

**KING'S CHURCH GUILDFORD
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31ST AUGUST 2022**

Charity number 1158254

**Jacob Cavenagh & Skeet
Chartered Accountants
5 Robin Hood Lane
Sutton
Surrey SM1 2SW**

KING'S CHURCH GUILDFORD
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31ST AUGUST 2022

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KING'S CHURCH GUILDFORD

CHARITY INFORMATION

Charity Registration No	1158254
Principal Address	23 Waterden Road Guildford GU1 2AZ
Treasurer	Mr A Medeiros
Trustees	Rev R P Leadbeater (resigned 15.05.22) Mr D De Villiers Mr G Knight Mr R Castro (appointed 10.10.21)
Bankers	CAF Bank Ltd 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4JQ
Solicitors	Edward Connor Solicitors 49-51 East Road Hoxton London N1 6AH
Independent examiner	Miriam Hickson CTA FCA Jacob Cavenagh & Skeet 5 Robin Hood Lane Sutton Surrey SM1 2SW

KING'S CHURCH GUILDFORD

TRUSTEES REPORT FOR THE YEAR ENDED 31 AUGUST 2022

The Trustees have pleasure in submitting their Annual Report and the financial statements for the year ended 31 August 2022, which have been prepared in accordance with the Charities Statement of Recommended Practice (Charities SORP (FRS 102)) and Financial Reporting Standard 102 (FRS 102). The church is a charitable incorporated organisation and is governed by its constitution. It was registered with the Charity Commission on 15 August 2014.

Objectives and activities

The objects of the charity remain the same - to promote the advancement of the Christian faith in accordance with our statement of faith; and to carry out other charitable activities associated with the Christian faith for the public benefit.

During the year, the church experienced some changes in personnel. In October 2021 Richard Castro was appointed as a Trustee. In November 2021, Nathan Burley vacated his role as Co-Pastor. In July 2022 we welcomed Carole De Villiers to the Staff Team as an employee where she will head up our Women's Ministry and Coordinate our volunteer Ministry Leaders. In August 2022, Richard Leadbeater moved on from his role as Pastor to join the staff team at DunDonald Church in London as Pastor for Training and Evangelism, and Eunseo Lee left his role on the Staff Team as Student Worker to pursue a PhD. In July 2022 we formed a Search Party to support the recruitment process for a new Senior Pastor who, once appointed, will lead the future development of the Staff Team.

We have continued to organise our ministry into 5 main areas:

EVANGELISING

Our Evangelising ministry is about people coming to faith. Over the last 12 months, we have been part of the national 'Passion for Life' campaign which culminated with a beer tasting event with a short talk from the Bible at a local brewery followed by a 'Hope Explored' course for people to investigate the Christian faith. Over the course of the year we also ran Carol Services and a wreath making event.

But evangelising isn't just about programmes and events, it's about people and relationships. So, alongside providing opportunities for people to 'come and hear' the gospel, we are striving to be a people who 'go and tell' the gospel. That means getting alongside our friends, family, neighbours and work colleagues; loving them, spending time with them and prayerfully seeking to speak about Jesus to them. It's been hugely encouraging to hear of conversations about Jesus that many in the church family are having with their unbelieving friends. It's been a thrill to hear of a number of people becoming Christians during lockdown.

ENGAGING

Our Engaging ministry is about people joining the family. As a church family, we want to reflect our Heavenly Father's gracious welcome of people into his family. Therefore, we work hard to make everyone feel welcome at King's, whether older or younger, regular or visitor, believer or doubter. We also want to help Christians keen to make King's their home to settle in as easily and as quickly as possible - to become gospel partners in our 'family on mission'.

That's why we have appointed dedicated 'Engage' ministry leaders who oversee the Unite pathway to welcome newcomers, get to know them and allow them to get to know King's and ask any questions they might have.

ESTABLISHING

Our Establishing ministry is about people growing in maturity. Psalm 1 contrasts the difference between the person who delights in God's word with the person who rejects God's word. The former is likened to a strong, flourishing tree, whilst the latter is described as 'chaff blown away by the wind'. At King's we want people to thrive and flourish in the Christian life - to grow increasingly mature in Christ. This maturity is brought about by the work of God's Spirit through the teaching of God's word.

