible study and worship. Our aim is to make all these meetings relevant to young people so that they are able to come to a personal experience of the love of God and find expression for their faith in him.

Our outreach to the community includes a ministry for the elderly, as well as a variety of events that will appeal to those who are unchurched. Church members are involved in various voluntary groups, charitable organisations and also direct evangelical enterprises to win people to Christ. Again, our purpose is for people of all ages to come to a place of faith in Christ.

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

Grant making policy

The trustees consider the making of grants to be an effective way of providing support primarily to overseas churches. In conjunction with the elders they review commitments each year as part of the budget setting process. If additional needs arise, these are presented to the church and an offering is taken up.

Applications for grants are not invited.

Volunteers

The church is involved in a wide range of ministry to the local community and internationally. This would not be possible without the voluntary efforts of a large number of the church's members and the trustees are grateful for all the time they have given, often sacrificially.

Achievements and performance

The Church has continued to grow throughout the year and now we regularly see over 900 people attending across our 2 locations and 3 meetings (2 in Hedge End, 1 in Totton). There have been multiple times in the last year when in person Sunday attendance is over 1000.

We are seeing continued growth at our Totton site with an average attendance of around 70 adults and children, we are continuing to work towards our target of 100.

At the end of the 2023/24 financial year we started a church in Weston, Hope City Church Southampton. This was started in partnership with the local Anglican Church, Holy Trinity Weston and Weston Community Youth Project, together we successfully applied for grant funding which enabled the new church to be started. This was one of the organisational goals for the year. The majority of the social action ministries that King's Community Church runs in Weston from the Hope Centre, will be transferred to the new church in the next financial year. Approximately 35 adults and children moved from King's Community Church to Hope City Church, the trustees feel this will have a small impact on giving throughout the coming year which has been taken into account throughout the budgeting process.

We took the sad decision to close part of our elderly ministry due to the increased skills, training and experience required of the team. Those attending were increasingly fragile and the requirements were becoming unachievable with unpaid staff.

The construction of a sensory room has been delayed. The Trustees have decided to pause the project until the financial picture is clearer due to significant increases in the build costs. It is our hope that this project will be completed within the next financial year.

Our Community Outreach activities have been sustained throughout the year, supporting people in need in our local area. Our Food Centre has seen significantly increased activity and we are grateful for the many organisations and individuals that have supported it through grants and donations of food. Last year (2023) the increasing number of volunteers at Hedge End made up 1423 food parcels, providing food to 4299 local people and in Weston made up 635 parcels , providing food to 1707 people.

We are keeping our social action ministry under review and have appointed a new member of staff to oversee our work and with the objective of putting together a vision and plan for our community outreach ministries going forward. We are continuing to encourage personal evangelism among the church members and have plans in place for 2024/25 to support this effort

We did not achieve our goal of increasing the number of volunteers on serving teams by 30% with 70% of members serving in at least one role. We ended the financial year with 55% of church members serving, which is similar to the percentage from the previous year.

Financial review

A substantial proportion of the church's income comes from the regular giving of its members for which the elders and trustees are extremely grateful. This exceeded expectations and was £1,173,969 an increase of 13% from the previous year (2023:£1,036,797)

The Special offering in 2024 was £149,768 and was for use towards the core costs of the church including community outreach ministries and the mortgage repayments. The special offering has been classed as unrestricted funds. As part of this offering, we often receive pledges of future donations; these are recognised upon receipt and hence will fall into the 2024/25 accounts.

Our conferencing and cafe activity has performed well and achieved a profit of £82,608 (2023: £80,642).

This year we benefited from a lease settlement because one of our large office rental leases was terminated early, resulting in higher rental income than in previous years. In the coming year, this will result in a reduction in recurring income of approximately £70,000, and we are looking to recover part of this by letting some of the vacated office space.

Expenditure has been kept constantly under review with the priority being to continue as much ministry as possible within the bounds of financial prudence.

The church owns the property, 9 Upper Northam Close (Glenbourne), this is an investment in the accounts as it is no longer being used for ministry and is being let out to tenants. The trustees intend to sell this property in 2024/25 financial year with some remedial works being done in the first half of 2024/25.

The total funds held by the charitable group at the balance sheet date are £3,388,938 (2023: £3,336,798). Included in this are £113,339 (2023: £126,811) held in restricted funds and £2,844,954 (2023: £2,895,960) held in designated funds.

The trustees have considered a number of factors in reviewing the level of reserves required:

- The current economic climate
- The level of regular giving by church members
- The requirement for working capital
- The amount of reserves tied up in fixed assets
- The ability to raise additional funds should the church face financial difficulty

The trustees consider that the level of free reserves, after allowing for unrestricted reserves tied up in fixed assets and investments, should be between one and three months expenditure.

Free reserves are £342,396 for the Church and £430,645 for the group, which is around 3 months of expenditure.

The trustees have a risk management strategy that includes an annual review of the principle risks and uncertainties facing the charity and its subsidiaries and the establishment of policies and procedures to mitigate those risks.

Plans for future periods

The trustees feel we are well placed to continue our growth strategy and fulfil our mission of preaching the gospel across the Solent area.

Our objectives for the coming year are:

- Sell 9 Upper Northam Close (Glenbourne).
- To start the build of the sensory room project.
- Start to overpay on the mortgage.
- To continue to develop our Sundays and the related serving teams.
- To invest in staff and leadership wellbeing.
- Continue to develop a clear pipeline of leaders.
- To have a vision and plan for our community outreach ministries.

Structure, governance and management

The church was originally established by a Declaration of Trust dated 20 January 1986 and the assets and liabilities were transferred to Kings Community Church (Southampton), a company limited by guarantee, on 1 April 2008 in order to improve the administration of the charity.

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

Mr I Chiddle	
Ms E Curtayne	
Mr M Fakley	(Resigned 27 November 2023)
Mr P Grant	
Mr R Hemming	
Ms S Lau	
Mr S McIntyre	
Mrs H Quarshie	
Mr J Treacher	
Mr Ian Conabeer	(Appointed 29 January 2024)

The elders of the church are the members of the company and they appoint the trustees, who remain in office thereafter. The trustees of the charity are drawn from the active members of the church with the appropriate skills for Board membership.

None of the trustees has any beneficial interest in the company.

The trustees focus their attention on strategic and policy issues including key financial decisions. The day to day management of the charity is delegated to a management team consisting of Andrew Johnston, Nicholas Brennan and Emma Roberts. Spiritual matters are overseen by the elders of the church. The trustees meet from time to time with the elders to ensure that strategy and policy are consistent with the spiritual aims of the church.

The elders of the church during the year were:

Sam Afari
Christopher Allison
John Banks
Nicholas Brennan
Martin Hughes
Andrew Johnston
Christopher Johnston
Victor Lau
Maurice Redmill
Tom Williams

The elders of the church are the members of the company and guarantee to contribute £1 in the event of a winding up.

The training of elders and trustees is discussed at their meetings and the church budget includes provision for the costs of any required training to be met.

The remuneration of key management is reviewed annually by the Trustees. Each role within the church is subject to an evaluation process that considers its responsibilities and the skills and experience required to fulfil it. Pay scales are compared with the market and similar organisations. Pay levels are generally set below the average for the private & public sectors.

The Trustees have adopted the Charity Governance Code and used an assessment template to understand the current level of compliance. An improvement action plan has been prepared and progress will be monitored during the coming year.

The church has one wholly owned subsidiary, KCC Enterprises Ltd, which undertakes commercial activities on behalf of the church.

Asset cover for funds
Note 30 sets out an analysis attributable to the various funds and a description of the trusts. These assets are sufficient to meet the charity's obligations on a fund by fund basis.

Statement of trustees' responsibilities

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

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

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

- select suitable accounting policies and then apply them consistently;

- observe the methods and principles in the Charities SORP;

- make judgements and estimates that are reasonable and prudent;

- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and

- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

Auditor

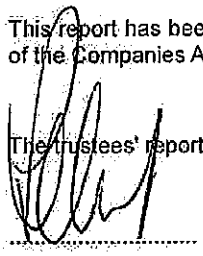
The auditor, Sumer Audit, is deemed to be re-appointed under s487(2) of the Companies Act 2006.

Disclosure of information to auditor

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

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

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



Mr P Grant
Trustee

Date: 21 Oct 2024

KINGS COMMUNITY CHURCH (SOUTHAMPTON)

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF KINGS COMMUNITY CHURCH (SOUTHAMPTON)

Opinion

We have audited the financial statements of Kings Community Church (Southampton) (the 'charity and the group') for the year ended 31 March 2024 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including 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 charitable company and group's affairs as at 31 March 2024 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's responsibilities for the audit of the financial statements* section of our report. We are independent of the charity and the group 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 and 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 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. 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.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and the group and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charity's and group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

Identification and assessment of irregularities including fraud

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

- 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 charity and the group, including The Companies Act 2006.
- we obtained an understanding of the legal and regulatory framework applicable to the entity and how the entity is complying with that framework by making appropriate enquiries of management as well as considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations;
- we made enquiries of those charged with governance and management concerning:
    - the risks of fraud;
    - instances of non-compliance with laws and regulations or knowledge of actual, suspected, or alleged fraud is documented during the period;
- we allocated an engagement team that we considered collectively had the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations.

Audit response to the risk of irregularities including fraud

Based on the results of our risk assessment, our procedures included, but were not limited to:

- performing analytical procedures to identify any unusual or unexpected relationships.
- evaluating whether the selection and application of accounting policies by the entity that may be indicative of fraudulent financial reporting resulting from management's effort to manage earnings.
- assessing whether judgements and assumptions made in determining the accounting estimates set out in note 2 were indicative of potential bias.
- agreeing financial statement disclosures to underlying supporting documentation.
- reading the minutes of meetings of those charged with governance.
- reviewing the correspondence with relevant regulatory bodies.
- testing of journal entries to address the risk of fraud through management override.
- incorporating an element of unpredictability in the selection of the nature, timing, and extent of our audit procedures.
- corroborating the business rationale for transactions outside the normal course of business.

Conclusions regarding the risks of irregularities including fraud

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 non-compliance.

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.

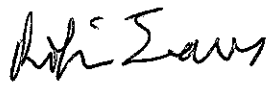
We considered our audit was capable of detecting irregularities due to:

- the effectiveness of the entity's internal controls;
- the nature, timing and extent of audit procedures performed; and
- the absence of contradictory evidence.

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

Use of our report

This report is made solely to the company's and group'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.



Robin Evans BA FCA CTA DChA (Senior Statutory Auditor)
for and on behalf of Sumer Audit

22/10/2024

Chartered Certified Accountants
Statutory Auditor

Piper House
4 Dukes Court
Bognor Road
Chichester
West Sussex
PO19 8FX

Sumer Audit is a trading name of Sumer Auditco Limited

KINGS COMMUNITY CHURCH (SOUTHAMPTON)

STATEMENT OF FINANCIAL ACTIVITIES (CONSOLIDATED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2024

	Notes	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
Income from:							
Donations and legacies	3	1,137,243	59,726	1,196,969	980,894	84,718	1,065,612
Charitable activities	4	46,010	570	46,580	21,324	1,416	22,740
Other trading activities	5	295,941	-	295,941	221,748	-	221,748
Investments	6	3,213	-	3,213	563	-	563
Other income	7	114,977	-	114,977	108,601	-	108,601
Total income		1,597,384	60,296	1,657,680	1,333,130	86,134	1,419,264
Expenditure on:							
Raising funds	8	198,730	-	198,730	146,762	-	146,762
Charitable activities	9	1,334,305	72,505	1,406,810	1,179,090	117,868	1,296,958
Total expenditure		1,533,035	72,505	1,605,540	1,325,852	117,868	1,443,720
Net gains/(losses) on investments	15	-	-	-	297,900	-	297,900
Net incoming/(outgoing) resources before transfers		64,349	(12,209)	52,140	305,178	(31,734)	273,444
Gross transfers between funds	29	1,263	(1,263)	-	121,069	(121,069)	-
Net income/(expenditure) for the year **Net movement in funds**		65,612	(13,472)	52,140	426,247	(152,803)	273,444
Fund balances at 1 April 2023		3,209,987	126,811	3,336,798	2,783,740	279,614	3,063,354
Fund balances at 31 March 2024		3,275,599	113,339	3,388,938	3,209,987	126,811	3,336,798

All income and expenditure derive from continuing activities.

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

KINGS COMMUNITY CHURCH (SOUTHAMPTON)

STATEMENT OF FINANCIAL ACTIVITIES (CHARITY ONLY) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2024

	Notes	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
Income from:							
Donations and legacies	3	1,137,243	59,726	1,196,969	980,894	84,718	1,065,612
Charitable activities	4	46,010	570	46,580	21,324	1,416	22,740
Investments	6	79,085	-	79,085	563	-	563
Other income	7	129,579	-	129,579	106,101	-	106,101
Total income		1,391,917	60,296	1,452,213	1,108,882	86,134	1,195,016
Expenditure on:							
Charitable activities	9	1,334,305	72,505	1,406,810	1,179,090	117,868	1,296,958
Total expenditure		1,334,305	72,505	1,406,810	1,179,090	117,868	1,296,958
Net gains/(losses) on investments	15	-	-	-	297,900	-	297,900
Net incoming/(outgoing) resources before transfers		57,612	(12,209)	45,403	227,692	(31,734)	195,958
Gross transfers between funds	29	1,263	(1,263)	-	121,069	(121,069)	-
Net income/(expenditure) for the year Net movement in funds		58,875	(13,472)	45,403	348,761	(152,803)	195,958
Fund balances at 1 April 2023		3,128,475	126,811	3,255,286	2,779,714	279,614	3,059,328
Fund balances at 31 March 2024		3,187,350	113,339	3,300,689	3,128,475	126,811	3,255,286

All income and expenditure derive from continuing activities.

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

KINGS COMMUNITY CHURCH (SOUTHAMPTON)

BALANCE SHEET (CONSOLIDATED)

AS AT 31 MARCH 2024

	Notes	2024 £	2024 £	2023 £	2023 £
Fixed assets					
Tangible assets	17		4,781,017		4,934,580
Investment property	19		495,000		495,000
			5,276,017		5,429,580
Current assets					
Stocks	20	2,581		774	
Debtors	21	113,423		225,311	
Cash at bank and in hand		521,427		362,821	
		637,431		588,906	
Creditors: amounts falling due within one year	22	(157,452)		(237,886)	
Net current assets			479,979		351,020
Total assets less current liabilities			5,755,996		5,780,600
Creditors: amounts falling due after more than one year	23		(2,367,058)		(2,443,802)
Net assets			3,388,938		3,336,798
Income funds					
Restricted funds	29		113,339		126,811
Unrestricted funds					
Designated funds:					
Fixed Asset fund		2,812,954		2,895,960	
Mortgage fund		15,000		-	
Sick pay reserve		17,000		-	
	30	2,844,954		2,895,960	
General unrestricted funds		430,645		314,027	
			3,275,599		3,209,987
			3,388,938		3,336,798

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

KINGS COMMUNITY CHURCH (SOUTHAMPTON)

BALANCE SHEET (CONSOLIDATED)

AS AT 31 MARCH 2024

The financial statements were approved by the Trustees on 21/10/2024

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Mr P Grant
Trustee

Company registration number 06212770

KINGS COMMUNITY CHURCH (SOUTHAMPTON)

BALANCE SHEET (CHARITY ONLY)

AS AT 31 MARCH 2024

	Notes	2024 £	2024 £	2023 £	2023 £
Fixed assets					
Tangible assets	17		4,777,858		4,930,368
Investment property	19		495,000		495,000
Investments	18		1,000		1,000
			5,273,858		5,426,368
Current assets					
Debtors	21	110,194		177,633	
Cash at bank and in hand		438,416		330,861	
		548,610		508,494	
Creditors: amounts falling due within one year	22	(154,721)		(235,774)	
Net current assets			393,889		272,720
Total assets less current liabilities			5,667,747		5,699,088
Creditors: amounts falling due after more than one year	23		(2,367,058)		(2,443,802)
Net assets			3,300,689		3,255,286
Income funds					
Restricted funds	29		113,339		126,811
Unrestricted funds					
Designated funds:					
Fixed Asset fund		2,812,954		2,895,960	
Mortgage fund		15,000		-	
Sick pay reserve		17,000		-	
	30	2,844,954		2,895,960	
General unrestricted funds		342,396		232,515	
			3,187,350		3,128,475
			3,300,689		3,255,286

KINGS COMMUNITY CHURCH (SOUTHAMPTON)

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2024

	Notes	2024 £	£	2023 £	£
Cash flows from operating activities					
Cash generated from operations	28		240,101		80,680
Investing activities					
Purchase of tangible fixed assets		(6,809)		(46,724)	
Investment income received		3,213		563	
Net cash used in investing activities			(3,596)		(46,161)
Financing activities					
Repayment of bank loans		(77,899)		(93,293)	
Net cash used in financing activities			(77,899)		(93,293)
Net increase/(decrease) in cash and cash equivalents			158,606		(58,774)
Cash and cash equivalents at beginning of year			362,821		421,595
Cash and cash equivalents at end of year			521,427		362,821

1 Accounting policies

Company information

Kings Community Church (Southampton) is a private company limited by guarantee incorporated in England and Wales governed by its Memorandum and Articles of Association dated 13 April 2007. The registered office is Sovereign Place, Upper Northam Road, Hedge End, Southampton, Hampshire, SO30 4BZ.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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). The charity is a Public Benefit Entity as defined by FRS 102.

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

The financial statements have been prepared under the historical cost convention, [modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value]. The principal accounting policies adopted are set out below.

1.2 Going concern

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

1.3 Charitable funds

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

Designated funds comprise funds which have been set aside at the discretion of the trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

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

1.4 Income

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

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

1 **Accounting policies (Continued)**

1.5 Expenditure

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

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

1.6 Tangible fixed assets

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

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

Freehold land and buildings	2% Straight Line
Fixtures and fittings	20% Straight Line
Motor vehicles	20% Reducing Balance

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

Assets purchased are capitalised if they are anticipated to be used within the Church's activities for at least 12 months, and cost in excess of £1,000 (net of VAT).

1.7 Investment property

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in profit or loss.

1.8 Impairment of fixed assets

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

1.9 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. Items held for distribution at no or nominal consideration are measured the lower of replacement cost and cost.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

1 Accounting policies (Continued)

1.10 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.11 Financial instruments

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

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

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

Basic financial assets

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

Basic financial liabilities

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

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

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

Derecognition of financial liabilities

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

1.12 Employee benefits

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

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

1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Critical accounting estimates and judgements

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

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

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2024	2024	2024	2023	2023	2023
	£	£	£	£	£	£
Donations and gifts	1,137,243	36,726	1,173,969	974,698	62,099	1,036,797
Grant Income	-	23,000	23,000	6,196	22,619	28,815
	1,137,243	59,726	1,196,969	980,894	84,718	1,065,612

4 **Charitable activities**

	Church Activities	Youth Work	Community Outreach	Total 2024	Church Activities	Youth Work	Community Outreach	Total 2023
	2024 £	2024 £	2024 £	£	2023 £	2023 £	2023 £	£
Sales within charitable activities	17,443	28,567	570	46,580	4,205	17,119	1,416	22,740
Analysis by fund								
Unrestricted funds	17,443	28,567	-	46,010	4,205	17,119	-	21,324
Restricted funds	-	-	570	570	-	-	1,416	1,416
	17,443	28,567	570	46,580	4,205	17,119	1,416	22,740

5 Other trading activities

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Non-charitable trading activities via subsidiary company	295,941	221,748

6 Investments

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Interest receivable	3,213	563

The charity only Statement of Financial Activities also includes distributions received from the trading subsidiary of £75,872 (2023: £0).

