

Charity Registration No. 1127055

Company Registration No. 6730025 (England and Wales)

**KINGSLAND CHURCH COLCHESTER**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

# KINGSLAND CHURCH COLCHESTER

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees</b>	Gbolahan Alaka Margaret Andrew Andrew Coutier Neil Loxley Mee Foong Purser Gemma Ferris	(Appointed 1 October 2021)
<b>Secretary</b>	Neil Loxley	
<b>Charity number</b>	1127055	
<b>Company number</b>	6730025	
<b>Registered office</b>	86 London Road Colchester CO3 9DW	
<b>Auditor</b>	Whittles Whittle & Partners LLP The Old Exchange 64 West Stockwell Street Colchester Essex CO1 1HE	
<b>Bankers</b>	CAF Bank Limited 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4QJ	

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# KINGSLAND CHURCH COLCHESTER

## CONTENTS

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	<b>Page</b>
Trustees' report	1 - 2
Statement of trustees' responsibilities	3
Independent auditor's report	4 - 7
Statement of financial activities	8
Balance sheet	9 - 10
Statement of cash flows	11
Notes to the financial statements	12 - 27

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# KINGSLAND CHURCH COLCHESTER

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

*FOR THE YEAR ENDED 31 MARCH 2021*

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

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's 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).

### **Objectives and activities**

The charity's objects are to advance the Christian Faith in accordance with the statement of beliefs in the memorandum, to relieve those who are in need, hardship or are aged or sick and to promote and fulfil other purposes beneficial to the community. The main area of the charity's operations is the county of Essex.

During the year under review this has been carried out by receiving and using donations towards the running of the centre and operations of the church in Lexden in Colchester. The centre is being used as a church base for the benefit of the wider community. During the year we acquired the virtual freehold of the site at 86 London Road. This includes the space currently occupied under lease to Aldi and IKAS. The lease payments will reduce the mortgage and the purchase will enable us in coming years to expand our community activities into some or all of that space.

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

### **Achievements and performance**

Like the rest of the UK we were impacted by Covid in March 2020 and throughout the year. The challenges of moving services online, meeting in smaller groups and maintaining our operations were met with flexibility, skill and resilience. Room hire and cafe takings were significantly impacted. We took advantage of the furlough scheme which meant we have been able to re-open with the staff who remained with us.

The trustees are satisfied with the financial situation and achievements of the charity.

### **Financial review**

The trustees have examined the charity's requirements for reserves in the light of the main risks to the organisation and consider that the unrestricted funds held by the charity should normally be between 3 and 12 months expenditure.

The trustees review all the salaries each year when the budgets are set with no employee's annual remunerations being £60,000 or more.

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

### **Plans for future periods**

The trustees continue to develop the ministry at 86 London Road in Lexden and on line.

### **Structure, governance and management**

The charity is a company limited by guarantee incorporated on 22 October 2008 and registered as a charity. The company was established under a memorandum of association which established the objects and powers of the charitable company and is governed under its articles of association.

# KINGSLAND CHURCH COLCHESTER

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

*FOR THE YEAR ENDED 31 MARCH 2021*

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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:

Gbolahan Alaka  
Margaret Andrew  
Andrew Coutier  
Neil Loxley  
Mee Foong Purser  
Gemma Ferris

(Appointed 1 October 2021)

The organisation of the work of Kingsland Church is in the hands of the Trustees. The governing documents provide for new trustees to be appointed by the current trustees.

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

The trustees work with the core leadership team and the small group of ministry leaders and members of the church.

### **Public Benefit**

The leadership teams of the congregations are committed to enabling as many people to worship with our church and to become part of our church community. As trustees we are aware of the Charity Commission's guidance on public benefit and, in particular, the specific guidance on charities for advancement of religion.

We try to enable ordinary people to live out their faith as part of our community through mutual encouragement, teaching worship and prayer. We seek to provide pastoral care and opportunities to be involved in mission and outreach work and to facilitate this we maintain the fabric of the Church.

