

COMPANY REGISTRATION NUMBER: 6709949
CHARITY REGISTRATION NUMBER: 1132261

Kings Reach Limited
Company Limited by Guarantee
Unaudited Financial Statements
30 November 2020

CLARITY ACCOUNTING LIMITED

Chartered accountants
Brooklands House
58 Marlborough Road
Lancing
West Sussex
England
BN15 8AF

Kings Reach Limited
Company Limited by Guarantee
Financial Statements
Year ended 30 November 2020

	Page
Trustees' annual report (incorporating the director's report)	1
Independent examiner's report to the trustees	8
Statement of financial activities (including income and expenditure account)	9
Statement of financial position	10
Statement of cash flows	11
Notes to the financial statements	12

Kings Reach Limited
Company Limited by Guarantee
Trustees' Annual Report (Incorporating the Director's Report)
Year ended 30 November 2020

The trustees, who are also the directors for the purposes of company law, present their report and the unaudited financial statements of the charity for the year ended 30 November 2020.

Reference and administrative details

Registered charity name	Kings Reach Limited
Charity registration number	1132261
Company registration number	6709949
Principal office and registered office	Office FF10, Brooklands House 58 Marlborough Road Lancing BN15 8AF West Sussex

The trustees

R King
S Gray
M Jung

Company secretary Richard King

Independent examiner Christopher E Short B.Eng (Hons) FCCA CTA
Brooklands House
58 Marlborough Road
Lancing
West Sussex
England
BN15 8AF

Structure, governance and management

The board of trustees met regularly during this year, with the Chief Executive Officer in attendance at each trustee meeting. The board has overall responsibility for the effective governance of the charity. The Chief Executive Officer and the Trustees have been delegated responsibility for the management of the charity and setting the long-term strategy.

Kings Reach Limited

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 30 November 2020

Objectives and activities

Governing document

We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities.

The objects of the charity are:

- a) The relief of unemployment for the benefit of the public in such ways as may be thought fit, including assistance to find employment.
- b) To help and support young people, in particular but not exclusively those who are at risk of becoming victims or perpetrators of crime, by providing information, support and activities for them to enable them to participate in society as mature and responsible adults.
- c) To provide assistance through mediation for families who are affected by the breaking down of family relationships.
- d) The relief of poverty and the advancement of education.
- e) To provide or assist in the provision of facilities in the interest of social welfare for recreation and other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disability, financial hardship or social circumstances with the object of improving their conditions of life.
- f) Any other charitable activities that the directors consider beneficial to the local community.

Kings Reach Limited

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 30 November 2020

Achievements and performance

Perspective

With the Covid 19 pandemic and restrictions in place from March 2020, it was necessary to ensure the charity was complying with Government Guidelines and restrictions. Due to the nature of the work undertaken by King's Reach, student contact was able to continue in line with Government Guidelines. Procedures were assessed and new measures put in place to ensure the Charity remained compliant and that both students and mentors remained as safe as possible at all times.

Personal Protective Equipment was purchased, sanitising stations, additional signage, amended policies, risk assessments and amended timetables were put in place and regularly reviewed. Essential staff, those that provided one to one care, were permitted on site whereas all other staff were assigned to working from home. Team contact was maintained through online meetings and video calls. Although operations were more complicated than previous years, students all received a high standard of care and provision, no cases of Covid were reported.

All externally sourced education and activities ceased due to the providers being unable to operate safely during lockdown. To compensate for this, King's Reach provided alternative qualifications and activities from the charity's ten acre woodland site, which was solely for the use of the students during school hours. The woodlands were chosen as it kept risks regarding covid to a minimum as the area is outdoors, very large and enabled students to adhere to social distancing rules at all times whilst on site.

Bespoke Education Programme

In 2019/20 developments continued at King's Reach regarding education provision for disengaged and excluded students in Maidstone and the surrounding areas. The focus continued on providing a one to one Bespoke Education Programme (BEP) specific to each young person's individual needs, offering one to one mentoring sessions, education and vocational tuition programmes.

