

# KING'S CHURCH, NEWPORT

England & Wales - Charity number 1183216

## Details

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**Other names** THE KINGS CHURCH NEWPORT SOUTH WALES

**Status** Registered

**Legal form** CIO

**Registered** 2019-05-01

**Register** [View on the Charity Commission register](#)

## Contact

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**Address** Kings Church Administrative Office  
71 Lower Dock Street  
Newport  
NP20 1EH

**Phone** 01633244453

**Email** [hello@kings-church.org.uk](mailto:hello@kings-church.org.uk)

**Website** [www.kings-church.org.uk](http://www.kings-church.org.uk)

## Activities

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**Objects:** THE OBJECT OF THE CHURCH IS, FOR THE PUBLIC BENEFIT, TO ADVANCE THE CHRISTIAN RELIGION IN THE UK AND SUCH PARTS OF THE WORLD AS THE CHARITY TRUSTEES MAY THINK FIT, INCLUDING BY BUT NOT LIMITED TO, THE ENRICHMENT OF LIVES THROUGH SUPPORT, TRAINING, CARE AND GUIDANCE IN LINE WITH THE TEACHINGS OF THE CHRISTIAN BIBLE.

**Activities:** The Object of the Church is, for the public benefit, to advance the Christian religion in the UK and such parts of the world as the Charity Trustees may think fit, including by but not limited to, the enrichment of lives through support, training, care and guidance in line with the teachings of the Christian Bible.

## Classification

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- **How:** Provides Services
- **What:** Religious Activities
- **Who:** Children/young People, Elderly/old People, The General Public/mankind

## Geography

- Newport City

## Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£422,033	£368,916	-	-
2023-12-31	£463,286	£389,170	-	-
2022-12-31	£583,331	£359,340	£1,541,024	5
2021-12-31	£404,284	£339,168	-	-
2020-12-31	£1,607,945	£356,028	£1,251,917	6

## Trustees

Name	Role	Appointed
James Wesley Wright	Chair	2019-05-01
Dale Wood		2019-05-01
Micheal Mosindi		2026-01-01

**KING'S CHURCH, NEWPORT**

England & Wales - Charity number 1183216

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# Accounts

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**REPORT OF THE TRUSTEES AND  
UNAUDITED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024  
FOR  
KING'S CHURCH NEWPORT**

Bevan Buckland LLP  
Ground Floor Cardigan House  
Castle Court  
Swansea Enterprise Park  
Swansea  
SA7 9LA

**KING'S CHURCH NEWPORT**

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FOR THE YEAR ENDED 31 DECEMBER 2024**

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**KING'S CHURCH NEWPORT**  
**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**

The trustees present their report with the financial statements of the charity for the year ended 31 December 2024. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

**General**

The King's Church is based in Newport, South Wales and focuses its attention presenting the Christian message and empowering people to reach their God-given potential, in addition to trying to help meet the practical needs of the communities that constitute the city of Newport.

**Principle Activities**

The charity's main activities can be summarised as follows:

- To share the gospel and teachings of Jesus Christ through all our Church services and meetings
- To provide guidance, care and support to those within the Church
- To impact the city and beyond with outreach projects and programmes

The vision of our Church is to be:

- People Reaching
- Life Renewing
- Gift Releasing

The Church remains completely focussed through its principle activities to continue in its objectives to further the Christian Church in all of its activities and services.

**Achievements & Performance**

**Ministry Update**

In line with the vision of our Church, the following took place in 2024:

**1. People Reaching**

The Great Commandment

Care & Support -We continued to offer care and support to our congregation members; prioritising face to face Sunday services as a means of care, support and instruction. Hospital visitations, individual pastoral sessions and pre-marriage counselling also took place throughout the year. We also ran a 6-week Parenting Course for teenage age children in person and online.

To help people come together for fellowship, we held 3 church lunches in 2024 which were well attended with between 144 - 223 people.

**Connect Groups** - We continued to encourage our church congregation to get involved within connect groups as they are an integral part of reaching towards one another and are a great source of care and support for those who wish to take part. Throughout 2024, 119 adults and 16 children people met when able across 13 connect groups both online and in homes for fellowship: with an average attendance of 45 people meeting each fortnight.

The Great Commission

**Evangelism** - We held 2 evangelism training evenings in the year and hosted a team from The Message School of Evangelism for 3 days of mission in May. We were invited to a local school to share with their students in June, and also were invited to sing and talk with patients at Royal Gwent hospital in December. We also continued to regularly go out on the streets in Newport to share the love of Jesus.

**Alpha** - We had 13 team members involved in running in person and online Alpha courses from Jan to April, with 45 individuals attend varying sessions over the 13 week period.

**Prison Ministry** - We were delighted to be invited to hold 8 services in 4 prisons to share the gospel with prisoners, where between 60 and 70 prisoners attend each service.

**Coffee Morning** - We started a weekly coffee morning in February which is open for members of the public as well as our own congregation. This now has an average of 90 people per week in attendance

**KING'S CHURCH NEWPORT**  
**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**

**Jesus Cares** - Jesus Cares has continued to play a vital role in helping to provide practical relief and support to those living in poverty and deprivation across South Wales. Throughout the course of the year, we delivered food and other essential provisions to a network of over 103 organisations. Jesus Cares continued to provide meaningful involvement opportunities for members of the community who wanted to help make a difference in the lives of others.

This year we had the privilege of working with 168 volunteers in Jesus Cares who contributed 12,216 volunteer hours to the project.

In 2024 Jesus Cares distributed:

- 32,365 Food hampers
- 34,897 Nappies
- 14,696 Hygiene & sanitary products
- 839 Baby & children's clothing pods
- 57 Soft furnishings
- 767 Christmas presents
- 3,000 Easter Eggs

**Ministry Support** - This year, we continued to provide support to ministries for the relief of poverty and preaching of the Gospel both in the UK and overseas.

- Good News UK - distributing Bibles in our local area
- Message Wales - in their evangelistic work across Wales
- Samaritans Purse UK: Operation Christmas Child - helping to make and collect shoeboxes to be sent to children living in poverty overseas.

## **2. Life Renewing**

**Sunday Services** - Sunday services are the focal point for teaching our congregation. Throughout the year we saw our Sunday attendance steadily increase and by the end of the year we saw on average 295 people in each service. During 2024, 123 new people gave us their details.

Throughout the year we continued live streaming services via YouTube, enabling people to enjoy services if they are unable to attend in person and we also offer a catch up on demand service via Facebook and YouTube with links being sent to our congregation each week. On average we are seeing 156 people watching our services via YouTube and 110 people watching via Facebook each week.

We baptised 13 people and dedicated 10 children during our Sunday services in 2024.

**Children's Provisions** - We welcomed 136 children to King's Kids in 2024. and by the end of the year we saw an average attendance of 44 children each week across these groups.

**Sunbeams** - We started a weekly parent and toddlers' group in August and saw 12 babies/toddlers come along with their parents/carers during 2024.