All are welcome to attend our regular services. During the year we have sought to provide a breadth of opportunities for worship appropriate for the mix of ages and backgrounds of the people within the orbit of the church.

Our weekly activities have continued on line and in person where possible and include those very suitable for anyone in the area who choose to attend. The various youth groups, choir, men's breakfasts, women's meetings, alpha courses etc. are available to all as appropriate. We provide grants for various people and projects in the area and across the world in line with our charity objectives for the promotion of the Christian faith and the relief of poverty. As well as that reflected in financial terms in the accounts we have various collections of food, shoeboxes and, of course, encourage volunteering for local and international charities.

### **Auditor**

In accordance with the company's articles, a resolution proposing that Whittles be reappointed as auditor of the company will be put at a General Meeting.

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

Neil Loxley  
**Trustee**

21 December 2021

# KINGSLAND CHURCH COLCHESTER

## STATEMENT OF TRUSTEES' RESPONSIBILITIES

*FOR THE YEAR ENDED 31 MARCH 2021*

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The trustees, who are also the directors of Kingsland Church Colchester 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.

# KINGSLAND CHURCH COLCHESTER

## INDEPENDENT AUDITOR'S REPORT

### TO THE TRUSTEES OF KINGSLAND CHURCH COLCHESTER

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#### Opinion

We have audited the financial statements of Kingsland Church Colchester (the 'charity') for the year ended 31 March 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2021 and of its 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 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 we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

# KINGSLAND CHURCH COLCHESTER

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE TRUSTEES OF KINGSLAND CHURCH COLCHESTER

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

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

#### **Responsibilities of trustees**

As explained more fully in the statement of trustees' responsibilities, 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**

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

We obtained an understanding of the laws and regulations applicable to the Charity and the sector in which they operate. We determined that the following laws and regulations were the most significant: the Charities Act 2011, UK GAAP, Charities SORP and tax legislation.

In addition, the Charity is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: employment law and data protection. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of Those Charged with Governance and other management and inspection of regulatory and legal correspondence if any.

We considered management's opportunities for fraudulent manipulation of the financial statements (including revenue recognition and the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to manipulate financial results and management bias in accounting estimates.

# KINGSLAND CHURCH COLCHESTER

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE TRUSTEES OF KINGSLAND CHURCH COLCHESTER

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#### **Audit response to risks identified**

In respect of the considerations for fraud we incorporated within our audit testing compliance with the procedures for approving and authorising payments and also reviewed the minutes of the trustee meetings to confirm payments made to approvals at those meetings.

We designed audit procedures to respond to the risk, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

We focused on laws and regulations which could give rise to a material misstatement in the financial statements, including, but not limited to, the Charities Act 2011 and UK tax legislation.

Our tests included agreeing the financial statement disclosures to underlying supporting documentation and enquiries with management.

We made enquiries in relation to the allocation of income and expenditure between restricted and unrestricted funds.

We addressed the risk of management override of internal controls, including testing journals and evaluating whether there was evidence of bias by the trustees that represented a risk of material misstatement due to fraud.

The Senior Statutory Auditor has assessed and concluded that the engagement team collectively had the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations.

Due to the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities 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.

# KINGSLAND CHURCH COLCHESTER

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE TRUSTEES OF KINGSLAND CHURCH COLCHESTER

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#### Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

**Rachel Skells BA FCA (Senior Statutory Auditor)**  
**for and on behalf of Whittles**

21 December 2021

**Chartered Accountants**  
**Statutory Auditor**

Whittle & Partners LLP  
The Old Exchange  
64 West Stockwell Street  
Colchester  
Essex  
CO1 1HE