The design of the Bespoke Education Programme is to encourage constant progression of the student. We understand that each student is completely individual and this process allows us to offer a learning package that compliments each individual. This process looks to challenge and remove the barriers that affect each individual student for learning. Each young person referred to King's Reach has an initial assessment which takes place over 6 weeks. During this time the young person's strengths and interests are discovered and explored. This information is then used as a foundation for the education programme, where traditional subjects are embedded into a creative curriculum. By adopting this approach, we have repeatedly witnessed significant improvement in engagement and progression of young people who have previously struggled in a traditional classroom and school environment.

The part time BEP Manager employed last year has continued on a part time basis. When funding allows this would ideally be a full time position. He has maintained regular reviews and amendments of policies and procedures. He played a pivotal role in ensuring the charity was Covid compliant and has continued with the requirements for the application to become an independent school. Fortnightly meetings were scheduled to ensure momentum was maintained with this application and any points actioned. In addition to this, he has been supporting the trustees in the purchase of the St Hillary's House, the current school site. Early 2020 the Trustees were informed of notice of sale of the current rented property. The trustees and CEO are currently pursuing purchase of the site from the Diocese.

Curriculum

Kings Reach Limited

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 30 November 2020

The curriculum has developed further this year, in particular Skills for Living and Work qualifications, which has allowed us to further tailor the BEP for each student. The provision and qualifications offered as part of the BEP curriculum has increased, offering higher levels of one to one tuition to meet the needs of the students who were rapidly improving in their educational effort and attainment.

The start to the new academic year in September 2020 was again positive but more complex due to covid restrictions and the effect on both staff and students. Due to the development of our programme, a fifth one to one mentor was employed. This enabled King's Reach to increase our onsite Physical Education provision and enabled us to provide better cover for any unforeseen staff absences.

Science days were introduced and included practical lessons to investigate microbes and disease and included the dissection of animal organs.

As part of our PSHE programme our students were able to attend a series of courses. A six week Crime Diversion Programme and a 6 week Drug Awareness Course. In addition to this the local Fire Department visited to provide Fire Safety Education, Arson Awareness and an opportunity to wear fire service PPE. These programmes received very positive feedback from both staff and students.

Religious Studies was incorporated into the curriculum this year. A lesson on Islam was delivered by a local Bangladeshi Muslim businessman who attended and shared about his faith and life experiences with the students. In particular moving to England as a young boy and the challenges he faced. He also shared about his experiences of starting with nothing and building up his successful business and all that was involved. This was well received and provoked many questions and prompted dialogue.

No work experience was possible this year due to covid restrictions. Students spent one to one time with a qualified Careers Advisor to discuss strengths and interests to help with the development of their BEP and onward pathways.

The Annual student reviews were delayed significantly this year due to Covid restrictions. They took place in October 2020, three months after originally scheduled. They continued to generally be an exceptionally positive experience for all involved. The meetings were held on line this year and some students chose not to attend due to anxiety. The young people that attended, their families, mentors and BEP manager were in attendance at the individual online student reviews. Students were encouraged to offer their opinions and experiences during the reviews or before for those that did not attend. Feedback from the referring agencies and parents/carers was positive in relation to student behaviour, attendance, social, emotional and educational attainment.

The calendar year finished on a high with a Christmas Meal being held for students on site. Plans were made in line with Covid restrictions, different students and staff decorated the dining area, planned, prepared and served different courses of the meal. All students received a Christmas gift and a luxury food hamper for them and their families to enjoy.

Staffing and Pastoral Care

Pastoral Care remained at the heart of the charity and continued to be the role of every member of staff. Local charities and church groups were included in our mentoring service and our pastoral care continued to be efficient and productive, albeit on a smaller scale due to covid restrictions being introduced March 2020. Any Child in Need (CIN), Child Protection (CP) meetings and reviews were attended by the relevant staff member, these were all held remotely.

Staff and student assessment, evaluation and monitoring continued. The new processes and procedures put in place last year, ensured the best pastoral support for both young people and staff.

Kings Reach Limited

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 30 November 2020

Regular staff meetings continued to remain a priority for all the team to attend, until March 2020 when due to Covid, any meetings were held remotely. In addition to this, student 'Have Our Say' meetings were scheduled and provided a forum for the young people to have input regarding the operating of the school, the curriculum proposals and a pupil reward system, including discussing achievements and the rewards.

