



King's
Arms
Project

TRUSTEES' REPORT & FINANCIAL STATEMENTS

For the year ending
31 December 2021

"Without the help of King's Arms Project, I wouldn't be here now. Thanks to all the support I can now go to bed at night and look forward to waking up in the morning."

kingsarmsproject.org

[#hopeforeveryonealways](https://www.instagram.com/hopeforeveryonealways)

Company no. 07433621. Charity no. 1139956.



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CHARITY AND COMPANY INFORMATION

Trustees/Directors	Vanessa Lipski (Chair) Nigel Taylor	Matthew Burge Samantha Roach
Chief Executive	Kirstie Cook	
Charity number	1139956	
Company number	07433621	
Registered office	King's House 245 Ampthill Road Bedford MK42 9AZ	
Business address	King's House 245 Ampthill Road Bedford MK42 9AZ	
Statutory Auditor	Mazars LLP The Pinnacle 160 Midsummer Boulevard Milton Keynes MK9 1FF	
Solicitor	HCB Park Woodfine LLP 1 Lurke Street Bedford MK40 3TN	
Banker	Unity Trust Bank Plc Nine Brindley Place Birmingham B1 2HB	

King's Arms Project (KAP) is a charitable company limited by guarantee (Company No. 7433621), incorporated on 9th November 2010, and registered as a charity on 20th January 2011 (Charity No. 1139956).

The company was established under a Memorandum of Association that established the objects and powers of the charitable company and is governed under its Articles of Association. It commenced operating on the 1st March 2011.

Established in 1989, the KAP operated as part of the King's Arms Trust (Bedford), until its formation in 2011.



TRUSTEES' REPORT

Introductory Letter from the Chair of Trustees

2021 continued to be a challenging year for King's Arms Project in relation to the Pandemic with restrictions affecting teams and the services they provide for the vulnerable people we serve. King's Arms Project has continued to deliver their services to the poor and vulnerable offering "hope for everyone, always."

On 22 June 2021, Housing Secretary Robert Jenrick set out government plans to build on the hugely successful 'Everyone In' programme through a renewed focus on cross-agency cooperation involving local NHS trusts, Public Health England, and councils to tackle the complex root causes of rough sleeping. Rough sleepers are to be helped stay off the streets for good through a joined-up approach to treating the underlying causes of rough sleeping. This commitment will build on the local partnerships that were developed during the pandemic – providing rough sleepers with a route off the street for good. King's Arms Project has supported rough sleepers off the streets in Bedford for over 30 years through its Night Shelter and are celebrating that the council are now at last making provision for those who would otherwise be on the streets, making a commitment to never return to the way things were.



This means for King's Arms Project that we are able to turn our attentions to supporting the complex critical cases, often non-UK Nationals who still struggle to maintain tenancies and to embark on exciting and new innovative schemes; such a modular housing and recovery coaching in order to prevent a return to homelessness and provide a stable path to independence. Excellent outcomes for rough sleepers.

Throughout the year it has been amazing to see the love and practical support provided in very difficult circumstances by the team at King's Arms Project to the poor and vulnerable in Bedfordshire including the homeless, ex-prisoners, asylum seekers and refugees. As in previous years, the range of the services and support provided continued to increase, driven by the changing landscape, enthusiasm, ideas and passion of the staff in responding to the many needs and opportunities.

The report provides details of the many and varied activities of the Project and importantly the difference it is making to the local community and beyond. The report gives examples of how the lives of vulnerable individuals have been positively impacted and changed for good.

Vanessa Lipski

Chair of Trustees

25/10/2022

"I felt hopeless, desperate and helpless – there was no-one to help. At just that time you came and you held my hand and supported me right till now. The help and support you gave, there are no words to describe it. When I thought about how to pay the solicitor again I was in despair but you found a free (legal aid) solicitor for me. But much more important than that was simply your support, advice and help with so many different things. It made so much difference." **Refugee Advice Service Client**



Introductory Letter from the Chief Executive Officer

Welcome to the Annual report and financial statements for King's Arms Project (KAP) 2021. As we have battled with the on-going effects of the pandemic this year it has been heartening to lead a team who have shown unwavering commitment and professionalism in order to bring practical help and support to the most vulnerable people. Our desire to bring isolated, frightened, and displaced people into communities where they feel safe and welcome and where they can put down roots and flourish remains unrelenting. Under the governments 'Everybody In' programme we saw rough sleepers in Bedford who had been without a stable home remain in hotel accommodation. Bedford has been one of the few boroughs in the country who



are still supporting those who would otherwise be street homeless in this way going into 2022. We have helped support over 400 people through the hotel in partnership with other agencies. We have been part of the solution to help many of those residents who did not have settled status to remain in the UK gain access to benefits and support as well providing more stable, affordable supported accommodation for those ready to move into a house.

Our outreach work with clients who have no recourse to public funds continues to set us apart as those willing to work with the most complex situations and we are proud to be running the only pilot programme in the UK currently seeking to find a better route for refugees and asylum seekers to gain the appropriate legal status whilst remaining in the community. One of my personal highlights from 2021 was welcoming a family to the UK who we are supporting through the UN resettlement scheme. It was an incredible privilege to offer a safe house, good food, clean clothes, and a route to a future filled with hope and opportunity. Earlier in the year I attended our ground-breaking ReVerb event where members of our Pathways Community cheered each other on as they read poems, letters, and stories about their own journeys in a local theatre to an enthusiastic and supportive audience. These moments of personal connection and seeing how we impact the lives of others for the good are what motivates me to see KAP go from strength to strength, venturing into the darkest corners of our society to bring restoration, hope and new life.

I would like to thank all those who give faithfully to the KAP. We are so grateful to individuals, families, and churches for their remarkable generosity and to trusts, foundations and institutional donors for all their continued support. It is an honour to work alongside colleagues who give of themselves on a daily basis to get alongside and help the most traumatised and complex people, often at great personal cost. As well as the personal kindness and acts of generosity we see, we also know prayer is at the heart of all we do, and we are completely dependent on God for everything.

Kirstie Cook

Chief Executive Officer

25/10/2022



About King's Arms Project

Introduction

The Trustees of the King's Arms Project (Bedford), (referred hereafter as KAP), present their annual report, together with the financial statements of the charitable company for the year 1st January 2021 to 31st December 2021.

Principle Objectives

The Charity's objectives for the public benefit are:

- To relieve financial hardship particularly but not exclusively among the homeless or those at risk of homelessness and to promote and preserve good health by the provision of funds, good or services of any kind including through the provision of accommodation and support to achieve and maintain independent living, meaningful occupation economic independence and to become contributing members of the community in Bedford and in such other parts of the United Kingdom or the world as the Trustees from time to time may think fit and to fulfil other such purposes which are exclusively charitable according to the law of England and Wales and are connected with the charitable work of the Charity.
- To advance the Christian faith in accordance with the Evangelical Alliance Statements of Beliefs in Bedford and in other such parts of the United Kingdom or the world as the Trustees may from time to time think fit.

Our Vision

Every person thriving in a place they call home, living a fulfilling life in community.

