

KINGS CHURCH SWANSEA

Unaudited Financial Statements

31 March 2022

KINGS CHURCH SWANSEA

Financial Statements

Year ended 31 March 2022

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KINGS CHURCH SWANSEA

Trustees' Annual Report

Year ended 31 March 2022

The trustees present their report and the unaudited financial statements of the charity for the year ended 31 March 2022.

Reference and administrative details

Registered charity name KINGS CHURCH SWANSEA

Charity registration number 1161631

Principal office

The trustees

Mr D Morgan
Mrs E Morgan
Mr M Thomas
Mr D Brown
Mrs R White

Independent examiner Carl West ACA
43 Brynymor Road
Gowerton
Swansea
SA4 3EY

Structure, governance and management

Kings Church Swansea is a user led organisation for the advancement of the Christian faith for the public benefit and became a registered charity (Reg No: 1161631) in 2015.

As a registered charity, Kings Church Swansea has a constitutional document that lists the work we do and how we do it. As such, we have to adhere to the rules, regulations and legislation as set by the Charities Commission.

We also have a set of accessible operational policies and procedures that show clearly what to do in certain circumstances. We have strict financial systems in place to carefully monitor expenditure.

Kings Church Swansea is run and directed by a Management Committee of members, trustees and people from the community that have an interest in our work and are equipped with knowledge and skills to help. They meet periodically to discuss our current services and potential future projects.

At the end of each financial year a Trustees Annual Report is prepared and independently examined. Annual Accounts are compiled.

Annual General Meetings held in accordance with our constitution each year.

KINGS CHURCH SWANSEA

Trustees' Annual Report *(continued)*

Year ended 31 March 2022

Objectives and activities

The objects of the charity are the advancement of the Christian faith for the public benefit in the UK and such parts of the world that the trustees think fit according to the statement of beliefs.

The main objectives are to:

The prevention or relief of poverty

Religious activities

Human rights / Religious or racial harmony / Equality or diversity

Kings Church Swansea looks to help the general public and mankind in general.

Kings Church Swansea does this by providing human resources, use of a building with facilities, open space and provides services.

KINGS CHURCH SWANSEA

Trustees' Annual Report *(continued)*

Year ended 31 March 2022

Achievements and performance

With the end of the lockdowns and Covid restrictions being a lot more manageable in the latter part of 2021, we were able to arrange a "All hands-on deck" day for our Swansea church so that we could get the outside tidied up, the inside sorted and cleaned, ready to go back to the Swansea building for services. We were able to go back to physically holding our meetings face to face in our Swansea Church building from September 2021, but still abiding by the loose restrictions that were then still in place. By the October / November time with restrictions completely lifted we were able to resume our services in our normal style.

Through the Media of Zoom and Facebook Live, we have continued to stream our meetings for those who cannot physically attend or for those who have been joining us online that are not from our area, such as our friends from Uganda and some new members that had come to know about 'Kings' through the work Emma has been continuing to do at our Llanelli Church.

We have resumed our: -

- " Weekly Sunday Morning service meetings
- " Saturday morning Holy Spirit workshop meetings
- " Connect Group meetings every Wednesday evening
- " Early morning prayer meetings
- " Trustee Meetings (We hold quite regularly at present due to all the restoration work taking place at our Llanelli building)

The Church WhatsApp groups we set up in 2019 have continued to prove integral in keeping us all together, not just during the remaining time last year when we couldn't physically meet up, but even now it remains on a daily basis as a support network for both the congregation and its leaders.

These consist of:-

- " Kings Church Group - Main church group (whole congregation) - for daily words of encouragement for all, notice of events etc
- " One Arise - Ladies group
- " Prayer group
- " Pastors group
- " Leaders group
- " Trustees group
- " Vestry group (for renovation work @ 'The Vestry', at our Llanelli building)

And we also now have groups for different departments in the running of church" Kids Church Workers group

- " Worship (Band) group
- " Hospitality Group

Due to growth in our congregation since meeting back up at the Swansea Church, we have been able to set up for the first time a 'Welcome Team'. And also, have been able to add more volunteers to our Worship team, hospitality team and Kids Church workers.

As a church we still support 'One for Israel'. A ministry in the heart of Israel, proclaiming salvation to Israel, raising up leaders and equipping them with the tools they need to transform their communities.