Staff Training and professional development continued this year. Training undertaken throughout the year included Safeguarding training through the Kent Children's Safeguarding Board with a new Designated Safeguarding Lead appointed. Fortnightly Safeguarding meetings are attended by BEP Manager and CEO to ensure prompt response to any issues arising. Staff completed a variety of online training covering a wide range of topics, including; Safeguarding, Lone Working, Criminal Exploitation and County Lines, Understanding Behaviour, Cyber Security & Bullying and GDPR.

Woodland Qualifications

King's Reach provide an outdoor learning opportunity that is designed for disengaged or non-attending students. The time spent in our woodland helps students to re-engage with their learning. Studies prove that it takes as little as 7 minutes of being out in the woods for stress levels to begin to reduce. Teaching in this non pressured and nurturing environment enables us to work with students and progress them from where they currently are. We are able to offer Level 1 & 2 Ofqual registered qualifications, students can achieve an award, certificate or diploma depending on the length of the course.

We partner with Step-Out Outdoor Learning allowing us to provide a wide range of forest school activities and accredited courses for our key stage 3 and 4 students. The development of the forest schools programme has continued over this past year. The woodland area has been maintained to provide diverse opportunities for the groups we work with.

A Woodland Management Team was created to oversee the management of the woodlands. King's Reach partnership with Jubilee Church continued this year and the team is headed up by a church member. A new Woodland Management Plan was compiled and work parties scheduled when possible, due to covid restrictions.

Partnerships

Our partnership with The Vine Church and Jubilee Church has continued this year, including the provision of food hampers for young people and their families throughout the year and family Christmas Hampers too.

We were fortunate to receive office furniture from GO Green, a local office furniture recycling company. These items were utilised to improve one to one classrooms and office space.

Community

The main focus of King's Reach community work has been intensive outreach including one-to-one support. Dave King MBE and Stewart King CEO continue to be involved the community work and collaborate with external agencies to bring a holistic approach. King's Reach works directly with families in their home environment and provides guidance and constructive activities. King's Reach community work still receives no external funding. Despite the lack of funding, the charity continued to provide in excess of 350 hours of support to young people and local families. This is a reduced amount due to covid restrictions this year.

King's Reach continues to encourage multi-agency cohesion to ensure families have a clear step-by-step pathway to follow and where necessary, King's Reach will advocate on the family's behalf.

Kings Reach Limited

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 30 November 2020

Community Cohesion - King's Reach has continued to build relationships within the local community. Working relationships have continued with Catch 22, Jubilee Church, Maidstone Skills Centre, The Vine Church, Porchlight, Youth Offending Team, Maidstone Family Matters, Young Lives Foundation, Flip Out and Creepy Claws.

RESERVE POLICY

It is the policy of the charity that unrestricted funds, which have not been designated for a specific use, should be maintained at a level equivalent to three month's expenditure in line with Charity Commission recommendations. Due to stabilised funding and referrals this year, we have built up reserves equivalent of two to three month's expenditure. The trustees consider that the achievement of reserves at this level will ensure that in the event of a significant drop in funding the charity's current activities can continue while consideration is given to ways in which additional funds may be raised.

ASSET COVER FOR FUNDS

Note 16 sets out an analysis of the assets attributable to the various funds and a description of the funds. These assets are sufficient to meet the charity's obligations on a fund by fund basis.

PLANS FOR FUTURE PERIODS

- Seek input from local businesses to enrich curriculum. ie career days
- Continue with staff CPD and review meetings
- Offer Functional Skills qualifications
- Purchase of property - St Hilary's
- Explore Independent School application and associated requirements
- Increase tutor numbers
- Obtain specialist advice and support for school application and requirements
- Healthy relationships and Anger Management courses
- Review social media presence

RESPONSIBILITIES OF THE TRUSTEES

The trustees (who are also the directors of King's Reach Limited for the purposes of company law) are responsible for preparing the Trustees Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the income and expenditure of the charitable company for that period.