7 Other income

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Car park rental and miscellaneous income	27,744	17,912
Office rent income	87,233	88,189
Other income, including coronavirus grants	-	2,500
	114,977	108,601

The charity only Statement of Financial Activities also includes a recharge to the subsidiary for rent, utilities and administration support of £14,602 (2023: £0).

8 Expenditure on raising funds

	Unrestricted funds 2024	Unrestricted funds 2023
	£	£
Trading costs		
Operating trading company undertaking non-charitable trading activity	86,441	67,181
Staff costs	104,839	77,583
Support costs	7,450	1,998
	198,730	146,762

9 Charitable activities

	Church Activities	Youth Work	Community outreach	International outreach	Total 2024	Total 2023
	2024	2024	2024	2024		
	£	£	£	£	£	£
Staff costs	330,298	76,676	41,287	5,898	454,159	398,132
Activities undertaken directly	45,538	38,727	27,437	3,725	115,427	97,295
Pastoral costs	3,453	52	417	-	3,922	4,247
Office and administration costs	4,944	(23)	2,190	28	7,139	10,044
Property & equipment running and maintenance	74,325	1,762	6,865	3	82,955	111,551
	458,558	117,194	78,196	9,654	663,602	621,269
Grant funding of activities (see note 10)	8,627	-	4,823	56,528	69,978	78,801
Share of support costs (see note 11)	440,322	121,234	83,029	9,095	653,680	573,930
Share of governance costs (see note 11)	13,169	3,626	2,483	272	19,550	22,958
	920,676	242,054	168,531	75,549	1,406,810	1,296,958
Analysis by fund						
Unrestricted funds	915,984	242,054	132,352	43,915	1,334,305	1,179,090
Restricted funds	4,692	-	36,179	31,634	72,505	117,868
	920,676	242,054	168,531	75,549	1,406,810	1,296,958

9 Charitable activities (Continued)

For the year ended 31 March 2023

	Church Activities	Youth Work	Community outreach	International outreach	Total 2023
	£	£	£	£	£
Staff costs	289,550	67,217	36,194	5,171	398,132
Activities undertaken directly	28,903	36,173	25,821	6,398	97,295
Pastoral costs	1,670	272	2,305	-	4,247
Office and administration costs	5,954	1,015	3,021	54	10,044
Property & equipment running and maintenance	105,048	1,434	5,069	-	111,551
	431,125	106,111	72,410	11,623	621,269
Grant funding of activities (see note 10)	9,456	-	7,795	61,550	78,801
Share of support costs (see note 11)	392,334	96,562	74,457	10,577	573,930
Share of governance costs (see note 11)	15,694	3,863	2,978	423	22,958
	848,609	206,536	157,640	84,173	1,296,958
Analysis by fund					
Unrestricted funds	837,738	206,536	118,645	16,171	1,179,090
Restricted funds	10,871	-	38,995	68,002	117,868
	848,609	206,536	157,640	84,173	1,296,958

10 Grants payable

	Church Activities 2024 £	Community outreach 2024 £	International outreach 2024 £	Total 2024 £	Church Activities 2023 £	Community outreach 2023 £	International outreach 2023 £	Total 2023 £
Grants to institutions:								
King's Church, Christchurch, New Zealand	-	-	-	-	-	-	5,500	5,500
Care and Relief for the Young	-	-	6,057	6,057	-	-	7,500	7,500
Christians against poverty	-	3,700	-	3,700	-	7,200	-	7,200
Ukraine relief support	-	-	-	-	-	-	7,500	7,500
Shalom Church, Bulgaria	-	-	-	-	-	-	3,500	3,500
Other	3,902	100	1,041	5,043	1,410	595	7,293	9,298
	3,902	3,800	7,098	14,800	1,410	7,795	31,293	40,498
Grants to individuals	4,725	1,023	49,430	55,178	8,046	-	30,257	38,303
	8,627	4,823	56,528	69,978	9,456	7,795	61,550	78,801

11 Support costs

	Support costs	Governance costs	2024	Support costs	Governance costs	2023
	£	£	£	£	£	£
Staff costs	135,659	-	135,659	118,926	-	118,926
Depreciation	159,319	-	159,319	167,186	-	167,186
Other costs	16,852	-	16,852	15,728	-	15,728
Pastoral costs	902	-	902	1,519	-	1,519
Office and administration costs	262,885	-	262,885	192,403	-	192,403
Property & equipment running and maintenance	70,689	-	70,689	69,550	-	69,550
Grant related costs	7,374	-	7,374	8,618	-	8,618
Audit fees	-	6,040	6,040	-	5,790	5,790
Accountancy	-	14,560	14,560	-	18,208	18,208
Legal and professional	-	6,400	6,400	-	958	958
	653,680	27,000	680,680	573,930	24,956	598,886
Analysed between						
Trading	-	7,450	7,450	-	1,998	1,998
Charitable activities	653,680	19,550	673,230	573,930	22,958	596,888
	653,680	27,000	680,680	573,930	24,956	598,886

12 Net movement in funds

	2024	2023
	£	£
The net movement in funds is stated after charging/(crediting):		
Fees payable for the audit of the charity's financial statements	6,040	5,790
Depreciation of owned tangible fixed assets	160,372	170,260

13 Trustees

The Articles of Association provide for a minority of the trustees to be paid. None of the trustees received any remuneration during the year for their role as trustees.

During the year, one trustee received a payment of £152 for casual work done during the period of their trusteeship.

Emma Curtayne has been employed as a Children's Work and her total remuneration for the year was £16,014 (2023: £9,334).

Total expenses of £407 were reimbursed to trustees, and their related parties, for Church running and operational costs (2023 £3,187).

Identifiable donations from trustees, and their related parties, amounted to £46,409 during the year (2023: £26,689. This excludes amounts where the donor is not identifiable, where the donations were given in cash etc.

14 Employees

The average monthly number of employees during the year, calculated on a full-time equivalent basis, was:

	2024 Number	2023 Number
Church activities	9	9
Youth work	3	3
Community outreach	1	1
Management and administration	4	4
Subsidiary companies	2	3
Total	19	20

Employment costs	2024 £	2023 £
Wages and salaries	634,465	538,966
Social security costs	33,483	32,127
Other pension costs	26,709	23,548
	694,657	594,641

During the year there were redundancy costs of £5,951 (2023: £0).

There were no employees whose annual remuneration was more than £60,000.

15 Net gains/(losses) on investments

	Total Unrestricted funds	
	2024 £	2023 £
Revaluation of investments	-	297,900

See note 19 for additional detail.

16 Taxation

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

17 **Tangible fixed assets**

Group	Freehold land and buildings	Fixtures and fittings	Motor vehicles	Total
	£	£	£	£
Cost				
At 1 April 2023	6,167,029	544,067	4,000	6,715,096
Additions	2,844	3,965	-	6,809
At 31 March 2024	6,169,873	548,032	4,000	6,721,905
Depreciation and impairment				
At 1 April 2023	1,310,481	466,035	4,000	1,780,516
Depreciation charged in the year	114,133	46,239	-	160,372
At 31 March 2024	1,424,614	512,274	4,000	1,940,888
Carrying amount				
At 31 March 2024	4,745,259	35,758	-	4,781,017
At 31 March 2023	4,856,548	78,032	-	4,934,580

Charity only	Freehold land and buildings	Fixtures and fittings	Motor vehicles	Total
	£	£	£	£
Cost				
At 1 April 2023	6,167,029	499,014	4,000	6,670,043
Additions	2,844	3,965	-	6,809
At 31 March 2024	6,169,873	502,979	4,000	6,676,852
Depreciation and impairment				
At 1 April 2023	1,310,481	425,194	4,000	1,739,675
Depreciation charged in the year	114,133	45,186	-	159,319
At 31 March 2024	1,424,614	470,380	4,000	1,898,994
Carrying amount				
At 31 March 2024	4,745,259	32,599	-	4,777,858
At 31 March 2023	4,856,548	73,820	-	4,930,368

The freehold land and buildings are subject to a charge in favour of Triodos Bank NV.

18 Fixed asset investments

Charity only

	Other investments
Cost or valuation	
At 1 April 2023 & 31 March 2024	1,000
Carrying amount	
At 31 March 2024	1,000
At 31 March 2023	1,000

Other Investments above includes the £1,000 of share capital held in KCC Enterprises Ltd, the subsidiary of the main charity. These investments have been eliminated on consolidation.

19 Investment property

	2024 £
Fair value	
At 1 April 2023 and 31 March 2024	495,000

Investment property comprises of the property known as Glenbourne. The fair value of the investment property has been arrived at on the basis of a valuation carried out at 18 May 2022 by Eddisons Chartered Surveyors, who are not connected with the charity. The valuation was made on an open market value basis by reference to market evidence of transaction prices for similar properties. The trustees do not consider that this value has altered materially by the year end.

If investment properties were stated on an historical cost basis rather than a fair value basis, the amounts would have been included as follows:

	2024 £	2023 £
Cost	273,750	273,750
Accumulated depreciation	(87,600)	(82,125)
Carrying amount	186,150	191,625

	2024 £	2023 £
Freehold	495,000	495,000

20 Stocks

	Group 2024 £	Charity 2024 £	Group 2023 £	Charity 2023 £
Finished goods and goods for resale	2,581	-	774	-

21 Debtors

Amounts falling due within one year:	Group 2024 £	Charity 2024 £	Group 2023 £	Charity 2023 £
Trade debtors	23,828	4,055	60,255	914
Amounts owed by subsidiary undertakings	-	17,382	-	11,663
Other debtors	76,634	76,343	159,755	159,755
Prepayments and accrued income	12,961	12,414	5,301	5,301
	113,423	110,194	225,311	177,633

22 Creditors: amounts falling due within one year

	Notes	Group 2024 £	Charity 2024 £	Group 2023 £	Charity 2023 £
Bank loans	24	84,450	84,450	85,605	85,605
Other taxation and social security		10,654	10,654	9,214	9,878
Trade creditors		23,554	21,873	48,372	44,269
Amounts owed to subsidiary undertakings		-	-	-	2,327
Other creditors		4,769	4,769	15,258	15,258
Accruals and deferred income		34,025	32,975	79,437	78,437
		157,452	154,721	237,886	235,774

23 Creditors: amounts falling due after more than one year

	Notes	2024 £	2023 £
Bank loans	24	2,367,058	2,443,802

24 Loans and overdrafts

	2024	2023
	£	£
Bank loans	2,451,508	2,529,407
Payable within one year	84,450	85,605
Payable after one year	2,367,058	2,443,802
Amounts included above which fall due after five years:		
Payable by instalments	1,060,157	2,034,859

The Church has a long term loan from Triodos Bank NV, which is secured on its freehold land and buildings. The loan is at a variable interest rate of base rate + 2.75% and is repayable on a reducing balance basis. On 9 April 2020 it was agreed that between April 2020 and March 2021 there would be monthly interest only repayments. There would then be interest and capital repayments until August 2039.

During the year there were interest payments on this loan of £194,680 (2023: £130,535).

25 Retirement benefit schemes

Defined contribution schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £26,709 (2023: £23,548).

26 Operating lease commitments

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

	2024	2023
	£	£
Within one year	1,380	-
Between two and five years	4,139	-
	5,519	-

27 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows:

	2024	2023
	£	£
Aggregate compensation	146,225	154,836

During the year the spouse of a trustee was employed, in operational Church duties. The salary paid for the period in question was £19,842 (2023: £7,487).

During the year the Church received £75,872 (2023: £0) as a distribution from KCC Enterprises Ltd, a 100% subsidiary. The Church recharged salary costs of £104,839 (2023: £77,250) to KCC Enterprises Ltd, as well as a contribution towards utility and premises costs of £14,602 (2023: £0).

Ian Chiddle is a trustee of Care and Relief for the Young Ltd. During the year the Church made donations to Care and Relief for the Young Ltd of £12,232 (2023: £2,000) and received recharges of £2,705 from them for office facilities provided (2023: £3,018).

28 Cash generated from operations

	2024	2023
	£	£
Surplus for the year	52,140	273,444
Adjustments for:		
Investment income recognised in statement of financial activities	(3,213)	(563)
Fair value gains and losses on investments	-	(297,900)
Depreciation and impairment of tangible fixed assets	160,372	167,186
Movements in working capital:		
(Increase) in stocks	(1,807)	-
Decrease/(increase) in debtors	111,888	(75,520)
(Decrease)/increase in creditors	(79,279)	14,033
Cash generated from operations	240,101	80,680

29 Restricted funds

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

	Movement in funds					Movement in funds			
	Balance at 1 April 2022	Incoming resources	Resources expended	Transfers	Balance at 1 April 2023	Incoming resources	Resources expended	Transfers	Balance at 31 March 2024
	£	£	£	£	£	£	£	£	£
Food Centre Fund	54,644	25,623	(30,019)	-	50,248	27,575	(31,947)	-	45,876
Rebuild Fund	50,250	-	-	-	50,250	-	-	-	50,250
Strengthen Your Stakes Fund	141,359	13,472	(15,000)	(139,831)	-	-	-	-	-
Help Fund	7,393	6,681	(8,046)	-	6,028	1,626	(4,692)	-	2,962
Treasure Trove Fund	9,750	-	(2,825)	-	6,925	-	-	-	6,925
Other Restricted Funds	16,218	40,358	(61,978)	18,762	13,360	31,095	(35,866)	(1,263)	7,326
	279,614	86,134	(117,868)	(121,069)	126,811	60,296	(72,505)	(1,263)	113,339

The Food Centre Fund is monies raised for the Food Centre Project

The Rebuild Fund is for a number of investment projects and for general purposes.

The Strengthen Your Stakes Fund was to cover some specific expenditure budgets in 2022/23 for New Day, Evangelism, International Outreach, Hope Centre refurbishments as well as one or two other initiatives. The balance was for use towards general expenditure in 2022/23 and beyond, and hence this was transferred to unrestricted fund last year.

The Help Fund is to provide support to people affected by the Covid-19 pandemic both locally and internationally.

The Treasure Trove Fund is for the creation of a sensory room for people with additional needs.

Other restricted funds are a large number of small funds, which have been given for specific ministries of the Church. The Church holds sufficient cash balances to enable them to be applied.

30 Designated funds

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

Group

	Balance at 1 April 2022	Resources expended	Transfers	Revaluations, gains and losses	Balance at 1 April 2023	Resources expended	Transfers	Balance at 31 March 2024
	£	£	£	£	£	£	£	£
Fixed asset fund	2,637,604	(167,186)	127,642	297,900	2,895,960	(159,319)	76,313	2,812,954
Mortgage fund	-	-	-	-	-	-	15,000	15,000
Sick Pay reserve	-	-	-	-	-	-	17,000	17,000
	2,637,604	(167,186)	127,642	297,900	2,895,960	(159,319)	108,313	2,844,954

Charity

	Balance at 1 April 2022	Resources expended	Transfers	Revaluations, gains and losses	Balance at 1 April 2023	Resources expended	Transfers	Balance at 31 March 2024
	£	£	£	£	£	£	£	£
Fixed asset fund	2,637,604	(167,186)	127,642	297,900	2,895,960	(159,319)	76,313	2,812,954
Mortgage fund	-	-	-	-	-	-	15,000	15,000
Sick Pay reserve	-	-	-	-	-	-	17,000	17,000
	2,637,604	(167,186)	127,642	297,900	2,895,960	(159,319)	108,313	2,844,954

30 **Designated funds (Continued)**

The Fixed Asset Fund is a designated fund that represents reserves invested in fixed assets and investments and, therefore, not generally available for use. The fund balance also accounts for the balance outstanding on the mortgage, which is charged against the property. The movements in the year reflect the depreciation expense, as well as changes in value.

The trustees have also decided to set aside £15,000 towards early payment of the mortgage, as well as £17,000 to cover possible sick pay costs going forward.

31 Analysis of net assets between funds

Group	Unrestricted funds 2024	Designated funds 2024	Restricted funds 2024	Total 2024	Unrestricted funds 2023	Designated funds 2023	Restricted funds 2023	Total 2023
	£	£	£	£	£	£	£	£
Fund balances are represented by:								
Tangible assets	3,159	4,777,858	-	4,781,017	4,212	4,930,368	-	4,934,580
Investment properties	-	495,000	-	495,000	-	495,000	-	495,000
Current assets/(liabilities)	427,486	(60,846)	113,339	479,979	309,815	(85,606)	126,811	351,020
Long term liabilities	-	(2,367,058)	-	(2,367,058)	-	(2,443,802)	-	(2,443,802)
	430,645	2,844,954	113,339	3,388,938	314,027	2,895,960	126,811	3,336,798

Charity	Unrestricted funds 2024	Designated funds 2024	Restricted funds 2024	Total 2024	Unrestricted funds 2023	Designated funds 2023	Restricted funds 2023	Total 2023
	£	£	£	£	£	£	£	£
Fund balances are represented by:								
Tangible assets	-	4,777,858	-	4,777,858	-	4,930,368	-	4,930,368
Investment properties	-	495,000	-	495,000	-	495,000	-	495,000
Investments	-	1,000	-	1,000	-	1,000	-	1,000
Current assets/(liabilities)	342,396	(61,846)	113,339	393,889	232,515	(86,606)	126,811	272,720
Long term liabilities	-	(2,367,058)	-	(2,367,058)	-	(2,443,802)	-	(2,443,802)
	342,396	2,844,954	113,339	3,300,689	232,515	2,895,960	126,811	3,255,286

32 Subsidiaries

These financial statements are consolidated charity financial statements for the King's Community Church (Southampton) group.

Details of the charity's subsidiaries at 31 March 2024 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct	% Held Indirect
KCC Enterprises Ltd	England	Corporate events and running of a cafe	Ordinary	100.00	

The results for KCC Enterprises Ltd have been consolidated into these accounts, with charity-only figures shown for clarity.

In the charity-only Balance Sheet, the investment is stated at cost. The registered office of KCC Enterprises is the same as the parent. Its company number is 7992952.