That is why we have continued to teach and talk about the Bible with all ages in the church family, through small groups for children, young people, students and adults.

KING'S CHURCH GUILDFORD

TRUSTEES REPORT FOR THE YEAR ENDED 31 AUGUST 2022 (continued)

EQUIPPING

Our Equipping ministry is about people training for service. According to Ephesians, ministry is not just done by the pastor to the people. Rather, pastors teach the Bible so that the people might do ministry to others. Therefore, we want to grow a culture of training where every Christian at King's is equipped to do all kinds of ministry to all sorts of people in all manner of contexts. This is why, in the last 12 months, we have put on training events for Student Group leaders and Life Group leaders; for women and for men. It's why we offer places on a Ministry Training Scheme (MTS) - a 12-month training programme aimed at equipping men and women for ministry at King's and beyond, both now and in the future.

ENABLING

'Enabling' is about supporting word ministry. Just as a vine cannot grow without a supporting trellis, so too the word ministry of the previous 4 'E's' cannot grow without the organisational ministry of 'Enabling'. There are many unseen areas of this vital ministry, such as **legal & financial** (bookkeeping, fundraising, Safeguarding, Health & Safety, Data Protection etc); **operations & communications** (Organising our Sunday meetings, managing the buildings we use, producing publicity, updating the website etc); **people & prayer** (overseeing staffing, partnership with other churches & organisations, communicating prayer needs via the weekly Newsletter, organising the termly rota etc.). We continue to be very grateful for the Lord's provision of a church office, from which much of our 'Enabling' ministry is done. We are also very grateful for the many people who serve behind the scenes and for the many regular givers and prayers who make our ministry possible.

Public Benefit

The Trustees have read and had regard to the Charity Commission's guidance on public benefit; and consider that the following activities illustrate how the public benefit test is met.

- The church provides many opportunities for people to find out about the Christian faith if they are interested. All the church's services are open to the public; and the website carries full details of service times. Also on the website are open resources about the faith (such as the sermons preached in the church).
- The church endeavours to help those who attend in the conduct of their daily lives. For example, the church's teaching aims to strengthen their relationships (marriage, parenting, commitment to elderly or frail members); to serve others in the community (pastoral visiting, care for those in need, acts of service more generally); and to prepare them for life as good citizens and participants in the community. The church tries to prevent people from becoming socially isolated, providing an opportunity for church members to meet each other's emotional, mental and social needs.
- A major focus of the church is the wellbeing of the young people attending, enhancing their capacity to relate to people across different generations (and from different social backgrounds), and offering activities which build their character, resilience, enjoyment of the world around them, friendships with each other, and willingness to serve those around them.

Affiliation and Support

King's remain formal members of the Fellowship of Independent Evangelical Churches (FIEC), through which there are also informal accountability for the Pastor and Elders as well as legal and safeguarding support for the church. King's is also a member of the Surrey Gospel Partnership.

Legal and Administrative details

The legal and administrative details required by law are set out on page 1 and form part of this report.

Financial Review

The Church is financially dependent on the voluntary support of its members. Total voluntary income receipts for the year amounted to £100,238 to which were added £25 for Bookstall sales, £3,268 for Church events, £18,423 by way of income tax refund. Expenditure amounted to £131,627. The end result was a deficit of £9,673.

KING'S CHURCH GUILDFORD

TRUSTEES REPORT FOR THE YEAR ENDED 31 AUGUST 2022 (continued)

Structure and Management

The Trustees are chosen from among the church. As such they are already aware of the objectives and activities of the church. All Trustees seek to keep abreast of relevant legislation and good practice. To this end they have received relevant advice from the church's professional advisors. On appointment Trustees are given copies of the Annual Report and accounts, the Constitution, and all the church's policy documents, as well as the link to the Charity Commission's publication: 'The Essential Trustee: What You Need to Know, What You Need to Do'.