Our Mission

To tackle homelessness, displacement, and isolation by

- Providing opportunity to thrive and have a home
- Connecting people into meaningful communities.
- Demonstrating the love of God
- Advocating for justice

Our Values

- Hope – We believe there is hope for everyone, always
- Community – We all thrive when we are connected in community
- God is Good – We trust in God and His goodness for everything we do
- Learning & Excellence – By seeking to learn, listen and grow we are better able to achieve excellence in all that we do



Strategic Objectives 2021–2026

To Deliver Excellence

1. Viable and diverse housing
2. Holistic training and empowerment programmes
3. An accessible and appropriate operational space(s)
4. Meaningful involvement of experts by experience to help design and deliver services

To Value Our People

1. To develop a growth mindset
2. To strengthen central office services
3. To promote wellbeing
4. To establish a positive leadership culture where ownership, accountability and involvement in decision making is promoted.

To Have Healthy, Robust Finances

1. To ensure resilience and viability underpin the financial decisions made
2. To identify ways to grow, develop and sustain
3. To be transparent and accountable
4. To build and maintain the level of free reserves

To Have A Positive Impact On Our World

1. To establish a reputation for strategic thinking and effective influencing of policy at local and national level
2. Integration of local services and support for vulnerable people
3. Evidence based social innovation
4. Promoting environment sustainable practices

Our Activities

HELP

We offer help to those who are in crisis and at risk of immediate homelessness. We believe that it is a Biblical principle and a humane response to feed the hungry, clothe the naked and welcome the stranger. We do this principally through our night shelter, outreach services on the streets of Bedford and our helpline and advice service for refugees and asylum seekers.

Helpline

The refugees and migrant services team launched a helpline in September 2020 in response to an increasing number of enquiries and requests for help to advise and support vulnerable irregular migrants who are not covered by our contracted services (refused asylum seekers / UASC¹/ visa overstayers) and the professionals assisting them. We offer either one-off advice or short-term casework depending on our team's capacity and the clients' needs. In the time this has been running, the service has supported 102 individuals and families.

¹Unaccompanied Asylum-Seeking Children



Advice Service

Our community engagement pilot funded by the Home Office provides free legal advice for vulnerable migrants (mainly refused asylum seekers and visa overstayers). So far, we have supported 76 people from 23 different nations to access free medication, mental health support, hardship money, food, clothing, toiletries, ESOL²/ education and social activities. We have also helped a number of people to access social services support due to their high care needs. We are OISC³ registered to provide basic immigration & asylum advice and services to a high standard.

"I can't find the right words to describe the King's Arms Project. I consider myself lucky to have met people like them, they have helped me with my immigration status and personal life. They have done a miracle for me, because before this time I had no hope to get the visa, and that time I was desperate. Since they contacted me, everything has changed in my life. I have to say thank you so much for everything they did. and I consider them as family members now."

Street Outreach

The Outreach team has always been one who through faith and persistence, brings hope to some of the most marginalised and forgotten clients in our community. They work with both clients who have recourse to public funds and those who do not. The team have continued to work out of the Mercure hotel in Bedford, working alongside SMART, Path 2 Recovery, PBIC⁴ and council housing staff to provide holistic service for our clients. In this period the Outreach team have worked with a large number of EEA⁵ clients, the majority of whom have No Recourse to Public Funds and a growing number of non-EEA clients. They have supported a significant number of clients moving into hostels, private tenancy and council supported accommodation. This has had a hugely significant impact, particularly on our clients who had No recourse to Public funds, many of whom now have gained ID documents and applied to the EU Settlement scheme.

In addition, we have been undertaking early morning outreach on the streets of Bedford, several times a week. This has involved seeking out many of the encampments and areas in the town centre and around the fringes where rough sleepers seek refuge, to engage them and provide support. Many of those clients have complex needs and some have serious substance misuse issues. Often this work requires long term commitment and perseverance with cases, and we are fortunate to have expertise within the wider KAP team on providing immigration support, employment support and trauma recovery coaching where appropriate.

Night Shelter

Our Night shelter has run for nearly 30 years as a direct access service, 365 days a year. It has provided 18 bed spaces from 7pm until 9am on a first come first serve basis. As well as a bed to sleep in, the shelter has been a place where rough sleepers, often the most vulnerable on our streets, can get warm food, clean clothes, good advice and feel safe. Due to Covid we had to repurpose this service virtually overnight to become a 24 hour a day hostel, no direct access and only 6 clients at a time. This required a tremendous amount of work and changes for the staff who adjusted admirably. We adapted again over the winter months to provide 2 direct access beds every night for severe weather conditions. Following the 'Everyone in' policy Bedford Borough Council have provided 40 bedspaces in their own accommodation for rough sleepers which is a monumental change and huge step up in provision for those who would otherwise be on the streets. In light of this change and the fact that nationally there is no appetite to return to dormitory style night shelters we made the decision this year to close our Night Shelter. This is a huge change for KAP



as The Shelter was the flagship of the charity for many years. However, we are celebrating that there are no longer people queuing down the street every night needing somewhere to sleep and that our aim of seeing rough sleeping coming to an end in our town is being realised. We are excited for the opportunity to press into new ways to tackle homelessness prevention and how we can support existing services across the borough.

² English as a second language

³ Office of the Immigration Commissioner

⁴ Polish British Integration Centre

⁵ European Economic Area

HOMES

Housing is an issue of social justice and equality. The report by the independent Commission on Housing, Church and Community lays out a positive vision for housing, centred on five core values, which are rooted in the Christian story but resonate with us all: good housing should be sustainable, safe, stable, sociable, and satisfying. We aim to provide accommodation that fulfils these five criteria for individuals and families from the UK as well as refugees and asylum seekers. Across our houses we have provided accommodation for people in a variety of different situations.

Move on Housing

Our accommodation support service.

KAP's Supported Accommodation service offers short-term accommodation, a high level of autonomy and independence, and tenancy support for a wide variety of people who have experienced homelessness and are moving toward independent living. We tailor support towards each resident's needs and aspirations, offering a holistic approach, ensuring residents have the best opportunity to develop and achieve their aims in an encouraging, progressive environment. We work with people to see them move into their own independent accommodation, gain employment, and to help those who have restricted eligibility to obtain settled status or work-related benefits: a life-changing outcome for all, bringing them out of destitution. Around 20% of our bed spaces are funded by external providers in order for us to be able to accommodate those with no access to public funds.

Refused Asylum seekers

Our accommodation helping those with no-where else to turn.

We provide 2 bed spaces for refused asylum seekers. This has amounted to 677 nights of accommodation provided so far for Iranian, Ethiopian and Afghan residents. All residents so far have been former UASC (arrived as unaccompanied asylum-seeking children and went through the UK care system before being made homeless and destitute). We give weekly support appointments with a dedicated keyworker. All rent and utilities are paid by KAP, and weekly subsistence provided via. Convoy of Hope.

Resettlement And Integration Support

Specialist support for vulnerable families.

We provide holistic resettlement and integration support for Syrian families resettled by the UNHCR / UK government in Central Bedfordshire and a Community Sponsorship family in Bedford for 14 families. This includes preparing accommodation for their arrival in the UK, meeting them at the airport through to on-going support over a 5-year period as they adjust to life in this country, learn the language and navigate education, employment and medical needs.



