

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)

CONTENTS

	Page
Trustees' report	1 - 5
Independent auditor's report	6 - 9
Statement of financial activities	10 - 11
Balance sheet	12 - 14
Statement of cash flows	15
Notes to the financial statements	16 - 36

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.

KINGS COMMUNITY CHURCH (SOUTHAMPTON)

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

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.

KINGS COMMUNITY CHURCH (SOUTHAMPTON)

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

FOR THE YEAR ENDED 31 MARCH 2024

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)

KINGS COMMUNITY CHURCH (SOUTHAMPTON)

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

FOR THE YEAR ENDED 31 MARCH 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.

KINGS COMMUNITY CHURCH (SOUTHAMPTON)

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

FOR THE YEAR ENDED 31 MARCH 2024

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

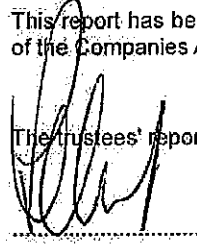
The auditor, Sumer Audit, is deemed to be re-appointed under s487(2) of the Companies Act 2006.

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.

KINGS COMMUNITY CHURCH (SOUTHAMPTON)

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF KINGS COMMUNITY CHURCH (SOUTHAMPTON)

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.

KINGS COMMUNITY CHURCH (SOUTHAMPTON)

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF KINGS COMMUNITY CHURCH (SOUTHAMPTON)

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.

KINGS COMMUNITY CHURCH (SOUTHAMPTON)

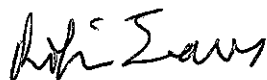
INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF KINGS COMMUNITY CHURCH (SOUTHAMPTON)

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		65,612	(13,472)	52,140	426,247	(152,803)	273,444
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

		Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
	Notes						
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		58,875	(13,472)	45,403	348,761	(152,803)	195,958
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 £	£	2023 £	£
Fixed assets					
Tangible assets	17	4,781,017		4,934,580	
Investment property	19	495,000		495,000	
		<u>5,276,017</u>		<u>5,429,580</u>	
Current assets					
Stocks	20	2,581		774	
Debtors	21	113,423		225,311	
Cash at bank and in hand		521,427		362,821	
		<u>637,431</u>		<u>588,906</u>	
Creditors: amounts falling due within one year	22	(157,452)		(237,886)	
Net current assets		<u>479,979</u>		<u>351,020</u>	
Total assets less current liabilities		<u>5,755,996</u>		<u>5,780,600</u>	
Creditors: amounts falling due after more than one year	23	(2,367,058)		(2,443,802)	
Net assets		<u><u>3,388,938</u></u>		<u><u>3,336,798</u></u>	
Income funds					
Restricted funds	29	113,339		126,811	
<u>Unrestricted funds</u>					
Designated funds:					
Fixed Asset fund		2,812,954		2,895,960	
Mortgage fund		15,000		-	
Sick pay reserve		17,000		-	
		<u>2,844,954</u>		<u>2,895,960</u>	
General unrestricted funds	30	430,645		314,027	
		<u>3,275,599</u>		<u>3,209,987</u>	
		<u><u>3,388,938</u></u>		<u><u>3,336,798</u></u>	

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

.....
Mr P Grant
Trustee

Company registration number 06212770

KINGS COMMUNITY CHURCH (SOUTHAMPTON)

BALANCE SHEET (CHARITY ONLY)

AS AT 31 MARCH 2024

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

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			<u>521,427</u>		<u>362,821</u>

KINGS COMMUNITY CHURCH (SOUTHAMPTON)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

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.

KINGS COMMUNITY CHURCH (SOUTHAMPTON)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

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.

KINGS COMMUNITY CHURCH (SOUTHAMPTON)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

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.

KINGS COMMUNITY CHURCH (SOUTHAMPTON)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

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
	<u>1,137,243</u>	<u>59,726</u>	<u>1,196,969</u>	<u>980,894</u>	<u>84,718</u>	<u>1,065,612</u>

KINGS COMMUNITY CHURCH (SOUTHAMPTON)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

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

KINGS COMMUNITY CHURCH (SOUTHAMPTON)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

5 Other trading activities

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

6 Investments

	Unrestricted funds	Unrestricted funds
	2024	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	Unrestricted funds
	2024	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).