The Trustees make all policy decisions. Day to day decisions are made by church staff but only within the boundaries defined in their individual Role Descriptions. The following individuals have served as Trustees during the year and to the date of signing of this report:

Mr D De Villiers

Mr G Knight

Mr R Castro (appointed 10.10.2021)

Rev R P Leadbeater (resigned 15.05.22)

As mentioned in the financial statements, Rev R P Leadbeater was a Trustee of the Charity and employee of the church. Conscious of the potential for conflict of interest to which this gives rise, the Trustees have been careful to ensure that all relevant issues (for example, concerning Rev Leadbeater's remuneration and conditions of service) are flagged in advance; that (where appropriate) discussion of such issues are held in his absence; and that all decisions on such issues are taken by the other Trustees.

Reserves Policy

The Trustees aim to maintain free reserves in unrestricted funds at a level which equates to approximately three months' unrestricted charitable expenditure. The Trustees consider that this level will provide sufficient funds to manage in the event of a sudden fall in income. The balance held as unrestricted funds at 31 August 2022 was £47,853 of which £44,753 are regarded as free reserves, after allowing for funds tied up in tangible fixed assets.

Risk Management

To ensure effective implementation of the policies, the Trustees have a coordinator of each policy as well as an overseer of policy implementation. Specialist Safeguarding Training for volunteers has been delivered. Every leader working with persons under 18 (and others, where appropriate) is checked by the Disclosures and Barring Service and the church conducts a thorough recruitment process to ensure the suitability of volunteers and the safety of children and vulnerable adults.

The Trustees recognise that other key risks facing the church are:

Financial - There is a risk that people leave the church and our income doesn't meet our costs. This is mitigated by our reserves in the short term, and also by a proactive approach to making the church family aware of our needs through an annual business meeting and giving Sunday. It is also mitigated by the fact that our expenditure is flexible because we don't have to maintain a building.

Incapacity of the Pastor(s) - There is a risk that if the Pastor(s) is unable to work, the ministry would be severely affected. The church being led by a group of Elders, rather than just one person mitigates this risk. It is also mitigated by a growing Ministry Team who are being trained to preach sermons and to lead various areas of ministry. If the Pastor(s) were unable to work on a permanent basis, a long-term solution would be for the Elders to find and appoint a suitable replacement.

KING'S CHURCH GUILDFORD

TRUSTEES REPORT FOR THE YEAR ENDED 31 AUGUST 2022 (continued)

Going concern

The Trustees have reviewed the circumstances of King's Church Guildford and consider that adequate resources continue to be available to fund the activities for the foreseeable future. The Trustees are of the view that the charity is a going concern.

Trustees' Responsibilities

The Trustees are responsible for preparing the Annual Report and the financial statements in accordance with the applicable law and United Kingdom Generally Accepted Accounting Practice. Company law requires the Trustees to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the company and of the surplus or deficit of the charity for that period. In preparing those financial statements, the Trustees are required to:

- a) select suitable accounting policies and then apply them consistently;
- b) observe the methods and principles in the Charities SORP;
- c) make judgements and estimates that are reasonable and prudent;
- d) state whether the policies adopted are in accordance with the Charities SORP, the Regulations made under section 44 of the Charities Act and applicable accounting standards, subject to any material departures disclosed and explained in the financial statements;
- e) prepare the financial statements on a going concern basis unless it is inappropriate to assume that the charity will continue to operate.
- f) The Trustees are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud or other irregularities.

This report was approved by the Trustees on 20 February 2023



Mr G Knight

Signed on behalf of the Trustees
KING'S CHURCH GUILDFORD

KING'S CHURCH GUILDFORD

INDEPENDENT EXAMINER'S REPORT FOR THE YEAR ENDED 31 AUGUST 2022

Independent examiner's report to the Trustees of King's Church Guildford

I report to the charity trustees on my examination of the accounts of the church for the year ended 31 August 2022.

Responsibilities and basis of report

As the charity's trustees you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

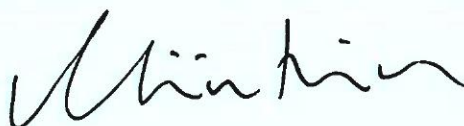
I report in respect of my examination of the church's accounts as carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

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 that in any material respect:

1. accounting records were not kept in respect of the church as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Report) Regulations 2008 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.

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.