OPPORTUNITIES

ESOL

KAP ESOL was established in 2017 and now runs 5 days per week and includes:

- Pre-entry English lessons for resettled refugees
- English Language Club – with an emphasis on learning skills for integration into UK society
- Bespoke English lessons for European Migrants
- Online Literacy and Conversation
- 1-2-1 English tutoring

Our English Language Programme is designed to help learners to integrate better into the local community by developing their language skills. We provide a positive and encouraging learning environment.

Learners are taught by Level 5 qualified and ESOL tutors with specialist knowledge of the issues refugees and migrants face.

We also offer an on-site crèche for the young children of our learners. This enables parents to concentrate on their learning without the distraction of managing young children. Our crèche team leader has many years of experience of successfully running childcare and children's activities with disadvantaged families in Sudan, Lebanon, Finland and the UK.

Emphasis on Integration

Lessons are planned to help learners to live independently by developing functional language skills for real-life situations like, accessing transport, shopping, healthcare and customer services. Our teaching programme incorporates topics related to integrating into UK society such as making appointments, going shopping, using public transport and accessing healthcare.

Differentiated Learning

At times some learners cannot regularly attend classes because of poor health, learning difficulties or caring responsibilities. We provide these learners with access to 1-2-1 learning so that they can continue to learn English as a tool for independence and integration.

Blended Learning

We offer online teaching as well as classroom lessons. We regularly review this mix of learning and aim to provide the best combination of learning possible.

"Finding a job made me feel happy because I want to depend on myself for income and to be a good example for my children as they are growing up. Working rather than relying on state aid gives me and my family more stability and is helping me to feel more integrated and hopeful for a better life."

Pathways Community

This area of project is evolving into a strong community, providing a place for those experiencing multiple disadvantages (recovering from homelessness, isolation, mental health difficulties or substance misuse) to belong, gain self-confidence and rediscover their value as they have the opportunity to participate in a wide variety of courses and experiences offered.



Pathways Community have started to want to give back out of their skills and experience. This is evidence of increased confidence and an awareness of how the community is enriched by who they are. There have been a number of clients securing voluntary and paid employment posts following help through the job club and with ongoing support from the Pathways Employment Advisor. We are partnering with local businesses to facilitate positive voluntary and paid opportunities, with person-centred support and advocacy to bring about positive outcomes for all.

It is enriching our service and challenges Pathways to continue to see people as resources, not recipients. Pathways Team provides holistic opportunities for the community of learners with co-production integral to our strategy. A selection panel of Pathways community members were involved in the recruitment of a Pathways team member, and we continue to sharpen and develop course content in response to feedback and suggestions.

Pathways – ReVerb

In 2021 we saw the ongoing development of ReVerb; a collaboration with The Place Theatre and Pathways community members. This was initially a digital event in 2020 that provided an exciting opportunity for those involved to have their voices heard. The participants read their piece of writing live for the event, recorded it in advance, or had a local actor read it on their behalf. The goal was for otherwise hidden voices to be heard and to provide an opportunity to impact the community. This was a powerful event that integrated diverse elements of the wider community, resulting in a sense of shared experience and deeper understanding. In 2021 this was replicated in person at The Place Theatre, and it was a good opportunity to challenge and inform people on issues relating to homelessness or being displaced.

Pathways Courses and Opportunity

Pathways includes training in budgeting, tenancy retention, goal setting, job related skills, opportunities for social interaction, weekly fitness class, cooking, employment support for paid or voluntary roles. The course content and activities are organic in nature, with the emphasis on what each group or individual identifies as their priority or need. We are committed to having a strength-based approach that acknowledges and celebrates the wealth of experience in the room and we come together to learn from each other as a community. The Employment Programme has been supporting a Pathways community member in a part time cleaning role at the town centre training rooms and the previous Employment Programme employee is now a Recovery Coach with the Pathways team, on a permanent contract. We hope to be able to continue to provide employment opportunities to those with lived experience.

Pathways Recovery Coaching

We also now provide Recovery Coaching – 1:1 structured support for the recovery from the experience of homelessness, mental health difficulties, isolation, substance misuse, trauma, loss etc. This framework of support has been cited in a recent report by Dame Carol Black who stated in an independent report on drug use, prevention and cause, *'services should include people with lived experience, working Recovery Champions and Recovery Coaches'*. Pathways is working with Recovery Coach Academy to adapt the existing framework of Recovery Coaching so that it more fully incorporates the recovery journey for the population of people that Pathways and KAP work with.



FUNDRAISING

The fundraising strategy for KAP is designed and delivered by a team with the approval of the Senior Leadership Team (SLT) and trustees. In order to respond to the changing nature of fundraising in the current economic climate and the digital world in which we now live, we have diversified our income streams and harnessed new ways to increase opportunities for people and organisations to partner with us financially.

KAP seeks to raise funds from Regular and Major Donors, Churches, Schools, Corporate and Community Fundraising. A significant portion of our income is also raised through trusts and grants. We have also adopted The Enthuse Platform as an online way of people being able to connect with us to run their own fundraising events or support someone else's. We are signed up for 'Easyfundraising' and investigating 'RoundUp' as other digital tools through which regular donations can be easily made. We have also upgraded our website, worked on new branding and invested in personnel to run our social media to improve our digital presence.

KAP adheres to legal principles underpinning fundraising and takes all reasonable steps to treat a donor fairly, enabling them to make an informed decision about any donation. We do not engage in fundraising which is an unreasonable intrusion on a person's privacy or forces anyone to donate.

THE FUTURE

Despite the uncertainty facing the charity sector at this time, KAP remains committed and focused on delivering our core mission to tackle homelessness and its causes, show the love of Jesus to the broken and lost, provide opportunity for change, and draw people out of isolation into a meaningful community. Our plans for the future include actions to mitigate against the unknown as well as building on what we know are our strengths, setting us apart to be creative, caring and professional in all that we do.

Income

Given the financial pressures and the potential of an austerity budget for 2022 we know we need to future proof our income. We are doing this in a number of ways:

- Increasing the diversity of income streams across contracts, grants, local schools and churches, businesses and individuals.
- We have created new ways people can donate and are continuing to introduce new ways to engage digitally with one off or regular donors.
- We are focusing efforts on major donors who we know have a desire and the resources to help. We are starting to develop a social enterprise which will generate an income for us.
- We have introduced a fifth 'we believe' statement this year which is focused on engaging the community in being part of the solution with us to help muster more local support.

Training

We are dealing with increasingly complex cases and are very mindful of issues for our staff around vicarious trauma, the need to navigate mental health issues, addictions, managing conflict, accurately and safely recording information, diversity awareness and inter-agency knowledge. Therefore, this year we are:

- Putting all our staff through Homeless Link vicarious trauma training.
- Enrolling all new staff on GDPR and equal opportunity courses and ensuring everyone completes refresher training throughout the year.
- We are planning and delivering a series of sessions at our fortnightly staff team time as we are able to gather in person to tackle some of the issues mentioned above.
- We have a small budget available for sending selected staff on specialist courses as we begin to build our expertise in areas of complex case management. We are particularly interested in exploring therapeutically informed environments for our clients and creating access to counselling,



recognising the need to treat the whole person when dealing with homelessness and its causes and are therefore looking to upskill in this area.

- We are training our refugee and migrant service team to become qualified immigration advisors.