KINGS COMMUNITY CHURCH (SOUTHAMPTON)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

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
	<u>198,730</u>	<u>146,762</u>

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
	<u>458,558</u>	<u>117,194</u>	<u>78,196</u>	<u>9,654</u>	<u>663,602</u>	<u>621,269</u>
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
	<u>920,676</u>	<u>242,054</u>	<u>168,531</u>	<u>75,549</u>	<u>1,406,810</u>	<u>1,296,958</u>
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
	<u>920,676</u>	<u>242,054</u>	<u>168,531</u>	<u>75,549</u>	<u>1,406,810</u>	<u>1,296,958</u>

KINGS COMMUNITY CHURCH (SOUTHAMPTON)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

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
	<u>431,125</u>	<u>106,111</u>	<u>72,410</u>	<u>11,623</u>	<u>621,269</u>
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
	<u>848,609</u>	<u>206,536</u>	<u>157,640</u>	<u>84,173</u>	<u>1,296,958</u>
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
	<u>848,609</u>	<u>206,536</u>	<u>157,640</u>	<u>84,173</u>	<u>1,296,958</u>

KINGS COMMUNITY CHURCH (SOUTHAMPTON)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

10 Grants payable

	Church Activities 2024	£	Community outreach 2024	£	Community International outreach 2024	£	Total 2024	£	Church Activities 2023	£	Community outreach 2023	£	Community 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	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	9,298
	3,902	-	3,800	-	7,098	-	14,800	-	1,410	-	7,795	-	31,293	-	40,498	40,498
Grants to individuals																
	4,725	-	1,023	-	49,430	-	55,178	-	8,046	-	-	-	30,257	-	38,303	38,303
	8,627	-	4,823	-	56,528	-	69,978	-	9,456	-	7,795	-	61,550	-	78,801	78,801

KINGS COMMUNITY CHURCH (SOUTHAMPTON)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

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
	<u>653,680</u>	<u>27,000</u>	<u>680,680</u>	<u>573,930</u>	<u>24,956</u>	<u>598,886</u>
<u>Analysed between</u>						
Trading	-	7,450	7,450	-	1,998	1,998
Charitable activities	<u>653,680</u>	<u>19,550</u>	<u>673,230</u>	<u>573,930</u>	<u>22,958</u>	<u>596,888</u>
	<u>653,680</u>	<u>27,000</u>	<u>680,680</u>	<u>573,930</u>	<u>24,956</u>	<u>598,886</u>

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	<u>160,372</u>	<u>170,260</u>

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.

KINGS COMMUNITY CHURCH (SOUTHAMPTON)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

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.

KINGS COMMUNITY CHURCH (SOUTHAMPTON)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

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.

KINGS COMMUNITY CHURCH (SOUTHAMPTON)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

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

KINGS COMMUNITY CHURCH (SOUTHAMPTON)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

20 Stocks

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

21 Debtors

	Group 2024 £	Charity 2024 £	Group 2023 £	Charity 2023 £
Amounts falling due within one year:				
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
	<u>113,423</u>	<u>110,194</u>	<u>225,311</u>	<u>177,633</u>

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
		<u>157,452</u>	<u>154,721</u>	<u>237,886</u>	<u>235,774</u>

23 Creditors: amounts falling due after more than one year

	Notes	2024 £	2023 £
Bank loans	24	<u>2,367,058</u>	<u>2,443,802</u>

KINGS COMMUNITY CHURCH (SOUTHAMPTON)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

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	-

KINGS COMMUNITY CHURCH (SOUTHAMPTON)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

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

KINGS COMMUNITY CHURCH (SOUTHAMPTON)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

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:

	Balance at 1 April 2022 £	Movement in funds			Transfers £	Balance at 1 April 2023 £	Movement in funds			Transfers £	Balance at 31 March 2024 £
		Incoming resources £	Resources expended £				Incoming resources £	Resources expended £			
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.

KINGS COMMUNITY CHURCH (SOUTHAMPTON)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

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
	<u>2,637,604</u>	<u>(167,186)</u>	<u>127,642</u>	<u>297,900</u>	<u>2,895,960</u>	<u>(159,319)</u>	<u>108,313</u>	<u>2,844,954</u>

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
	<u>2,637,604</u>	<u>(167,186)</u>	<u>127,642</u>	<u>297,900</u>	<u>2,895,960</u>	<u>(159,319)</u>	<u>108,313</u>	<u>2,844,954</u>

KINGS COMMUNITY CHURCH (SOUTHAMPTON)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

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.

KINGS COMMUNITY CHURCH (SOUTHAMPTON)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

31 Analysis of net assets between funds

Group	Unrestricted funds	Designated funds	Restricted funds	Total Unrestricted funds	Designated funds	Restricted funds	Total
	2024	2024	2024	2024	2023	2023	2023
	£	£	£	£	£	£	£
Fund balances are represented by:							
Tangible assets	3,159	4,777,858	-	4,781,017	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	(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	2,895,960	126,811	3,336,798
Charity							
	Unrestricted funds	Designated funds	Restricted funds	Total Unrestricted funds	Designated funds	Restricted funds	Total
	2024	2024	2024	2024	2023	2023	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	(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	2,895,960	126,811	3,255,286

KINGS COMMUNITY CHURCH (SOUTHAMPTON)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

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	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)
	<u>(2,166,586)</u>	<u>236,505</u>	<u>(1,930,081)</u>