The accounts for KCC Enterprises Ltd show the following information at 31 March 2024 and for the year then ended:

	£
Total assets	109,362
Total liabilities	(20,113)
Total funds	89,249
Total turnover	295,942
Total expenditure	(213,334)
Profit/(Loss) for the year)	82,608

33 Analysis of changes in net (debt)/funds

	At 1 April 2023	Cash flows	At 31 March 2024
	£	£	£
Cash at bank and in hand	362,821	158,606	521,427
Loans falling due within one year	(85,605)	1,155	(84,450)
Loans falling due after more than one year	(2,443,802)	76,744	(2,367,058)
	(2,166,586)	236,505	(1,930,081)

KINGS COMMUNITY CHURCH (SOUTHAMPTON)

England & Wales - Charity number 1119560

Accounts

Charity registration number 1119560

Company registration number 06212770 (England and Wales)

KINGS COMMUNITY CHURCH (SOUTHAMPTON)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023



Caladine

Chartered Certified Accountants

KINGS COMMUNITY CHURCH (SOUTHAMPTON)

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr I Chiddle	
	Ms E Curtayne	
	Mr M Fakley	
	Mr P Grant	
	Mr R Hemming	
	Ms S Lau	(Appointed 16 January 2023)
	Mr S McIntyre	(Appointed 16 January 2023)
	Mrs H Quarshie	(Appointed 16 January 2023)
	Mr J Treacher	(Appointed 16 January 2023)
Secretary	Mr G Brombley	
Charity number	1119560	
Company number	06212770	
Registered office	Sovereign Place Upper Northam Road Hedge End Southampton Hampshire SO30 4BZ	
Auditor	Jones Avens Limited Piper House 4 Dukes Court Bognor Road Chichester West Sussex PO19 8FX	
Bankers	Barclays Bank plc PO Box 612 Barclays House Southampton Hampshire BX3 2BB	
	Triodos Bank NV Deanery Road Bristol BS1 5AS	

KINGS COMMUNITY CHURCH (SOUTHAMPTON)

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KINGS COMMUNITY CHURCH (SOUTHAMPTON)

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) *FOR THE YEAR ENDED 31 MARCH 2023*

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

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

Objectives and activities

The trustees regularly review the aims, objectives and activities of the charity. They have considered the Charity Commission's general guidance on public benefit and its supplementary guidance on the advancement of religion for the public benefit.

King's Community Church (Southampton) is a member of the national body of the Evangelical Alliance and is best described as a Bible believing charismatic Christian Church. As such, its highest purpose is to honour Jesus Christ as Lord by seeking to love and serve God, each other in the Church and those in the world around us. Specifically we aim to:

- Encourage spiritual growth in Christ.
- Provide pastoral care and fellowship.
- Provide opportunities to develop ministry ability and service.
- Outreach in the community around us.
- Engage in international mission.

We seek to further these objects by providing meetings for corporate worship, fellowship and prayer. More intimate fellowship and sharing opportunities come in the regular connect group meetings. There are specific training courses for new Christians and for various ministry skills useful in the church.

We have a number of activities for young people from the church and local community. These include events for youth and primary school aged children, Chuckles for parents and toddlers, as well as small group meetings for bible study and worship. Our aim is to make all these meetings relevant to young people so that they are able to come to a personal experience of the love of God and find expression for their faith in Him.

Our outreach to the community includes a ministry for the elderly, as well as a variety of events that will appeal to those who are unchurched. Church members are involved in various voluntary groups, charitable organisations and also direct evangelical enterprises to win people to Christ. Again, our purpose is for people of all ages to come to a place of faith in Christ.

Since the retirement of Martyn Dunsford at the end of last year, our international activity has been focussed on a more limited number of connections, particularly in Tanzania, Bulgaria, Pakistan and Egypt.

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

The trustees consider the making of grants to be an effective way of providing support primarily to overseas churches. In conjunction with the elders they review commitments each year as part of the budget setting process. If additional needs arise, these are presented to the church and an offering is taken up.

Applications for grants are not invited.

Volunteers

The church is involved in a wide range of ministry to the local community and internationally. This would not be possible without the voluntary efforts of a large number of the church's members and the trustees are grateful for all the time they have given, often sacrificially.

Achievements and performance

The additional capacity provided by the move to two Sunday meetings has enabled us to grow substantially during the year. We achieved our ambitious target of 25% growth, and Sunday attendance at Hedge End is in excess of 800 adults and children.

Growth at our Totton site has taken longer than expected. The site was completely closed during the Covid pandemic and this means we have effectively started from scratch in building a completely new congregation, albeit supported by a core of church members who transferred from Hedge End. Average attendance is around 65 adults and children, which is substantially short of our target of 100.

Our plan for a third congregation at an additional site to be launched in 2023/24 is progressing well. We already have a community building in the Weston area of Southampton, which has been refurbished over the last four years. We have developed a partnership with the local Anglican Church, Holy Trinity Weston and successfully applied for grant funding which will enable a new church to be started in the coming months.

Our commercial business has recovered from the Covid lockdown much more quickly than expected. We have significantly exceeded our budgeted profit of £50,000.

The construction of a sensory room has been delayed. Initially this was due to difficulties in getting architects drawings completed although this was eventually done and planning permission has been granted. However, costs have jumped significantly since the project was first mooted and the Trustees have decided to pause it until the financial picture is clearer.

Our Community Outreach activities have been sustained throughout the year, supporting people in need in our local area. Our Food Centre has seen significantly increased activity and we are grateful for the many organisations and individuals that have supported it through grants and donations of food.

Our International ministry has seen a strong year of recovery post-COVID. With all parts of the world now "open for business", we have been able to support churches in Tanzania to deal with a combination of COVID restrictions, famine and floods which are making life extremely difficult for the local population. We have been able to acquire funding of £10,000 to support the Churches from the Childs Trust, as well as invest some KCC funds and money from Catalyst Network.

We have also been able to support churches in Ukraine by sending a total of £15,000 via CRY (Care and Relief of the Young) and the Catalyst Network.

Relationship with the Shalom network of churches in north-west Bulgaria continues to be strong. Over the past 12 months we have channeled our efforts into supporting two new church-plants, one in Byala Slatina and the other in Montana.

As well as financial support we have been able to support churches relationally with trips throughout the year including to Bulgaria, Pakistan, Tanzania and Egypt.

Financial review

A substantial proportion of the church's income comes from the regular giving of its members for which the elders and trustees are extremely grateful. Total donation income was £1,065,612, an increase of £107,571 (11% from the previous year (2022: £958,041)

Included in these donations was the Special offering 2023. £151,129 (2022: £141,000) was raised towards the core costs of the church including community outreach ministries and the mortgage repayments. The special offering has been classed as unrestricted funds instead of restricted as in previous years.

Our conferencing and cafe activity has recovered well following the Covid pandemic and achieved a profit of £80,642 (2022: £8,130)

Expenditure has been kept constantly under review with the priority being to continue as much ministry as possible within the bounds of financial prudence. In the difficult times we have been through, it has been important to support church members pastorally and provide services to the community through our outreach programme.

The church owns the property, 9 Upper Northam Close (Glenbourne), this has been moved from fixed assets to an investment in the accounts as it is no longer being used for ministry and is being let out to tenants.

The total funds held by the charitable group at the balance sheet date are £3,336,798 (2022: £3,063,354, following the restatement outlined elsewhere in the accounts). Included in this are £126,811 (2022: £279,614) held in restricted funds and £2,895,960 (2022: £2,637,604) held in the fixed assets designated fund.

The trustees have considered a number of factors in reviewing the level of reserves required:

- The current economic climate
- The level of regular giving by church members
- The requirement for working capital
- The amount of reserves tied up in fixed assets
- The ability to raise additional funds should the church face financial difficulty

The trustees consider that the level of free reserves, after allowing for unrestricted reserves tied up in fixed assets and investments, should be between one and three months expenditure.

Free reserves are £232,515 for the Church and £314,027 for the group, which is around 2 months of expenditure.

The trustees have a risk management strategy that includes an annual review of the principle risks and uncertainties facing the charity and its subsidiaries and the establishment of policies and procedures to mitigate those risks.

The Covid-19 pandemic has brought about huge changes in the way the church operates and the need for new approaches to risk management. In addition to the primary need to keep everyone safe, attention has also been given to the spiritual and practical support of church members and the continuation of ministry both locally and internationally.

Plans for future periods

Following a year of re-setting much of what we do in the post-Covid environment, we are well placed to continue our growth strategy and fulfil our mission of preaching the gospel across the Solent area.

Our objectives for the coming year are:

- Focus more attention on evangelism ministry through preaching and teaching in order to see 10% of the church actively engaged in personal evangelism.
- Increase the number of volunteers on serving teams by 30% with 70% of members serving in at least one role
- Develop the leadership of all ministry departments so that there is a clear pipeline of new leaders.
- Provide mentor / mentee relationships for all key leaders
- In partnership with Holy Trinity, Weston, plant a new church based at the Hope Centre.
- Grow the congregation at Totton to 100 children and adults
- Review our ministry to the elderly ministry and ensure this is fit for purpose

Structure, governance and management

The church was originally established by a Declaration of Trust dated 20 January 1986 and the assets and liabilities were transferred to Kings Community Church (Southampton), a company limited by guarantee, on 1 April 2008 in order to improve the administration of the charity.

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

Mr I Chiddle	
Ms E Curtayne	
Mr M Fakley	
Mr P Grant	
Mr R Hemming	
Ms S Lau	(Appointed 16 January 2023)
Mr S McIntyre	(Appointed 16 January 2023)
Mrs H Quarshie	(Appointed 16 January 2023)
Mr J Treacher	(Appointed 16 January 2023)
Mr M Redmill	(Resigned 31 July 2022)

The elders of the church are the members of the company and they appoint the trustees, who remain in office thereafter. The trustees of the charity are drawn from the active members of the church with the appropriate skills for Board membership.

None of the trustees has any beneficial interest in the company.

The trustees focus their attention on strategic and policy issues including key financial decisions. The day to day management of the charity is delegated to a management team consisting of Andrew Johnston, Nicholas Brennan, Tom Williams and Emma Roberts. Spiritual matters are overseen by the elders of the church. The trustees meet from time to time with the elders to ensure that strategy and policy are consistent with the spiritual aims of the church.

The elders of the church during the year were:

Sam Afari (appointed 26 March 2023)
Christopher Allison
John Banks
Nicholas Brennan
Martin Hughes
Andrew Johnston
Christopher Johnston
Victor Lau (appointed 26 March 2023)
Maurice Redmill
Tom Williams

The elders of the church are the members of the company and guarantee to contribute £1 in the event of a winding up.

The training of elders and trustees is discussed at their meetings and the church budget includes provision for the costs of any required training to be met.

The remuneration of key management is reviewed annually by the Trustees. Each role within the church is subject to an evaluation process that considers its responsibilities and the skills and experience required to fulfil it. Pay scales are compared with the market and similar organisations. Pay levels are generally set below the average for the private & public sectors.

The Trustees have adopted the Charity Governance Code and used an assessment template to understand the current level of compliance. An improvement action plan has been prepared and progress will be monitored during the coming year.

The church has one wholly owned subsidiary, KCC Enterprises Ltd, which undertakes commercial activities on behalf of the church.

Statement of trustees responsibilities

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

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

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

- select suitable accounting policies and then apply them consistently;

- observe the methods and principles in the Charities SORP;

- make judgements and estimates that are reasonable and prudent;

- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and

- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

Auditor

The auditor, Jones Avens Limited, is deemed to be re-appointed under s487(2) of the Companies Act 2006.

Disclosure of information to auditor

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

The trustees report was approved by the Board of Trustees.

M.E.Fakley

Mr M Fakley
Trustee

Date: 7/11/23

KINGS COMMUNITY CHURCH (SOUTHAMPTON)

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF KINGS COMMUNITY CHURCH (SOUTHAMPTON)

Opinion

We have audited the financial statements of Kings Community Church (Southampton) (the 'charity') for the year ended 31 March 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including 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 charitable company and group's affairs as at 31 March 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's responsibilities for the audit of the financial statements* section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The 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. 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.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

Identification and assessment of irregularities including fraud

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

- 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 association, including The Companies Act 2006.
- we obtained an understanding of the legal and regulatory framework applicable to the entity and how the entity is complying with that framework by making appropriate enquiries of management as well as considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations;
- we made enquiries of those charged with governance and management concerning:
    - the risks of fraud;
    - instances of non-compliance with laws and regulations or knowledge of actual, suspected, or alleged fraud is documented during the period;
- we allocated an engagement team that we considered collectively had the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations.

Audit response to the risk of irregularities including fraud

Based on the results of our risk assessment, our procedures included, but were not limited to:

- performing analytical procedures to identify any unusual or unexpected relationships.
- evaluating whether the selection and application of accounting policies by the entity that may be indicative of fraudulent financial reporting resulting from management's effort to manage earnings.
- assessing whether judgements and assumptions made in determining the accounting estimates set out in note 2 were indicative of potential bias.
- agreeing financial statement disclosures to underlying supporting documentation.
- reading the minutes of meetings of those charged with governance.
- reviewing the correspondence with relevant regulatory bodies.
- testing of journal entries to address the risk of fraud through management override.
- incorporating an element of unpredictability in the selection of the nature, timing, and extent of our audit procedures.
- corroborating the business rationale for transactions outside the normal course of business.

Conclusions regarding the risks of irregularities including fraud

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 non-compliance.

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.

We considered our audit was capable of detecting irregularities due to:

- the effectiveness of the entity's internal controls;
- the nature, timing and extent of audit procedures performed; and
- the absence of contradictory evidence.

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

Use of our 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.

Claire Norwood BSc FCA ATII (Senior Statutory Auditor)
for and on behalf of Jones Avens Limited

15/11/23

Chartered Accountants
Statutory Auditor

Piper House
4 Dukes Court
Bognor Road
Chichester
West Sussex
PO19 8FX

KINGS COMMUNITY CHURCH (SOUTHAMPTON)

STATEMENT OF FINANCIAL ACTIVITIES (CONSOLIDATED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2023

	Notes	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
Income from:							
Donations and legacies	3	980,894	84,718	1,065,612	710,703	247,338	958,041
Charitable activities	4	21,324	1,416	22,740	6,725	8,827	15,552
Other trading activities	5	221,748	-	221,748	98,873	-	98,873
Investments	6	563	-	563	28	-	28
Other income	7	108,601	-	108,601	103,578	-	103,578
Total income		1,333,130	86,134	1,419,264	919,907	256,165	1,176,072
Expenditure on:							
Raising funds	8	146,762	-	146,762	103,962	-	103,962
Charitable activities	9	1,179,090	117,868	1,296,958	875,769	247,255	1,123,024
Total expenditure		1,325,852	117,868	1,443,720	979,731	247,255	1,226,986
Net gains/(losses) on investments	14	297,900	-	297,900	(1,902)	-	(1,902)
Net incoming/(outgoing) resources before transfers		305,178	(31,734)	273,444	(61,726)	8,910	(52,816)
Gross transfers between funds	24	121,069	(121,069)	-	34,000	(34,000)	-
Net income/(expenditure) for the year **Net movement in funds**		426,247	(152,803)	273,444	(27,726)	(25,090)	(52,816)
Fund balances at 1 April 2022		2,783,740	279,614	3,063,354	2,811,466	304,704	3,116,170
Fund balances at 31 March 2023		3,209,987	126,811	3,336,798	2,783,740	279,614	3,063,354

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

All income and expenditure derive from continuing activities.

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

KINGS COMMUNITY CHURCH (SOUTHAMPTON)

STATEMENT OF FINANCIAL ACTIVITIES (CHARITY ONLY) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2023

	Notes	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
Income from:							
Donations and legacies	3	980,894	84,718	1,065,612	710,703	247,338	958,041
Charitable activities	4	21,324	1,416	22,740	6,725	8,827	15,552
Investments	6	563	-	563	9,301	-	9,301
Other income	7	106,101	-	106,101	169,412	-	169,412
Total income		1,108,882	86,134	1,195,016	896,141	256,165	1,152,306
Expenditure on:							
Raising funds	8	-	-	-	79,053	-	79,053
Charitable activities	9	1,179,090	117,868	1,296,958	874,626	247,255	1,121,881
Total expenditure		1,179,090	117,868	1,296,958	953,679	247,255	1,200,934
Net gains/(losses) on investments	14	297,900	-	297,900	(1,902)	-	(1,902)
Net incoming/(outgoing) resources before transfers		227,692	(31,734)	195,958	(59,440)	8,910	(50,530)
Gross transfers between funds	24	121,069	(121,069)	-	34,000	(34,000)	-
Net income/(expenditure) for the year Net movement in funds		348,761	(152,803)	195,958	(25,440)	(25,090)	(50,530)
Fund balances at 1 April 2022		2,779,714	279,614	3,059,328	2,805,154	304,704	3,109,858
Fund balances at 31 March 2023		3,128,475	126,811	3,255,286	2,779,714	279,614	3,059,328

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

All income and expenditure derive from continuing activities.

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

KINGS COMMUNITY CHURCH (SOUTHAMPTON)

BALANCE SHEET (CONSOLIDATED)

AS AT 31 MARCH 2023

	Notes	2023 £	2023 £	2022 £	2022 £
Fixed assets					
Tangible assets			4,934,580		5,261,324
Investment property			495,000		-
			5,429,580		5,261,324
Current assets					
Stocks		774		774	
Debtors		225,311		138,282	
Cash at bank and in hand		362,821		421,595	
		588,906		560,651	
Creditors: amounts falling due within one year		(237,886)		(245,236)	
Net current assets			351,020		315,415
Total assets less current liabilities			5,780,600		5,576,739
Creditors: amounts falling due after more than one year	22		(2,443,802)		(2,513,385)
Net assets			3,336,798		3,063,354
Income funds					
Restricted funds	24		126,811		279,614
Unrestricted funds					
Designated funds:					
Fixed Asset fund		2,895,960		2,639,877	
		2,895,960		2,639,877	
General unrestricted funds		314,027		143,863	
			3,209,987		2,783,740
			3,336,798		3,063,354

The financial statements were approved by the Trustees on 7/11/23

M.E. Fakley

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Mr M Fakley
Trustee

Company registration number 06212770

KINGS COMMUNITY CHURCH (SOUTHAMPTON)

BALANCE SHEET (CHARITY ONLY)

AS AT 31 MARCH 2023

	Notes	2023 £	£	2022 £	£
Fixed assets					
Tangible assets	16		4,930,368		5,255,249
Investment property	17		495,000		-
Investments	29		1,000		1,000
			5,426,368		5,256,249
Current assets					
Debtors	19	177,633		152,349	
Cash at bank and in hand		330,861		407,327	
		508,494		559,676	
Creditors: amounts falling due within one year	20	(235,774)		(243,212)	
Net current assets			272,720		316,464
Total assets less current liabilities			5,699,088		5,572,713
Creditors: amounts falling due after more than one year	21		(2,443,802)		(2,513,385)
Net assets			3,255,286		3,059,328
Income funds					
Restricted funds	24		126,811		279,614
Unrestricted funds					
Designated funds:					
Fixed Asset fund	25	2,895,960		2,637,604	
		2,895,960		2,637,604	
General unrestricted funds		232,515		142,110	
			3,128,475		2,779,714
			3,255,286		3,059,328

KINGS COMMUNITY CHURCH (SOUTHAMPTON)

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2023

	Notes	2023 £	£	2022 £	£
Cash flows from operating activities					
Cash generated from operations	30		80,680		148,994
Investing activities					
Purchase of tangible fixed assets		(46,724)		(48,088)	
Proceeds from disposal of investments		-		(1,902)	
Investment income received		563		28	
Net cash used in investing activities			(46,161)		(49,962)
Financing activities					
Repayment of bank loans		(93,293)		(109,205)	
Net cash used in financing activities			(93,293)		(109,205)
Net decrease in cash and cash equivalents			(58,774)		(10,173)
Cash and cash equivalents at beginning of year			421,595		431,768
Cash and cash equivalents at end of year			362,821		421,595

1 Accounting policies

Company Information

Kings Community Church (Southampton) is a private company limited by guarantee incorporated in England and Wales governed by its Memorandum and Articles of Association dated 13 April 2007. The registered office is Sovereign Place, Upper Northam Road, Hedge End, Southampton, Hampshire, SO30 4BZ.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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). The charity is a Public Benefit Entity as defined by FRS 102.