M R Hickson FCA CTA
Jacob Cavenagh & Skeet
5 Robin Hood Lane
Sutton
Surrey SM1 2SW

Date: 4 April 2023

KING'S CHURCH GUILDFORD

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 AUGUST 2022

	Unrestricted 2022 £	Restricted 2022 £	Total 2022 £	Unrestricted 2021 £	Restricted 2021 £	Total 2021 £
Income from						
<i>Donations and legacies</i>						
Donations received	100,238	-	100,238	132,717	9,124	141,841
Gift Aid Recoverable	18,423	-	18,423	25,181	70	25,251
<i>Charitable activities</i>						
Church Events	3,268	-	3,268	47	-	47
Bookstall	25	-	25	57	-	57
Total income	<u>121,954</u>	<u>-</u>	<u>121,954</u>	<u>158,002</u>	<u>9,194</u>	<u>167,196</u>
Expenditure on						
<i>Charitable activities</i>						
Church Running Costs	77,992	495	78,487	95,236	-	95,236
Donations to charities	1,568	-	1,568	2,400	-	2,400
Staff Costs	2 45,173	-	45,173	66,652	8,649	75,301
Governance Costs	3 6,399	-	6,399	11,496	-	11,496
Total expenditure	<u>131,132</u>	<u>495</u>	<u>131,627</u>	<u>175,784</u>	<u>8,649</u>	<u>184,433</u>
Net (expenditure)/income	(9,178)	(495)	(9,673)	(17,782)	545	(17,237)
Reconciliation of funds						
Fund balances brought forward at 1 September 2021	<u>57,031</u>	<u>6,378</u>	<u>63,409</u>	<u>74,813</u>	<u>5,833</u>	<u>80,646</u>
Fund balances carried forward at 31 August 2022	<u>47,853</u>	<u>5,883</u>	<u>53,736</u>	<u>57,031</u>	<u>6,378</u>	<u>63,409</u>

KING'S CHURCH GUILDFORD**BALANCE SHEET
AS AT 31 AUGUST 2022**

		2022	2021
		£	£
Tangible fixed assets	4	3,100	2,628
Current assets			
Debtors	5	24,968	36,043
Cash at bank		<u>40,178</u>	<u>36,722</u>
		65,146	72,765
Creditors:			
Amounts falling due within one year	6	<u>14,510</u>	<u>11,984</u>
Net current assets		<u>50,636</u>	<u>60,781</u>
Net assets	8	<u>53,736</u>	<u>63,409</u>
Funds			
Unrestricted funds		47,853	57,031
Restricted funds	7	<u>5,883</u>	<u>6,378</u>
		<u>53,736</u>	<u>63,409</u>

Approved by the Trustees on 20 February 2023 and signed on their behalf by:



Mr G Knight
Trustee

KING'S CHURCH GUILDFORD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies

a) Basis of preparation

The financial statements have been prepared in accordance with the Charities Statement of Recommended Practice (Charities SORP (FRS 102)), Financial Reporting Standard (FRS) 102, and the Charities Act 2011. The financial statements are drawn up on the historical cost basis of accounting and presented in pounds sterling rounded to the nearest pound. King's Church Guildford meets the definition of a public benefit entity under FRS 102 and is a charitable incorporated organisation with registered office of 39 Epsom Road, Guildford, GU1 3LA.

There are no material uncertainties regarding the church's ability to continue in operation.

b) Income

All income is included in the Statement of Financial Activities when the charity is entitled to it, it is probable that the income will be received and the amount of income receivable can be reliably measured. The following specific policies are applied to particular categories of income:

- Donations are accounted for gross when received.
- Gifts in kind are valued at estimated open market value at the date of the gift in the case of assets for retention or consumption, or at the value to the charity in the case of donated services or facilities. The time donated by general volunteers is not recognised in the financial statements, but their significant contribution is discussed in the Trustees report.

c) Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is inclusive of any VAT which cannot be recovered.

d) Debtors, creditors and provisions

Debtors are included at the settlement amount due. Creditors are recognised where the charity has a present obligation arising 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 and provisions are recognised at their settlement amount.

e) Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of opening the deposit.

f) 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 value and subsequently measured at their settlement value.

g) Fund accounting

Unrestricted funds are income resources receivable without further specific purposes and are available for general purposes to be used at the discretion of the Trustees.

h) Tangible fixed assets

Tangible fixed assets are capitalised at cost and depreciated at the rate of 25% on a straight line basis.