**Identity Youth** - Every Friday night and every fortnight on a Sunday morning our young people gathered. A total of 63 young people engaged in our Friday night youth provision and 71 on a Sunday throughout 2024, with an average attendance by the end of the year of 23 on a Friday and 24 on a Sunday. We also have 1 of our young people serving in teams on a weekly basis.

**Men & Women** - We held a Men's night with 17 in attendance, and six day trips for our over 55's ladies to enjoy.

**Encounter Israel** - We held 4 midweek meetings throughout 2024, with teaching focussed around Israel with an average of 43 people in attendance each night.

**Prayer** - There were opportunities to meet to pray for the needs of our congregation and others. We have a team who pray individually throughout the week as well as a prayer meeting before our Sunday service. We also have a group that meets monthly to pray specifically for Israel.

**Students/Young Adults** - In September we reached out to local university students during Freshers Week, culminating in a weekend of planned activities at end of September. We have held events throughout the year for this group and also have a dedicated connect group where 14 members meet regularly.

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**FOR THE YEAR ENDED 31 DECEMBER 2024**

**3. Gift Releasing**

**Volunteers** - We had 34 new people from church join teams in 2024 and over the year a total of 174 people from our congregation faithfully served within our ministry team both on a Sunday and during the week to help meet the needs of our church family and also our community. In addition, we had 118 volunteers from our community give their time exclusively to helping within Jesus Cares.

**Future plans**

Looking to the future, King's Church plans to continue activities that help us achieve our charitable objectives. We also plan to continue with our upgrades and refurbishment to areas of our Church buildings.

**Public benefit**

The King's Church was established as a CIO in May 2019, after operating as a registered charity (of the same name) since 1999. The Object of the Church is, for the public benefit, to advance the Christian religion in the UK and such parts of the world as the Charity Trustees may think fit, including by but not limited to, the enrichment of lives through support, training, care and guidance in line with the teachings of the Christian Bible.

**How do activities contribute to the achievement of its stated aims and objectives?**

Spreading the gospel and following the teachings of Jesus is at the heart of all activities, aims and objectives of King's Church. Strategically, any development of a new activity or review of an existing activity which has that core purpose will be in line with the charity's aims and objectives.

**How will achievement of aims further its legal purpose?**

King's Church's charitable aim is to reach others with the Gospel of Jesus. The Church makes a clear statement that it believes the Bible cover-to-cover. The achievement of its aims through the programme of activities ensures that anyone who encounters the work of the charity understands the sole purpose is to advance the gospel.

**Financial review**

	<u>Unrestricted</u>	<u>Restricted</u>	<u>Total 2024</u>
Income	£235,105	£186,928	£422,033
Expenditure	(£192,964)	(£175,952)	(£368,916)
 Actual Operating results	 £42,141	 £10,976	 £53,117

**Reserves policy**

It is the policy of the charity to maintain unrestricted funds to cover 6 months management and administration costs and to respond to applications for donations which arise from time to time.

Reserve levels will be monitored monthly throughout the year. In this way the management team will be aware of the build up of excess reserves or of reserves being unexpectedly or rapidly depleted. If the charity has excess reserves, the trustees will ensure that they do not misrepresent the urgency or need for funds.

Unrestricted reserves at year end were £1,287,105 (2023: £1,197,788). The charity's free reserves available at the year end totalled £105,320 (2023: £99,277).

**Principal funding sources**

The charity's principal funding sources are tithes and offerings and gift aid.

**Investment policy**

Under the trust deed the charity has the power to make any investment which the trustees see fit.

**Risk management**

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

The key risks identified by the charity during the year were:

**KING'S CHURCH NEWPORT**  
**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**

- Dependency on income sources - the charity mitigates against this risk by where possible trying to reduce overhead by ensuring value for money on all supplier contracts is undertaken.
- Loss of key staff - the charity mitigates against this risk by succession planning, implementing training programmes and reviewing and revising recruitment processes where required.
- Information Technology failures and inadequacies- the charity mitigates against this risk by ensuring an IT recovery plan is in place, regular data back ups and ensuring the charity has adequate security measures in place.

**Organisation**

At the end of the year the charity has three trustees who are responsible to manage the affairs of the Church.

The responsibility of running and operating the charity on a day to day basis is delegated to an administration team who work from the premises in 71 Lower Dock Street, Newport overseen by Pastor David & Faye Edwards.

**Delegation of duties**

The trustees have the responsibility to make decisions affecting the charity's submission of major grant applications, major building works and purchases of capital assets and are consulted when changes in personnel occur. Small grants applications are approved by the Management Team and all general purchases are authorised by the Lead Pastors.

To be appointed as a Charity Trustee a person must, in the opinion of other Lead Pastor:

- be interested in furthering the Object;
- subscribe to the Statement of Faith and demonstrate their adherence by their life style;
- be an active and participating member of the congregation of the Church;
- give regular financial donations to the work of the Church; and
- be committed to embodying the character traits described in 1 Timothy 3:1-7 to the best of their ability.

In selecting individuals for appointment as a Charity Trustee regard must be had to the skills, knowledge and experience needed for the effective administration of the Church.

In order for decisions to be made there needs to be a minimum of three trustees in place. When a trustee resigns, the lead pastor appoints a replacement before any other matters are considered. A new lead pastor is appointed by the existing lead pastor, contingent to the regulations set out in the governing document.

New Trustees meet individually with Pastor David Edwards giving opportunity for a lengthy discussion regarding the charity, its operations and future plans. Arrangements are then made for the trustee details and signature to be passed to the relevant bodies for inclusion in charity documents.

**Remuneration policy**

The charity undertake pay reviews annually with the following considered when setting the salary of its key management personnel:

- Financial health of Church
- Compare wages against cost of living: Inflation as measured by the Retail Price Index (RPI), Consumer Price Index (CPI)
- Compare wages against average earnings for similar role in other organisations
- Employees experience / length of service
- Increase in role responsibilities
- Employees remuneration package

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Governing document**

The Charity was registered as a Charitable Incorporated Organisation (CIO) on 1st May 2019 under charity registration number 1183216. The Charity's governing document is based on a Foundation Model Constitution.

**Key management personnel**

David Edwards - Lead Pastor

Faye Edwards - Associate Lead Pastor and Jesus Cares Project Coordinator

**REFERENCE AND ADMINISTRATIVE DETAILS**

**Registered Charity number**

1183216

**KING'S CHURCH NEWPORT**

**REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 DECEMBER 2024**

**Principal address**

71 Lower Dock Street  
Newport  
Gwent  
NP20 1EH

**Trustees**

Mr J W Wright  
Mr P B Marshall  
Mr D Wood

**Independent Examiner**

Michael Jones  
Bevan Buckland LLP  
Ground Floor Cardigan House  
Castle Court  
Swansea Enterprise Park  
Swansea  
SA7 9LA

Approved by order of the board of trustees on 29.6.25 and signed on its behalf by:

  
.....  
Mr J W Wright - Trustee

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF  
KING'S CHURCH NEWPORT**

**Independent examiner's report to the trustees of King's Church Newport**

I report to the charity trustees on my examination of the accounts of King's Church Newport (the Trust) for the year ended 31 December 2024.