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

The financial statements have been prepared under the historical cost convention, [modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value]. The principal accounting policies adopted are set out below.

1.2 Going concern

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

1.3 Charitable funds

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

Designated funds comprise funds which have been set aside at the discretion of the trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

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

1.4 Income

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

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

1 Accounting policies (Continued)

1.5 Expenditure

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

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

1.6 Tangible fixed assets

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

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

Freehold land and buildings	2% Straight Line
Fixtures and fittings	20% Straight Line
Motor vehicles	20% Reducing Balance

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

1.7 Investment property

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in profit or loss.

1.8 Impairment of fixed assets

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

1.9 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. Items held for distribution at no or nominal consideration are measured the lower of replacement cost and cost.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

1.10 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1 **Accounting policies (Continued)**

1.11 Financial instruments

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

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

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

Basic financial assets

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

Basic financial liabilities

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

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

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

Derecognition of financial liabilities

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

1.12 Employee benefits

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

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

1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Critical accounting estimates and judgements

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

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

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2023	2023	2023	2022	2022	2022
	£	£	£	£	£	£
Donations and gifts	974,698	62,099	1,036,797	710,703	205,468	916,171
Grant Income	6,196	22,619	28,815	-	41,870	41,870
	980,894	84,718	1,065,612	710,703	247,338	958,041

4 **Charitable activities**

	Church Activities	Youth Work	Community Outreach	Total 2023	Church Activities	Youth Work	Community Outreach	Total 2022
	2023	2023	2023		2022	2022	2022	
	£	£	£	£	£	£	£	£
Sales within charitable activities	4,205	17,119	1,416	22,740	500	6,135	8,917	15,552
Analysis by fund								
Unrestricted funds	4,205	17,119	-	21,324	500	6,135	90	6,725
Restricted funds	-	-	1,416	1,416	-	-	8,827	8,827
	4,205	17,119	1,416	22,740	500	6,135	8,917	15,552

5 Other trading activities

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Non-charitable trading activities	221,748	98,873

6 Investments

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Interest receivable	563	28

7 Other income

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Car park rental and miscellaneous income	17,912	11,740
Office rent income	88,189	76,000
Coronavirus grants, CJRS and other income	2,500	15,838
	108,601	103,578

8 Raising funds

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Trading costs		
Operating trading company undertaking non-charitable trading activity	67,181	24,909
Other trading activities	-	1,757
Staff costs	77,583	71,146
Support costs	1,998	6,150
Trading costs	146,762	103,962
	146,762	103,962

9 **Charitable activities**

	Church Activities	Youth Work	Community outreach	International outreach	Total 2023	Total 2022
	2023 £	2023 £	2023 £	2023 £	£	£
Staff costs	289,550	67,217	36,194	5,171	398,132	386,414
Activities undertaken directly	28,903	36,173	25,821	6,398	97,295	326,226
Pastoral costs	1,670	272	2,305	-	4,247	-
Office and administration costs	5,954	1,015	3,021	54	10,044	-
Property & equipment running and maintenance	105,048	1,434	5,069	-	111,551	-
	431,125	106,111	72,410	11,623	621,269	712,640
Grant funding of activities (see note 10)	9,456	-	7,795	61,550	78,801	70,092
Share of support costs (see note 11)	392,334	96,562	74,457	10,577	573,930	332,280
Share of governance costs (see note 11)	15,694	3,863	2,978	423	22,958	8,012
	848,609	206,536	157,640	84,173	1,296,958	1,123,024
Analysis by fund						
Unrestricted funds	837,738	206,536	118,645	16,171	1,179,090	875,769
Restricted funds	10,871	-	38,995	68,002	117,868	247,255
	848,609	206,536	157,640	84,173	1,296,958	1,123,024

9 **Charitable activities (Continued)**

For the year ended 31 March 2022

	Church Activities	Youth Work	Community outreach	International outreach	Total 2022
	£	£	£	£	£
Staff costs	246,885	82,187	22,049	35,293	386,414
Activities undertaken directly	259,831	12,041	44,606	9,748	326,226
	506,716	94,228	66,655	45,041	712,640
Grant funding of activities (see note 10)	28,212	-	501	41,379	70,092
Share of support costs (see note 11)	287,395	8,817	18,434	17,634	332,280
Share of governance costs (see note 11)	6,009	401	801	801	8,012
	828,332	103,446	86,391	104,855	1,123,024
Analysis by fund					
Unrestricted funds	656,427	102,109	53,944	63,289	875,769
Restricted funds	171,905	1,337	32,447	41,566	247,255
	828,332	103,446	86,391	104,855	1,123,024

10 Grants payable

	Church Activities 2023 £	Community outreach 2023 £	International outreach 2023 £	Total 2023 £	Church Activities 2022 £	Community outreach 2022 £	International outreach 2022 £	Total 2022 £
Grants to institutions:								
Commission Apostolic Trust, India	-	-	-	-	-	-	5,000	5,000
Mostar Bible School, Bosnia	-	-	-	-	-	-	5,000	5,000
Bethel Miracle Centre, Tanzania	-	-	-	-	-	-	27,000	27,000
King's Church, Christchurch, New Zealand	-	-	5,500	5,500	-	-	-	-
CRY	-	-	7,500	7,500	10,000	-	-	10,000
Christians Against Poverty	-	7,200	-	7,200	-	-	-	-
Ukraine relief support	-	-	7,500	7,500	-	-	-	-
Shalom Church, Bulgaria	-	-	3,500	3,500	-	-	-	-
Other	1,410	595	7,293	9,298	5,064	-	4,379	9,443
	1,410	7,795	31,293	40,498	15,064	-	41,379	56,443
Grants to individuals	8,046	-	30,257	38,303	13,148	501	-	13,649
	9,456	7,795	61,550	78,801	28,212	501	41,379	70,092

11 Support costs

	Support costs	Governance costs	2023	Support costs	Governance costs	2022
	£	£	£	£	£	£
Staff costs	118,926	-	118,926	97,474	-	97,474
Depreciation	167,186	-	167,186	167,676	-	167,676
Other costs	15,728	-	15,728	73,280	-	73,280
Pastoral costs	1,519	-	1,519	-	-	-
Office and administration costs	192,403	-	192,403	-	-	-
Property & equipment running and maintenance	69,550	-	69,550	-	-	-
Grant related costs	8,618	-	8,618	-	-	-
Audit fees	-	5,790	5,790	-	3,620	3,620
Accountancy	-	18,208	18,208	-	3,150	3,150
Legal and professional	-	958	958	-	-	-
Unrecovered VAT on audit and accountancy	-	-	-	-	1,242	1,242
	573,930	24,956	598,886	338,430	8,012	346,442
Analysed between						
Trading	-	1,998	1,998	6,150	-	6,150
Charitable activities	573,930	22,958	596,888	332,280	8,012	340,292
	573,930	24,956	598,886	338,430	8,012	346,442

Governance costs includes payments to the auditors of £5,790 (2022: £,3,620) for audit fees and £0 (2022: £3,150) for other services, across all group entities.

12 Trustees

The Articles of Association provide for a minority of the trustees to be paid. None of the trustees has received any remuneration during the year for their role as trustees.

Emma Curtayne has been employed as a Children's Work and her total remuneration for the year was £9,334 (2022: £8,000).

Total expenses of £3,187 were reimbursed to trustees, and their related parties, for Church running and operational costs.

Identifiable donations from trustees, and their related parties, amounted to £26,689 during the year. This excludes amounts where the donor is not identifiable, where the donations were given in cash etc.

13 Employees

The average monthly number of employees during the year, calculated on a full-time equivalent basis, was:

	2023 Number	2022 Number
Church activities	9	9
Youth work	3	3
Community outreach	1	1
International outreach	-	1
Management and administration	4	3
Subsidiary companies	3	3
Total	20	20

Employment costs	2023 £	2022 £
Wages and salaries	538,966	504,945
Social security costs	32,127	27,155
Other pension costs	23,548	22,934
	594,641	555,034

There were no employees whose annual remuneration was more than £60,000.

14 Net gains/(losses) on investments

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Revaluation of investments	297,900	-
Gain/(loss) on sale of investments	-	(1,902)
	297,900	(1,902)

15 Taxation

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

16 Tangible fixed assets

Group	Freehold land and buildings	Fixtures and fittings	Motor vehicles	Total
	£	£	£	£
Cost				
At 1 April 2022	6,405,508	532,614	4,000	6,942,122
Additions	35,271	11,453	-	46,724
Transfer to investment property	(273,750)	-	-	(273,750)
At 31 March 2023	6,167,029	544,067	4,000	6,715,096
Depreciation and impairment				
At 1 April 2022	1,271,428	411,478	4,000	1,686,906
Depreciation charged in the year	115,703	54,557	-	170,260
Transfer to investment property	(76,650)	-	-	(76,650)
At 31 March 2023	1,310,481	466,035	4,000	1,780,516
Carrying amount				
At 31 March 2023	4,856,548	78,032	-	4,934,580
At 31 March 2022	5,134,080	121,136	-	5,255,216

Charity only	Freehold land and buildings	Fixtures and fittings	Motor vehicles	Total
	£	£	£	£
Cost				
At 1 April 2022	6,405,508	492,826	4,000	6,902,334
Additions	35,271	6,188	-	41,459
Transfer to investment property	(273,750)	-	-	(273,750)
At 31 March 2023	6,167,029	499,014	4,000	6,670,043
Depreciation and impairment				
At 1 April 2022	1,271,428	372,711	4,000	1,648,139
Depreciation charged in the year	115,703	52,483	-	168,186
Transfer to investment property	(76,650)	-	-	(76,650)
At 31 March 2023	1,310,481	425,194	4,000	1,739,675
Carrying amount				
At 31 March 2023	4,856,548	73,820	-	4,930,368
At 31 March 2022	5,134,080	120,115	-	5,254,195

16 Tangible fixed assets (Continued)

The freehold land and buildings are subject to a charge in favour of Triodos Bank NV.

17 Investment property

	2023
	£
Fair value	
At 1 April 2022	-
Transfers from owner-occupied property	197,100
Net gains or losses through fair value adjustments	297,900
At 31 March 2023	495,000

Investment property comprises of the property known as Glenbourne. The fair value of the investment property has been arrived at on the basis of a valuation carried out at 18 May 2022 by Eddisons Chartered Surveyors, who are not connected with the charity. The valuation was made on an open market value basis by reference to market evidence of transaction prices for similar properties. The trustees do not consider that this value has altered materially by the year end.

If investment properties were stated on an historical cost basis rather than a fair value basis, the amounts would have been included as follows:

	2023	2022
	£	£
Cost	273,750	-
Accumulated depreciation	(82,125)	-
Carrying amount	191,625	-

	2023	2022
	£	£
Freehold	495,000	-

18 Stocks

	Group 2023	Charity 2023	Group 2022	Charity 2022
	£	£	£	£
Finished goods and goods for resale	774	-	774	-

19 Debtors

Amounts falling due within one year:	Group 2023 £	Charity 2023 £	Group 2022 £	Charity 2022 £
Trade debtors	60,255	914	48,102	33,057
Amounts owed by subsidiary undertakings	-	11,663	-	29,112
Other debtors	159,755	159,755	81,617	81,617
Prepayments and accrued income	5,301	5,301	8,563	8,563
	225,311	177,633	138,282	152,349

20 Creditors: amounts falling due within one year

	Notes	Group 2023 £	Charity 2023 £	Group 2022 £	Charity 2022 £
Bank loans	22	85,605	85,605	109,315	109,315
Other taxation and social security		9,214	9,878	18,119	18,119
Trade creditors		48,372	44,269	24,687	22,478
Amounts owed to subsidiary undertakings		-	2,327	-	2,244
Other creditors		15,258	15,258	4,311	4,311
Accruals and deferred income		79,437	78,437	88,804	86,745
		237,886	235,774	245,236	243,212

21 Creditors: amounts falling due after more than one year

	Notes	2023 £	2022 £
Bank loans	22	2,443,802	2,513,385

22 Loans and overdrafts

	2023 £	2022 £
Bank loans	2,529,407	2,622,700
Payable within one year	85,605	109,315
Payable after one year	2,443,802	2,513,385
Amounts included above which fall due after five years:		
Payable by instalments	2,034,859	2,044,968

22 Loans and overdrafts (Continued)

The Church has a long term loan from Triodos Bank NV, which is secured on its buildings. The loan is at a variable interest rate of base rate + 2.75% and is repayable on a reducing balance basis. On 9 April 2020 it was agreed that between April 2020 and March 2021 there would be monthly interest only repayments. There would then be interest and capital repayments until August 2039.

During the year there were interest payments on this loan of £130,535 (2022: £88,000).

23 Retirement benefit schemes

Defined contribution schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £23,548 (2022: £22,934).

24 Restricted funds

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

	Movement in funds					Movement in funds			
	Balance at 1 April 2021	Incoming resources	Resources expended	Transfers	Balance at 1 April 2022	Incoming resources	Resources expended	Transfers	Balance at 31 March 2023
	£	£	£	£	£	£	£	£	£
Food Centre Fund	52,644	18,000	(16,000)	-	54,644	25,623	(30,019)	-	50,248
Rebuild Fund	127,250	33,000	(80,000)	(30,000)	50,250	-	-	-	50,250
Strengthen Your Stakes Fund	-	141,359	-	-	141,359	13,472	(15,000)	(139,831)	-
Elijah Fund	86,000	-	(86,000)	-	-	-	-	-	-
Help Fund	16,393	1,000	(10,000)	-	7,393	6,681	(8,046)	-	6,028
Treasure Trove Fund	9,750	-	-	-	9,750	-	(2,825)	-	6,925
Other Restricted Funds	12,667	62,806	(55,255)	(4,000)	16,218	40,358	(61,978)	18,762	13,360
	304,704	256,165	(247,255)	(34,000)	279,614	86,134	(117,868)	(121,069)	126,811

24 Restricted funds (Continued)

The Food Centre Fund is monies raised for the Food Centre Project

The Rebuild Fund is for a number of investment projects and for general purposes.

The Strengthen Your Stakes Fund is to cover some specific expenditure budgets in 2022/23 for New Day, Evangelism, International Outreach, Hope Centre refurbishments as well as one or two other initiatives. The balance was for use towards general expenditure in 2022/23 and beyond, and hence this has been transferred to unrestricted fund this year.

The Love the Solent Fund was for expenditure on community focused projects, particularly our CAP Debt Centre, Parish Nursing and the Hope Centre.

The Elijah Fund was for toilet refurbishment costs of £30,000 which occurred in 2020/21 and for general purposes going forwards.

The Help Fund is to provide support to people affected by the Covid-19 pandemic both locally and internationally.

The Treasure Trove Fund is for the creation of a sensory room for people with additional needs.

Other restricted funds are a large number of small funds, which have been given for specific ministries of the Church. The Church holds sufficient cash balances to enable them to be applied.

25 Designated funds

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

Group

	Balance at 1 April 2021	Transfers	Balance at 1 April 2022	Resources expended	Transfers	Revaluations, gains and losses	Balance at 31 March 2023
	£	£	£	£	£	£	£
Fixed asset fund	2,564,000	75,877	2,637,604	(167,186)	127,642	297,900	2,895,960

Charity

	Balance at 1 April 2021	Transfers	Balance at 1 April 2022	Resources expended	Transfers	Revaluations, gains and losses	Balance at 31 March 2023
	£	£	£	£	£	£	£
Fixed asset fund	2,564,000	75,877	2,637,604	(167,186)	127,642	297,900	2,895,960

The Fixed Asset Fund is a designated fund that represents reserves invested in fixed assets and investments and, therefore, not generally available for use. The fund balance also accounts for the balance outstanding on the mortgage, which is charged against the property. The movements in the year reflect the depreciation expense, as well as changes in value.

26 **Analysis of net assets between funds**

Group	Unrestricted funds 2023	Designated funds 2023	Restricted funds 2023	Total 2023	Unrestricted funds 2022	Designated funds 2022	Restricted funds 2022	Total 2022
	£	£	£	£	£	£	£	£
Fund balances are represented by:								
Tangible assets	4,212	4,930,368	-	4,934,580	1,020	5,260,304	-	5,261,324
Investment properties	-	495,000	-	495,000	-	-	-	-
Current assets/(liabilities)	309,815	(85,606)	126,811	351,020	145,116	(109,315)	279,614	315,415
Long term liabilities	-	(2,443,802)	-	(2,443,802)	-	(2,513,385)	-	(2,513,385)
	314,027	2,895,960	126,811	3,336,798	146,136	2,637,604	279,614	3,063,354

Charity	Unrestricted funds 2023	Designated funds 2023	Restricted funds 2023	Total 2023	Unrestricted funds 2022	Designated funds 2022	Restricted funds 2022	Total 2022
	£	£	£	£	£	£	£	£
Fund balances are represented by:								
Tangible assets	-	4,930,368	-	4,930,368	-	5,255,249	-	5,255,249
Investment properties	-	495,000	-	495,000	-	-	-	-
Investments	-	1,000	-	1,000	-	1,000		1,000
Current assets/(liabilities)	232,515	(86,606)	126,811	272,720	141,110	(104,260)	279,614	316,464
Long term liabilities	-	(2,443,802)	-	(2,443,802)	-	(2,513,385)	-	(2,513,385)
	232,515	2,895,960	126,811	3,255,286	142,110	2,637,604	279,614	3,059,328

27 Capital commitments

	2023	2022
	£	£
At 31 March 2023 the charity had capital commitments as follows:		
Contracted for but not provided in the financial statements:		
Acquisition of property, plant and equipment	-	27,000

28 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2023	2022
	£	£
Aggregate compensation	154,836	231,000

During the year the spouse of a trustee was employed, in operational Church duties. The salary paid for the period in question was £7,487 (2022: £0).

During the year the Church received £0 (2022: £9,000) under the Gift Aid scheme from KCC Enterprises Ltd, a 100% subsidiary. The Church recharged salary costs of £77,250 (2022: £66,000) to KCC Enterprises Ltd.

Ian Chiddle is a trustee of Care and Relief for the Young Ltd. During the year the Church made donations to Care and Relief for the Young Ltd of £2,000 (2022: £0) and paid postage recharges to them of £0 (2022: £1,000) and received recharges of £3,018 from them for office facilities provided (2022: £3,000).

29 Subsidiaries

These financial statements are consolidated charity financial statements for the King's Community Church (Southampton) group.

Details of the charity's subsidiaries at 31 March 2023 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct	% Held Indirect
KCC Enterprises Ltd	England	Corporate events and running of a cafe	Ordinary	100.00	

29 Subsidiaries (Continued)

The results for KCC Enterprises Ltd have been consolidated into these accounts, with charity-only figures shown for clarity.

In the charity-only Balance Sheet, the investment is stated at cost. The registered office of KCC Enterprises is the same as the parent. Its company number is 7992952.