Services

There are many areas of need across our town and beyond that we are aware of. We are focussing our attention on the things we know we do best; working with and valuing the individual to bring about long-lasting change with compassion and professionalism. There is a particular problem in Bedford with the number of rough sleepers and those in temporary accommodation, therefore we are seeking new ways to break the cycle and help people find and keep a home. To this end we are:

- Exploring creative ways to provide homes and support which will break the cycle of homelessness.
- Continuing with the development of low support accommodation, providing homeless people with a stepping stone to successfully obtaining and maintaining their own independent tenancy, including the targeting of particularly vulnerable groups.
- Exploring the needs and viability of providing further accommodation and support to asylum seekers and destitute migrants.
- Continuing to grow and develop Pathways, creating a positive community for those who access it and building more links with local employers and businesses. This is a strong model for long term homelessness prevention.
- Growing a social enterprise which will create jobs and provide more opportunities for collaboration with local businesses and provide an income.
- Researching the possibility of acquiring a long-term rental site that can be a hub for training, accommodation, and office space.
- Developing information and training resources for other churches to use to tackle poverty where they are based and for schools to raise awareness among young people about the needs of people in society around them.

Trustees, Governance and Management

The Trustees/Directors of KAP are as follows:

- Roydon Loveley (Chair, retired as Trustee January 2022)
- Vanessa Lipski (Appointed 28 January 2021, appointed as Chair January 2022)
- Nigel Taylor
- Stephen Wilson (resigned November 2021)
- Matthew Burge (Appointed 15 April 2021)
- Samantha Roach (Appointed September 2021)

The Trustees are also directors of the company. New Trustees are appointed with the approval of the other Trustees and in accordance with the Memorandum and Articles of Association. Without exception, new Trustees are already familiar with the work of KAP. Prior to their appointment, new Trustees will meet with the Chair of the Trustees to review:

- The roles and responsibilities of a Trustee.
- The main documents which set out the operational framework for the charity including the Memorandum and Articles of Association.
- Resourcing and the current financial position.
- Future plans and objectives.
- The Trustee Induction Procedure and Trustee Job Description.



Trustees' Responsibilities Statement

The Trustees (who are also directors of KAP for the purposes of company law) are responsible for preparing the Trustees' Annual 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 charitable company and of the incoming resources and application of resources, including 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;
- 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;
- 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 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.

In so far as the Trustees are aware:

There is no relevant audit information of which the charitable company's auditor is unaware; and the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information. The Trustees met four times during 2021 and were regularly consulted and informed on matters of importance. In the year ending 31st December 2021 the Trustees had insurance cover up to the sum of £1 million. Trustees insurance is now part of our general insurance policy.

Management Team

The day-to-day running of KAP is delegated by the Trustees to a Management Team composed of the Chief Executive Officer, Directors (not Trustees) and Managers.

SENIOR MANAGEMENT TEAM (SMT). This consists of the CEO, the Director of Services and the Head of Operations. This team meets regularly to assess the overall health and direction of the charity. The Strategic Leadership Team (SLT) is made up of the SMT plus the Accommodation Manager and the Refugee and Migrant Services Manager. This setting creates space for key leaders across the organisation to explore opportunities, exchange information and make strategic decisions.

STAKEHOLDER ENGAGEMENT. As well as having Trustees and Managers to oversee KAP we are committed to involving our clients in how we shape and deliver our services. We have a history of employing past service users and currently have two people on staff who have experienced homelessness and addiction in our town as well as 12 people across our team who have lived experience of the asylum and immigration systems. We have invited client input when recruiting for posts, which has been a great success



"Full co-production means sharing power – giving people who use services an equal chance to sit at the table and make decisions about how to run it better. It means building up their confidence and developing their skills so that they can participate fully. It also means involving staff in the process and not just managers and trustees." – Homeless Link, 2018

GOVERNANCE. Oversight is provided by the Trustees, principally via their meetings generally held at least three times a year. The Senior Management Team meets once a month to monitor the overall health of the charity. The operations team which consists of the Senior Management Team along with the finance officer and fundraising manager meet once a month to go over the budget, fundraising and performance against contracts.

Policies and Procedures

SAFEGUARDING. At KAP we believe that every individual who accesses our services should be treated with dignity and respect, have their choice respected and not be forced to do anything against their will. KAP is committed to safeguarding all service users, and their children, coming into contact with the organisation, regardless of gender, ethnicity, disability, sexuality or beliefs. Safeguarding is everyone's responsibility and all employees who, during the course of their employment, have direct or indirect contact with vulnerable adults or children, or who have access to information about them, have a responsibility to safeguard and promote their welfare. Our policy includes but is not limited to safe recruitment, safe environment, safe culture, roles and responsibilities, procedures, duty to report and confidentiality.

GDPR. Our Head of Operations works closely with our HR and IT consultants to ensure that all our staff are trained and regularly updated on good practice with respect to GDPR. Given the vulnerability of our clients, the sensitive nature of much of the information we hold and the increase in remote working we have taken extra steps to ensure that all IT equipment is secure. This is reviewed by the SLT on a regular basis.

EQUAL OPPORTUNITIES. Our services are provided to all people, regardless of religion, race, ethnicity, gender, or sexual orientation. Our assistance and our programmes are offered to all with no conditions attached. We do not discriminate against anyone, whether clients or staff. KAP is a Christian organisation committed to fulfilling its mission and ethos in accordance with the values of its Christian faith. Accordingly, as a Christian organisation, there are posts which we believe can only be filled by Christians. These roles are kept under regular review. The nature of these posts or the context in which they are carried out and their link to the organisation's 'Statement of belief' give rise to a Genuine Occupational Requirement (GOR) for the post-holders to be Christian. All employees in these posts are required to demonstrate a clear, personal commitment to the Christian faith.

HEALTH AND SAFETY. KAP recognises and accepts its legal obligations under the Health and Safety at Work Act 1974 and all applicable regulations made under it to ensure, as far as is reasonably practical, the health and safety and welfare at work of all its employees, persons in training, directors, contractors, temporary workers and volunteers ("Employees") and the health and safety of service users, visitors and other persons who attend or use its premises. In accordance with its legal obligations, the Employer has carried out a risk assessment of its activities, equipment, facilities, building and all other related arrangements where matters of health and safety may be involved.



FAMILY FRIENDLY. KAP aims to be a family friendly employer. We have policies to support this including but not limited to part time working, working from home, maternity/paternity leave, flexible emergency leave and carers leave.

REMUNERATION POLICY. The pay policy for all staff is reviewed annually and new posts are benchmarked against pay levels in equivalent posts in other organisations and external benchmark data. In addition to salary, we also offer a generous Employer Contribution Pension Scheme, Death In-Service Insurance, up to 33 days' annual leave per year, an employee benefits platform, including Cycle to Work, discounted social activities and an Employee Assistance Programme.

Financial Overview

The accounts are prepared for 12 months of operations. A summary of the income and expenditure (£K) for 2021 and 2020 is shown below:

	2021	2020
Income	1,826.8	1,542.3
Expenditure	1,749.6	1,534.6
Surplus/Deficit	77.2	7.7

Income totalled £1,826.8k in 2021, an increase of 18% compared with 2020. During 2021 there was a surplus of £77.2k compared with a surplus of £7.7k in 2020.