Whittles is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

# KINGSLAND CHURCH COLCHESTER

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2021

	Notes	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
<b>Income from:</b>							
Donations and legacies	3	323,422	34,553	357,975	295,862	85,370	381,232
Charitable activities	4	25,475	-	25,475	215,662	-	215,662
Investments	5	243,160	-	243,160	81,737	-	81,737
<b>Total income</b>		<b>592,057</b>	<b>34,553</b>	<b>626,610</b>	<b>593,261</b>	<b>85,370</b>	<b>678,631</b>
<b>Expenditure on:</b>							
Charitable activities	6	401,951	13,172	415,123	494,741	15,489	510,230
Other	11	54,724	-	54,724	37,385	-	37,385
<b>Total resources expended</b>		<b>456,675</b>	<b>13,172</b>	<b>469,847</b>	<b>532,126</b>	<b>15,489</b>	<b>547,615</b>
Net gains/(losses) on investments	12	226,511	-	226,511	-	-	-
<b>Net incoming resources before transfers</b>		<b>361,893</b>	<b>21,381</b>	<b>383,274</b>	<b>61,135</b>	<b>69,881</b>	<b>131,016</b>
Gross transfers between funds		76,941	(76,941)	-	-	-	-
<b>Net income/(expenditure) for the year/</b>							
<b>Net movement in funds</b>		<b>438,834</b>	<b>(55,560)</b>	<b>383,274</b>	<b>61,135</b>	<b>69,881</b>	<b>131,016</b>
Fund balances at 1 April 2020		1,238,322	75,325	1,313,647	1,177,186	5,445	1,182,631
<b>Fund balances at 31 March 2021</b>		<b>1,677,156</b>	<b>19,765</b>	<b>1,696,921</b>	<b>1,238,321</b>	<b>75,326</b>	<b>1,313,647</b>

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

All income and expenditure derive from continuing activities.

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

**AS AT 31 MARCH 2021**

- 9 -

# KINGSLAND CHURCH COLCHESTER

## BALANCE SHEET (CONTINUED)

*AS AT 31 MARCH 2021*

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The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2021, although an audit has been carried out under section 144 of the Charities Act 2011.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

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

The financial statements were approved by the Trustees on 21 December 2021

Neil Loxley

**Trustee**

**Company Registration No. 6730025**

# KINGSLAND CHURCH COLCHESTER

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
<b>Cash flows from operating activities</b>					
Cash generated from operations	23		70,879		70,516
<b>Investing activities</b>					
Purchase of investment property		(3,264,019)		-	
Proceeds on disposal of other investments		-		40,000	
Investment income received		243,160		81,737	
<b>Net cash (used in)/generated from investing activities</b>			(3,020,859)		121,737
<b>Financing activities</b>					
Proceeds from borrowings		50,000		86,800	
Repayment of borrowings		(4,800)		-	
Proceeds of new bank loans		3,800,000		-	
Repayment of bank loans		(1,056,753)		(49,087)	
<b>Net cash generated from financing activities</b>			2,788,447		37,713
<b>Net (decrease)/increase in cash and cash equivalents</b>			(161,533)		229,966
Cash and cash equivalents at beginning of year			296,301		66,335
<b>Cash and cash equivalents at end of year</b>			134,768		296,301

# KINGSLAND CHURCH COLCHESTER

## NOTES TO THE FINANCIAL STATEMENTS

*FOR THE YEAR ENDED 31 MARCH 2021*

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### 1 Accounting policies

#### Charity information

Kingsland Church Colchester is a private company limited by guarantee incorporated in England and Wales. The registered office is 86 London Road, Colchester, CO3 9DW.

#### 1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's Memorandum and Articles of Association, 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 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.

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 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.

#### 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 including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity.

# KINGSLAND CHURCH COLCHESTER

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

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### 1 Accounting policies

(Continued)

Costs classified as governance relate to the general running of the charity and include the operations of the Board of Trustees and addressing the constitutional audit of the accounts and other matters.