The accounts for KCC Enterprises Ltd show the following information at 31 March 2023 and for the year then ended:

	£
Total assets	99,279
Total liabilities	(16,766)
Total funds	82,513
Total turnover	224,248
Total expenditure	(143,606)
Profit/(Loss) for the year)	80,642

30 Cash generated from operations

	2023	2022
	£	£
Surplus/(deficit) for the year	273,444	(52,816)
Adjustments for:		
Investment income recognised in statement of financial activities	(563)	(28)
(Gain)/loss on disposal of investments	-	1,902
Fair value gains and losses on investments	(297,900)	-
Depreciation and impairment of tangible fixed assets	167,186	167,676
Movements in working capital:		
(Increase) in stocks	-	(620)
(Increase) in debtors	(75,520)	(45,432)
Increase in creditors	14,033	78,312
Cash generated from operations	80,680	148,994

31 Analysis of changes in net (debt)/funds

	At 1 April 2022	Cash flows	At 31 March 2023
	£	£	£
Cash at bank and in hand	421,595	(58,774)	362,821
Loans falling due within one year	(109,315)	23,710	(85,605)
Loans falling due after more than one year	(2,513,385)	69,583	(2,443,802)
	(2,201,105)	34,519	(2,166,586)

32 Prior period adjustment

Changes to the balance sheet

	At 31 March 2022		
	As previously reported	Adjustment	As restated
	£	£	£
Fixed assets			
Tangible assets	5,177,447	83,877	5,261,324
Capital funds			
Income funds			
Restricted funds	279,614	-	279,614
Designated funds	2,553,727	83,877	2,637,604
Unrestricted funds	146,136	-	146,136
Total equity	2,979,477	83,877	3,063,354

Changes to the profit and loss account

	Period ended 31 March 2022		
	As previously reported	Adjustment	As restated
	£	£	£
Net movement in funds	(52,816)	-	(52,816)

In the previously submitted accounts for the year ended 31 March 2022, a consolidation adjustment was included to eliminate £83,877 of historic surplus generated by Northam Developments Ltd (a 100% subsidiary) on the construction, and recharge to the parent, of the new Church building. This was offset against the consolidated fixed assets each year.

This adjustment was not correct and as Northam Developments Ltd has now been struck off, the cumulative effect of these consolidation adjustments has been removed from the accounts and the comparative figures restated, as outlined above.

KINGS COMMUNITY CHURCH (SOUTHAMPTON)

England & Wales - Charity number 1119560

Accounts

Charity registration number 1119560

Company registration number 6212770 (England and Wales)

KING'S COMMUNITY CHURCH (SOUTHAMPTON)

CONSOLIDATED ACCOUNTS

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

KING'S COMMUNITY CHURCH (SOUTHAMPTON)
CONSOLIDATED ACCOUNTS
LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Ian Chiddle Emma Curtayne Martin Fakley Richard Hemming Peter Grant
Charity number	1119560
Company number	6212770
Principal address	Sovereign Place Upper Northam Road Hedge End Southampton Hampshire SO30 4BZ
Registered office	Sovereign Place Upper Northam Road Hedge End Southampton Hampshire SO30 4BZ
Auditor	Jones Avens Limited Piper House 4 Dukes Court Bognor Road Chichester West Sussex PO19 8FX
Bankers	Barclays Bank plc PO Box 612 Barclays House Southampton Hampshire BX3 2BB Triodos Bank NV Deanery Road Bristol BS1 5AS
Solicitors	Coffin Mew LLP 1000 Lakeside North Harbour Portsmouth Hampshire PO6 3EN

KING'S COMMUNITY CHURCH (SOUTHAMPTON)
CONSOLIDATED ACCOUNTS
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KING'S COMMUNITY CHURCH (SOUTHAMPTON)
CONSOLIDATED ACCOUNTS
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 31 MARCH 2022

The trustees present their report and consolidated financial statements for the year ended 31 March 2022.

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

Objectives and activities

The trustees regularly review the aims, objectives and activities of the charity. They have considered the Charity Commission's general guidance on public benefit and its supplementary guidance on the advancement of religion for the public benefit.

King's Community Church (Southampton) is a member of the national body of the Evangelical Alliance and is best described as a bible believing charismatic Christian church. As such, its highest purpose is to honour Jesus Christ as Lord by seeking to love and serve God, each other in the church and those in the world around us. Specifically we aim to:

- Encourage spiritual growth in Christ.
- Provide pastoral care and fellowship.
- Provide opportunities to develop ministry ability and service.
- Outreach in the community around us.
- Engage in international mission.

We seek to further these objects by providing meetings for corporate worship, fellowship and prayer. More intimate fellowship and sharing opportunities come in the regular connect group meetings. There are specific training courses for new Christians and for various ministry skills useful in the church.

We have a number of activities for young people from the church and local community. These include youth events, Kidszone for primary school aged children, Chuckles for parents and toddlers, as well as small group meetings for bible study and worship. Our aim is to make all these meetings relevant to young people so that they are able to come to a personal experience of the love of God and find expression for their faith in him.

Our outreach to the community includes HALO, a lunch club for the elderly, as well as a variety of events that will appeal to those who are unchurched. Church members are involved in various voluntary groups, charitable organisations and also direct evangelical enterprises to win people to Christ. Again, our purpose is for people of all ages to come to a place of faith in Christ.

There is a substantial overseas work called International Outreach which operates across Europe, Africa and Asia. Our aim is to play our part in fulfilling the great commission to make disciples of all nations.

Grant making policy

The trustees consider the making of grants to be an effective way of providing support primarily to overseas churches. In conjunction with the elders they review commitments each year as part of the budget setting process. If additional needs arise, these are presented to the church and an offering is taken up.

Applications for grants are not invited.

Volunteers

The church is involved in a wide range of ministry to the local community and internationally. This would not be possible without the voluntary efforts of a large number of the church's members and the trustees are grateful for all the time they have given, often sacrificially.

Achievements and performance

The steps we took in the first year of the Covid-19 pandemic have served us well as it has continued to affect so much of day to day life. Our early decision to provide an on-line Sunday meeting has meant that we have been able to sustain the church community, providing a means of worship for those who have needed to isolate as well as those who have been able to return to in-person meetings. Our mid-week connect groups have been a mixture of in person and on-line meetings.

In October we started a second Sunday meeting at our Hedge End site. This was due to growth, particularly in the number of children attending, as we had insufficient space to accommodate everyone, even before the impact of social distancing requirements. This has been incredibly encouraging given that many churches have seen reductions in membership during the last two years.

Our Community Outreach activities have been sustained throughout the year, supporting people in need in our local area. Our Food Centre has seen significantly increased activity and we are grateful for the many organisations and individuals that have supported it through grants and donations of food.

Because of travel restrictions, there have been very few international visits during the year. Nevertheless, we have provided both practical and spiritual to our large number of overseas contacts. Much of this has been through on-line meetings but we have also used our Help Fund to provide much needed financial support. Martyn Dunsford, who headed up our international work, retired shortly before the end of the year, and many of the contacts that he had have been passed to other churches in the New Frontiers network that we are part of. Our own focus will be on a more limited number of connections, particularly in Tanzania, Bulgaria, Pakistan and Egypt.

Within our own congregation, we have seen an increasing international mix in our membership. During the last year we have actively been helping migrants from Hong Kong to settle in the local area, with many joining the church. More recently we have been participating in the national programme to support refugees from Ukraine. Approximately 30% of the membership of KCC is now made up of people who are not UK born. This represents over 30 nations. The largest ethnic groups are from Hong Kong (75 people) and West African (Ghana and Nigeria) (180 people).

The re-roofing of the Hope Centre has been completed and new leaders have been appointed to oversee our work in that area.

Plans for our new sensory room have been drawn up and have received planning permission. Once building regulations approval has been received, we will be able to start construction.

Financial review

A substantial proportion of the church's income comes from the regular giving of its members for which the elders and trustees are extremely grateful. Donations to unrestricted funds are down slightly on the previous year, particularly due to less casual giving. Regular monthly giving has increased slightly. Giving to restricted funds is lower as there was substantial giving to the Help Fund in 2021.

Our Strengthen Your Stakes Fund launched in March 2021 raised £141,000, with pledges of a further £14,000 expected to be received in the coming year. We have donated £15,000 since the year end to organisations providing support to refugees from Ukraine. Further sums have been allocated to some specific projects – New Day, Evangelism, International Outreach and further refurbishment at the Hope Centre. The balance can be used for general expenditure in 2022/23 and beyond.

Our conferencing activity restarted in Spring 2021 as infection rates started to fall but in late Autumn was curtailed again as organisations deferred activity due to health & safety considerations. The profit for the year is therefore very small at £8,000.

Expenditure has been kept constantly under review with the priority being to continue as much ministry as possible within the bounds of financial prudence. In the difficult times we have been through, it has been important to support church members pastorally and provide services to the community through our outreach programme.

Reserves

The total funds held by the charitable group at the balance sheet date are £2,979,000 (2021 £3,031,000). Included in this are £279,000 (2021 £305,000) held in restricted funds and £2,556,000 (2021 £2,565,000) held in the fixed assets designated fund.

The trustees have considered a number of factors in reviewing the level of reserves required:

- The current economic climate
- The level of regular giving by church members
- The requirement for working capital
- The amount of reserves tied up in fixed assets
- The ability to raise additional funds should the church face financial difficulty

The trustees consider that the level of free reserves, after allowing for unrestricted reserves tied up in fixed assets and investments, should be between one and three months expenditure.

Free reserves are £146,000 for the church and £144,000 for the group, which is 1.4 months of expenditure.

Risks and uncertainties

The trustees have a risk management strategy that includes an annual review of the principle risks and uncertainties facing the charity and its subsidiaries and the establishment of policies and procedures to mitigate those risks.

The Covid-19 pandemic has brought about huge changes in the way the church operates and the need for new approaches to risk management. In addition to the primary need to keep everyone safe, attention has also been given to the spiritual and practical support of church members and the continuation of ministry both locally and internationally.

Plans for the future

As life begins to return to more normal activity following the worst of the Covid-19 pandemic, we have set objectives that seek to put us back on a growth strategy and help us fulfil our mission of preaching the gospel.

Our objectives for the coming year are:

- Grow Sunday attendance at our Hedge End site by 25% from 650 to 810 adults and children.
- Grow attendance at our Totton site to 100 adults and children
- Plan for a third congregation at an additional site to be in a position to launch this in 2023/24.
- Grow commercial activity to achieve a profit of £50,000 and build the customer base to see a further substantial increase the following year.
- Begin construction of the sensory room

Structure, governance and management

The church was originally established by a Declaration of Trust dated 20 January 1986 and the assets and liabilities were transferred to King's Community Church (Southampton), a company limited by guarantee, on 1 April 2008 in order to improve the administration of the charity.

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

Pauline Quan Arrow	(Resigned 1 March 2022)
Ian Chiddle	
Emma Curtayne	
Martin Fakley	
Richard Hemming	
Sarah Ann Martin	(Resigned 20 January 2022)
Maurice Redmill	(Resigned 31 July 2022)
Peter Grant	

The elders of the church are the members of the company and they appoint the trustees, who remain in office thereafter. The trustees of the charity are drawn from the active members of the church with the appropriate skills for Board membership.

None of the trustees has any beneficial interest in the company.

The trustees focus their attention on strategic and policy issues including key financial decisions. The day to day management of the charity is delegated to a management team consisting of Nicholas Brennan, Andrew Johnston, Tom Williams and Emma Roberts. Spiritual matters are overseen by the elders of the church. The trustees meet from time to time with the elders to ensure that strategy and policy are consistent with the spiritual aims of the church.

The elders of the church during the year were:

Christopher Allison
John Banks
Nicholas Brennan
Martyn Dunsford MBE (resigned 31 October 2020)
Martin Hughes
Andrew Johnston
Christopher Johnston (appointed 26 July 2021)
Maurice Redmill
Timothy Williams (resigned 12 January 2021)
Tom Williams

Christopher Allison, Andrew Johnston, Nicholas Brennan, Chris Johnston and Tom Williams are employed as pastors and oversee the day to day management of the charity.

The elders of the church are the members of the company and guarantee to contribute £1 in the event of a winding up.

The training of elders and trustees is discussed at their meetings and the church budget includes provision for the costs of any required training to be met.

The Articles of Association provide for a minority of the trustees to be paid. None of the trustees has received any remuneration during the year for their role as Trustees (2021 Nil). Emma Curtayne has been employed as a Children's Worker and her total remuneration for the year was £8,000.

The remuneration of key management is reviewed annually by the Trustees. Each role within the church is subject to an evaluation process that considers its responsibilities and the skills and experience required to fulfil it. Pay scales are compared with the market and similar organisations. Pay levels are generally set below the average for the private & public sectors.

The Trustees have adopted the Charity Governance Code and used an assessment template to understand the current level of compliance. An improvement action plan has been prepared and progress will be monitored during the coming year.

The church has two wholly owned subsidiaries. Northam Developments Ltd was established to undertake the construction of the church's premises at Sovereign Place and other related building work. KCC Enterprises Ltd undertakes commercial activities on behalf of the church. Northam Developments Ltd has been wound up and was formally dissolved on 7 June 2022.

Asset cover for funds

Note 24 sets out an analysis attributable to the various funds and a description of the trusts. These assets are sufficient to meet the charity's obligations on a fund by fund basis.

Auditor
The auditor, Jones Avens Limited, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

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

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

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

.....M.E.Fakley.....
Martin Fakley
Chairman
Dated: ....3 October 2022

KING'S COMMUNITY CHURCH (SOUTHAMPTON)
CONSOLIDATED ACCOUNTS
STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 MARCH 2022

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

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

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

- select suitable accounting policies and then apply them consistently;

- observe the methods and principles in the Charities SORP;

- make judgements and estimates that are reasonable and prudent;

- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and

- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

KING'S COMMUNITY CHURCH (SOUTHAMPTON)
CONSOLIDATED ACCOUNTS
INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF KING'S COMMUNITY CHURCH (SOUTHAMPTON)

Opinion

We have audited the financial statements of King's Community Church (Southampton) (the 'charity') for the year ended 31 March 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including 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 charitable parent company's affairs as at 31 March 2022 and of the group's and charitable parent company's incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The 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 our audit:

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the 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 accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

Identification and assessment of irregularities including fraud

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

- 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 association, including The Companies Act 2006.
- we obtained an understanding of the legal and regulatory framework applicable to the entity and how the entity is complying with that framework by making appropriate enquiries of management as well as considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations;
- we made enquiries of those charged with governance and management concerning:
    - the risks of fraud;
    - instances of non-compliance with laws and regulations or knowledge of actual, suspected, or alleged fraud is documented during the period;
- we allocated an engagement team that we considered collectively had the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations.

Audit response to the risk of irregularities including fraud

Based on the results of our risk assessment, our procedures included, but were not limited to:

- performing analytical procedures to identify any unusual or unexpected relationships.
- evaluating whether the selection and application of accounting policies by the entity that may be indicative of fraudulent financial reporting resulting from management's effort to manage earnings.
- assessing whether judgements and assumptions made in determining the accounting estimates set out in note 2 were indicative of potential bias.
- agreeing financial statement disclosures to underlying supporting documentation.
- reading the minutes of meetings of those charged with governance.
- reviewing the correspondence with relevant regulatory bodies.
- testing of journal entries to address the risk of fraud through management override.
- incorporating an element of unpredictability in the selection of the nature, timing, and extent of our audit procedures.
- corroborating the business rationale for transactions outside the normal course of business.

Conclusions regarding the risks of irregularities including fraud

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 non-compliance.

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.

We considered our audit was capable of detecting irregularities due to:

- the effectiveness of the entity's internal controls;
- the nature, timing and extent of audit procedures performed; and
- the absence of contradictory evidence.

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

Use of our report

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

Claire Norwood BSc FCA ATII (Senior Statutory Auditor)
for and on behalf of Jones Avens Limited

18/10/22

Chartered Accountants
Statutory Auditor

Piper House
4 Dukes Court
Bognor Road
Chichester
West Sussex
PO19 8FX

KING'S COMMUNITY CHURCH (SOUTHAMPTON)
CONSOLIDATED ACCOUNTS
STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2022

	Notes	Unrestricted funds 2022 £000	Restricted funds 2022 £000	Total 2022 £000	Unrestricted funds 2021 £000	Restricted funds 2021 £000	Total 2021 £000
Income and endowments from:							
Donations and legacies	3	711	247	958	723	333	1,056
Charitable activities	4	7	9	16	-	4	4
Other trading activities	5	99	-	99	32	-	32
Other income	6	104	-	104	183	-	183
Total income		921	256	1,177	938	337	1,275
Expenditure on:							
Raising funds	7	104	-	104	95	-	95
Charitable activities	8	875	248	1,123	914	128	1,042
Total resources expended		979	248	1,227	1,009	128	1,137
Net gains/(losses) on investments	13	(2)	-	(2)	-	-	-
Net (outgoing)/incoming resources before transfers		(60)	8	(52)	(71)	209	138
Gross transfers between funds	14	34	(34)	-	30	(30)	-
Net (expenditure)/income for the year/ Net movement in funds		(26)	(26)	(52)	(41)	179	138
Fund balances at 1 April 2021		2,726	305	3,031	2,767	126	2,893
Fund balances at 31 March 2022		2,700	279	2,979	2,726	305	3,031

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

KING'S COMMUNITY CHURCH (SOUTHAMPTON)
CONSOLIDATED ACCOUNTS
BALANCE SHEET
AS AT 31 MARCH 2022

	Notes	2022 Group £000	2022 Charity £000	2021 Group £000	2021 Charity £000
Fixed assets					
Tangible assets	**15**	5,178	5,254	5,297	5,374
Investments	**28**	-	1	-	6
		5,178	5,255	5,297	5,380
Current assets					
Stocks	**16**	1	-	-	-
Debtors	**17**	134	150	93	118
Cash at bank and in hand		423	407	432	402
		558	557	525	520
Creditors: amounts falling due within one year	**18**	(244)	(241)	(170)	(167)
Net current (liabilities)/assets		314	316	355	353
Total assets less current liabilities		5,492	5,571	5,652	5,733
Creditors: amounts falling due after more than one year	**19**	(2,513)	(2,513)	(2,621)	(2,621)
Net assets		2,979	3,058	3,031	3,112
Income funds					
Restricted funds	**22**	279	279	305	305
Unrestricted funds					
Designated funds	**23**	2,556	2,633	2,565	2,648
General unrestricted funds		144	146	161	159
Total unrestricted funds		2,700	2,779	2,726	2,807
		2,979	3,058	3,031	3,112

The financial statements were approved by the Trustees on 30 October 2022

M.E. Fakley

Martin Fakley
Trustee

Company Registration No. 6212770

KING'S COMMUNITY CHURCH (SOUTHAMPTON)
CONSOLIDATED ACCOUNTS
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2022

	Notes	2022 £000	2022 £000	2021 £000	2021 £000
Cash flows from operating activities					
Cash generated from operations	**29**		150		309
Investing activities					
Purchase of tangible fixed assets		(48)		(69)	
Net cash used in investing activities			(48)		(69)
Financing activities					
Repayment of bank loans		(111)		-	
Net cash used in financing activities			(111)		-
Net (decrease)/increase in cash and cash equivalents			(9)		240
Cash and cash equivalents at beginning of year			432		192
Cash and cash equivalents at end of year			423		432
Relating to:					
Cash at bank and in hand			423		432

1 Accounting policies

Charity information

King's Community Church (Southampton) is a private company limited by guarantee incorporated in England and Wales. The registered office is Sovereign Place, Upper Northam Road, Hedge End, Southampton, Hampshire, SO30 4BZ.

1.1 Accounting convention

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

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £000.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

These accounts consolidate the results of the charity and its wholly owned subsidiaries on a line by line basis.