**Responsibilities and basis of report**

As the charity trustees of the Trust 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 Trust's accounts carried out under Section 145 of the Act and in carrying out my examination I have followed all applicable Directions given by the Charity Commission under Section 145(5)(b) of the Act.

**Independent examiner's statement**

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a member of the Association of Chartered Certified Accountants, which is one of the listed bodies.

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 Trust 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 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.



Michael Jones  
The Association of Chartered Certified Accountants

Bevan Buckland LLP  
Ground Floor Cardigan House  
Castle Court  
Swansea Enterprise Park  
Swansea  
SA7 9LA

Date: 8th July 2025

**KING'S CHURCH NEWPORT**

**STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 DECEMBER 2024**

	Notes	Unrestricted funds £	Restricted funds £	2024 Total funds £	2023 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>					
Donations and legacies	2	222,762	-	222,762	222,055
<b>Charitable activities</b>					
Charitable Activities	5	3,895	186,928	190,823	230,913
Other trading activities	3	-	-	-	5,700
Investment income	4	8,448	-	8,448	4,418
Other income		-	-	-	200
<b>Total</b>		<u>235,105</u>	<u>186,928</u>	<u>422,033</u>	<u>463,286</u>
<b>EXPENDITURE ON</b>					
<b>Charitable activities</b>					
Charitable Activities		<u>192,964</u>	<u>175,952</u>	<u>368,916</u>	<u>389,170</u>
<b>NET INCOME</b>					
Transfers between funds	11	42,141	10,976	53,117	74,116
		<u>40,081</u>	<u>(40,081)</u>	<u>-</u>	<u>-</u>
<b>Net movement in funds</b>		<u>82,222</u>	<u>(29,105)</u>	<u>53,117</u>	<u>74,116</u>
<b>RECONCILIATION OF FUNDS</b>					
Total funds brought forward		<u>1,197,788</u>	<u>417,352</u>	<u>1,615,140</u>	<u>1,541,024</u>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u><u>1,280,010</u></u>	<u><u>388,247</u></u>	<u><u>1,668,257</u></u>	<u><u>1,615,140</u></u>

The notes form part of these financial statements

**KING'S CHURCH NEWPORT**

**BALANCE SHEET  
31 DECEMBER 2024**

	Notes	Unrestricted funds £	Restricted funds £	2024 Total funds £	2023 Total funds £
<b>FIXED ASSETS</b>					
Tangible assets	8	728,905	211,497	940,402	970,373
<b>CURRENT ASSETS</b>					
Debtors	9	15,637	-	15,637	14,222
Cash at bank and in hand		543,049	176,750	719,799	636,810
		<u>558,686</u>	<u>176,750</u>	<u>735,436</u>	<u>651,032</u>
<b>CREDITORS</b>					
Amounts falling due within one year	10	(7,581)	-	(7,581)	(6,265)
<b>NET CURRENT ASSETS</b>		<u>551,105</u>	<u>176,750</u>	<u>727,855</u>	<u>644,767</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>1,280,010</u>	<u>388,247</u>	<u>1,668,257</u>	<u>1,615,140</u>
<b>NET ASSETS</b>		<u>1,280,010</u>	<u>388,247</u>	<u>1,668,257</u>	<u>1,615,140</u>
<b>FUNDS</b>	11				
Unrestricted funds				1,280,010	1,197,788
Restricted funds				388,247	417,352
<b>TOTAL FUNDS</b>				<u>1,668,257</u>	<u>1,615,140</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 29th June 2025 and were signed on its behalf by:

  
Mr J W Wright - Trustee

**KING'S CHURCH NEWPORT**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024**

**1. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention.

**Income**

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Income from grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred. Capital grants are released to the Statement of Financial Activities in the year of receipt. Fixed assets relating to capital grants are capitalised, and depreciation charged is offset against the grant income, in a restricted fund.

Income from room hire and events is recognised in the period to which the service is provided and the event is held.

**Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- 2% on cost
Fixtures and fittings	- 20% on cost and Straight line over 4 years
Motor vehicles	- Straight line over 4 years

The company has a capitalisation policy of assets being capitalised over £1,000.

**Taxation**

The charity is exempt from tax on its charitable activities.

**Fund accounting**

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

**Donated goods for distribution**

The charity receives donated food and goods from various sources all of which are distributed to its beneficiaries for a nil consideration.

**KING'S CHURCH NEWPORT**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2024**

**1. ACCOUNTING POLICIES - continued**

**Financial instruments**

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

**Basic financial assets**

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Trade debtors, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument to the net carrying amount on initial recognition.

**Impairment of financial assets**

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

**Derecognition of financial assets**

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

**Basic financial liabilities**

Basic financial liabilities, including trade and other payables and bank loans that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

**KING'S CHURCH NEWPORT**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2024**

**1. ACCOUNTING POLICIES - continued**

**Financial instruments**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

**Derecognition of financial liabilities**

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

**Equity instruments**

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

**Debtors**

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

**Cash at bank and in hand**

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

**Creditors and provisions**

Creditors and provisions are recognised where the company 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 and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

**Employee benefits**

The charity provides a range of benefits to employees, including annual bonus arrangements, paid holiday arrangements and defined benefit and defined contribution pension plans.

**Short term benefits**

Short term benefits, including holiday pay and other similar non-monetary benefits, are recognised as an expense in the period in which the service is received.

**2. DONATIONS AND LEGACIES**

	2024	2023
	£	£
Donations	194,539	190,473
Gift aid	28,223	31,582
	<u>222,762</u>	<u>222,055</u>

**3. OTHER TRADING ACTIVITIES**

	2024	2023
	£	£
Room Hire	-	5,700
	<u>-</u>	<u>5,700</u>

**KING'S CHURCH NEWPORT**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2024**

<b>4. INVESTMENT INCOME</b>		
	2024	2023
	£	£
Interest receivable	8,448	4,418
	<u>          </u>	<u>          </u>

<b>5. INCOME FROM CHARITABLE ACTIVITIES</b>		
	2024	2023
	Charitable	Total
	Activites	activities
	£	£
Grants	186,928	228,658
Events	3,895	2,255
	<u>          </u>	<u>          </u>
	<u>190,823</u>	<u>230,913</u>

Grants received, included in the above, are as follows:

	2024	2023
	£	£
Moondance	40,000	90,000
National Lottery Community Fund, People and Places 3	143,523	138,658
GAVO - Newport Council Warm Spaces	2,080	-
Newport City Council Community Cohesion	1,325	-
	<u>          </u>	<u>          </u>
	<u>186,928</u>	<u>228,658</u>

**6. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 31 December 2024 nor for the year ended 31 December 2023.

**Trustees' expenses**

There were no trustees' expenses paid for the year ended 31 December 2024 nor for the year ended 31 December 2023.