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

- select suitable accounting policies and then apply them consistently;

Kings Reach Limited

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 30 November 2020

- observe the methods and principles in the Charities SORP;
- make judgements and accounting 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

Financial review

Principal funding sources

The charity's principal funding comes from Kent and Medway County Council for commissioned services and activities. In the period under review, income totalled £242,554 (not including interest)

King's Reach has a Virgin Giving page and received both regular and one-off donations during the year. Donations totalled £6,245 of which £6,145 came from Virgin Money and £100 from small cash donations.

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

The trustees' annual report was approved on 23 August 2021 and signed on behalf of the board of trustees by:

R King
Director



Richard King
Charity Secretary



Kings Reach Limited

Company Limited by Guarantee

Independent Examiner's Report to the Trustees of Kings Reach Limited

Year ended 30 November 2020

I report to the trustees on my examination of the financial statements of Kings Reach Limited ('the charity') for the year ended 30 November 2020.

Responsibilities and basis of report

As the trustees of the company (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

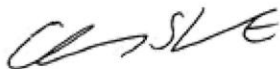
Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
4. the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Christopher E Short B.Eng (Hons) FCCA CTA
Independent Examiner

Brooklands House
58 Marlborough Road
Lancing
West Sussex
England
BN15 8AF

23 August 2021

Kings Reach Limited
Company Limited by Guarantee
Statement of Financial Activities
(including income and expenditure account)
Year ended 30 November 2020

			2020		2019
	Note	Unrestricted funds £	Restricted funds £	Total funds £	Total funds £
Income and endowments					
Donations and legacies	5	6,245	—	6,245	13,349
Charitable activities	6	242,554	—	242,554	176,230
Investment income	7	3	—	3	34
Total income		<u>248,802</u>	<u>—</u>	<u>248,802</u>	<u>189,613</u>
Expenditure					
Expenditure on charitable activities	8,9	207,624	—	207,623	165,333
Total expenditure		<u>207,624</u>	<u>—</u>	<u>207,623</u>	<u>165,333</u>
Net income and net movement in funds		<u>41,178</u>	<u>—</u>	<u>41,179</u>	<u>24,280</u>
Reconciliation of funds					
Total funds brought forward		87,685	10,000	97,685	73,405
Total funds carried forward		<u>128,863</u>	<u>10,000</u>	<u>138,863</u>	<u>97,685</u>

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes on pages 12 to 20 form part of these financial statements.

Kings Reach Limited
Company Limited by Guarantee
Statement of Financial Position
30 November 2020

	Note	2020 £	£	2019 £
Fixed assets				
Tangible fixed assets	15		34,500	33,928
Current assets				
Debtors	16	43,290		52,159
Cash at bank and in hand		135,918		30,003
		179,208		82,162
Creditors: amounts falling due within one year	17	74,844		18,405
Net current assets			104,364	63,757
Total assets less current liabilities			138,864	97,685
Net assets			138,864	97,685
Funds of the charity				
Restricted funds			10,000	10,000
Unrestricted funds			128,863	87,685
Total charity funds	19		138,863	97,685

For the year ending 30 November 2020 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

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

These financial statements were approved by the board of trustees and authorised for issue on 23 August 2021, and are signed on behalf of the board by:

R King
Director



The notes on pages 12 to 20 form part of these financial statements.

Kings Reach Limited
Company Limited by Guarantee
Statement of Cash Flows
Year ended 30 November 2020

	2020	2019
	£	£
Cash flows from operating activities		
Net income	41,179	24,280
<i>Adjustments for:</i>		
Depreciation of tangible fixed assets	386	194
Other interest receivable and similar income	(3)	(34)
Accrued expenses/(income)	200	(100)
<i>Changes in:</i>		
Trade and other debtors	8,869	(38,173)
Trade and other creditors	56,239	6,092
Cash generated from operations	106,870	(7,741)
Interest received	3	34
Net cash from/(used in) operating activities	106,873	(7,707)
Cash flows from investing activities		
Purchase of tangible assets	(958)	(585)
Net cash used in investing activities	(958)	(585)
Net increase/(decrease) in cash and cash equivalents	105,915	(8,292)
Cash and cash equivalents at beginning of year	30,003	38,295
Cash and cash equivalents at end of year	135,918	30,003

The notes on pages 12 to 20 form part of these financial statements.