Reserves

The policy on reserves, agreed by the Trustees, is that the appropriate level of unrestricted reserves should be based on a proportion of our regular costs as follows:

- Four months of long-term commitments, such as rent and utilities payments and the cost of running services which are a vital activity to maintain;
- Two months of medium-term commitments such as permanent staff costs and the financial support we provided to external parties.
- One month of short-term costs, including the day-to-day activities of the Trust.

Using the above criteria, a detailed review has estimated that reserves for 2021 should be at least £280K. The current reserves are significantly less than that specified by the policy and efforts will be made during 2022 to increase the reserves.

Investment Policy

Reserve funds are invested such that the total in any one bank/building society is less than the £85K guarantee limit provided by the Financial Services Compensation Scheme (FSCS). In order to stay below the limit three savings accounts, with Virgin Money Plc, Co-Operative Bank and Shawbrook Bank Ltd, are utilised. In the current uncertain financial climate and with interest rates being very low, priority is being given to protecting the reserves under FSCS rather than seeking to maximise interest.



Risk Management

The major risks as recognized by the Trustees are detailed below.

Nature of Risk	Risk Level	Mitigation
GOVERNANCE		
Well-being CEO/leadership team	Low	Access to support through HR, broadening of responsibilities across team, good pastoral and well-being support
Inadequate reserves	Medium	Diversity of income streams to increase revenue. Fundraising strategy in place to maximise opportunities. Outsourcing bids and trusts to consultants. New accounting system in place to help manage daily progress more efficiently.
Size and skill set on Trustee board	Low	Recruited 3 new trustees in the last 6 months with three more new ones joining. Becoming an RP will require a housing specialist which we will recruit for this year.
Staff recruitment/retainment	Low	Improved recruitment process. Increased access to staff benefits. Building a culture of value, motivation and purpose.
Mission Drift	Low	Strategic objectives for next 5 years complete and monthly check on these in SLT
EXTERNAL RISKS		
Cyber-attacks – hacking, email interceptions etc	Low	New contract with IT consultants has ensures all systems and equipment are fully protected with antivirus, firewalls and insurance. Moving to Microsoft 365 to increase security.
Loss of Office space due to fire/flood or notice on lease	Low	People can work from home, good relationship with office landlords
Loss of Office Server/Client info	Low	All info backed up, also stored on InForm
Pandemic	We are coming out of one	Financial risks have been calculated and managed, staff can work from home, PPE assigned when needed, everyone has been offered vaccines. All clients protected by staff taking appropriate



		precautions with regular input from Public Health England.
COMPLIANCE WITH LAW AND REGULATION		
Accused of discrimination and prejudice in the local and national media due to acts of past or present staff	Low	Adhere to equality act and equality policies. Have prepared a robust response to GOR.
Accused of discrimination	Low	Adhere to equality act and equality policies. Have prepared a robust response to GOR.
Employee accusing discrimination	Low	Adhere to equality act and equality policies. Have prepared a robust response to GOR.
OPERATIONAL RISKS		
Loss of housing provision due to extreme circumstances such as fire or flood.	Low	Ensuring all properties up to safety standards to protect against damage and accidents. On-going relationship with other housing providers and Kings Arms Church who would step in to help.
Change or Leadership	Low	Well established team with broadening and transparent procedures- operational procedures well documented so others across the team could pick up and work with.
Client/staff member seriously injured/killed	Low	Health and safety training/policies in place, access to HR if support needed
Competition in the market for our client group	Medium	Moving into new areas of housing provision such as modular housing. Seeking to upskill staff in order to work with more complex needs. Looking for funding for restricted eligibility clients.

Despite the challenges of 2021 the King's Arms Project finished in a stronger financial position than we were in at the beginning of the year. Our expenditure was less than budgeted and we were able to put some money into reserves. Going into 2022 we have a balanced budget.

Our income is from a diversity of sources. We have a number of contracts with the local council and one with the home office which in total accounts for the on-going employment and salary costs for 31 out of 47 of our current staff team. These contracts are of varying length, two of them are due to end at different points throughout 2022 which has been accounted for in the budget.



We have negotiated an increase in our housing benefit rates and are becoming a registered provider in 2022 which will increase the opportunities for us to provide further bed spaces across the borough. We have been able to claim housing benefit for up to 32 bed spaces at any one time through our move on housing which provides a significant and consistent portion of our income, including the staff costs of 5 employees. We have also been providing 6 bedspaces (with the income equivalent of 18) at our Night Shelter throughout 2021. As we move through 2022 these figures will change as we are closing our Night Shelter. This will result in a net loss of 15 bed places across the whole organisation and will result in 7 staff redundancies in the second quarter of 2022. The building which the Night Shelter operated from was returned on February 28th, 2022, so all associated costs with this property ceased at that point.

The remaining 11 employees and operational costs are funded from management costs on contracts as well as income through grants and fundraising. We have a new fundraising team including a social media and communications officer for 2022 which has already started some new initiatives to raise our profile and income through community fundraising given the current trends in this area.

With increasing numbers of people at risk of returning to homelessness following the 'Everyone In' initiative our services continue to be in high demand as we focus efforts on prevention through supported housing and our Pathways programme which is growing in impact and continues to draw attention from funders. Our work with refugees and asylum seekers and support for those with no access to public funds is increasing in line with our policy to find a dignified solution for these individuals.

Given the diversity of our income streams, the increasing demand for our services and our growing reputation for excellence with local and national partners and funders we feel that we are in a strong position to continue to deliver and expand our services.

Auditor

The auditor, Mazars LLP who have signified their willingness to act on KAP's behalf, were appointed to KAP for a further year at a meeting of the Trustees on 27th January 2022.

Statement of Disclosure of Information to Auditor

We, the directors of the company who held office at the date of approval of these Financial Statements, as set out above, each confirm so far as we are aware, that: there is no relevant audit information of which the company's auditors are unaware; and we have taken all the steps that we ought to have taken as directors in order to make ourselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

The Trustees have prepared this report in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small entities.

Approved by the Trustees on and signed on their behalf:

Vanessa Lipski
Chair of Trustees

Date 25/10/2022



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF KING'S ARMS PROJECT (BEDFORD)

Opinion

We have audited the financial statements of King's Arms Project (Bedford) (the 'charity') for the year ended 31 December 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including 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 charity's affairs as at 31 December 2021 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The 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. 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 there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of Trustees

As explained more fully in the trustees' responsibilities statement set out on page 14, the trustees (who are also the directors of the charitable company for the purposes 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 charity 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 the 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. Based on our understanding of King's Arms Project (Bedford) and its activities, we identified that the principal risks of non-compliance with laws and regulations related to the Charities Act 2011, the Charities Statement of Recommended Practice, UK tax legislation, pensions legislation, employment regulation and health and safety regulation, anti-bribery, corruption and fraud and money laundering, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements, such as the Companies Act 2006.

We evaluated the trustees' and management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting manual journal entries to manipulate financial performance and significant one-off or unusual transactions.

Our audit procedures were designed to respond to those identified risks, including non-compliance with laws and regulations (irregularities) and fraud that are material to the financial statements. Our audit procedures included but were not limited to:

- Discussing with the trustees and management their policies and procedures regarding compliance with laws and regulations;
- Communicating identified laws and regulations throughout our engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the charity which were contrary to applicable laws and regulations, including fraud.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the trustees and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.