#### 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 bases:

Land and buildings	2% straight line
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

#### 1.7 Investment properties

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 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 instruments are initially recognised at transaction value and subsequently measured at amortised cost. Financial assets comprise cash at bank and in hand, together with trade and other debtors. Cash at bank and in hand is defined as all cash held in instant access bank accounts and used as working capital. Financial liabilities held at amortised cost comprise all creditors except social security and other taxes.

# KINGSLAND CHURCH COLCHESTER

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

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### 1 Accounting policies

(Continued)

#### *Derecognition of financial liabilities*

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

#### 1.11 Taxation

As a registered charity, the company is exempt from income and corporation tax to the extent that its income and gains are applicable to charitable purposes only.

The Charity is registered for Value Added Tax (registration number 341581805)

#### 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.

#### 1.14 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

### 2 Change in accounting policy

The charity has transferred some freehold properties previously held under land and buildings to investment properties to more accurately reflect their current use. These include buildings which were previously used by the church for their ministry but are now rented out to third parties, along with a residential block of flats. The trustees believe that this policy provides more relevant information to the users of the accounts.

This change of accounting policy has resulted in a reduction in the depreciation charge in the charities accounts of £19,938 and a net gain on revaluation of £227,449. This is a total net increase in funds of £247,387 for the year to 31 March 2021.

# KINGSLAND CHURCH COLCHESTER

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

### 3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2021 £	2021 £	2021 £	2020 £	2020 £	2020 £
Donations and gifts	276,237	29,553	305,790	292,381	85,370	377,751
Grants received	47,017	5,000	52,017	-	-	-
Other	168	-	168	3,481	-	3,481
	<u>323,422</u>	<u>34,553</u>	<u>357,975</u>	<u>295,862</u>	<u>85,370</u>	<u>381,232</u>
<b>Grants receivable for core activities</b>						
Coronavirus Job Retention Scheme	45,017	-	45,017	-	-	-
Essex Community Fund	-	5,000	5,000	-	-	-
Colchester Borough Council	2,000	-	2,000	-	-	-
	<u>47,017</u>	<u>5,000</u>	<u>52,017</u>	<u>-</u>	<u>-</u>	<u>-</u>

# KINGSLAND CHURCH COLCHESTER

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

### 4 Charitable activities

	Ministry & Church 2021 £	Cafe 2021 £	Bookstore 2021 £	Total 2021 £	Ministry & Church 2020 £	Cafe 2020 £	Bookstore 2020 £	Rental property 2020 £	Total 2020 £
Sales within charitable activities	-	7,530	395	7,925	-	72,662	3,428	-	76,090
Charitable rental income	17,550	-	-	17,550	124,860	-	-	-	124,860
Other income	-	-	-	-	-	-	-	14,712	14,712
	<u>17,550</u>	<u>7,530</u>	<u>395</u>	<u>25,475</u>	<u>124,860</u>	<u>72,662</u>	<u>3,428</u>	<u>14,712</u>	<u>215,662</u>

# KINGSLAND CHURCH COLCHESTER

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

### 5 Investments

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Rental income	242,984	79,501
Interest receivable	176	2,236
	<u>243,160</u>	<u>81,737</u>

### 6 Charitable activities

	Ministry & Church	Cafe	Bookstore	Rental property	Total	Total
	2021	2021	2021	2021	2021	2020
	£	£	£	£	£	£
Staff costs	188,612	-	-	-	188,612	225,330
Depreciation and impairment	29,563	-	-	-	29,563	49,502
Purchases	-	2,736	500	-	3,236	38,396
Costs of ministry	15,857	-	-	-	15,857	28,645
Costs of rental property	-	-	-	11,056	11,056	19,032
Bad debts	3,885	-	-	-	3,885	-
	<u>237,917</u>	<u>2,736</u>	<u>500</u>	<u>11,056</u>	<u>252,209</u>	<u>360,905</u>
Grant funding of activities (see note 7)	59,000	-	-	-	59,000	59,114
Share of support costs (see note 8)	100,164	-	-	-	100,164	90,211
Share of governance costs (see note 8)	3,750	-	-	-	3,750	-
	<u>400,831</u>	<u>2,736</u>	<u>500</u>	<u>11,056</u>	<u>415,123</u>	<u>510,230</u>
<b>Analysis by fund</b>						
Unrestricted funds	387,659	2,736	500	11,056	401,951	494,741
Restricted funds	13,172	-	-	-	13,172	15,489
	<u>400,831</u>	<u>2,736</u>	<u>500</u>	<u>11,056</u>	<u>415,123</u>	<u>510,230</u>