1.2 Going concern

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

1.3 Charitable funds

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

Designated funds comprise funds which have been set aside at the discretion of the trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

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

1.4 Income

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

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

1 Accounting policies **(Continued)**

1.5 Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed they have been classified as support costs.

Direct costs, including directly attributable salaries, are allocated on an actual basis to the key strategic areas of activity. Overheads and other salaries are allocated between expense headings on the basis of time spent.

Grants paid are allocated to areas of activity based on the nature of the work being funded.

Governance costs include the costs of governance arrangements which relate to the general running of the church as a charity. These activities provide the governance infrastructure which allows the church to operate and to generate the information required for public accountability.

Support and governance costs are apportioned to activities on a basis consistent with the use of resources, which is estimated to be:

Church activities	75%
Youth work	5%
Community outreach	10%
International outreach	10%

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses. Items of less than £1,000 are not capitalised.

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

Freehold land and buildings	2% straight line
Fixtures, fittings and equipment	20 - 25% straight line

Freehold land is not depreciated.

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

1.7 Impairment of fixed assets

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

1.8 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. Items held for distribution at no or nominal consideration are measured the lower of replacement cost and cost.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

1 Accounting policies **(Continued)**

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.10 Financial instruments

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

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

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

Basic financial assets

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

Basic financial liabilities

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

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

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

Derecognition of financial liabilities

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

1.11 Employee benefits

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

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

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1 Accounting policies **(Continued)**

1.13 Concessionary loans

Concessionary loans are initially measured at the amount received or paid and are recognised in the balance sheet. In subsequent years the carrying amount is adjusted to reflect any accrued interest payable or receivable. To the extent that a loan that has been made is irrecoverable, an impairment loss is recognised in income and expenditure.

1.14 Consolidation

These accounts have consolidated the results and balance sheet of the trading subsidiaries on a line by line basis. The charitable company's own income and expenditure account is omitted as the exemption under S408 of the Companies Act 2006 has been relied on. The deficit for the charity for the year is £54,000.

2 Critical accounting estimates and judgements

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

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

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2022	**2022**	**2022**	2021	2021	2021
	£000	**£000**	**£000**	£000	£000	£000
Donations and gifts	711	205	916	723	229	952
Grants receivable	-	42	42	-	104	104
	711	247	958	723	333	1,056
Grants receivable for core activities						
Catalyst	-	25	25	-	28	28
Stuart Hine Trust	-	7	7	-	-	-
Child's Charitable Trust	-	-	-	-	10	10
Hampshire County Council	-	-	-	-	8	8
All Churches Trust	-	-	-	-	9	9
Eastleigh Borough Council	-	-	-	-	25	25
Vivid Housing Association	-	-	-	-	5	5
Grants under £5,000 each	-	10	10	-	19	19
	-	42	42	-	104	104

The church is grateful for the continued sacrificial giving by its members and the generous support of its grant funders.

4 Charitable activities

	Church activities	Youth work	Community outreach	Total 2022	Community outreach
	2022	**2022**	**2022**		**2021**
	£000	**£000**	**£000**	**£000**	**£000**
Sales within charitable activities	1	6	9	16	4
Analysis by fund					
Unrestricted funds	1	6	-	7	-
Restricted funds	-	-	9	9	4
	1	6	9	16	4

5 Other trading activities

	Unrestricted funds	Unrestricted funds
	2022	2021
	£000	£000
Non-charitable trading activities	99	32

6 Other income

	Unrestricted funds	Unrestricted funds
	2022	2021
	£000	£000
Car park rental and miscellaneous income	12	6
Office rent	76	70
Glenbourne rent	12	12
Recharges to related charity	3	1
Coronavirus Job Retention Scheme grants	1	94
	104	183

7 Raising funds

	Unrestricted funds	Unrestricted funds
	2022	2021
	£000	£000
Fundraising and publicity		
Other fundraising costs	-	1
Trading costs		
Operating trading company undertaking non-charitable trading activity	96	86
Other trading activities	8	8
Trading costs	104	94
	104	95

8 Charitable activities

	Church activities 2022 £000	Youth work 2022 £000	Community outreach 2022 £000	International outreach 2022 £000	Total 2022 £000	Total 2021 £000
Activities undertaken directly	662	94	67	45	868	779
Grant funding of activities (see note 9)	28	-	1	42	71	116
Share of support costs (see note 10)	132	8	18	18	176	139
Share of governance costs (see note 10)	6	-	1	1	8	8
	828	102	87	106	1,123	1,042
Analysis by fund						
Unrestricted funds	656	101	54	64	875	914
Restricted funds	172	1	33	42	248	128
	828	102	87	106	1,123	1,042

For the year ended 31 March 2021

	Church activities £000	Youth work £000	Community outreach £000	International outreach £000	Total 2021 £000
Activities undertaken directly	610	81	45	43	779
Grant funding of activities (see note 9)	96	-	3	17	116
Share of support costs (see note 10)	104	7	14	14	139
Share of governance costs (see note 10)	6	-	1	1	8
	816	88	63	75	1,042
Analysis by fund					
Unrestricted funds	714	88	49	63	914
Restricted funds	102	-	14	12	128
	816	88	63	75	1,042

9 Grants payable

	Church activities 2022 £000	Community outreach 2022 £000	International outreach 2022 £000	Total 2022 £000	Church activities 2021 £000	Community outreach 2021 £000	International outreach 2021 £000	Total 2021 £000
Grants to institutions:								
Commission Apostolic Trust, India	-	-	5	5	-	-	-	-
Living Waters Church, Korce, Albania	-	-	-	-	3	-	4	7
Care and Relief for the Young	-	-	-	-	4	-	1	5
Life Bridging Works	-	-	-	-	1	-	2	3
Catalyst	-	-	-	-	5	-	-	5
Mostar Bible School, Bosnia	-	-	5	5	5	-	-	5
Bethel Church, Tirana, Albania	-	-	-	-	2	-	-	2
Shalom Church, Vratsa, Bulgaria	-	-	-	-	6	-	-	6
Bethel Miracle Centre, Tanzania	-	-	27	27	20	-	-	20
King's Church, Christchurch, New Zealand	10	-	-	10	9	-	-	9
NewDay, Norfolk	-	-	-	-	5	-	-	5
Grants under £3,000	5	-	5	10	13	-	10	23
	15	-	42	57	73	-	17	90
Grants to individuals	13	1	-	14	23	3	-	26
	28	1	42	71	96	3	17	116

The church has established connections with a number of churches overseas. Offerings are taken up on a regular basis to support those churches and also related charitable projects. Occasional offerings are taken up for Christian ministries and to meet the needs of local people in necessitous circumstances.

10 Support costs

	Support costs	**Governance costs**	**2022**	Support costs	Governance costs	2021
	£000	**£000**	**£000**	£000	£000	£000
Staff costs	97	-	97	69	-	69
Other costs	79	1	80	70	1	71
Audit fees	-	4	4	-	4	4
Accountancy	-	3	3	-	3	3
	176	8	184	139	8	147
Analysed between						
Charitable activities	176	8	184	139	8	147

Governance costs includes payments to the auditors of £4,000 (2021- £4,000) for audit fees for the charity. There are also audit fees of £1,000 (2021 - £2,000) for the subsidiaries which are included in expenditure on raising funds. There are also payments to the auditors for non-audit work of £3,000 (2021 - £3,000).

11 Trustees

The Articles of Association provide for a minority of the trustees to be paid. None of the trustees has received any remuneration during the year for their role as Trustees (2021 Nil). From 6 January 2020 Emma Curtayne has been employed as a Children's Worker and her total remuneration for the year was £8,000 (2021 - £8,000).

No expenses were reimbursed to trustees (2021 - Nil).

12 Employees

The average monthly number of employees during the year, calculated on a full-time equivalent basis, was:

	2022 Number	2021 Number
Church activities	9	9
Youth work	3	3
Community outreach	1	1
International outreach	1	1
Management and administration	3	2
Subsidiary companies	3	3
Total	20	19

Employment costs	**2022 £000**	**2021 £000**
Wages and salaries	505	503
Social security costs	27	23
Other pension costs	23	23
	555	549

There were no employees whose annual remuneration was more than £60,000.

13 Net gains/(losses) on investments

	Unrestricted funds	Total
	2022 £000	2021 £000
Gain/(loss) on sale of investments	(2)	-

14 Transfers

There is a transfer of £34,000 from restricted to unrestricted funds due to restricted funds being spent on fixed assets (£30,000), income related to international ministry expenditure made in the previous financial year, having spent the money in advance of promised funds (£3,000) and small adjustments to other funds (£1,000).

In the comparative year there was a transfer of £30,000 from restricted to unrestricted funds as there had been toilet refurbishment costs capitalised as fixed assets purchased out of restricted funds.

15 Tangible fixed assets

Group	Freehold land and buildings	Fixtures, fittings and equipment	Total
	£000	£000	£000
Cost			
At 1 April 2021	6,277	517	6,794
Additions	26	22	48
Disposals	-	(5)	(5)
At 31 March 2022	6,303	534	6,837
Depreciation and impairment			
At 1 April 2021	1,141	356	1,497
Depreciation charged in the year	109	58	167
Eliminated in respect of disposals	-	(5)	(5)
At 31 March 2022	1,250	409	1,659
Carrying amount			
At 31 March 2022	5,053	125	5,178
At 31 March 2021	5,136	161	5,297

Charity	Freehold land and buildings	Fixtures, fittings and equipment	Total
	£000	£000	£000
Cost			
At 1 April 2021	6,379	480	6,859
Additions	26	22	48
Disposals	-	(5)	(5)
At 31 March 2022	6,405	497	6,902
Depreciation and impairment			
At 1 April 2021	1,161	324	1,485
Depreciation charged in the year	111	57	168
Eliminated in respect of disposals	-	(5)	(5)
At 31 March 2022	1,272	376	1,648
Carrying amount			
At 31 March 2022	5,133	121	5,254
At 31 March 2021	5,218	156	5,374

The freehold land and buildings are subject to a charge in favour of Triodos Bank NV.

16 Stocks

	2022 Group £000	2022 Charity £000	2021 Group £000	2021 Charity £000
Cafe stock	1	-	-	-

17 Debtors

Amounts falling due within one year:	2022 Group £000	2022 Charity £000	2021 Group £000	2021 Charity £000
Trade debtors	43	30	8	-
Amounts due from subsidiary undertakings	-	29	-	33
Other debtors	80	80	69	69
Loans given	2	2	2	2
Prepayments and accrued income	9	9	14	14
	134	150	93	118

The church has provided a rent deposit of £2,000 (2021 - £2,000) for one of its members, which is held by a local estate agent in its client account. No interest is payable and the deposit will be returned at the end of the tenancy provided all rent and charges have been paid.

18 Creditors: amounts falling due within one year

	Notes	2022 Group £000	2022 Charity £000	2021 Group £000	2021 Charity £000
Bank loans	20	109	109	111	111
Other taxation and social security		18	18	5	5
Trade creditors		24	22	20	20
Amounts due to subsidiary undertakings		-	2	-	2
Accruals, deferred income and other creditors		93	90	34	29
		244	241	170	167

Included above is deferred income of £49,000 (2021 - £0) which relates to a lease premium invoiced in advance to be brought in as income over the term of the lease. The building of the new office was not completed by the balance sheet date and so occupancy had not started by then, so none of the income has been recognised in these accounts.

19 Creditors: amounts falling due after more than one year

	Notes	2022 £000	2021 £000
Bank loans	20	2,513	2,621

20 Loans and overdrafts

	2022 £000	2021 £000
Bank loans	2,622	2,732
Payable within one year	109	111
Payable after one year	2,513	2,621
Amounts included above which fall due after five years:		
Payable by instalments	2,045	2,154

The church has a long term loan of £2,622,000 from Triodos Bank NV, which is secured on its buildings. The loan is at a variable interest rate of base rate + 2.75% and is repayable on a reducing balance basis. On 9 April 2020 it was agreed that between April 2020 and March 2021 there would be monthly interest only repayments. There would then be interest and capital repayments until August 2039. During the year there were interest payments on this loan of £88,000 (2021 - £89,000).

21 Retirement benefit schemes

Defined contribution schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund with the Pensions Trust. The church matches employee contributions up to 5% of salary.

The charge to profit or loss in respect of defined contribution schemes was £23,000 (2021 - £23,000). The pension creditor at the balance sheet date is £4,000 (2021 - £4,000).

22 Restricted funds

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

	Movement in funds				Movement in funds				
	Balance at 1 April 2020	Incoming resources	Resources expended	Transfers	Balance at 1 April 2021	Incoming resources	Resources expended	Transfers	Balance at 31 March 2022
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Food Centre Fund	4	54	(5)	-	53	18	(16)	-	55
Rebuild Fund	-	127	-	-	127	33	(80)	(30)	50
Strengthen Your Stakes Fund	-	-	-	-	-	141	-	-	141
Love the Solent Fund	4	-	(4)	-	-	-	-	-	-
Elijah Fund	77	39	-	(30)	86	-	(86)	-	-
Help Fund	29	74	(87)	-	16	1	(10)	-	7
Totton Fund	4	1	(5)	-	-	1	(1)	-	-
Treasure Trove Fund	-	10	-	-	10	-	-	-	10
Other restricted Funds	8	32	(27)	-	13	62	(55)	(4)	16
	126	337	(128)	(30)	305	256	(248)	(34)	279

22 Restricted funds **(Continued)**

The Food Centre Fund is monies raised for the Food Centre Project.

The Rebuild Fund is for a number of investment projects and for general purposes.

The Strengthen Your Stakes Fund is to cover some specific expenditure budgets in 2022/23 for New Day, Evangelism, International Outreach, Hope Centre refurbishment as well as one or two other new initiatives. The balance can be used for general expenditure in 2022/23 and beyond.

The Love the Solent Fund was for expenditure on community focussed projects, particularly our CAP Debt Centre, Parish Nursing and the Hope Centre.

The Elijah Fund was for toilet refurbishment costs of £30,000 which occurred in 2020/21 and for general purposes in 2021/22.

The Help Fund is to provide support to people affected by the Covid-19 pandemic both locally and internationally.

The Totton Fund is for both the launch and ongoing costs of starting the new site in Totton.

The Treasure Trove Fund is for the creation of a sensory room for people with additional needs.

Other restricted funds are a large number of small funds, which have been given for specific ministries of the church. The church holds sufficient cash balances to enable them to be applied.

23 Designated funds

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

Group	Balance at 1 April 2020	Transfers	Balance at 1 April 2021	Transfers	Balance at 31 March 2022
	£000	£000	£000	£000	£000
Fixed Asset Fund	2,660	(95)	2,565	(9)	2,556
	2,660	(95)	2,565	(9)	2,556

Charity	Balance at 1 April 2020	Transfers	Balance at 1 April 2021	Transfers	Balance at 31 March 2022
	£000	£000	£000	£000	£000
Fixed Asset Fund	2,740	(92)	2,648	(15)	2,633
	2,740	(92)	2,648	(15)	2,633

The Fixed Asset Fund is a designated fund that represents reserves invested in fixed assets and investments and, therefore, not generally available for use. There was a transfer from the Fixed Asset Fund to the General Fund of £9,000 for the group and £15,000 for the church because there was a decrease in the value of fixed assets funded from reserves.

24 Analysis of net assets between funds

Group	Unrestricted Funds 2022 £000	Designated Funds 2022 £000	Restricted Funds 2022 £000	Total 2022 £000	Unrestricted Funds 2021 £000	Designated Funds 2021 £000	Restricted Funds 2021 £000	Total 2021 £000
Fund balances at 31 March 2022 are represented by:								
Tangible assets	-	5,178	-	5,178	-	5,297	-	5,297
Current assets/(liabilities)	144	(109)	279	314	161	(111)	305	355
Long term liabilities	-	(2,513)	-	(2,513)	-	(2,621)	-	(2,621)
	144	2,556	279	2,979	161	2,565	305	3,031

Charity	Unrestricted Funds 2022 £000	Designated Funds 2022 £000	Restricted Funds 2022 £000	Total 2022 £000	Unrestricted Funds 2021 £000	Designated Funds 2021 £000	Restricted Funds 2021 £000	Total 2021 £000
Fund balances at 31 March 2022 are represented by:								
Tangible assets	-	5,254	-	5,254	-	5,374	-	5,374
Investments	-	1	-	1	-	6	-	6
Current assets/(liabilities)	146	(109)	279	316	159	(111)	305	353
Long term liabilities	-	(2,513)	-	(2,513)	-	(2,621)	-	(2,621)
	146	2,633	279	3,058	159	2,648	305	3,112

25 Capital commitments

	2022	2021
	£000	£000
At 31 March 2022 the charity had capital commitments as follows:		
Contracted for but not provided in the financial statements:		
Acquisition of property, plant and equipment	27	-

26 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases of £0 (2021 - £0). The operating lease payments recognised as an expense in the year are £0 (2021 - £1,000).

27 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2022	2021
	£000	£000
Aggregate compensation	231	200

Transactions with related parties

During the year the charity entered into the following transactions with related parties:

During the year the church received £9,000 (2021 - £25,000) under the Gift Aid scheme from KCC Enterprises Ltd, a 100% subsidiary. The church recharged salary costs of £66,000 (2021 - £6,000) to KCC Enterprises Ltd.

Ian Chiddle is a trustee of Care and Relief for the Young Ltd. During the year the church made donations to Care and Relief for the Young Ltd of £0 (2021 - £1,000) and grants to them of £0 (2021 - £4,000) and paid postage recharges to them of £1,000 (2021 - £1,000). The church also received £3,000 (2021 - £1,000) for recharged services.

Martin Fakley is a trustee of Seedfund Ltd. During the year the church made a grant payment to Seedfund Ltd of £0 (2021 - £1,000).

28 Subsidiaries

These financial statements are consolidated charity financial statements for the King's Community Church (Southampton) group.

Details of the charity's subsidiaries at 31 March 2022 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held DirectIndirect
KCC Enterprises Ltd - Company no. 7992952	England	Corporate events	Ordinary	100.00
Northam Developments Ltd - Company no. 2933627	England	Construction	Ordinary	100.00

The investment in KCC Enterprises Ltd is stated at cost, but the investment in Northam Developments Ltd has been written off at 31 March 2022 because this company was dissolved on 7 June 2022. There were no transactions in Northam Developments Ltd during the year ending 31 March 2022.

As a result, only KCC Enterprises Ltd is included in these consolidated accounts at 31 March 2022, but both of the subsidiary companies are included in these consolidated accounts at 31 March 2021. KCC Enterprises Ltd has the same registered office as the parent.

