

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**

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

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# **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**

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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.



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

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**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.

# **KING'S COMMUNITY CHURCH (SOUTHAMPTON)**

## **CONSOLIDATED ACCOUNTS**

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

#### **FOR THE YEAR ENDED 31 MARCH 2022**

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#### **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



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

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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.

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

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**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: .....*30 October 2022*

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

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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)**

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**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.

**KING'S COMMUNITY CHURCH (SOUTHAMPTON)**  
**CONSOLIDATED ACCOUNTS**  
**INDEPENDENT AUDITOR'S REPORT (CONTINUED)**  
**TO THE MEMBERS OF KING'S COMMUNITY CHURCH (SOUTHAMPTON)**

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

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

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

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

In the light of the knowledge and understanding of the 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.



**KING'S COMMUNITY CHURCH (SOUTHAMPTON)**  
**CONSOLIDATED ACCOUNTS**  
**INDEPENDENT AUDITOR'S REPORT (CONTINUED)**  
**TO THE MEMBERS OF KING'S COMMUNITY CHURCH (SOUTHAMPTON)**

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**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.

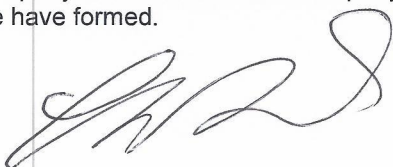
**KING'S COMMUNITY CHURCH (SOUTHAMPTON)  
CONSOLIDATED ACCOUNTS  
INDEPENDENT AUDITOR'S REPORT (CONTINUED)  
TO THE MEMBERS OF KING'S COMMUNITY CHURCH (SOUTHAMPTON)**

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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**

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

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

The financial statements were approved by the Trustees on 3 October 2022

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

**KING'S COMMUNITY CHURCH (SOUTHAMPTON)**  
**CONSOLIDATED ACCOUNTS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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**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.



**KING'S COMMUNITY CHURCH (SOUTHAMPTON)**  
**CONSOLIDATED ACCOUNTS**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

---

**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.

**KING'S COMMUNITY CHURCH (SOUTHAMPTON)**  
**CONSOLIDATED ACCOUNTS**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**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.



**KING'S COMMUNITY CHURCH (SOUTHAMPTON)**  
**CONSOLIDATED ACCOUNTS**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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**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.

**KING'S COMMUNITY CHURCH (SOUTHAMPTON)**  
**CONSOLIDATED ACCOUNTS**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**3 Donations and legacies**

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2022 £000	2022 £000	2022 £000	2021 £000	2021 £000	2021 £000
Donations and gifts	711	205	916	723	229	952
Grants receivable	-	42	42	-	104	104
	<u>711</u>	<u>247</u>	<u>958</u>	<u>723</u>	<u>333</u>	<u>1,056</u>
<b>Grants receivable for core activities</b>						
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
	<u>-</u>	<u>42</u>	<u>42</u>	<u>-</u>	<u>104</u>	<u>104</u>

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 £000	2022 £000	2022 £000	£000	2021 £000
Sales within charitable activities	<u>1</u>	<u>6</u>	<u>9</u>	<u>16</u>	<u>4</u>
Analysis by fund					
Unrestricted funds	1	6	-	7	-
Restricted funds	-	-	9	9	4
	<u>1</u>	<u>6</u>	<u>9</u>	<u>16</u>	<u>4</u>

**KING'S COMMUNITY CHURCH (SOUTHAMPTON)**  
**CONSOLIDATED ACCOUNTS**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**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	6
Office rent	70
Glenbourne rent	12
Recharges to related charity	1
Coronavirus Job Retention Scheme grants	94
104	183

**7 Raising funds**

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

**KING'S COMMUNITY CHURCH (SOUTHAMPTON)**  
**CONSOLIDATED ACCOUNTS**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**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
	<u>828</u>	<u>102</u>	<u>87</u>	<u>106</u>	<u>1,123</u>	<u>1,042</u>
<b>Analysis by fund</b>						
Unrestricted funds	656	101	54	64	875	914
Restricted funds	172	1	33	42	248	128
	<u>828</u>	<u>102</u>	<u>87</u>	<u>106</u>	<u>1,123</u>	<u>1,042</u>