We support Pastor Ray Bevan's ministry with a small monthly contribution. Ray Bevan is the founding Father of 'Kings Church' and after pastoring the same church for 25 years, he now continues to minister the Gospel of the Grace of God, worldwide.

We support compassion who are a leading Christian children's charity who fight poverty globally. As a

KINGS CHURCH SWANSEA

Trustees' Annual Report *(continued)*

Year ended 31 March 2022

church we sponsor 4 children through Compassion. Our contribution helps towards delivering a child development programme. With each child that gets sponsored, children, families and entire communities are being empowered to overcome poverty and thrive both now and into the future.

We also support Mike and Annet Namutebi, the family that join us for our church services from Uganda. We agreed as a church to provide ongoing financial support for their family living, by making a monthly payment for family financial aid from our church. The period of time the Trustees agreed to support the family will be coming to an end in December 2022. The Trustees will then meet and reassess the situation.

Emma has continued to deal with all the admin side of things, and has also continued to work with the 'Thinking Church' services, for the structure and vision of the church moving forward. As agreed in a previous Trustee meeting, we have now changed over to a new Bank, CAF Bank, which is better catered for in regards to churches and charities and has a greater understanding of our needs moving forward.

However, the situation still continues with the solicitors that we are with and were previously having problems with. A constant no response from them, no help, and no information as to whether certain documents have been filed as they should have been. Emma has now taken this matter to the Legal Ombudsman as there is simply no more we can physically do ourselves, we cannot even change to a different solicitor for help until we can get hold of all our documents off our current ones to know what's what.

Emma has continued on with the work and vision of restoring the lower level of our Llanelli Church - 'The Vestry'. *In September 2021 we had new radiators, pipes and a new boiler put into the Vestry.

*In November 2021 Emma linked the Llanelli church up with the Probation Services, who were excited to work with us, firstly in us being able to provide a place where the lads could work their hours for community service, but at the same time in them helping us with certain work that needed to be done to the building, the lads were given the opportunity to give back to the community.

As the Llanelli church is a very old building, the more we start taking things away there, the more we discover little challenges, and one negative that came from taking things away, was we ended up with a Rat problem. In January 2022 I got in touch with C-View Pest Control (local to our churches area) and have since set up a contract with them. It has taken quite a few months of putting poison down, trial and error and filling various holes up in the building as we come across more things, but we are now on top of it and the Rat problem has come to an end.

In February 2022 we set up a contract with CWM Environmental to have our rubbish and recycling collected regularly from our Llanelli church. This had not been possible before.

From the beginning of 2022 it has been a nonstop process of sorting and clearing the whole of the church, all levels, one room at a time, all the while plans being thought out, assessed and made for us to be able to see the Vision for project 1- 'The Vestry' come to life.

In April 2022 we had a big Trustee Meeting where all plans and Vision for the Vestry was agreed upon. However, after the Trustee meeting plans were put on hold to bring the different trades people in to start on the various projects due to the Rat situation. As during that time, the rat situation had escalated, and also upon starting to take out the old kitchen in the Vestry, it revealed a large open area along one wall in the kitchen, completely open to the outside elements. So other work had to be done to rectify the situations first. This has now all been done, so we are in a position where we can begin the various projects to see our vision come into fruition.

KINGS CHURCH SWANSEA

Trustees' Annual Report *(continued)*

Year ended 31 March 2022

Financial review

The accounts have been prepared in accordance with the Statement of Recommended Accounting Practice (SORP 2005). As a result they do not contain an "Income and Expenditure Account" but rather a "Statement of Financial Activities." This shows total incoming resources offset against total resources expended.

The charity's net incoming resources of £44,268 consists of donations receivable.

Incomings exceeded outgoing resources by £15,126.

KINGS CHURCH SWANSEA

Trustees' Annual Report *(continued)*

Year ended 31 March 2022

Plans for future periods

New Objectives

The following objectives have been identified for the immediate:-

" Meeting up with the Leaders from each department in the church, to discuss their departments, any issues they foresee, what their vision is moving forward etc

" Start a regular One Arise women's programme - Once per month

" Start a regular men's programme

" Continue with the Plans and Vision for the Llanelli Vestry, as a community space for all, with the aim to have an official reopening of the 'Vestry in November (2022).