There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of the audit report

This report is made solely to the charity'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 charity'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 charity and the charity's members as a body for our audit work, for this report, or for the opinions we have formed.

Signed:

Vincent Marke

(Senior Statutory Auditor)

for and on behalf of Mazars LLP

Chartered Accountants and Statutory Auditor

The Pinnacle, 160 Midsummer Boulevard, Milton Keynes MK9 1FF

Date: 31.10.2022



FINANCIAL STATEMENTS 2021

COMPANY NO. 07433621

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2021

INCORPORATING THE INCOME AND EXPENDITURE ACCOUNT

		Unrestrict ed funds year ended 31/12/21	Designat ed funds year ended 31/12/21	Restrict ed funds year ended 31/12/21	Total funds year ended 31/12/21	Total funds year ended 31/12/20
Income	Notes	£	£	£	£	£
<i>Income from generated funds</i>						
Voluntary income						
Donations		109,106	13,123	5,280	127,509	122,183
Other income/fundraising		8,276	2,696	-	10,972	22,924
Investment income		142	-	-	142	353
<i>Income from charitable activities</i>						
Rent & Housing Benefit		-	384,129	10,915	395,044	377,851
Supporting People/Rough Sleeper Outreach		-	387,715	-	387,715	308,099
No Recourse Accommodation		-	22,770	-	22,770	91,834
Refugee Support		-	613,222	17,776	630,998	430,954
Opportunity		-	36,264	-	36,264	10,800
Grants		3,160	-	212,254	215,414	177,329
Total Income	2	120,684	1,459,919	246,225	1,826,828	1,542,327
Expenditure						
Cost of raising funds		53,282	-	-	53,282	54,213
Charitable activities						
Outreach		-	486,018	78,918	564,936	574,600
Accommodation		-	340,901	32,355	373,256	394,766
Refugee Support		-	616,233	27,419	643,652	425,825
Opportunity		-	22,713	91,802	114,515	85,241
Total Expenditure	3	53,282	1,465,865	230,494	1,749,641	1,534,645
Net movement in funds	5	67,402	(5,946)	15,731	77,187	7,682
Balance brought forward	5	117,812	20,000	105,313	243,125	235,443
Transfers between funds	5	(34,906)	5,946	28,960	-	-
Balances carried forward	5 & 10	150,308	20,000	150,004	320,312	243,125



The charity's incoming resources and resources expended all relate to continuing operations. The charity has no recognised gains or losses other than those included above. The notes on pages 27 to 37 form part of these accounts.

BALANCE SHEET AS AT 31 DECEMBER 2021

COMPANY NO. 07433621

	Notes	2021 £	2020 £
Property, plant and equipment			
Tangible assets	6	44,539	33,263
Current assets			
Debtors	7	163,360	225,060
Short term deposits	8	23,983	23,952
Cash and cash equivalents	8	278,808	112,433
Total current assets		466,151	361,445
Creditors falling due within one year	9	(190,378)	(151,583)
Net current assets		275,773	209,862
Net assets		320,312	243,125
Funds	5 & 10		
Unrestricted funds		150,308	117,812
Designated funds		20,000	20,000
Restricted funds		150,004	105,313
Total funds		320,312	243,125

The notes on pages 27 to 37 form part of these accounts.

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies.

The financial statements were approved and authorised for issue by the Trustees on and signed on their behalf.

V. Lipski
Trustee 25/10/2022

M. Burge
Trustee 25/10/2022



STATEMENT OF CASH FLOWS AT 31 DECEMBER 2021

	2021 £	2020 £
Cash flows from operating activities:		
Net movement in funds	77,187	7,682
Depreciation	24,415	21,262
Interest received	(142)	(353)
Decrease / (Increase) in Trade and other receivables	61,700	(109,946)
(Increase) / Decrease in Short term investments	(31)	49,763
Increase in Trade and other payables	38,795	84,866
Net cash inflow from operating activities	201,924	53,274
Cash flows from investing activities		
Purchase of property, plant and equipment	(35,691)	(11,139)
Interest received	142	353
Net increase in cash & cash equivalents	166,375	42,488
Opening cash and cash equivalents	112,433	69,945
Net increase in cash and cash equivalents	166,375	42,488
Closing cash & cash equivalents	278,808	112,433

The notes on pages 27 to 37 form part of these accounts.



NOTES TO THE FINANCIAL STATEMENTS

Accounting policies

LEGAL STATUS OF THE CHARITY

The charity is a company limited by guarantee registered in England and Wales and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantees is limited to £10 per company member of the charity.

The financial statements are presented in sterling, which is also the functional currency of the charity.

1.1 Accounting convention and basis of preparation

The financial statements are prepared under the historical cost convention on a going concern basis, and in accordance with applicable accounting standards.

In preparing the financial statements the charity follows best practice as set out in the Statement of Recommended Practice: 'Accounting and reporting by Charities' (SORP), the Financial Reporting Standard applicable in the United Kingdom and Ireland (FRS102) and the Charities and Companies Acts.

These financial statements have been prepared on a going concern basis. There are no significant reasons to doubt the going concern of the charity in relation to Covid-19. At this stage while it is not possible to fully determine the effect of the Cost of Living Crisis on the operations of the charity, the Trustees will continue to monitor any impact and take mitigating measures as appropriate. The Trustees are therefore satisfied that there are no material uncertainties related to events or conditions that may cast significant doubts about the ability of the charity to continue as a going concern.

1.2 Income

Any income received is credited to the relevant fund.

Tax credits (gift-aid) are included in the financial statements on an accruals basis as recommended by the Statement of Recommended Practice. This means that tax credits are taken into account in the period in which the originating donation was made.

Income from grants is recognised in the year that it is received unless the donor specifies otherwise or the grant is given to cover service provision in more than one financial year. In such cases the income is deferred. Rents receivable are credited to the relevant designated fund based on the total due for the current year. Legacies are recognised when receipt is probable and the amount can be reliably measured.

1.3 Voluntary assistance and donated goods

Volunteers are key to the success of KAP and during 2021 there were over 46 (2020: 78) volunteers giving approximately 1,000 hours of service in 2021 (2020: 2,000) – the decrease in volunteers and volunteer hours is a result of FNM moving to become a project under Kings Arms Trust.

Volunteers provided assistance to KAP including shifts at the Nightshelter, befriending refugees, assisting with courses and mentoring for staff and clients, as well as helping during the pandemic with shopping and support.



Donated goods include food, clothes and consumables for the homeless.

Voluntary assistance and donated goods are not recognised in the financial statements as the amount cannot be measured accurately.

1.4 Allocation of costs

Costs are allocated directly to funds whenever applicable.

Staff costs, and internal indirect costs, are allocated on a proportional basis between funds where services are provided from within the organisation.

1.5 Pension costs

The pension costs charged in the financial statements represent the contributions payable by the charitable company during the year.

1.6 Operating leases

Rentals payable under operating leases are charged on a straight-line basis over the term of the lease.

1.7 Tangible fixed assets and depreciation

Tangible fixed assets other than freehold land are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Fixtures and fittings	20%-33% straight line
Leasehold improvements	over the period of the lease
Motor vehicles	20% straight line

1.8 Financial Instruments

The charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction values and subsequently measured at their settlement value.