# KINGSLAND CHURCH COLCHESTER

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2021

#### 6 Charitable activities

(Continued)

For the year ended 31 March 2020

	Ministry & Church £	Cafe £	Bookstore £	Rental property £	Total 2020 £
Staff costs	225,330	-	-	-	225,330
Depreciation and impairment	49,502	-	-	-	49,502
Purchases	-	36,070	2,326	-	38,396
Costs of ministry	28,645	-	-	-	28,645
Costs of rental property	-	-	-	19,032	19,032
	<u>303,477</u>	<u>36,070</u>	<u>2,326</u>	<u>19,032</u>	<u>360,905</u>
Grant funding of activities (see note 7)	59,114	-	-	-	59,114
Share of support costs (see note 8)	90,211	-	-	-	90,211
	<u>452,802</u>	<u>36,070</u>	<u>2,326</u>	<u>19,032</u>	<u>510,230</u>
<b>Analysis by fund</b>					
Unrestricted funds	437,313	36,070	2,326	19,032	494,741
Restricted funds	15,489	-	-	-	15,489
	<u>452,802</u>	<u>36,070</u>	<u>2,326</u>	<u>19,032</u>	<u>510,230</u>

# KINGSLAND CHURCH COLCHESTER

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

### 7 Grants payable

	Ministry & Church 2021 £	Ministry & Church 2020 £
Grants to institutions (9 grants):		
Colchester Foodbank	4,900	1,575
Cry in the Dark	10,700	5,700
CYO	11,000	9,000
Colchester CAP Debit	5,000	3,850
Love in Action	5,000	4,611
Beacon House	-	2,550
Movement in Worship	-	1,000
Operation Mobilisation	5,400	5,400
International Justice Mission	-	1,000
St Johns Church Colchester PCC	-	2,000
Colchester Korban Project	4,000	2,000
Transformed International	2,000	2,000
The Christian Advice Service	3,000	-
Other	-	3,400
	<hr/>	<hr/>
	51,000	44,086
Grants to individuals (1 grants)	8,000	15,028
	<hr/>	<hr/>
	59,000	59,114
	<hr/> <hr/>	<hr/> <hr/>

Grants are given to a variety of members and organisations around the world who share similar beliefs and values to the charity. Priority is given to those with personal links with the church.

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# KINGSLAND CHURCH COLCHESTER

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

### 8 Support costs

	Support costs £	Governance costs £	2021 Support costs £	Governance costs £	2020 £
Property costs	27,030	-	27,030	38,201	38,201
Repairs & renewals	31,876	-	31,876	18,843	18,843
Office expenses	37,157	-	37,157	9,921	9,921
Other administration costs	698	-	698	10,545	10,545
Professional fees	3,403	-	3,403	12,701	12,701
Audit fees	-	3,750	3,750	-	-
	<u>100,164</u>	<u>3,750</u>	<u>103,914</u>	<u>90,211</u>	<u>90,211</u>
Analysed between Charitable activities	<u>100,164</u>	<u>3,750</u>	<u>103,914</u>	<u>90,211</u>	<u>90,211</u>

Governance costs includes payments to the auditors of £3,750 (2020- £Nil) for audit fees.

### 9 Trustees

One of the trustees received remuneration during the year of £41,400 (2020 £41,400) for his role as a pastor.

Three of the trustees loaned the charity a total of £45,000 (2020 £30,000) in respect of the purchase of the new building. These amounts were still outstanding at the year end.