Kings Reach Limited
Company Limited by Guarantee
Notes to the Financial Statements
Year ended 30 November 2020

1. General information

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is Office FF10, Brooklands House, 58 Marlborough Road, Lancing, BN15 8AF, West Sussex.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Companies Act 2006.

3. Accounting policies

Basis of preparation

No material uncertainties that may cast significant doubt about the charity continuing as a going concern have been identified by the Directors.

Going concern

There are no material uncertainties about the charity's ability to continue.

Consolidation

The charity is not required to prepare consolidated accounts in accordance with the Charities Act 2011, and has taken advantage of the option not to prepare consolidated financial statements contained in Section 398 of the Companies Act 2006 on the basis that the charity and its subsidiary undertakings comprise a small group.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Kings Reach Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 November 2020

3. Accounting policies *(continued)*

Fund accounting

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

Voluntary income is received by way of grants, donations and gifts and is included in full in the Statement of Financial Activities when receivable. Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.

Donated services and facilities are included at the value to the charity when this can be quantified. The value of services provided by volunteers has not been included in these accounts.

Investment income is included when receivable.

Incoming resources from permissible trading activity are accounted for when earned.

Incoming resources from grants, when related to performance and specific deliverable, are accounted for as the charity earns the right to consideration by its performance.

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Kings Reach Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 November 2020

3. Accounting policies *(continued)*

Resources expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to that category. Expenditure includes any VAT which cannot be recovered, and is reported as part of the expenditure to which it relates.

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

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the external scrutiny fees and costs linked to the strategic management of the charity.

Administration costs comprise service costs incurred in support of the charity.

Tangible assets

All fixed assets are initially recorded at cost.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Equipment - between three and five years

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

Kings Reach Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 November 2020

3. Accounting policies *(continued)*

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

4. Limited by guarantee

The company is limited by guarantee and each member of the company, in the event of the winding up of the company, undertakes to contribute to the assets of the company, a maximum of £1.

5. Donations and legacies

	Unrestricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Total Funds 2019 £
Donations				
Donations	<u>6,245</u>	<u>6,245</u>	<u>13,349</u>	<u>13,349</u>

6. Charitable activities

	Unrestricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Total Funds 2019 £
Sale of goods/services as part of direct charitable activities	<u>242,554</u>	<u>242,554</u>	<u>176,230</u>	<u>176,230</u>

7. Investment income

	Unrestricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Total Funds 2019 £
Bank interest receivable	<u>3</u>	<u>3</u>	<u>34</u>	<u>34</u>

Kings Reach Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 November 2020

8. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Total Funds 2019 £
Direct costs in relation to charitable activity	124,988	124,988	106,539	106,539
Support costs	82,636	82,635	58,794	58,794
	<u>207,624</u>	<u>207,623</u>	<u>165,333</u>	<u>165,333</u>

9. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Support costs £	Total funds 2020 £	Total fund 2019 £
Direct costs in relation to charitable activity	124,988	78,671	203,659	161,472
Governance costs	–	3,964	3,964	3,861
	<u>124,988</u>	<u>82,635</u>	<u>207,623</u>	<u>165,333</u>

10. Analysis of support costs

	Support costs £	Total 2020 £	Total 2019 £
Staff costs	49,448	49,448	31,000
Premises	8,390	8,390	9,204
Communications and IT	1,227	1,227	1,450
General office	6,808	6,808	5,343
Support costs - Other costs	12,798	12,798	7,936
	<u>78,671</u>	<u>78,671</u>	<u>54,933</u>

11. Net income

Net income is stated after charging/(crediting):

	2020 £	2019 £
Depreciation of tangible fixed assets	386	194
Operating lease rentals	360	682

12. Independent examination fees

	2020 £	2019 £
Fees payable to the independent examiner for: Independent examination of the financial statements	2,100	2,100

Kings Reach Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 November 2020

13. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2020	2019
	£	£
Wages and salaries	93,104	65,751
Social security costs	2,763	1,762
Employer contributions to pension plans	4,058	3,527
	<u>99,925</u>	<u>71,040</u>

The average head count of employees during the year was 7 (2019: 5). The average number of full-time equivalent employees during the year is analysed as follows:

	2020	2019
	No.	No.
Number of staff	<u>7</u>	<u>5</u>

No employee received employee benefits of more than £60,000 during the year (2019: Nil).