Debtors: Debtors are recognised on the accrual's basis at the settlement amount due. Prepayments are valued at the amount prepaid and accrued income is valued at the best estimate of expected receipts.

Cash and cash equivalents: Cash at bank and in hand includes cash and short term highly liquid investment with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Creditors: Creditors are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised at their settlement amount.

1.9 Unrestricted, designated and restricted funds

Unrestricted funds are funds given for the general purposes of the charitable company and these funds may be expended on the objects of the charitable company at the discretion of the Trustees.

Designated funds are unrestricted funds set aside for a purpose as determined by the Trustees.



Restricted funds are those funds that have been given for a specific purpose and they must only be expended on that purpose.

Unrestricted reserves include a legacy of £56K which was received in 2009. Whilst this is included in unrestricted reserves, the Trustees are planning to use this legacy to fund a future development project.

There is an overarching fund for KAP administration. This fund receives donations for general expenditure on any aspect of the work of the Charity. Within these criteria, the Trustees have discretion as to which designated fund the funds will be applied to.

1.10 Judgments in applying accounting policies and key sources of estimation uncertainty

In applying the company's accounting policies, the Trustees are required to make judgements, estimates and assumptions in determining the carrying amounts of assets and liabilities. The trustee's judgements, estimates and assumptions are based on the best and most reliable evidence available at the time when the decisions are made and are based on historical experience and other factors that are considered to be applicable. Due to inherent subjectivity involved in making such judgements, estimates and assumptions, the actual results and outcomes may differ.

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, if the revision affects only that period, or in the period of the revision and future periods, if the revision affects both current and future periods. The key area of judgement in the accounts relates to voluntary assistance and donated goods – refer to note 1.3.



2 Total Income

	Donation & Legacies £	Fundrai sing £	Investm ent Income £	Rent & Housing Benefit £	Supporti ng People £	Services Income £	Grants £	Year ending 31.12.2021 Total £	Year ending 31.12.2020 Total £
Unrestricted Income	109,106	8,276	142	-	-	-	3,160	120,684	192,906
Designated Income									
OUTREACH									
Rough Sleeper Outreach Service	700	-	-	356	122,889	-	-	123,945	102,949
Friday Night Meeting	-	-	-	-	-	-	-	-	10
Nightshelter	961	895	-	126,951	209,915	-	-	338,722	349,752
ACCOMMODATION	8,205	890	-	241,626	54,911	22,770	-	328,402	307,671
REFUGEE AND MIGRANT SERVICES	1,300	911	-	15,196	-	613,222	-	630,629	439,763
OPPORTUNITY	1,957	-	-	-	-	36,264	-	38,221	10,827
Total Designated Income	13,123	2,696	-	384,129	387,715	672,256	-	1,459,919	1,210,972
Restricted Income									
OUTREACH									
Rough Sleeper Outreach Service	-	-	-	-	-	-	29,847	29,847	16,770
Friday Night Meeting	-	-	-	-	-	-	-	-	5,759
Nightshelter	-	-	-	-	-	-	43,277	43,277	19,932
ACCOMODATION	-	-	-	-	-	-	32,355	32,355	9,250
REFUGEE SUPPORT									
Refugee and Migrant Services	-	-	-	-	-	-	14,973	14,973	14,910
Refugee Care Fund	5,280	-	-	10,915	-	17,776	-	33,971	11,195
OPPORTUNITY	-	-	-	-	-	-	91,802	91,802	60,633
Total Restricted Income	5,280	-	-	10,915	-	17,776	212,254	246,225	138,449
Total Income	127,509	10,972	142	395,044	387,715	690,032	215,414	1,826,828	1,542,327



3 Total Expenditure

	Staff Costs £	Direct Costs £	Indirect Costs £	Depreciation £	Year ending 31.12.2021 Total £	Year ending 31.12.2020 Total £
Fundraising & Publicity	51,405	1,877	-	-	53,282	54,213
Designated Expenses						
OUTREACH						
Rough Sleepers Outreach Service	54,804	10,568	12,702	592	78,666	108,352
Nightshelter	313,269	73,535	17,863	2,685	407,352	425,098
ACCOMMODATION	124,943	186,752	19,241	9,965	340,901	385,516
REFUGEE AND MIGRANT SERVICES	374,097	102,007	136,302	3,827	616,233	399,328
OPPORTUNITY	-	10,978	10,183	1,552	22,713	24,608
Total Designated Expenses	867,113	383,840	196,291	18,621	1,465,865	1,342,902
Restricted Expenses						
OUTREACH						
Rough Sleepers Outreach Service	29,847	-	-	5,794	35,641	16,770
Friday Night Meeting	-	-	-	-	-	4,448
Nightshelter	43,277	-	-	-	43,277	19,932
ACCOMMODATION	32,355	-	-	-	32,355	9,250
REFUGEE SUPPORT						
Refugee and Migrant Services	14,973	-	-	-	14,973	14,910
Refugee Care Fund	-	12,446	-	-	12,446	11,587
OPPORTUNITY	90,792	1,010	-	-	91,802	60,633
Total Restricted Expenses	211,244	13,456	-	5,794	230,494	137,530
Total Charitable Expenditure	1,129,762	399,173	196,291	24,415	1,749,641	1,534,645

Included in direct costs is auditor's remuneration of £5,500 (2020: £5,095) plus VAT.

The difference between Staff Costs in the above and Employee Information in Note 4 is £60,649. This is due to staff life insurance; recruitment expenses and agency worker's charges being included in the above but not in Note 4.

Fundraising and publicity costs relate mainly to staff working to secure grants and funding from a variety of organisations and grant-making trusts as well as organising fundraising events during the year.



4 Employee information

	2021	2020
	£	£
Salaries	941,450	828,969
Social security costs	64,846	60,076
Pension	62,817	54,410
Total	1,069,113	943,455

The table below details how many FTE roles are required for each project/service

	2021	2020
OPERATIONS		
Management & administration	6	6
Fundraisers	2	2
OUTREACH		
Rough Sleeper Outreach	1	1
EEA Outreach Worker	2	2
Nightshelter	11	12
FNM	0	0
Prison Outreach	0	1
ACCOMMODATION		
No Recourse/Move on Housing	5	5
OPPORTUNITY		
Pathways	5	3
REFUGEE SUPPORT		
Refugee Support	9	9
ESOL	7	6
Total Employees	48	47
Total Full Time equivalents (FTE)	42.1	41.5

No employee received remuneration of more than £60k in either 2021 or 2020.

Trustee remuneration is in accordance with the Memorandum & Articles of the Trust for services provided to the Trust. Trustee remuneration 2021: £nil (2020: £nil). Trustee expenses 2021: £100 (2020: £nil).

Remuneration of key management personnel for the year ended 31 December 2021 comprising the CEO, Director of Services and Head of Operations totalled £129,532 (2020: £147,138). A new Senior (Key) Management Team (SMT) was formed in January 2021, key management personnel remuneration in 2021 is therefore lower than 2020 owing to this change.

Redundancy costs during 2021 £5,856 (2020: £10,079).