As agreed in our last Trustee meeting, we are having:-

*A new stainless steel kitchen fitted (to adhere to environmental health standards), and new flooring in the kitchen

*the corridors - self levelled and new flooring put down

* new flooring in the 2 back small rooms (ready for an office room, and a Hub for the community)

* Local Artist - Steve Jenks working on 2 projects of graffiti art. One for our children's corner in the main room of the vestry, and the other on the walls of the corridor as you enter the vestry, showing everything 'community'.

" Arrange a full clear up, tidy, weed, and paint (where needed) of the outside of the church, before reopening.

" Arrange scaffolding for the back of the church to have the gutter cleared out, gutter brushes put along to prevent further build-up of debris, and removal of the 2 sets of chimneys at the back, as the pointing has gone on them and are full of vegetation.

" Arrange scaffolding for in the inside upper level of the building to recreate and build back up the arches which have collapsed.

" Start to meet up with different local provisions to see how we can work best together for the community ready for when we open.

" Plan for Christmas in the Llanelli church and for the community.

" Plan Christmas for our Swansea church.

" Emma has continued to utilise the Facebook group called, 'Llanelli Unseen', and a new group 'Llanelli life, events & community spirit' where she has been able to put regular updates and photos on there of what we are doing at the Llanelli church for people to see our progress along the way. From this we also continue to have interest in our project, and people from the community still coming forward wanting to help.

Longer Term Objectives

KINGS CHURCH SWANSEA

Trustees' Annual Report *(continued)*

Year ended 31 March 2022

" Project 1 - once the Vestry is complete, -being in a position where we can bring extra income in to the church by hiring the vestry hall / smaller rooms out for birthday parties, classes etc.

" Project 2 - Outside Courtyard space - renovate, and have as an extension from the kitchen with a beautiful colourful outside space for people to enjoy.

" Project 3 - The upper level of the building - to restore as a fully working church once more, with the intention of moving our main church services from Swansea over to Llanelli.

" Look into funding options that may be available for us to start on the upper levels of the Llanelli church.

We continue to move forward together, both the leaders and the congregation, eager and excited to see what the Lord is going to do in the latter part of this year and moving forward into 2023, both in our Swansea and Llanelli Church buildings.

The trustees' annual report was approved on 30 June 2022 and signed on behalf of the board of trustees by:

Mr D Morgan
Trustee

KINGS CHURCH SWANSEA

Independent Examiner's Report to the Trustees of KINGS CHURCH SWANSEA

Year ended 31 March 2022

I report to the trustees on my examination of the financial statements of KINGS CHURCH SWANSEA ('the charity') for the year ended 31 March 2022.

Responsibilities and basis of report

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

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 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 material 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 charity as required by section 130 of the Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) 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.

Carl West ACA
Independent Examiner

43 Brynymor Road
Gowerton
Swansea
SA4 3EY

30 June 2022

KINGS CHURCH SWANSEA

Statement of Financial Activities

Year ended 31 March 2022

		2022		2021
	Note	Unrestricted funds £	Total funds £	Total funds £
Income and endowments				
Donations and legacies	4	44,268	44,268	34,350
Total income		<u>44,268</u>	<u>44,268</u>	<u>34,350</u>
Expenditure				
Expenditure on charitable activities	5,6	29,142	29,142	12,163
Total expenditure		<u>29,142</u>	<u>29,142</u>	<u>12,163</u>
Net income and net movement in funds		<u>15,126</u>	<u>15,126</u>	<u>22,187</u>
Reconciliation of funds				
Total funds brought forward		39,775	39,775	17,588
Total funds carried forward		<u>54,901</u>	<u>54,901</u>	<u>39,775</u>

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

The notes on pages 11 to 16 form part of these financial statements.

KINGS CHURCH SWANSEA

Statement of Financial Position

31 March 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible fixed assets	11	29,181	19,803
Current assets			
Cash at bank and in hand		26,120	20,272
Creditors: amounts falling due within one year	12	400	300
Net current assets		<u>25,720</u>	<u>19,972</u>
Total assets less current liabilities		<u>54,901</u>	<u>39,775</u>
Funds of the charity			
Unrestricted funds		54,901	39,775
Total charity funds	13	<u>54,901</u>	<u>39,775</u>

These financial statements were approved by the board of trustees and authorised for issue on 30 June 2022, and are signed on behalf of the board by:

Mr D Morgan
Trustee

The notes on pages 11 to 16 form part of these financial statements.