The accounts for KCC Enterprises Ltd show the following information at 31 March 2022 and for the year then ended:

	KCC Enterprises Ltd £000
Total assets	35
Total liabilities	33
Total funds	2
Total turnover	99
Total expenditure	91
Profit/(Loss) for the year	8

29 Cash generated from operations

	2022 £000	2021 £000
(Deficit)/surpus for the year	(52)	138
Adjustments for:		
Loss on disposal of investments	2	-
Depreciation and impairment of tangible fixed assets	167	162
Movements in working capital:		
(Increase) in stocks	(1)	-
(Increase)/decrease in debtors	(41)	41
Increase/(decrease) in creditors	75	(32)
Cash generated from operations	150	309

30 Analysis of changes in net (debt)/funds

	At 1 April 2021 £000	Cash flows £000	At 31 March 2022 £000
Cash at bank and in hand	432	(9)	423
Loans falling due within one year	(111)	2	(109)
Loans falling due after more than one year	(2,621)	108	(2,513)
	(2,300)	101	(2,199)

KINGS COMMUNITY CHURCH (SOUTHAMPTON)

England & Wales - Charity number 1119560

Accounts

Charity Registration No. 1119560

Company Registration No. 6212770 (England and Wales)

KING'S COMMUNITY CHURCH (SOUTHAMPTON)

CONSOLIDATED ACCOUNTS

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

KING'S COMMUNITY CHURCH (SOUTHAMPTON)
CONSOLIDATED ACCOUNTS
LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Pauline Quan Arrow	
	Ian Chiddle	
	Emma Curtayne	
	Martin Fakley	
	Richard Hemming	
	Sarah Ann Martin	
	Maurice Redmill	
	Peter Grant	(Appointed 21 September 2020)
Charity number	1119560	
Company number	6212770	
Principal address	Sovereign Place Upper Northam Road Hedge End Southampton Hampshire SO30 4BZ	
Registered office	Sovereign Place Upper Northam Road Hedge End Southampton Hampshire SO30 4BZ	
Auditor	Jones Avens Limited Piper House 4 Dukes Court Bognor Road Chichester West Sussex PO19 8FX	
Bankers	Barclays Bank plc PO Box 612 Barclays House Southampton Hampshire BX3 2BB	
	Triodos Bank NV Deanery Road Bristol BS1 5AS	

KING'S COMMUNITY CHURCH (SOUTHAMPTON)
CONSOLIDATED ACCOUNTS
LEGAL AND ADMINISTRATIVE INFORMATION

Solicitors	Coffin Mew LLP 1000 Lakeside North Harbour Portsmouth Hampshire PO6 3EN

KING'S COMMUNITY CHURCH (SOUTHAMPTON)
CONSOLIDATED ACCOUNTS
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KING'S COMMUNITY CHURCH (SOUTHAMPTON)
CONSOLIDATED ACCOUNTS
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 31 MARCH 2021

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

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

Objectives and activities

The trustees regularly review the aims, objectives and activities of the charity. They have considered the Charity Commission's general guidance on public benefit and its supplementary guidance on the advancement of religion for the public benefit.

King's Community Church (Southampton) is a member of the national body of the Evangelical Alliance and is best described as a bible believing charismatic Christian church. As such, its highest purpose is to honour Jesus Christ as Lord by seeking to love and serve God, each other in the church and those in the world around us. Specifically we aim to:

Encourage spiritual growth in Christ.
Provide pastoral care and fellowship.
Provide opportunities to develop ministry ability and service.
Outreach in the community around us.
Engage in international mission.

We seek to further these objects by providing meetings for corporate worship, fellowship and prayer. More intimate fellowship and sharing opportunities come in the regular connect group meetings. There are specific training courses for new Christians and for various ministry skills useful in the church.

We have a number of activities for young people from the church and local community. These include youth events, Kidszone for primary school aged children, Chuckles for parents and toddlers, as well as small group meetings for bible study and worship. Our aim is to make all these meetings relevant to young people so that they are able to come to a personal experience of the love of God and find expression for their faith in him.

Our outreach to the community includes HALO, a lunch club for the elderly, as well as a variety of events that will appeal to those who are unchurched. Church members are involved in various voluntary groups, charitable organisations and also direct evangelical enterprises to win people to Christ. Again, our purpose is for people of all ages to come to a place of faith in Christ.

There is a substantial overseas work called International Outreach which operates across Europe, Africa and Asia. Our aim is to play our part in fulfilling the great commission to make disciples of all nations.

Grant making policy

The trustees consider the making of grants to be an effective way of providing support primarily to overseas churches. In conjunction with the elders they review commitments each year as part of the budget setting process. If additional needs arise, these are presented to the church and an offering is taken up.

Applications for grants are not invited.

Volunteers

The church is involved in a wide range of ministry to the local community and internationally. This would not be possible without the voluntary efforts of a large number of the church's members and the trustees are grateful for all the time they have given, often sacrificially.

Achievements and performance

As for so many organisations, the last year has been incredibly challenging as we adapted to the impact of the Covid-19 pandemic. Overnight we lost our conferencing income and were faced with huge uncertainty around the level of voluntary income we could expect. Church members responded in an incredibly generous fashion and despite everything, income from donations has actually increased by 5%. We have also been the recipient of some very generous grants, which have particularly supported our Food Centre and Help Fund.

We moved to an on-line Sunday meeting in March 2020 and when it became clear that the pandemic was going to last for some time, we invested in additional technology to enable us to provide a high-quality live broadcast. Initially this was without the congregation present and as restrictions have eased, with increasing levels of attendance. Our large auditorium has enabled us to have up to 250 people present while still maintaining appropriate social distancing. Our work with children and youth also moved on-line, with specific age-appropriate resources being made available. We have subsequently returned to in-person meetings, but with reduced numbers. Whilst the majority of church members had access to the technology needed to participate in the on-line meetings, we were of course very conscious that there were some who would be excluded. Our pastoral staff, particularly those involved with ministry to the elderly, have kept in contact with people via the telephone and, when permissible, face to face meetings.

Our midweek Connect Group meetings also had to change and Zoom meetings became the norm for so many of us. When restrictions permitted, outdoor face to face meetings in small numbers were the first step and as things have eased, so larger meetings have become possible. We have sought, as much as possible, to meet the spiritual and social needs of church members throughout the year and are grateful for the work of so many to keep connected with each other.

Our community outreach programme increased during the year. We became a Community Hub in Hedge End for Eastleigh Borough Council, which involved doing shopping and other errands for people who were either shielding or self-isolating. We were overwhelmed by the level of volunteering to support this activity with over 100 volunteers from both the church and local community. Our Food Centre has supported more families than ever, with many having lost income because of the pandemic. Our CAP debt-counselling and Parish Nursing services continued to support people in need in the local community.

Because of travel restrictions, there have been no international visits during the year. Nevertheless, we have provided both practical and spiritual to our large number of overseas contacts. Much of this has been through on-line meetings but we have also used our Help Fund to provide much needed financial support.

Financial review

A substantial proportion of the church's income comes from the regular giving of its members for which the elders and trustees are extremely grateful.

Our Elijah Fund launched in March 2020 raised £116,000. This was originally intended to fund our core costs for the year just ended but because income levels have been higher than expected, the majority has been carried forward to the new financial year. The Trustees allocated £30,000 of the fund towards the refurbishment of toilets in the older building as this was a specific project we had indicated would be funded from the offering.

In March 2020 we also launched a Help Fund with the specific aim of helping those both locally and internationally who were suffering financial hardship because of the Covid-19 pandemic. In total, £103,000 was raised including grants of £40,000. This has enabled us to provide much needed support, with £58,000 being sent overseas, £20,000 being gifted in the local community and £9,000 being used to support church members. The balance of £16,000 will be spent in the coming year.

In March 2021 we established a Rebuild Fund to help with both some specific projects and our general budget as we returned to more normal activity. The projects include the re-roofing of the Hope Centre, the creation of a sensory room at our Hedge End site and some refurbishment work in our older building. Some gifts have been specifically given towards the sensory room rather than the more general Rebuild Fund. These have been kept in a separate Treasure Trove Fund, reflecting the name of our work with children with additional needs.

The church has also benefitted from two other sources of financial support. The government's Job Retention Support Scheme has meant that we have been able to retain our permanent conferencing staff team and avoid redundancies. We also furloughed some ministry staff for a short period. Our mortgage lender, Triodos bank NV, has been particularly supportive. They allowed us to take a 12-month capital holiday and indicated that additional finance was available if we needed it. This helped enormously as we made difficult decisions balancing the need to continue our ministry with the requirement for financial prudence in the face of a much riskier fundraising environment. Without this support things would have been very different.

Reserves

The total funds held by the charitable group at the balance sheet date are £3,031,000 (2020 £2,893,000). Included in this are £305,000 (2020 £126,000) held in restricted funds and £2,565,000 (2020 £2,660,000) held in the fixed assets designated fund.

The trustees have considered a number of factors in reviewing the level of reserves required:

- The current economic climate
- The level of regular giving by church members
- The requirement for working capital
- The amount of reserves tied up in fixed assets
- The ability to raise additional funds should the church face financial difficulty

The trustees consider that the level of free reserves, after allowing for unrestricted reserves tied up in fixed assets and investments, should be between one and three months expenditure.

Free reserves are £159,000 for the church and £161,000 for the group, which is 1.7 months of expenditure. This is an encouraging improvement from 12 months ago and is a significant step towards our business plan target of two months of expenditure.

Risks and uncertainties

The trustees have a risk management strategy that includes an annual review of the principle risks and uncertainties facing the charity and its subsidiaries and the establishment of policies and procedures to mitigate those risks.

The Covid-19 pandemic has brought about huge changes in the way the church operates and the need for new approaches to risk management. In addition to the primary need to keep everyone safe, attention has also been given to the spiritual and practical support of church members and the continuation of ministry both locally and internationally.

Plans for the future

Like so many other organisations our plans have had to be significantly revised in the light of the Covid-19 pandemic. Whilst the fundamentals of what we want to achieve are unchanged, it is the means by which we achieve them that has had to be reconsidered.

Our objectives for the coming year are:

- Start multiple Sunday meetings at our Hedge End site. As of March 2020, we were gathering 800 people each week in our 1,350-capacity auditorium. In regathering, we will be looking to multiply to 2 x 400 meetings which will enable informal social distancing and provide space to grow. In March 2020 our children's work and car park were already full – even without COVID we needed to change things.
- Maintain a high-quality on-line Sunday meeting that sustains the spiritual growth of church members who can't attend physically and is attractive to unchurched members of our local community.
- Create a sensory room to support our work with children who have additional needs. This will be used both on Sundays and midweek for Church activities and midweek for families within the wider local community.
- Re-roof the Hope Centre building and create a programme of activities to meet the needs of the Weston community. This will coincide with the appointment of new volunteer leadership to lead the work at the Hope Centre.
- Reinvestment in our children's and youth work. These areas of Church life are key factors in our Church growth and we are very conscious that, with schools closed for long periods over the last 18 months, families need significant support as we emerge from COVID
- Support and integration of new arrivals from Hong Kong. KCC has seen a significant number of Hong Kong families connect with us since December 2020. This number is likely to grow. They need help in finding accommodation, schooling, medical care, employment, acclimatising to a new culture and establishing new friendships and relationships.

Structure, governance and management

The church was originally established by a Declaration of Trust dated 20 January 1986 and the assets and liabilities were transferred to King's Community Church (Southampton), a company limited by guarantee, on 1 April 2008 in order to improve the administration of the charity.

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

Pauline Quan Arrow
Ian Chiddle
Emma Curtayne
Martin Fakley
Richard Hemming
Sarah Ann Martin
Maurice Redmill
Peter Grant (Appointed 21 September 2020)

The elders of the church are the members of the company and they appoint the trustees, who remain in office thereafter. The trustees of the charity are drawn from the active members of the church with the appropriate skills for Board membership.

None of the trustees has any beneficial interest in the company.

The trustees focus their attention on strategic and policy issues including key financial decisions. The day to day management of the charity is delegated to a management team consisting of Nicholas Brennan, Andrew Johnston, Tom Williams and Emma Roberts. Spiritual matters are overseen by the elders of the church. The trustees meet from time to time with the elders to ensure that strategy and policy are consistent with the spiritual aims of the church.

The elders of the church during the year were:

Christopher Allison
John Banks
Nicholas Brennan
Martyn Dunsford MBE (resigned 31 October 2020)
Martin Hughes
Andrew Johnston
Maurice Redmill
Timothy Williams (resigned 12 January 2021)
Tom Williams (appointed 27 September 2020)

Christopher Allison, Andrew Johnston, Nicholas Brennan and Tom Williams are employed as pastors and oversee the day to day management of the charity.

The elders of the church are the members of the company and guarantee to contribute £1 in the event of a winding up.

The training of elders and trustees is discussed at their meetings and the church budget includes provision for the costs of any required training to be met.

The Articles of Association provide for a minority of the trustees to be paid. None of the trustees has received any remuneration during the year for their role as Trustees (2020 Nil). Emma Curtayne has been employed as a Children's Worker and her total remuneration for the year was £8,000.

The remuneration of key management is reviewed annually by the Trustees. Each role within the church is subject to an evaluation process that considers its responsibilities and the skills and experience required to fulfil it. Pay scales are compared with the market and similar organisations. Pay levels are generally set below the average for the private & public sectors.

The Trustees have adopted the Charity Governance Code and used an assessment template to understand the current level of compliance. An improvement action plan has been prepared and progress will be monitored during the coming year.

The church has two wholly owned subsidiaries. Northam Developments Ltd was established to undertake the construction of the church's premises at Sovereign Place and other related building work. KCC Enterprises Ltd undertakes commercial activities on behalf of the church. The Trustees have agreed that Northam Developments should be wound up and work on this will be completed shortly.

Asset cover for funds

Note 22 sets out an analysis attributable to the various funds and a description of the trusts. These assets are sufficient to meet the charity's obligations on a fund by fund basis.

Auditor
The auditor, Jones Avens Limited, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

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

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

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

M.E. Fakley
Martin Fakley
Chairman
Dated: 27 September 2021

KING'S COMMUNITY CHURCH (SOUTHAMPTON)
CONSOLIDATED ACCOUNTS
STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 MARCH 2021

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

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

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

- select suitable accounting policies and then apply them consistently;

- observe the methods and principles in the Charities SORP;

- make judgements and estimates that are reasonable and prudent;

- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and

- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

KING'S COMMUNITY CHURCH (SOUTHAMPTON)
CONSOLIDATED ACCOUNTS
INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEES OF KING'S COMMUNITY CHURCH (SOUTHAMPTON)

Opinion

We have audited the financial statements of King's Community Church (Southampton) (the 'charity') for the year ended 31 March 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the 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 charitable parent company's affairs as at 31 March 2021 and of the group's and charitable parent company's incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and the provisions available for audits of small entities, in the circumstances set out in note 28 to the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The 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 our audit:

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the 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 accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

Identification and assessment of irregularities including fraud

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

- 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 association, including The Companies Act 2006.
- we obtained an understanding of the legal and regulatory framework applicable to the entity and how the entity is complying with that framework by making appropriate enquiries of management as well as considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations;
- we made enquiries of those charged with governance and management concerning:
    - the risks of fraud;
    - instances of non-compliance with laws and regulations or knowledge of actual, suspected, or alleged fraud is documented during the period;
- we allocated an engagement team that we considered collectively had the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations.

Audit response to the risk of irregularities including fraud

Based on the results of our risk assessment, our procedures included, but were not limited to:

- performing analytical procedures to identify any unusual or unexpected relationships.
- evaluating whether the selection and application of accounting policies by the entity that may be indicative of fraudulent financial reporting resulting from management's effort to manage earnings.
- assessing whether judgements and assumptions made in determining the accounting estimates set out in note 2 were indicative of potential bias.
- agreeing financial statement disclosures to underlying supporting documentation.
- reading the minutes of meetings of those charged with governance.
- reviewing the correspondence with relevant regulatory bodies.
- testing of journal entries to address the risk of fraud through management override.
- incorporating an element of unpredictability in the selection of the nature, timing, and extent of our audit procedures.
- corroborating the business rationale for transactions outside the normal course of business.

Conclusions regarding the risks of irregularities including fraud

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 non-compliance.

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.

We considered our audit was capable of detecting irregularities due to:

- the effectiveness of the entity's internal controls;
- the nature, timing and extent of audit procedures performed; and
- the absence of contradictory evidence.

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

Use of our report

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

Claire Norwood BSc FCA ATII (Senior Statutory Auditor)
for and on behalf of Jones Avens Limited

5/10/21

Chartered Accountants
Statutory Auditor

Piper House
4 Dukes Court
Bognor Road
Chichester
West Sussex
PO19 8FX

KING'S COMMUNITY CHURCH (SOUTHAMPTON)
CONSOLIDATED ACCOUNTS
STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2021

	Notes	Unrestricted funds 2021 £000	Restricted funds 2021 £000	Total 2021 £000	Unrestricted funds 2020 £000	Restricted funds 2020 £000	Total 2020 £000
Income and endowments from:							
Donations and legacies	3	723	333	1,056	718	310	1,028
Charitable activities	4	-	4	4	29	12	41
Other trading activities	5	32	-	32	241	-	241
Other income	6	183	-	183	75	-	75
Total income		938	337	1,275	1,063	322	1,385
Expenditure on:							
Raising funds	7	95	-	95	217	-	217
Charitable activities	8	914	128	1,042	859	320	1,179
Total resources expended		1,009	128	1,137	1,076	320	1,396
Net (outgoing)/ incoming resources before transfers		(71)	209	138	(13)	2	(11)
Gross transfers between funds	13	30	(30)	-	25	(25)	-
Net (expenditure)/income for the year/ Net movement in funds		(41)	179	138	12	(23)	(11)
Fund balances at 1 April 2020		2,767	126	2,893	2,755	149	2,904
Fund balances at 31 March 2021		2,726	305	3,031	2,767	126	2,893

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

KING'S COMMUNITY CHURCH (SOUTHAMPTON)
CONSOLIDATED ACCOUNTS
BALANCE SHEET
AS AT 31 MARCH 2021

	Notes	2021 Group £000	2021 Charity £000	2020 Group £000	2020 Charity £000
Fixed assets					
Tangible assets	**14**	5,297	5,374	5,390	5,464
Investments	**25**	-	6	-	6
		5,297	5,380	5,390	5,470
Current assets					
Debtors	**15**	93	118	134	160
Cash at bank and in hand		432	402	192	162
		525	520	326	322
Creditors: amounts falling due within one year	**16**	(170)	(167)	(201)	(199)
Net current (liabilities)/assets		355	353	125	123
Total assets less current liabilities		5,652	5,733	5,515	5,593
Creditors: amounts falling due after more than one year	**17**	(2,621)	(2,621)	(2,622)	(2,622)
Net assets		3,031	3,112	2,893	2,971
Income funds					
Restricted funds	**20**	305	305	126	126
Unrestricted funds					
Designated funds	**21**	2,565	2,648	2,660	2,740
General unrestricted funds		161	159	107	105
Total unrestricted funds		2,726	2,807	2,767	2,845
		3,031	3,112	2,893	2,971

The financial statements were approved by the Trustees on 27 September 2021

M.E. Fakley

Martin Fakley
Trustee

Company Registration No. 6212770

KING'S COMMUNITY CHURCH (SOUTHAMPTON)
CONSOLIDATED ACCOUNTS
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2021

	Notes	2021 £000	2021 £000	2020 £000	2020 £000
Cash flows from operating activities					
Cash generated from operations	**26**		309		159
Investing activities					
Purchase of tangible fixed assets		(69)		(59)	
Proceeds on disposal of tangible fixed assets		-		5	
Net cash used in investing activities			(69)		(54)
Financing activities					
Repayment of bank loans		-		(120)	
Net cash used in financing activities			-		(120)
Net increase/(decrease) in cash and cash equivalents			240		(15)
Cash and cash equivalents at beginning of year			192		207
Cash and cash equivalents at end of year			432		192
Relating to:					
Cash at bank and in hand			432		192

1 Accounting policies

Charity information

King's Community Church (Southampton) is a private company limited by guarantee incorporated in England and Wales. The registered office is Sovereign Place, Upper Northam Road, Hedge End, Southampton, Hampshire, SO30 4BZ.