5 Movement in funds

	Opening balance	Income	Expenditure	Transfers	Closing balance 2021
	£	£	£	£	£
Unrestricted Funds	117,812	120,684	(53,282)	(34,906)	150,308
Designated Funds					
OUTREACH					
Rough Sleeper Outreach Service	-	123,945	(78,666)	(45,279)	-
Nightshelter	-	338,722	(407,352)	68,630	-
ACCOMMODATION	-	328,402	(340,901)	12,499	-
REFUGEE AND MIGRANT SERVICES	-	630,629	(616,233)	(14,396)	-
OPPORTUNITY	-	38,221	(22,713)	(15,508)	-
CAPITAL PROJECT PURCHASE FUND	20,000	-	-	-	20,000
Total Designated Funds	20,000	1,459,919	(1,465,865)	5,946	20,000
Restricted Funds					
OUTREACH					
Rough Sleeper Outreach Service	-	29,847	(35,641)	28,960	23,166
Nightshelter	-	43,277	(43,277)	-	-
Nightshelter Purchase	90,671	-	-	-	90,671
ACCOMMODATION	-	32,355	(32,355)	-	-
REFUGEE SUPPORT					
Refugee and Migrant Services	-	14,973	(14,973)	-	-
Refugee Care Fund	14,642	33,971	(12,446)	-	36,167
OPPORTUNITY	-	91,802	(91,802)	-	-
Total Restricted Funds	105,313	246,225	(230,494)	28,960	150,004
Total movement in funds	243,125	1,826,828	(1,749,641)	-	320,312

Restricted funds for Outreach, Accommodation, Refugee and Migrant Services, and Opportunity represent grants or specific donations received for a particular purpose, the balances at the year-end represent the following; -

- Rough Sleeper Outreach Service £23.2k represents the balance of funds given for the dilapidation costs of the Nightshelter
- Nightshelter Purchase £90.7k represents a specific donation given towards the purchase of a new Nightshelter
- Refugee Care Fund £36.2k represents the balance of funds given specifically to that fund for the care of refugees



During 2020 a restricted gift of £20k towards the Nightshelter purchase was released by the donor to become unrestricted. The Trustees agreed to designate it as a Capital Project Purchase Fund.

Designated funds for Outreach, Accommodation, Refugee and Migrant Services, and Opportunity represent funds received to deliver a contracted service.

Any deficit in a designated fund will be covered from the unrestricted fund. Any surplus from a designated fund will be transferred to unrestricted at the year-end leaving all designated funds with a zero balance with the exception of the Capital Project Purchase Fund.

The purpose of the unrestricted fund is to:

- cover any deficits in designated funds.
- meet the requirements of the KAP Reserves policy.
- to keep funds available for future developments of the KAP.

6 Property, plant and equipment

	Fixtures and fittings	Leasehold improvements	Motor vehicles	Total
Cost	£	£	£	£
As at 1 st January 2021	109,282	-	13,720	123,002
Additions	6,731	28,960	-	35,691
Disposals	(1,156)	-	-	(1,156)
Cost at 31st December 2021	114,857	28,960	13,720	157,537
Depreciation				
As at 1 st January 2021	80,183	-	9,556	89,739
Charge for the year	17,233	5,794	1,388	24,415
Eliminated on disposal	(1,156)	-	-	(1,156)
Depreciation at 31st December 2021	96,260	5,794	10,944	112,998
Net book value at 31st December 2021	18,597	23,166	2,776	44,539
Net book value at 31st December 2020	29,099	-	4,164	33,263

7 Debtors

	2021	2020
	£	£
Accrued income & prepayments	159,109	214,694
Tax credit (gift-aid)	4,251	10,366
Total debtors	163,359	225,060



8 Short term deposits and cash and cash equivalents

	2021	2020
	£	£
Accounts over 90 days	23,983	23,952
Bank accounts	278,808	112,433
Total	302,791	136,385

9 Creditors falling due within one year

	2021	2020
	£	£
Deferred income	155,921	104,694
Creditors	24,611	46,889
Accrued expenses	9,846	–
Total creditors	190,378	151,583

Deferred income

At 1 st January	104,694	24,309
Received during the year	155,921	104,694
Released to incoming resources for the year	(104,694)	(24,309)
At 31st December	155,921	104,694

Income is deferred where income has been received in advance or the recognition criteria have not yet been met.



10 Net assets held by funds

	Property, plant and equipment £	Debtors £	Bank and cash £	Creditors £	Total 2021 £	Total 2020 £
Unrestricted Funds	2,597	18,410	139,190	(9,889)	150,308	117,812
Designated Funds						
OUTREACH						
Rough Sleeper Outreach Service	400	5,229	84,557	(90,186)	-	-
Nightshelter	1,612	594	4,399	(6,605)	-	-
ACCOMMODATION	10,663	6,965	(13,810)	(3,818)	-	-
REFUGEE AND MIGRANT SERVICES	4,144	99,152	(84,301)	(18,995)	-	-
OPPORTUNITY	1,957	33,010	(25,791)	(9,176)	-	-
CAPITAL PROJECT PURCHASE FUND	-	-	20,000	-	20,000	20,000
Total Designated Funds	18,776	144,950	(14,946)	(128,780)	20,000	20,000
Restricted Funds						
OUTREACH						
Rough Sleeper Outreach Service	23,166	-	51,709	(51,709)	23,166	-
Nightshelter Purchase	-	-	90,671	-	90,671	90,671
ACCOMMODATION	-	-	-	-	-	-
REFUGEE SUPPORT						
Refugee Care Fund	-	-	36,167	-	36,167	14,642
Total Restricted Funds	23,166	-	178,547	(51,709)	150,004	105,313
Total Funds	44,539	163,360	302,791	(190,378)	320,312	243,125



11 Financial commitments and contingent liabilities

At the year end the charitable company was committed to making the following payments under operating leases in the coming year:

	Property	Equipment	Total 2021	Total 2020
	£	£	£	£
Expiring within one year	126,765	-	126,765	74,828
Expiring within two to five years	123,441	-	123,441	111,139
Expiring over five years	-	-	-	3,993
Total	250,206	-	250,206	189,960

12 Pension costs

During the year defined contribution pension costs of £62,817 (2020: £54,410) were paid on behalf of 43 employees (2020: 43) to pension schemes administered independently of the charitable company. There were no pension liabilities outstanding at the year end.

13 Related Party Transactions

KAP was previously part of the King's Arms Trust (Bedford) (KAT) and shared some of the same Trustees (Directors) until January 2022.

During the period, rent, pensions and service charges of £103,459 (2020: £102,604) were paid to KAT for use of offices, conference and transportation facilities at King's House. This figure also includes the pension costs that are collected by the pension provider from KAT – see note 12. There was an outstanding balance of £nil (2020: £5,029) due to the KAT at the year end.

During 2021, KAT gave a total of £21,552 (2020: £22,555) to KAP. This consisted of gifts from the King's Arms Church and also repayments for services KAP provided to KAT. There was no outstanding balance in 2021 promised to KAP at the year-end (2020: £nil).

14 Post Balance Sheet Events

Please refer to the Risk Management section of the Trustees' Report on page(s) 17 and 18.



**King's
Arms
Project**

**We believe in hope for
everyone, always.**

**Tackling
Homelessness
Isolation
&
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