**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
	<u>816</u>	<u>88</u>	<u>63</u>	<u>75</u>	<u>1,042</u>
<b>Analysis by fund</b>					
Unrestricted funds	714	88	49	63	914
Restricted funds	102	-	14	12	128
	<u>816</u>	<u>88</u>	<u>63</u>	<u>75</u>	<u>1,042</u>



**KING'S COMMUNITY CHURCH (SOUTHAMPTON)**  
**CONSOLIDATED ACCOUNTS**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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
	<u>15</u>	<u>-</u>	<u>42</u>	<u>57</u>	<u>73</u>	<u>-</u>	<u>17</u>	<u>90</u>
Grants to individuals	13	1	-	14	23	3	-	26
	<u>28</u>	<u>1</u>	<u>42</u>	<u>71</u>	<u>96</u>	<u>3</u>	<u>17</u>	<u>116</u>

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.



**KING'S COMMUNITY CHURCH (SOUTHAMPTON)**  
**CONSOLIDATED ACCOUNTS**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**10 Support costs**

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

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).

**KING'S COMMUNITY CHURCH (SOUTHAMPTON)**  
**CONSOLIDATED ACCOUNTS**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**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
	<u>20</u>	<u>19</u>

**Employment costs**

	2022 £000	2021 £000
Wages and salaries	505	503
Social security costs	27	23
Other pension costs	23	23
	<u>555</u>	<u>549</u>

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	<u>(2)</u>	<u>-</u>

**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.

**KING'S COMMUNITY CHURCH (SOUTHAMPTON)**  
**CONSOLIDATED ACCOUNTS**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**15 Tangible fixed assets**

<b>Group</b>	<b>Freehold land and buildings</b>	<b>Fixtures, fittings and equipment</b>	<b>Total</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>Cost</b>			
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
<b>Depreciation and impairment</b>			
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
<b>Carrying amount</b>			
At 31 March 2022	5,053	125	5,178
At 31 March 2021	5,136	161	5,297
<b>Charity</b>	<b>Freehold land and buildings</b>	<b>Fixtures, fittings and equipment</b>	<b>Total</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>Cost</b>			
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
<b>Depreciation and impairment</b>			
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
<b>Carrying amount</b>			
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.



**KING'S COMMUNITY CHURCH (SOUTHAMPTON)**  
**CONSOLIDATED ACCOUNTS**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

<b>16</b>	<b>Stocks</b>				
		<b>2022</b>	<b>2022</b>	<b>2021</b>	<b>2021</b>
		<b>Group</b>	<b>Charity</b>	<b>Group</b>	<b>Charity</b>
		<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
	Cafe stock	1	-	-	-
		<u>1</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>17</b>	<b>Debtors</b>				
		<b>2022</b>	<b>2022</b>	<b>2021</b>	<b>2021</b>
		<b>Group</b>	<b>Charity</b>	<b>Group</b>	<b>Charity</b>
		<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
	<b>Amounts falling due within one year:</b>				
	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
		<u>134</u>	<u>150</u>	<u>93</u>	<u>118</u>

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.

<b>18</b>	<b>Creditors: amounts falling due within one year</b>				
		<b>2022</b>	<b>2022</b>	<b>2021</b>	<b>2021</b>
		<b>Group</b>	<b>Charity</b>	<b>Group</b>	<b>Charity</b>
		<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
	<b>Notes</b>				
	Bank loans	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
		<u>244</u>	<u>241</u>	<u>170</u>	<u>167</u>

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.

<b>19</b>	<b>Creditors: amounts falling due after more than one year</b>				
		<b>Notes</b>	<b>2022</b>	<b>2021</b>	
			<b>£000</b>	<b>£000</b>	
	Bank loans	20	2,513	2,621	
			<u>2,513</u>	<u>2,621</u>	

**KING'S COMMUNITY CHURCH (SOUTHAMPTON)**  
**CONSOLIDATED ACCOUNTS**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**20 Loans and overdrafts**

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

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).