During the year 3 trustees made donations totalling £5,040 (2023: 3 trustees donated £6,360)

**7. STAFF COSTS**

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

	2024	2023
Employees	5	5
	<u>          </u>	<u>          </u>

No employees received emoluments in excess of £60,000.

**Key management personnel**

The key management personnel as detailed in the trustees report received benefits (including gross salary, employers national insurance and employers pension contributions totalling £105,956 (2023 : £102,333).

**KING'S CHURCH NEWPORT**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2024**

**8. TANGIBLE FIXED ASSETS**

	Freehold property £	Fixtures and fittings £	Motor vehicles £	Totals £
<b>COST</b>				
At 1 January 2024 and 31 December 2024	1,043,136	26,621	19,595	1,089,352
<b>DEPRECIATION</b>				
At 1 January 2024	93,794	19,062	6,123	118,979
Charge for year	20,863	4,209	4,899	29,971
At 31 December 2024	114,657	23,271	11,022	148,950
<b>NET BOOK VALUE</b>				
At 31 December 2024	928,479	3,350	8,573	940,402
At 31 December 2023	949,342	7,559	13,472	970,373

Land buildings were revalued at 30 June 2012 by the Bryan Long Partnership who are independent valuers not connected with the charity on the basis of market value. The valuation conforms to International Valuation Standards and was based on recent market transactions on arm's length terms similar properties.

The valuation was deemed by the Trustees as still being reasonable at transition to FRS 102 on 1 January 2015 and was used as deemed cost on transition.

**9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2024 £	2023 £
Other debtors	9,719	10,121
Prepayments and accrued income	5,918	4,101
	<u>15,637</u>	<u>14,222</u>

**10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2024 £	2023 £
Other creditors	<u>7,581</u>	<u>6,265</u>

**KING'S CHURCH NEWPORT**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2024**

**11. MOVEMENT IN FUNDS**

	At 1.1.24 £	Net movement in funds £	Transfers between funds £	At 31.12.24 £
<b>Unrestricted funds</b>				
General fund	99,277	58,867	(59,919)	98,225
Designated fund - Fixed Asset Fund	748,511	(16,726)	-	731,785
Designated fund - Project Fund	150,000	-	50,000	200,000
Designated fund - Facilities Fund	200,000	-	50,000	250,000
	<u>1,197,788</u>	<u>42,141</u>	<u>40,081</u>	<u>1,280,010</u>
<b>Restricted funds</b>				
National Lottery Community Fund, People and Places 3	30,044	40,615	(30,000)	40,659
Awards for All Wales	8,220	(439)	(3,415)	4,366
Moondance	171,992	(26,013)	(6,666)	139,313
Newport City Council Property	207,096	(4,172)	-	202,924
Newport City Council Community Cohesion	-	985	-	985
	<u>417,352</u>	<u>10,976</u>	<u>(40,081)</u>	<u>388,247</u>
<b>TOTAL FUNDS</b>	<u>1,615,140</u>	<u>53,117</u>	<u>-</u>	<u>1,668,257</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	235,105	(176,238)	58,867
Designated fund - Fixed Asset Fund	-	(16,726)	(16,726)
	<u>235,105</u>	<u>(192,964)</u>	<u>42,141</u>
<b>Restricted funds</b>			
National Lottery Community Fund, People and Places 3	143,523	(102,908)	40,615
Awards for All Wales	-	(439)	(439)
Moondance	40,000	(66,013)	(26,013)
Newport City Council Property	-	(4,172)	(4,172)
Newport City Council Community Cohesion	1,325	(340)	985
GAVO - Newport Council Warm Spaces	2,080	(2,080)	-
	<u>186,928</u>	<u>(175,952)</u>	<u>10,976</u>
<b>TOTAL FUNDS</b>	<u>422,033</u>	<u>(368,916)</u>	<u>53,117</u>

**KING'S CHURCH NEWPORT**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2024**

**11. MOVEMENT IN FUNDS - continued**

**Comparatives for movement in funds**

	At 1.1.23 £	Net movement in funds £	Transfers between funds £	At 31.12.23 £
<b>Unrestricted funds</b>				
General fund	101,769	57,508	(60,000)	99,277
Designated fund - Fixed Asset Fund	769,034	(20,523)	-	748,511
Designated fund - Project Fund	100,000	-	50,000	150,000
Designated fund - Facilities Fund	160,000	-	40,000	200,000
	<u>1,130,803</u>	<u>36,985</u>	<u>30,000</u>	<u>1,197,788</u>
<b>Restricted funds</b>				
National Lottery Community Fund, People and Places 3	19,499	40,545	(30,000)	30,044
Awards for All Wales	11,494	(3,274)	-	8,220
Moondance	166,640	5,352	-	171,992
Newport City Council Property	212,588	(5,492)	-	207,096
	<u>410,221</u>	<u>37,131</u>	<u>(30,000)</u>	<u>417,352</u>
<b>TOTAL FUNDS</b>	<u>1,541,024</u>	<u>74,116</u>	<u>-</u>	<u>1,615,140</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	234,628	(177,120)	57,508
Designated fund - Fixed Asset Fund	-	(20,523)	(20,523)
	<u>234,628</u>	<u>(197,643)</u>	<u>36,985</u>
<b>Restricted funds</b>			
National Lottery Community Fund, People and Places 3	138,658	(98,113)	40,545
Awards for All Wales	-	(3,274)	(3,274)
Moondance	90,000	(84,648)	5,352
Newport City Council Property	-	(5,492)	(5,492)
	<u>228,658</u>	<u>(191,527)</u>	<u>37,131</u>
<b>TOTAL FUNDS</b>	<u>463,286</u>	<u>(389,170)</u>	<u>74,116</u>

**Fixed asset fund**

This fund represents the net book value of the charity's unrestricted fixed assets.

**Project fund**

This fund represents funds designated for the new projects and the sustainment of existing church activities.

**Facilities fund**

This fund represents funds designated for the maintenance/improvement and long term sustainment of church properties.

**National Lottery Community Fund, People and Places 3**

This restricted fund represents monies received for the charity to help fund its Jesus Cares Project. In accordance with the terms and conditions of the grant, each year £30k is transferred from restricted funds to cover overhead costs.

**Awards for All**

**KING'S CHURCH NEWPORT**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2024**

**11. MOVEMENT IN FUNDS - continued**

The restricted fund represents monies received for the charity to help fund activities.

**Moondance fund**

This restricted fund represents monies received for the charity to help fund its Jesus Cares Project.

**Newport City Council Property**

The restricted fund represents a capital grant received to assist in the refurbishment of the office premises. This grant is being written off in line with the depreciation policy over the life of the asset.

**Community Cohesion / Winter Warmers**

This restricted fund represents funds designated for weekly coffee morning's and relevant equipment that are held in the church.