### 10 Employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
Administration	2	2
Pastors	4	4
Cafe	5	4
Total	<u>11</u>	<u>10</u>

# KINGSLAND CHURCH COLCHESTER

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

10	Employees	(Continued)	
	Employment costs	2021 £	2020 £
	Wages and salaries	164,848	211,035
	Social security costs	5,328	-
	Other pension costs	1,534	-
		<u>171,710</u>	<u>211,035</u>

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

11	Other	Unrestricted funds	Unrestricted funds
		2021	2020
	Financing costs	<u>54,724</u>	<u>37,385</u>

12	Net gains/(losses) on investments	Unrestricted funds	Total
		2021 £	2020 £
	Revaluation of investment properties	<u>226,511</u>	<u>-</u>

# KINGSLAND CHURCH COLCHESTER

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

### 13 Tangible fixed assets

	Land and buildings £
<b>Cost</b>	
At 1 April 2020	2,475,076
Transfer to investment property	(996,919)
	<hr/>
At 31 March 2021	1,478,157
	<hr/>
<b>Depreciation and impairment</b>	
At 1 April 2020	552,642
Depreciation charged in the year	29,563
Transfer to investment property	(227,449)
	<hr/>
At 31 March 2021	354,756
	<hr/>
<b>Carrying amount</b>	
At 31 March 2021	1,123,401
	<hr/>
At 31 March 2020	1,922,434
	<hr/>

### 14 Investment property

	2021 £
<b>Fair value</b>	
At 1 April 2020	-
Additions through external acquisition	3,264,019
Transfers from owner-occupied property	769,470
Net gains or losses through fair value adjustments	226,511
	<hr/>
At 31 March 2021	4,260,000
	<hr/>

Investment property comprises freehold and leasehold properties. The fair value of the investment properties has been arrived at on the basis of valuations carried out by Morley Riches & Ablewhite Chartered Surveyors and Gerald Eve Chartered Surveyors, who are not connected with the charity. The valuations were made on an open market value basis by reference to market evidence of transaction prices for similar properties.

# KINGSLAND CHURCH COLCHESTER

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

14 Investment property		(Continued)	
	2021	2020	
	£	£	
Freehold	1,060,000	-	
Long leasehold	3,200,000	-	
Short leasehold	-	-	
	<u>4,260,000</u>	<u>-</u>	
15 Debtors			
	2021	2020	
	£	£	
Amounts falling due within one year:			
Other debtors	17,311	36,500	
Prepayments and accrued income	1,500	1,506	
	<u>18,811</u>	<u>38,006</u>	
16 Loans and overdrafts			
	2021	2020	
	£	£	
Bank loans	3,595,390	852,143	
Other loans	132,000	86,800	
	<u>3,727,390</u>	<u>938,943</u>	
Payable within one year	409,220	46,036	
Payable after one year	3,318,170	892,907	
	<u></u>	<u></u>	

The long-term loans are secured by fixed charges over the freehold land and buildings.

The long term bank loan is repayable over a term of 25 years by regular instalments. Interest is charged at 2.5% above the base rate of the Bank of England.

# KINGSLAND CHURCH COLCHESTER

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

### 17 Creditors: amounts falling due within one year

	Notes	2021 £	2020 £
Bank loans	16	409,220	46,036
Other taxation and social security		11,959	1,288
Deferred income	19	95,382	-
Trade creditors		1,179	2,070
Accruals and deferred income		4,149	793
		<u>521,889</u>	<u>50,187</u>

### 18 Creditors: amounts falling due after more than one year

	Notes	2021 £	2020 £
Bank loans	16	3,186,170	806,107
Other borrowings		132,000	86,800
		<u>3,318,170</u>	<u>892,907</u>

### 19 Deferred income

	2021 £	2020 £
Other deferred income	<u>95,382</u>	<u>-</u>

Deferred income represents rental income received in advance.