1.1 Accounting convention

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

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £000.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

These accounts consolidate the results of the charity and its wholly owned subsidiaries on a line by line basis.

1.2 Going concern

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

1.3 Charitable funds

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

Designated funds comprise funds which have been set aside at the discretion of the trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

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

1.4 Income

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

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

1 Accounting policies **(Continued)**

1.5 Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed they have been classified as support costs.

Direct costs, including directly attributable salaries, are allocated on an actual basis to the key strategic areas of activity. Overheads and other salaries are allocated between expense headings on the basis of time spent.

Grants paid are allocated to areas of activity based on the nature of the work being funded.

Governance costs include the costs of governance arrangements which relate to the general running of the church as a charity. These activities provide the governance infrastructure which allows the church to operate and to generate the information required for public accountability.

Support and governance costs are apportioned to activities on a basis consistent with the use of resources, which is estimated to be:

Church activities	75%
Youth work	5%
Community outreach	10%
International outreach	10%

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses. Items of less than £1,000 are not capitalised.

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

Freehold land and buildings	2% straight line
Fixtures, fittings and equipment	20 - 25% straight line

Freehold land is not depreciated.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.7 Impairment of fixed assets

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

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1 Accounting policies **(Continued)**

1.9 Financial instruments

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

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

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

Basic financial assets

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

Basic financial liabilities

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

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

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

Derecognition of financial liabilities

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

1.10 Employee benefits

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

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

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.12 Leases

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

1 Accounting policies **(Continued)**

1.13 Concessionary loans

Concessionary loans are initially measured at the amount received or paid and are recognised in the balance sheet. In subsequent years the carrying amount is adjusted to reflect any accrued interest payable or receivable. To the extent that a loan that has been made is irrecoverable, an impairment loss is recognised in income and expenditure.

1.14 Consolidation

These accounts have consolidated the results and balance sheet of the trading subsidiaries on a line by line basis. The charitable company's own income and expenditure account is omitted as the exemption under S408 of the Companies Act 2006 has been relied on. The surplus for the charity for the year is £141,000.

2 Critical accounting estimates and judgements

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

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

3 Donations and legacies

	Unrestricted funds	**Restricted funds**	**Total**	Unrestricted funds	Restricted funds	Total
	2021	**2021**	**2021**	2020	2020	2020
	£000	**£000**	**£000**	£000	£000	£000
Donations and gifts	723	229	952	715	280	995
Grants receivable	-	104	104	3	30	33
	723	333	1,056	718	310	1,028
Grants receivable for core activities						
Catalyst	-	28	28	-	20	20
Veolia Trust	-	-	-	-	2	2
Child's Charitable Trust	-	10	10	-	5	5
Hampshire County Council	-	8	8	-	-	-
All Churches Trust	-	9	9	-	-	-
Eastleigh Borough Council	-	25	25	-	-	-
Vivid Housing Association	-	5	5	-	-	-
Grants under £5,000 each	-	19	19	3	3	6
	-	104	104	3	30	33

The church is grateful for the continued sacrificial giving by its members and the generous support of its grant funders.

4 Charitable activities

	Community outreach 2021 £000	Total 2021 £000	Youth work 2020 £000	Community outreach 2020 £000	Total 2020 £000
Sales within charitable activities	4	4	27	14	41
Analysis by fund					
Unrestricted funds	-	-	25	4	29
Restricted funds	4	4	2	10	12
	4	4	27	14	41

5 Other trading activities

	Unrestricted funds 2021 £000	Unrestricted funds 2020 £000
Non-charitable trading activities	32	241

6 Other income

	Unrestricted funds 2021 £000	Unrestricted funds 2020 £000
Net gain on disposal of tangible fixed assets	-	5
Car park rental and miscellaneous income	6	12
Office rent	70	42
Glenbourne rent	12	12
Recharges to related charity	1	4
Coronavirus Job Retention Scheme grants	94	-
	183	75

7 Raising funds

	Unrestricted funds 2021 £000	Unrestricted funds 2020 £000
Fundraising and publicity		
Other fundraising costs	1	-
Trading costs		
Operating trading company undertaking non-charitable trading activity	86	210
Other trading activities	8	7
Trading costs	94	217
	95	217

8 Charitable activities

	Church activities 2021 £000	Youth work 2021 £000	Community outreach 2021 £000	International outreach 2021 £000	Total 2021 £000	Total 2020 £000
Activities undertaken directly	610	81	45	43	779	966
Grant funding of activities (see note 9)	96	-	3	17	116	64
Share of support costs (see note 10)	104	7	14	14	139	139
Share of governance costs (see note 10)	6	-	1	1	8	10
	816	88	63	75	1,042	1,179
Analysis by fund						
Unrestricted funds	714	88	49	63	914	859
Restricted funds	102	-	14	12	128	320
	816	88	63	75	1,042	1,179

8 Charitable activities **(Continued)**

For the year ended 31 March 2020

	Church activities £000	Youth work £000	Community outreach £000	International outreach £000	Total 2020 £000
Activities undertaken directly	674	124	65	103	966
Grant funding of activities (see note 9)	20	-	1	43	64
Share of support costs (see note 10)	104	7	14	14	139
Share of governance costs (see note 10)	7	1	1	1	10
	805	132	81	161	1,179
Analysis by fund					
Unrestricted funds	609	121	46	83	859
Restricted funds	196	11	35	78	320
	805	132	81	161	1,179

9 Grants payable

	Church activities 2021 £000	Community outreach 2021 £000	International outreach 2021 £000	Total 2021 £000	Church activities 2020 £000	Community outreach 2020 £000	International outreach 2020 £000	Total 2020 £000
Grants to institutions:								
Cyprus Church	-	-	-	-	-	-	4	4
People's Church, Yangon, Myanmar	-	-	-	-	-	-	2	2
Living Waters Church, Korce, Albania	3	-	4	7	-	-	3	3
Care and Relief for the Young	4	-	1	5	14	-	-	14
Life Bridging Works	1	-	2	3	-	-	-	-
Catalyst	5	-	-	5	-	-	-	-
Shalom Church, Lovec, Bulgaria	5	-	-	5	-	-	-	-
Bethel Church, Tirana, Albania	2	-	-	2	-	-	2	2
Shalom Church, Vratsa, Bulgaria	6	-	-	6	-	-	7	7
Bethel Miracle Centre, Tanzania	20	-	-	20	-	-	8	8
Holy Dwelling Place, Lilongwe, Malawi	9	-	-	9	-	-	-	-
NewDay, Norfolk	5	-	-	5	-	-	-	-
Grants under £3,000	13	-	10	23	-	-	9	9
	73	-	17	90	14	-	35	49
Grants to individuals	23	3	-	26	6	1	8	15
	96	3	17	116	20	1	43	64

The church has established connections with a number of churches overseas through the preaching ministry of its senior pastor, Martyn Dunsford. Offerings are taken up on a regular basis to support those churches and also related charitable projects. Occasional offerings are taken up for Christian ministries and to meet the needs of local people in necessitous circumstances.

10 Support costs

	Support costs	Governance costs	2021	Support costs	Governance costs	2020
	£000	**£000**	**£000**	£000	£000	£000
Staff costs	69	-	69	68	-	68
Other costs	70	1	71	71	-	71
Audit fees	-	4	4	-	4	4
Accountancy	-	3	3	-	3	3
Accountancy under provided in 2018	-	-	-	-	3	3
	139	8	147	139	10	149
Analysed between Charitable activities	139	8	147	139	10	149

Governance costs includes payments to the auditors of £4,000 (2020- £4,000) for audit fees for the charity. There are also audit fees of £2,000 (2020 - £1,000) for the subsidiaries which are included in expenditure on raising funds. There are also payments to the auditors for non-audit work of £3,000 (2020 - £3,000).

11 Trustees

The Articles of Association provide for a minority of the trustees to be paid. None of the trustees has received any remuneration during the year for their role as Trustees (2020 Nil). From 6 January 2020 Emma Curtayne has been employed as a Children's Worker and her total remuneration for the year was £8,000 (2020 - £2,000).

No expenses were reimbursed to trustees (2020 - Nil).

12 Employees

The average monthly number of employees during the year, calculated on a full-time equivalent basis, was:

	2021 Number	2020 Number
Church activities	9	9
Youth work	3	3
Community outreach	1	1
International outreach	1	1
Management and administration	2	2
Subsidiary companies	3	6
Total	19	22

Employment costs	2021 £000	2020 £000
Wages and salaries	503	557
Social security costs	23	20
Other pension costs	23	24
	549	601

There were no employees whose annual remuneration was £60,000 or more.

13 Transfers

There is a transfer of £30,000 from restricted to unrestricted funds as there have been toilet refurbishment costs capitalised as fixed assets purchased out of restricted funds.

14 Tangible fixed assets

Group	Freehold land and buildings	Fixtures, fittings and equipment	Total
	£000	£000	£000
Cost			
At 1 April 2020	6,272	458	6,730
Additions	5	64	69
Disposals	-	(5)	(5)
At 31 March 2021	6,277	517	6,794
Depreciation and impairment			
At 1 April 2020	1,032	308	1,340
Depreciation charged in the year	109	53	162
Eliminated in respect of disposals	-	(5)	(5)
At 31 March 2021	1,141	356	1,497
Carrying amount			
At 31 March 2021	5,136	161	5,297
At 31 March 2020	5,240	150	5,390

Charity	Freehold land and buildings	Fixtures, fittings and equipment	Total
	£000	£000	£000
Cost			
At 1 April 2020	6,374	415	6,789
Transfer in from Northam Developments Ltd	-	6	6
Additions	5	64	69
Disposals	-	(5)	(5)
At 31 March 2021	6,379	480	6,859
Depreciation and impairment			
At 1 April 2020	1,050	275	1,325
Transfer in from Northam Developments Ltd	-	6	6
Depreciation charged in the year	111	48	159
Eliminated in respect of disposals	-	(5)	(5)
At 31 March 2021	1,161	324	1,485
Carrying amount			
At 31 March 2021	5,218	156	5,374
At 31 March 2020	5,324	140	5,464

14 Tangible fixed assets (Continued)

The freehold land and buildings are subject to a charge in favour of Triodos Bank NV.

15 Debtors

Amounts falling due within one year:	2021 Group £000	2021 Charity £000	2020 Group £000	2020 Charity £000
Trade debtors	8	-	61	6
Amounts due from subsidiary undertakings	-	33	-	81
Other debtors	69	69	60	60
Loans given	2	2	4	4
Prepayments and accrued income	14	14	9	9
	93	118	134	160

The church has provided a rent deposit of £2,000 (2020 - £4,000) for one of its members, which is held by a local estate agent in its client account. No interest is payable and the deposit will be returned at the end of the tenancy provided all rent and charges have been paid.

16 Creditors: amounts falling due within one year

	Notes	2021 Group £000	2021 Charity £000	2020 Group £000	2020 Charity £000
Bank loans	18	111	111	108	108
Other taxation and social security		5	5	16	16
Trade creditors		20	20	46	42
Amounts due to subsidiary undertakings		-	2	-	10
Accruals, deferred income and other creditors		34	29	31	23
		170	167	201	199

17 Creditors: amounts falling due after more than one year

	Notes	2021 £000	2020 £000
Bank loans	18	2,621	2,622

18 Loans and overdrafts

	2021 £000	2020 £000
Bank loans	2,732	2,730
Payable within one year	111	108
Payable after one year	2,621	2,622
Amounts included above which fall due after five years:		
Payable by instalments	2,154	2,165

The church has a long term loan of £2,732,000 from Triodos Bank NV, which is secured on its buildings. The loan is at a fixed interest rate of 3.25% and is repayable on a reducing balance basis. On 9 April 2020 it was agreed that between April 2020 and March 2021 there would be monthly interest only repayments. There would then be interest and capital repayments until August 2039. During the year there were interest payments on this loan of £89,000 (2020 - £98,000).

19 Retirement benefit schemes

Defined contribution schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund with the Pensions Trust. The church matches employee contributions up to 5% of salary.

The charge to profit or loss in respect of defined contribution schemes was £23,000 (2020 - £24,000). The pension creditor at the balance sheet date is £4,000 (2020 - £0).

20 Restricted funds

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

		Movement in funds				Movement in funds			
	Balance at 1 April 2019	Incoming resources	Resources expended	Transfers	Balance at 1 April 2020	Incoming resources	Resources expended	Transfers	Balance at 31 March 2021
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Food Centre Fund	5	4	(5)	-	4	54	(5)	-	53
Rebuild Fund	-	-	-	-	-	127	-	-	127
Wildfires Fund	90	67	(157)	-	-	-	-	-	-
Love the Solent Fund	19	-	(15)	-	4	-	(4)	-	-
Veolia Fund	18	2	-	(20)	-	-	-	-	-
Elijah Fund	-	77	-	-	77	39	-	(30)	86
Help Fund	-	29	-	-	29	74	(87)	-	16
Totton Fund	-	29	(20)	(5)	4	1	(5)	-	-
Treasure Trove Fund	-	-	-	-	-	10	-	-	10
Other restricted Funds	17	114	(123)	-	8	32	(27)	-	13
	149	322	(320)	(25)	126	337	(128)	(30)	305

20 Restricted funds **(Continued)**

The Food Centre Fund is monies raised for the Food Centre Project.

The Rebuild Fund is for a number of investment projects and for general purposes.

The Wildfires Fund was for general expenditure in 2019/20.

The Love the Solent Fund was for expenditure on community focussed projects, particularly our CAP Debt Centre, Parish Nursing and the Hope Centre.

The Veolia Fund represented unspent grant from Veolia that was spent refurbishing the Hope Centre during 2019/20.

The Elijah Fund is for toilet refurbishment costs of £30,000 which occurred in 2020/21 and for general purposes in 2021/22.

The Help Fund is to provide support to people affected by the Covid-19 pandemic both locally and internationally.

The Totton Fund is for both the launch and ongoing costs of starting the new site in Totton.

The Treasure Trove Fund is for the creation of a sensory room for people with additional needs.

Other restricted funds are a large number of small funds, which have been given for specific ministries of the church. The church holds sufficient cash balances to enable them to be applied.

21 Designated funds

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

Group	Balance at 1 April 2019	Transfers	Balance at 1 April 2020	Transfers	Balance at 31 March 2021
	£000	£000	£000	£000	£000
Fixed Asset Fund	2,646	14	2,660	(95)	2,565
	2,646	14	2,660	(95)	2,565

Charity	Balance at 1 April 2019	Transfers	Balance at 1 April 2020	Transfers	Balance at 31 March 2021
	£000	£000	£000	£000	£000
Fixed Asset Fund	2,721	19	2,740	(92)	2,648
	2,721	19	2,740	(92)	2,648

The Fixed Asset Fund is a designated fund that represents reserves invested in fixed assets and investments and, therefore, not generally available for use. There was a transfer from the Fixed Asset Fund to the General Fund of £95,000 for the group and £92,000 for the church because there was a decrease in the value of fixed assets funded from reserves.

22 Analysis of net assets between funds

Group	**Unrestricted Funds 2021 £000**	**Designated Funds 2021 £000**	**Restricted Funds 2021 £000**	**Total 2021 £000**	Unrestricted Funds 2020 £000	Designated Funds 2020 £000	Restricted Funds 2020 £000	Total 2020 £000
Fund balances at 31 March 2021 are represented by:								
Tangible assets	-	5,297	-	5,297	-	5,390	-	5,390
Current assets/(liabilities)	161	(111)	305	355	107	(108)	126	125
Long term liabilities	-	(2,621)	-	(2,621)	-	(2,622)	-	(2,622)
	161	2,565	305	3,031	107	2,660	126	2,893

Charity	**Unrestricted Funds 2021 £000**	**Designated Funds 2021 £000**	**Restricted Funds 2021 £000**	**Total 2021 £000**	Unrestricted Funds 2020 £000	Designated Funds 2020 £000	Restricted Funds 2020 £000	Total 2020 £000
Fund balances at 31 March 2021 are represented by:								
Tangible assets	-	5,374	-	5,374	-	5,464	-	5,464
Investments	-	6	-	6	-	6	-	6
Current assets/(liabilities)	159	(111)	305	353	105	(108)	126	123
Long term liabilities	-	(2,621)	-	(2,621)	-	(2,622)	-	(2,622)
	159	2,648	305	3,112	105	2,740	126	2,971

23 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases of £0 (2020 - £1,000). The operating lease payments recognised as an expense in the year are £1,000 (2020 - £2,000).

24 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2021 £000	2020 £000
Aggregate compensation	200	195

Transactions with related parties

During the year the charity entered into the following transactions with related parties:

During the year the church received £25,000 (2020 - £39,000) under the Gift Aid scheme from KCC Enterprises Ltd, a 100% subsidiary. The church recharged salary costs of £6,000 (2020 - £115,000) to KCC Enterprises Ltd.

Ian Chiddle is a trustee of Care and Relief for the Young Ltd. During the year the church made donations to Care and Relief for the Young Ltd of £1,000 (2020 - £14,000) and grants to them of £4,000 (2020 - £0), purchased equipment from them of £0 (2020 - £1,000) and paid postage recharges to them of £1,000 (2020 - £0). The church also received £1,000 (2020 - £4,000) for recharged services.

Martin Fakley is a trustee of Seedfund Ltd. During the year the church made a grant payment to Seedfund Ltd of £1,000 (2020 - £0).

25 Subsidiaries

These financial statements are consolidated charity financial statements for the King's Community Church (Southampton) group.

Details of the charity's subsidiaries at 31 March 2021 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct	% Held Indirect
KCC Enterprises Ltd - Company no. 7992952	England	Corporate events	Ordinary	100.00	
Northam Developments Ltd - Company no. 2933627	England	Construction	Ordinary	100.00	

The investments in subsidiaries are all stated at cost.

Both of the subsidiary companies are included in these consolidated accounts and they have the same registered office as the parent.

The accounts for the trading subsidiaries show the following information at 31 March 2021 and for the year then ended:

	KCC Enterprises Ltd £000	Northam Developments Ltd £000
Total assets	38	4
Total liabilities	35	1
Total funds	3	3
Total turnover	32	-
Total expenditure	12	1
Profit/(Loss) for the year	20	(1)

26 Cash generated from operations

	2021 £000	2020 £000
Surplus/(deficit) for the year	138	(11)
Adjustments for:		
Gain on disposal of tangible fixed assets	-	(5)
Depreciation and impairment of tangible fixed assets	162	165
Movements in working capital:		
(Increase)/decrease in stocks	-	2
Decrease/(increase) in debtors	41	(11)
(Decrease)/increase in creditors	(32)	19
Cash generated from operations	309	159

27 Analysis of changes in net (debt)/funds

	At 1 April 2020	Cash flows	At 31 March 2021
	£000	£000	£000
Cash at bank and in hand	192	240	432
Loans falling due within one year	(108)	(3)	(111)
Loans falling due after more than one year	(2,622)	1	(2,621)
	(2,538)	238	(2,300)

28 Auditors' Ethical Standards

The relevant circumstances requiring disclosure in accordance with the requirements of FRC Ethical Standard 2016 - Provisions Available for Audits of Small Entities are that, in common with many charities of our size and nature we use our auditors to assist with the preparation of the accounts and corporation tax returns.