14. Trustee remuneration and expenses

No remuneration or other benefits from employment with the charity or a related entity were received by the trustees

15. Tangible fixed assets

	Land and buildings £	Equipment £	Total £
Cost			
At 1 December 2019	33,379	7,980	41,359
Additions	–	958	958
At 30 November 2020	<u>33,379</u>	<u>8,938</u>	<u>42,317</u>
Depreciation			
At 1 December 2019	–	7,431	7,431
Charge for the year	–	386	386
At 30 November 2020	<u>–</u>	<u>7,817</u>	<u>7,817</u>
Carrying amount			
At 30 November 2020	<u>33,379</u>	<u>1,121</u>	<u>34,500</u>
At 30 November 2019	<u>33,379</u>	<u>549</u>	<u>33,928</u>

Land and Buildings consists of the purchase of 50% of Woodlands during 2013 for £65,000 the other 50% is owned by Willington Court Limited (charity no 1105335).

Kings Reach Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 November 2020

16. Debtors

	2020	2019
	£	£
Trade debtors	42,911	51,738
Prepayments and accrued income	379	421
	<u>43,290</u>	<u>52,159</u>

17. Creditors: amounts falling due within one year

	2020	2019
	£	£
Trade creditors	5,608	3,507
Accruals and deferred income	2,100	1,900
Social security and other taxes	18,643	10,806
Other creditors	48,493	2,192
	<u>74,844</u>	<u>18,405</u>

18. Pensions and other post retirement benefits

The charity operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. The pension cost charge represents contributions payable by the charity to the fund and amounted to £4,058 (2019 - £3,527).

19. Analysis of charitable funds

Unrestricted funds

	At 1 December 2019 £	Income £	Expenditure £	At 30 November r 2020 £
General funds	<u>87,685</u>	<u>248,802</u>	<u>(207,624)</u>	<u>128,863</u>

	At 1 December 2018 £	Income £	Expenditure £	At 30 November 2019 £
General funds	<u>63,405</u>	<u>189,613</u>	<u>(165,333)</u>	<u>87,685</u>

Kings Reach Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 November 2020

19. Analysis of charitable funds *(continued)*

Restricted funds

	At 1 December 2019 £	Income £	Expenditure £	At 30 November 2020 £
Minibus	<u>10,000</u>	<u>—</u>	<u>—</u>	<u>10,000</u>

	At 1 December 2018 £	Income £	Expenditure £	At 30 November 2019 £
Minibus	<u>10,000</u>	<u>—</u>	<u>—</u>	<u>10,000</u>

King's Reach received a £10K grant from the National Lottery in the year to 30 November 2016, which was part funding for a new mini bus to assist our education provision. Kings Reach is seeking to attain further funding for the provision of the mini bus.

20. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Tangible fixed assets	34,500	—	34,500
Current assets	169,208	10,000	179,208
Creditors less than 1 year	(74,844)	—	(74,844)
Net assets	<u>128,864</u>	<u>10,000</u>	<u>138,864</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £
Tangible fixed assets	33,928	—	33,928
Current assets	72,162	10,000	82,162
Creditors less than 1 year	(18,405)	—	(18,405)
Net assets	<u>87,685</u>	<u>10,000</u>	<u>97,685</u>

21. Financial instruments

The carrying amount for each category of financial instrument is as follows:

	2020 £	2019 £
Financial assets that are debt instruments measured at amortised cost		
Financial assets that are debt instruments measured at amortised cost	<u>43,290</u>	<u>52,159</u>
Financial liabilities measured at amortised cost		
Financial liabilities measured at amortised cost	<u>73,517</u>	<u>18,405</u>

Kings Reach Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 November 2020

22. Analysis of changes in net debt

	At 1 Dec 2019	Cash flows	At 30 Nov 2020
	£	£	£
Cash at bank and in hand	<u>30,003</u>	<u>105,915</u>	<u>135,918</u>