**12. RELATED PARTY DISCLOSURES**

Except for those noted in note 6, there are no further related party transactions for the year ended 31st December 2024.

**KING'S CHURCH NEWPORT**

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 DECEMBER 2024**

	2024 £	2023 £
<b>INCOME AND ENDOWMENTS</b>		
<b>Donations and legacies</b>		
Donations	194,539	190,473
Gift aid	28,223	31,582
	<u>222,762</u>	<u>222,055</u>
<b>Other trading activities</b>		
Room Hire	-	5,700
<b>Investment income</b>		
Interest receivable	8,448	4,418
<b>Charitable activities</b>		
Grants	186,928	228,658
Events	3,895	2,255
	<u>190,823</u>	<u>230,913</u>
<b>Other income</b>		
Sundry income	-	200
	<u>422,033</u>	<u>463,286</u>
<b>Total incoming resources</b>		
<b>EXPENDITURE</b>		
<b>Charitable activities</b>		
Staff Costs	141,580	128,339
Jesus Cares Project	83,870	95,298
Administration Costs	7,233	8,288
Mission Donations	1,200	2,113
Premises Costs	35,148	56,276
Event Costs	29,865	28,327
	<u>298,896</u>	<u>318,641</u>
<b>Support costs</b>		
<b>Management</b>		
Staff Costs	35,395	32,085
Audit and Accountancy Fees	3,810	6,966
	<u>39,205</u>	<u>39,051</u>
<b>Finance</b>		
Bank charges	844	564
<b>Other Depreciation</b>		
Freehold property	20,863	20,866
Fixtures and fittings	4,209	5,149
Motor vehicles	4,899	4,899
	<u>29,971</u>	<u>30,914</u>
Total resources expended	<u>368,916</u>	<u>389,170</u>
<b>Net income</b>	<u><u>53,117</u></u>	<u><u>74,116</u></u>

This page does not form part of the statutory financial statements

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### Signature 1

Signed by James Wright using authentication code Q2MySHdTOGllcFJk at IP address 86.128.217.207, on 2025/07/07 11:54:26 Z.

James Wright's e-mail address is: jameswright@gottalife.com.

James Wright added the following comments:

"Trustee"

**KING'S CHURCH, NEWPORT**

England & Wales - Charity number 1183216

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# Accounts

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REGISTERED CHARITY NUMBER: 1183216

**UNAUDITED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
31 DECEMBER 2023**

**FOR**

**KING'S CHURCH NEWPORT**

Bevan Buckland LLP  
Ground Floor Cardigan House  
Castle Court  
Swansea Enterprise Park  
Swansea  
SA7 9LA

**KING'S CHURCH NEWPORT**

**CONTENTS OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023**

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**KING'S CHURCH NEWPORT**  
**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

The trustees present their report with the financial statements of the charity for the year ended 31 December 2023. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

**General**

The King's Church is based in Newport, South Wales and focuses its attention presenting the Christian message and empowering people to reach their God-given potential, in addition to trying to help meet the practical needs of the communities that constitute the city of Newport.

**Principle Activities**

The charity's main activities can be summarised as follows:

- To share the gospel and teachings of Jesus Christ through all our Church services and meetings
- To provide guidance, care and support to those within the Church
- To impact the city and beyond with outreach projects and programmes

The vision of our Church is to:

**- Reach**

Towards one another through fellowship  
The world in which we live with the Gospel

**- Renew**

As followers of Jesus we are committed to live in the new life He has promised us through His Word

**- Release**

Using our lives to be servant hearted

The Church remains completely focussed through its principle activities to continue in its objectives to further the Christian Church in all of its activities and services.

**Achievements & Performance**

**Ministry Update**

In line with the vision of our Church, the following took place in 2023:

**Reach**

The Great Commandment

Care & Support - We continued to offer care and support to our congregation members; prioritising face to face Sunday services as a means of care, support and instruction. These services were live streamed and the teaching is also available to access online for those who may not be able to attend weekly.

In addition, midweek meetings, hospital visitations, individual pastoral sessions, pre-marriage counselling have taken place on a regular basis and we hosted 2 church lunches in 2023 with 146 and 164 people respectively in attendance come together for fellowship.

Connect Groups - We continued to encourage our church congregation to get involved within connect groups as they are an integral part of reaching towards one another and are a great source of care and support for those who wish to take part. Throughout 2023, 124 people met when able across 15 connect groups both online and in homes for fellowship; with an average attendance of 47 people meeting each fortnight. We also ran a 6 week Parenting Course for primary age children.

The Great Commission

Outreach - Each week a dedicated team went onto the streets in various locations across Newport to share with people about Jesus and hand out bibles.

Alpha - We ran our first 13 week in person Alpha course from May -July and had 44 individuals attend varying sessions throughout the course duration. 11 people completed the full course and received certificates.

**KING'S CHURCH NEWPORT**

**REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 DECEMBER 2023**

Prison Ministry - As prisons continue to open back up for visits we were delighted to be invited to hold 8 services in 4 prisons to share the gospel with prisoners.

Jesus Cares - Jesus Cares has continued to play a vital role in helping to provide practical relief and support to those living in poverty and deprivation across South Wales. Throughout the course of the year, we delivered food and other essential provisions to a network of over 103 organisations. Jesus Cares continued to provide meaningful involvement opportunities for members of the community who wanted to help make a difference in the lives of others.

This year we had the privilege of working with 154 volunteers in Jesus Cares who contributed 11,906 volunteer hours to the project.

In 2023 Jesus Cares distributed:

- 30,951 Food hampers
- 33,241 Nappies
- 14,293 Hygiene & sanitary products
- 542 Baby & children's clothing pods
- 159 Soft furnishings
- 487 Christmas presents
- 5,521 Easter Eggs

Ministry Support - This year, we continued to provide support to ministries for the relief of poverty and preaching of the Gospel both in the UK and overseas.

- Good News UK - distributing Bibles in our local area
- Message Wales - in their evangelistic work across Wales
- Samaritans Purse UK: Operation Christmas Child - helping to make and collect shoeboxes to be sent to children living in poverty overseas.

**Renew**

Sunday Services - Sunday services are the focal point for teaching our congregation. Throughout the year we saw our Sunday attendance steadily increase and by the end of the year we saw on average 273 people in each service. During 2023, 114 new people gave us their details.

Throughout the year we continued live streaming services via YouTube, enabling people to enjoy services if they are unable to attend in person and we also offer a catch up on demand service via Facebook and YouTube with links being sent to our congregation each week. On average we are seeing 135 people watching our services via YouTube and 55 people watching via Facebook each week.

We baptised 7 people and dedicated 6 children during our Sunday services in 2023.

Children's & Youth Provisions - We welcomed 129 children in King's Kids (Age 1 to Yr 5) and by the end of the year we saw an average attendance of 41 children each week in these groups.