# KINGSLAND CHURCH COLCHESTER

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

### 20 Restricted funds

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

	Movement in funds				
	Balance at 1 April 2020	Incoming resources	Resources expended	Transfers	Balance at 31 March 2021
	£	£	£	£	£
Rwanda Orphans	738	2,500	(629)	-	2,609
Relief Fund	5,133	373	(161)	-	5,345
Guatemala	88	7,428	(3,237)	-	4,279
Building Fund	69,366	7,575	-	(76,941)	-
Love in Action	-	610	(450)	-	160
Precious Bundles	-	3,367	-	-	3,367
Training	-	6,000	(6,000)	-	-
Alaka Support	-	1,700	(1,540)	-	160
Counselling	-	5,000	(1,155)	-	3,845
	<u>75,325</u>	<u>34,553</u>	<u>(13,172)</u>	<u>(76,941)</u>	<u>19,765</u>

The restricted funds are:

Rwanda Orphans - to support children's education in Rwanda through the provision of school fees.

Relief Fund - for local people in need

Guatemala - to support a health centre in Guatemala

Building Fund - offerings towards the purchase of the investment property in November 2020

Love in Action - Love in Action is a UK charity working with an NGO in Uganda providing education

Precious Bundles - Precious bundles supports young families with the provision of used good quality clothing and some other items

Training - Training supports people in theological training

Alaka Support Income - Alaka support helps Christians under pressure in northern Nigeria

Counselling - Kingsland Counselling provide counselling sessions for local people

The building fund balance has been transferred to the general fund to offset the costs incurred in the purchase of the investment property in November 2020.

# KINGSLAND CHURCH COLCHESTER

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

### 21 Analysis of net assets between funds

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
Fund balances at 31 March 2021 are represented by:						
Tangible assets	1,123,401	-	1,123,401	1,922,434	-	1,922,434
Investment properties	4,260,000	-	4,260,000	-	-	-
Current assets/ (liabilities)	(388,075)	19,765	(368,310)	208,794	75,326	284,120
Long term liabilities	(3,318,170)	-	(3,318,170)	(892,907)	-	(892,907)
	<u>1,677,156</u>	<u>19,765</u>	<u>1,696,921</u>	<u>1,238,321</u>	<u>75,326</u>	<u>1,313,647</u>

Restricted funds represent amounts received for specific projects.

# KINGSLAND CHURCH COLCHESTER

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

### 22 Related party transactions

One of the trustees, A Courtier, made a loan of £Nil (2020 £10,000) to assist with the purchase of a property.

One of the trustees, G Alaka, made a loan of £10,000 (2020 £Nil) to assist with the purchase of a property.

Lifepond Ltd made a loan of £5,000 (2020 £20,000) to assist with the purchase of a property. N Loxley, one of the trustees of Kingsland Church, is a director of this company.

23 Cash generated from operations	2021 £	2020 £
Surplus for the year	383,274	131,016
Adjustments for:		
Investment income recognised in statement of financial activities	(243,160)	(81,737)
Fair value gains and losses on investment properties	(226,511)	-
Depreciation and impairment of tangible fixed assets	29,563	49,502
Movements in working capital:		
Decrease/(increase) in debtors	19,195	(29,305)
Increase in creditors	13,136	1,040
Increase in deferred income	95,382	-
<b>Cash generated from operations</b>	<b>70,879</b>	<b>70,516</b>

### 24 Analysis of changes in net (debt)/funds

	At 1 April 2020 £	Cash flows £	Acquisitions and disposals £	At 31 March 2021 £
Cash at bank and in hand	296,301	(161,533)	-	134,768
Loans falling due within one year	(46,036)	(313,184)	(50,000)	(409,220)
Loans falling due after more than one year	(892,907)	(2,425,263)	-	(3,318,170)
	<u>(642,642)</u>	<u>(2,899,980)</u>	<u>(50,000)</u>	<u>(3,592,622)</u>