KINGS CHURCH SWANSEA

Notes to the Financial Statements

Year ended 31 March 2022

1. General information

The charity is a public benefit entity and a registered charity in England and Wales and is unincorporated. The address of the principal office is 146 Loughor Road, Gorseinon, Swansea, SA4 6QX.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)) and the Charities Act 2011.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

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

Judgements and key sources of estimation uncertainty

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

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

KINGS CHURCH SWANSEA

Notes to the Financial Statements *(continued)*

Year ended 31 March 2022

3. Accounting policies *(continued)*

Incoming resources

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

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

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

KINGS CHURCH SWANSEA

Notes to the Financial Statements *(continued)*

Year ended 31 March 2022

3. Accounting policies *(continued)*

Tangible assets *(continued)*

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains and losses, unless it reverses a charge for impairment that has previously been recognised as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other recognised gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognised gains and losses on the statement of financial activities.

Depreciation

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

Freehold property	- 2% straight line
Plant and machinery	- 25% straight line

Impairment of fixed assets

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

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

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

Financial instruments

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

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Where investments in shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

KINGS CHURCH SWANSEA

Notes to the Financial Statements (continued)

Year ended 31 March 2022

3. Accounting policies (continued)

Financial instruments (continued)

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in the statement of financial activities, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

4. Donations and legacies

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 £
Donations				
Donations	44,268	44,268	34,350	34,350

5. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 £
Activity type 1	29,142	29,142	12,163	12,163

6. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Total funds 2022 £	Total fund 2021 £
Activity type 1	29,142	29,142	12,163

KINGS CHURCH SWANSEA

Notes to the Financial Statements *(continued)*

Year ended 31 March 2022

7. Net income

Net income is stated after charging/(crediting):

	2022	2021
	£	£
Depreciation of tangible fixed assets	<u>1,422</u>	<u>1,604</u>

8. Independent examination fees

	2022	2021
	£	£
Fees payable to the independent examiner for: Independent examination of the financial statements	<u>400</u>	<u>300</u>

9. Staff costs

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

2022	2021
£	£

The average head count of employees during the year was Nil (2021: Nil).

No employee received employee benefits of more than £60,000 during the year (2021: Nil).

10. Trustee remuneration and expenses

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

11. Tangible fixed assets

	Freehold property £	Plant and machinery £	Total £
Cost			
At 1 April 2021	20,000	4,015	24,015
Additions	11,000	–	11,000
Disposals	–	(1,700)	(1,700)
At 31 March 2022	<u>31,000</u>	<u>2,315</u>	<u>33,315</u>
Depreciation			
At 1 April 2021	1,200	3,012	4,212
Charge for the year	620	802	1,422
Disposals	–	(1,500)	(1,500)
At 31 March 2022	<u>1,820</u>	<u>2,314</u>	<u>4,134</u>
Carrying amount			
At 31 March 2022	<u>29,180</u>	<u>1</u>	<u>29,181</u>
At 31 March 2021	<u>18,800</u>	<u>1,003</u>	<u>19,803</u>

KINGS CHURCH SWANSEA

Notes to the Financial Statements (continued)

Year ended 31 March 2022

12. Creditors: amounts falling due within one year

	2022	2021
	£	£
Other creditors	<u>400</u>	<u>300</u>

13. Analysis of charitable funds

Unrestricted funds

	At 1 April 2021	Income	Expenditure	At 31 March 2022
	£	£	£	£
General funds	<u>39,775</u>	<u>44,268</u>	<u>(29,142)</u>	<u>54,901</u>

	At 1 April 2020	Income	Expenditure	At 31 March 2021
	£	£	£	£
General funds	<u>17,588</u>	<u>34,350</u>	<u>(12,163)</u>	<u>39,775</u>

14. Analysis of net assets between funds

	Unrestricted Funds	Total Funds 2022
	£	£
Tangible fixed assets	29,181	29,181
Current assets	26,120	26,120
Creditors less than 1 year	(400)	(400)
Net assets	<u>54,901</u>	<u>54,901</u>

	Unrestricted Funds	Total Funds 2021
	£	£
Tangible fixed assets	19,803	19,803
Current assets	20,272	20,272
Creditors less than 1 year	(300)	(300)
Net assets	<u>39,775</u>	<u>39,775</u>