Identity Youth - Every Friday night and every fortnight on a Sunday morning our young people gather. A total of 77 young people engaged in our Friday night youth provision and 76 on a Sunday throughout 2023, with an average attendance by the end of the year of 26 on a Friday and 29 on a Sunday.

Men & Women - We held three Men's night (average attendance 36), four Sisterhood evenings (average 44 in attendance), six day trips for our over 55's ladies to enjoy and an evening for our singles to come together.

Encounter Israel - We held 4 midweek meetings throughout 2023, with teaching focussed around Israel with an average of 47 people in attendance each night.

Prayer - There were opportunities to meet to pray for the needs of our congregation and others. We have a team who pray individually throughout the week as well as a prayer meeting before our Sunday service. We also have a group that meets monthly to pray specifically for Israel.

Students - In September we reached out to local university students during Freshers Week, culminating in a weekend of planned activities at end of September. Since September 6 events for students have taken place with between 7 - 20 getting involved and a connect group has also started for students.

**Release**

**KING'S CHURCH NEWPORT**  
**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

Volunteers - We had 29 people join teams in 2023 and over the year a total of 161 people from our church congregation faithfully served within teams both on a Sunday and during the week to help meet the needs of our church family and also our community.

Future Plans - Looking to the future, King's Church plans to continue activities that help us achieve our charitable objectives. We also plan to continue with our upgrades and refurbishment to areas of our Church buildings.

**Public Benefit**

The King's Church was established as a CIO in May 2019, after operating as a registered charity (of the same name) since 1999. The Object of the Church is, for the public benefit, to advance the Christian religion in the UK and such parts of the world as the Charity Trustees may think fit, including by but not limited to, the enrichment of lives through support, training, care and guidance in line with the teachings of the Christian Bible.

**How do activities contribute to the achievement of its stated aims and objectives?**

Spreading the gospel and following the teachings of Jesus is at the heart of all activities, aims and objectives of King's Church. Strategically, any development of a new activity or review of an existing activity which has that core purpose will be in line with the charity's aims and objectives.

**How will achievement of aims further its legal purpose?**

King's Church's charitable aim is to reach others with the Gospel of Jesus. The Church makes a clear statement that it believes the Bible cover-to-cover. The achievement of its aims through the programme of activities ensures that anyone who encounters the work of the charity understands the sole purpose is to advance the gospel.

**Financial review**

	<u>Unrestricted</u>	<u>Restricted</u>	<u>Total 2023</u>
Income	£234,628	£228,658	£463,286
Expenditure	(£197,643)	(£191,527)	(£389,170)
Transfers	£30,000	(£30,000)	-
Actual Operating results	£66,985	£7,131	£74,116

**Reserves policy**

It is the policy of the charity to maintain unrestricted funds to cover 6 months management and administration costs and to respond to applications for donations which arise from time to time.

Reserve levels will be monitored monthly throughout the year. In this way the management team will be aware of the buildup of excess reserves or of reserves being unexpectedly or rapidly depleted. If the charity has excess reserves, the trustees will ensure that they do not misrepresent the urgency or need for funds.

Unrestricted reserves at year end were £1,197,788 (2022: £1,130,803). The charity's free reserves available at the year end totalled £99,277 (2022: £101,768).

**Principal funding sources**

The charity's principal funding sources are tithes and offerings and gift aid.

**Investment policy**

Under the trust deed the charity has the power to make any investment which the trustees see fit.

**Risk management**

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

The key risks identified by the charity during the year were:

- Dependency on income sources - the charity mitigates against this risk by where possible trying to reduce overhead by ensuring value for money on all supplier contracts is undertaken.
- Loss of key staff - the charity mitigates against this risk by succession planning, implementing training programmes and reviewing and revising recruitment processes where required.
- Information Technology failures and inadequacies- the charity mitigates against this risk by ensuring an

**KING'S CHURCH NEWPORT**

**REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 DECEMBER 2023**

IT recovery plan is in place, regular data back ups and ensuring the charity has adequate security measures in place.

**Organisation**

At the end of the year the charity has three trustees who are responsible to manage the affairs of the Church.

The responsibility of running and operating the charity on a day to day basis is delegated to an administration team who work from the premises in 71 Lower Dock Street, Newport overseen by Pastor David & Faye Edwards.

**Delegation of duties**

The trustees have the responsibility to make decisions affecting the charity's submission of major grant applications, major building works and purchases of capital assets and are consulted when changes in personnel occur. Small grants applications are approved by the Management Team and all general purchases are authorised by the Lead Pastors.

To be appointed as a Charity Trustee a person must, in the opinion other Lead Pastor:

- i. be interested in furthering the Object;
- ii. subscribe to the Statement of Faith and demonstrate their adherence by their life style;
- iii. be an active and participating member of the congregation of the Church;
- iv. give regular financial donations to the work of the Church; and
- v. be committed to embodying the character traits described in 1 Timothy 3:1-7 to the best of their ability.

In selecting individuals for appointment as a Charity Trustee regard must be had to the skills, knowledge and experience needed for the effective administration of the Church.

In order for decisions to be made there needs to be a minimum of three trustees in place. When a trustee resigns, the lead pastor appoints a replacement before any other matters are considered. A new lead pastor is appointed by the existing lead pastor, contingent to the regulations set out in the governing document.

New Trustees meet individually with Pastor David Edwards giving opportunity for a lengthy discussion regarding the charity, its operations and future plans. Arrangements are then made for the trustee details and signature to be passed to the relevant bodies for inclusion in charity documents.

**Remuneration policy**

The charity undertake pay reviews annually with the following considered when setting the salary of its key management personnel:

- Financial health of Church
- Compare wages against cost of living: Inflation as measured by the Retail Price Index (RPI), Consumer Price Index (CPI)
- Compare wages against average earnings for similar role in other organisations
- Employees experience | length of service
- Increase in role responsibilities
- Employees remuneration package

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Governing document**

The Charity was registered as a Charitable Incorporated Organisation (CIO) on 1st May 2019 under charity registration number 1183216. The Charity's governing document is based on a Foundation Model Constitution.

**Key management personnel**

David Edwards - Lead Pastor

Faye Edwards - Associate Lead Pastor and Jesus Cares Project Coordinator

**REFERENCE AND ADMINISTRATIVE DETAILS**

**Registered Charity number**

1183216

**KING'S CHURCH NEWPORT**  
**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

**Principal address**  
71 Lower Dock Street  
Newport  
Gwent  
NP20 1EH

**Trustees**  
Mr J W Wright  
Mr P B Marshall  
Mr D Wood

**Independent Examiner**  
Michael Jones  
Bevan Buckland LLP  
Ground Floor Cardigan House  
Castle Court  
Swansea Enterprise Park  
Swansea  
SA7 9LA

**TRUSTEES' RESPONSIBILITY STATEMENT**

The trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the board of trustees on ..... and signed on its behalf by:

.....  
Mr J W Wright - Trustee

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF  
KING'S CHURCH NEWPORT**

**Independent examiner's report to the trustees of King's Church Newport**

I report to the charity trustees on my examination of the accounts of King's Church Newport (the Trust) for the year ended 31 December 2023.