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**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			Movement in funds			
	Balance at 1 April 2020 £000	Incoming resources £000	Resources expended £000	Transfers £000	Balance at 1 April 2021 £000	Incoming resources £000	Resources expended £000	Transfers £000	Balance at 31 March 2021 £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	
	<u>126</u>	<u>337</u>	<u>(128)</u>	<u>(30)</u>	<u>305</u>	<u>256</u>	<u>(248)</u>	<u>(34)</u>	<u>279</u>	



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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.	

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**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:

<b>Group</b>	<b>Balance at 1 April 2020 £000</b>	<b>Transfers £000</b>	<b>Balance at 1 April 2021 £000</b>	<b>Transfers £000</b>	<b>Balance at 31 March 2022 £000</b>
Fixed Asset Fund	2,660	(95)	2,565	(9)	2,556
	<u>2,660</u>	<u>(95)</u>	<u>2,565</u>	<u>(9)</u>	<u>2,556</u>
	<u>2,660</u>	<u>(95)</u>	<u>2,565</u>	<u>(9)</u>	<u>2,556</u>
	<u>2,660</u>	<u>(95)</u>	<u>2,565</u>	<u>(9)</u>	<u>2,556</u>
	<u>2,660</u>	<u>(95)</u>	<u>2,565</u>	<u>(9)</u>	<u>2,556</u>
<b>Charity</b>	<b>Balance at 1 April 2020 £000</b>	<b>Transfers £000</b>	<b>Balance at 1 April 2021 £000</b>	<b>Transfers £000</b>	<b>Balance at 31 March 2022 £000</b>
Fixed Asset Fund	2,740	(92)	2,648	(15)	2,633
	<u>2,740</u>	<u>(92)</u>	<u>2,648</u>	<u>(15)</u>	<u>2,633</u>
	<u>2,740</u>	<u>(92)</u>	<u>2,648</u>	<u>(15)</u>	<u>2,633</u>
	<u>2,740</u>	<u>(92)</u>	<u>2,648</u>	<u>(15)</u>	<u>2,633</u>
	<u>2,740</u>	<u>(92)</u>	<u>2,648</u>	<u>(15)</u>	<u>2,633</u>

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.

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**24 Analysis of net assets between funds**

<b>Group</b>	<b>Unrestricted Funds</b>	<b>Designated Funds</b>	<b>Restricted Funds</b>	<b>Total</b>	<b>Unrestricted Funds</b>	<b>Designated Funds</b>	<b>Restricted Funds</b>	<b>Total</b>
	<b>2022</b>	<b>2022</b>	<b>2022</b>	<b>2022</b>	<b>2021</b>	<b>2021</b>	<b>2021</b>	<b>2021</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
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

<b>Charity</b>	<b>Unrestricted Funds</b>	<b>Designated Funds</b>	<b>Restricted Funds</b>	<b>Total</b>	<b>Unrestricted Funds</b>	<b>Designated Funds</b>	<b>Restricted Funds</b>	<b>Total</b>
	<b>2022</b>	<b>2022</b>	<b>2022</b>	<b>2022</b>	<b>2021</b>	<b>2021</b>	<b>2021</b>	<b>2021</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
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



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<b>25</b>	<b>Capital commitments</b>	<b>2022</b>	<b>2021</b>
		<b>£000</b>	<b>£000</b>
	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	-
		<u>          </u>	<u>          </u>

<b>26</b>	<b>Operating lease commitments</b>
	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).

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**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 -England Company no. 2933627		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

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<b>29</b>	<b>Cash generated from operations</b>	<b>2022</b>	<b>2021</b>
		<b>£000</b>	<b>£000</b>
	(Deficit)/surplus 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)
		<u>150</u>	<u>309</u>
<b>30</b>	<b>Analysis of changes in net (debt)/funds</b>		
		<b>At 1 April 2021</b>	<b>Cash flowsAt 31 March 2022</b>
		<b>£000</b>	<b>£000</b>
	Cash at bank and in hand	432	(9)
	Loans falling due within one year	(111)	2
	Loans falling due after more than one year	(2,621)	108
		<u>(2,300)</u>	<u>(2,199)</u>