KING'S CHURCH GUILDFORD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022

2 STAFF COSTS AND RELATED PARTY TRANSACTIONS

Revd Richard Leadbeater was employed by King's Church Guildford during the year and was also a Trustee of the charity. Revd Richard Leadbeater received a salary of £28,645 (2021: £27,583) and such payments are permitted by clause 6.3 of the Church's constitution. The total payroll costs during the year were:

	2022 £	2021 £
Salaries	42,610	70,102
Employers NI	7	1,039
Pension	<u>2,556</u>	<u>4,160</u>
	<u>45,173</u>	<u>75,301</u>

The average number of employees during the year was as follows:

2022 No.	2021 No.
<u>2</u>	<u>4</u>

None of the other Trustees (2021: none) received any remuneration during the year. Although former trustee, Nathan Burley received a salary of £4,621 (2021: £26,500). Carole de Villiers, the wife of the trustee, Dave de Villiers, was employed during the year as Women's Ministry Leader and received a salary of £1,344. (2021:£nil)

There were no employees whose emoluments exceeded £60,000 (2021: none).

The total employee benefits of the Key Management Personnel were £32,287 (2021: £32,309)

During the year expenses of £492 were paid to trustees (2021: £600).

The trustees in the year made total unrestricted donations of £9,598 (2021: £21,367) to the charity whilst restricted donations were nil.

3 Governance costs

	2022 £	2021 £
Independent examination	1,524	1,428
Professional and legal fees	<u>4,875</u>	<u>10,068</u>
	<u>6,399</u>	<u>11,496</u>

KING'S CHURCH GUILDFORD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022

4 Tangible fixed assets

	Fixtures & Equipment £
Cost	
At 1 September 2021	5,946
Additions	<u>851</u>
At 31 August 2022	<u>6,797</u>
Depreciation	
At 1 September 2021	3,318
Charge for the year	<u>379</u>
At 31 August 2022	<u>3,697</u>
Net book value	
At 31 August 2022	<u>3,100</u>
At 1 September 2021	<u>2,628</u>

5 Debtors

	2022 £	2021 £
Prepayments	2,428	5,021
Other Debtors	<u>22,540</u>	<u>31,022</u>
	<u>24,968</u>	<u>36,043</u>

6 Creditors

	2022 £	2021 £
Pension accrual	8,400	8,578
Other accruals	<u>6,110</u>	<u>3,406</u>
	<u>14,510</u>	<u>11,984</u>

KING'S CHURCH GUILDFORD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022

7 Restricted funds

2022	Brought forward	Income	Expenditure	Carried forward
	£	£	£	£
Hardship Fund	6,378	-	(495)	5,883
Ministry trainees	-	-	-	-
	<u>6,378</u>	<u>-</u>	<u>(495)</u>	<u>5,883</u>
2021	Brought forward	Income	Expenditure	Carried forward
	£	£	£	£
Hardship Fund	5,833	545	-	6,378
Ministry trainees	-	<u>8,649</u>	<u>(8,649)</u>	-
	<u>5,833</u>	<u>9,194</u>	<u>(8,649)</u>	<u>6,378</u>

The ministry trainees' fund contributes towards the cost of ministry trainees and the Hardship Fund was established to support those who were financially impacted by Covid-19.

8 Net assets

	2022 Unrestricted	2022 Restricted	2022 Total
	£	£	£
Fixed assets	3,100	-	3,100
Net current assets	<u>44,753</u>	<u>5,883</u>	<u>50,636</u>
	<u>47,853</u>	<u>5,883</u>	<u>53,736</u>
	2021 Unrestricted	2021 Restricted	2021 Total
	£	£	£
Fixed assets	2,628	-	2,628
Net current assets	<u>54,403</u>	<u>6,378</u>	<u>60,781</u>
	<u>57,031</u>	<u>6,378</u>	<u>63,409</u>