**Responsibilities and basis of report**

As the charity trustees of the Trust 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 Trust's accounts carried out under Section 145 of the Act and in carrying out my examination I have followed all applicable Directions given by the Charity Commission under Section 145(5)(b) of the Act.

**Independent examiner's statement**

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a member of the Association of Chartered Certified Accountants, which is one of the listed bodies.

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 Trust 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 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.



Michael Jones  
The Association of Chartered Certified Accountants

Bevan Buckland LLP  
Ground Floor Cardigan House  
Castle Court  
Swansea Enterprise Park  
Swansea  
SA7 9LA

Date: .....8/10/24.....

**KING'S CHURCH NEWPORT**

**STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 DECEMBER 2023**

	Notes	Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>					
Donations and legacies	2	222,055	-	222,055	217,773
<b>Charitable activities</b>					
Charitable Activities	5	2,255	228,658	230,913	344,782
Other trading activities	3	5,700	-	5,700	2,750
Investment income	4	4,418	-	4,418	493
Other income		200	-	200	17,533
<b>Total</b>		<u>234,628</u>	<u>228,658</u>	<u>463,286</u>	<u>583,331</u>
<b>EXPENDITURE ON</b>					
<b>Charitable activities</b>					
Charitable Activities		<u>197,643</u>	<u>191,527</u>	<u>389,170</u>	<u>359,341</u>
<b>NET INCOME</b>					
Transfers between funds	12	36,985	37,131	74,116	223,990
		30,000	(30,000)	-	-
<b>Net movement in funds</b>		<u>66,985</u>	<u>7,131</u>	<u>74,116</u>	<u>223,990</u>
<b>RECONCILIATION OF FUNDS</b>					
Total funds brought forward		1,130,803	410,221	1,541,024	1,317,034
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u><u>1,197,788</u></u>	<u><u>417,352</u></u>	<u><u>1,615,140</u></u>	<u><u>1,541,024</u></u>

**KING'S CHURCH NEWPORT**

**BALANCE SHEET  
31 DECEMBER 2023**

	Notes	Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total funds £
<b>FIXED ASSETS</b>					
Tangible assets	9	749,804	220,569	970,373	999,711
<b>CURRENT ASSETS</b>					
Debtors	10	14,222	-	14,222	15,022
Cash at bank and in hand		440,027	196,783	636,810	536,930
		<u>454,249</u>	<u>196,783</u>	<u>651,032</u>	<u>551,952</u>
<b>CREDITORS</b>					
Amounts falling due within one year	11	(6,265)	-	(6,265)	(10,639)
		<u>447,984</u>	<u>196,783</u>	<u>644,767</u>	<u>541,313</u>
<b>NET CURRENT ASSETS</b>					
		<u>1,197,788</u>	<u>417,352</u>	<u>1,615,140</u>	<u>1,541,024</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>					
		<u>1,197,788</u>	<u>417,352</u>	<u>1,615,140</u>	<u>1,541,024</u>
<b>NET ASSETS</b>					
		<u>1,197,788</u>	<u>417,352</u>	<u>1,615,140</u>	<u>1,541,024</u>
<b>FUNDS</b>	12				
Unrestricted funds				1,197,788	1,130,803
Restricted funds				417,352	410,221
<b>TOTAL FUNDS</b>				<u>1,615,140</u>	<u>1,541,024</u>

The financial statements were approved by the Board of Trustees and authorised for issue on ..... and were signed on its behalf by:

.....  
Mr J W Wright - Trustee

**KING'S CHURCH NEWPORT**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023**

**1. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention.

**Income**

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Income from grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred. Capital grants are released to the Statement of Financial Activities in the year of receipt. Fixed assets relating to capital grants are capitalised, and depreciation charged is offset against the grant income, in a restricted fund.

Income from room hire and events is recognised in the period to which the service is provided and the event is held.

**Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- 2% on cost
Fixtures and fittings	- 20% on cost and Straight line over 4 years
Motor vehicles	- Straight line over 4 years

The company has a capitalisation policy of assets being capitalised over £1,000.

**Taxation**

The charity is exempt from tax on its charitable activities.

**Fund accounting**

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

**KING'S CHURCH NEWPORT**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2023**

**1. ACCOUNTING POLICIES - continued**

**Donated goods for distribution**

The charity receives donated food and goods from various sources all of which are distributed to its beneficiaries for a nil consideration.

**Financial instruments**

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

**Basic financial assets**

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Trade debtors, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument to the net carrying amount on initial recognition.

**Impairment of financial assets**

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

**Derecognition of financial assets**

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

**Basic financial liabilities**

Basic financial liabilities, including trade and other payables, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

**KING'S CHURCH NEWPORT**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2023**

**1. ACCOUNTING POLICIES - continued**

**Financial instruments**

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

**Derecognition of financial liabilities**

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

**Equity instruments**

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

**Debtors**

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

**Cash at bank and in hand**

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

**Creditors and provisions**

Creditors and provisions are recognised where the company 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 and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

**Employee benefits**

The charity provides a range of benefits to employees, including annual bonus arrangements, paid holiday arrangements and defined benefit and defined contribution pension plans.

**Short term benefits**

Short term benefits, including holiday pay and other similar non-monetary benefits, are recognised as an expense in the period in which the service is received.

**2. DONATIONS AND LEGACIES**

	2023	2022
	£	£
Donations	190,473	187,637
Gift aid	31,582	30,136
	222,055	217,773
	222,055	217,773

**KING'S CHURCH NEWPORT**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2023**

<b>3.</b>	<b>OTHER TRADING ACTIVITIES</b>	2023 £	2022 £
	Room Hire	5,700	2,750
		<u>          </u>	<u>          </u>
<b>4.</b>	<b>INVESTMENT INCOME</b>	2023 £	2022 £
	Interest receivable	4,418	493
		<u>          </u>	<u>          </u>
<b>5.</b>	<b>INCOME FROM CHARITABLE ACTIVITIES</b>	2023 Charitable Activities £	2022 Total activities £
	Grants	228,658	341,184
	Events	2,255	3,598
		<u>          </u>	<u>          </u>
		<u>230,913</u>	<u>344,782</u>
	Grants received, included in the above, are as follows:		
		2023 £	2022 £
	Moondance	90,000	200,000
	National Lottery Community Fund, People and Places 3	138,658	141,184
		<u>          </u>	<u>          </u>
		<u>228,658</u>	<u>341,184</u>

**6. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 31 December 2023 nor for the year ended 31 December 2022.

**Trustees' expenses**

There were no trustees' expenses paid for the year ended 31 December 2023 nor for the year ended 31 December 2022.

During the year 3 trustees made donations totalling £6,360 (2022: 3 trustees donated £4,680)

**7. STAFF COSTS**

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

	2023	2022
Employees	5	5
	<u>          </u>	<u>          </u>

No employees received emoluments in excess of £60,000.

**Key management personnel**

The key management personnel as detailed in the trustees report received benefits (including gross salary, employers national insurance and employers pension contributions) totalling £102,333 (2022 : £97,371).

**KING'S CHURCH NEWPORT**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2023**

**8. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

	Unrestricted funds £	Restricted funds £	Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>			
Donations and legacies	217,773	-	217,773
<b>Charitable activities</b>			
Charitable Activities	3,598	341,184	344,782
Other trading activities	2,750	-	2,750
Investment income	493	-	493
Other income	17,533	-	17,533
<b>Total</b>	<u>242,147</u>	<u>341,184</u>	<u>583,331</u>
<b>EXPENDITURE ON</b>			
<b>Charitable activities</b>			
Charitable Activities	196,396	162,945	359,341
<b>NET INCOME</b>	45,751	178,239	223,990
<b>Transfers between funds</b>	31,750	(31,750)	-
<b>Net movement in funds</b>	77,501	146,489	223,990
<b>RECONCILIATION OF FUNDS</b>			
Total funds brought forward	1,053,302	263,732	1,317,034
<b>TOTAL FUNDS CARRIED FORWARD</b>	<u><u>1,130,803</u></u>	<u><u>410,221</u></u>	<u><u>1,541,024</u></u>

**9. TANGIBLE FIXED ASSETS**

	Freehold property £	Fixtures and fittings £	Motor vehicles £	Totals £
<b>COST</b>				
At 1 January 2023	1,043,136	25,045	19,595	1,087,776
Additions	-	1,576	-	1,576
At 31 December 2023	<u>1,043,136</u>	<u>26,621</u>	<u>19,595</u>	<u>1,089,352</u>
<b>DEPRECIATION</b>				
At 1 January 2023	72,931	13,910	1,224	88,065
Charge for year	20,863	5,152	4,899	30,914
At 31 December 2023	<u>93,794</u>	<u>19,062</u>	<u>6,123</u>	<u>118,979</u>
<b>NET BOOK VALUE</b>				
At 31 December 2023	<u>949,342</u>	<u>7,559</u>	<u>13,472</u>	<u>970,373</u>
At 31 December 2022	<u>970,205</u>	<u>11,135</u>	<u>18,371</u>	<u>999,711</u>

Land buildings were revalued at 30 June 2012 by the Bryan Long Partnership who are independent valuers not connected with the charity on the basis of market value. The valuation conforms to International Valuation Standards and was based on recent market transactions on arm's length terms similar properties.

The valuation was deemed by the Trustees as still being reasonable at transition to FRS 102 on 1 January 2015 and was used as deemed cost on transition.

**KING'S CHURCH NEWPORT**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2023**

**10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2023	2022
	£	£
Other debtors	10,121	8,860
Prepayments and accrued income	4,101	6,162
	14,222	15,022

**11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2023	2022
	£	£
Trade creditors	-	539
Other creditors	6,265	10,100
	6,265	10,639

**12. MOVEMENT IN FUNDS**

	At 1.1.23	Net movement in funds	Transfers between funds	At 31.12.23
	£	£	£	£
<b>Unrestricted funds</b>				
General fund	101,769	57,508	(60,000)	99,277
Designated fund - Fixed Asset Fund	769,034	(20,523)	-	748,511
Designated fund - Project Fund	100,000	-	50,000	150,000
Designated fund - Facilities Fund	160,000	-	40,000	200,000
	1,130,803	36,985	30,000	1,197,788
<b>Restricted funds</b>				
National Lottery Community Fund, People and Places 3	19,499	40,545	(30,000)	30,044
Awards for All Wales	11,494	(3,274)	-	8,220
Moondance	166,640	5,352	-	171,992
Newport City Council Property	212,588	(5,492)	-	207,096
	410,221	37,131	(30,000)	417,352
<b>TOTAL FUNDS</b>	1,541,024	74,116	-	1,615,140

Net movement in funds, included in the above are as follows:

	Incoming resources	Resources expended	Movement in funds
	£	£	£
<b>Unrestricted funds</b>			
General fund	234,628	(177,120)	57,508
Designated fund - Fixed Asset Fund	-	(20,523)	(20,523)
	234,628	(197,643)	36,985
<b>Restricted funds</b>			
National Lottery Community Fund, People and Places 3	138,658	(98,113)	40,545
Awards for All Wales	-	(3,274)	(3,274)
Moondance	90,000	(84,648)	5,352
Newport City Council Property	-	(5,492)	(5,492)
	228,658	(191,527)	37,131
<b>TOTAL FUNDS</b>	463,286	(389,170)	74,116

**KING'S CHURCH NEWPORT**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2023**

**12. MOVEMENT IN FUNDS - continued**

**Comparatives for movement in funds**

	At 1.1.22 £	Net movement in funds £	Transfers between funds £	At 31.12.22 £
<b>Unrestricted funds</b>				
General fund	100,721	69,297	(68,250)	101,768
Designated fund - Fixed Asset Fund	792,581	(23,546)	-	769,035
Designated fund - Project Fund	100,000	-	-	100,000
Designated fund - Facilities Fund	60,000	-	100,000	160,000
	<u>1,053,302</u>	<u>45,751</u>	<u>31,750</u>	<u>1,130,803</u>
<b>Restricted funds</b>				
National Lottery Community Fund, People and Places 3	31,405	18,094	(30,000)	19,499
Awards for All Wales	12,497	(1,003)	-	11,494
Moondance	-	166,640	-	166,640
Newport City Council Property	218,080	(5,492)	-	212,588
Newport City Council Minibus	1,750	-	(1,750)	-
	<u>263,732</u>	<u>178,239</u>	<u>(31,750)</u>	<u>410,221</u>
<b>TOTAL FUNDS</b>	<u><u>1,317,034</u></u>	<u><u>223,990</u></u>	<u><u>-</u></u>	<u><u>1,541,024</u></u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	242,147	(172,850)	69,297
Designated fund - Fixed Asset Fund	-	(23,546)	(23,546)
	<u>242,147</u>	<u>(196,396)</u>	<u>45,751</u>
<b>Restricted funds</b>			
National Lottery Community Fund, People and Places 3	141,184	(123,090)	18,094
Awards for All Wales	-	(1,003)	(1,003)
Moondance	200,000	(33,360)	166,640
Newport City Council Property	-	(5,492)	(5,492)
	<u>341,184</u>	<u>(162,945)</u>	<u>178,239</u>
<b>TOTAL FUNDS</b>	<u><u>583,331</u></u>	<u><u>(359,341)</u></u>	<u><u>223,990</u></u>

**KING'S CHURCH NEWPORT**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2023**

**12. MOVEMENT IN FUNDS - continued**

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.1.22 £	Net movement in funds £	Transfers between funds £	At 31.12.23 £
<b>Unrestricted funds</b>				
General fund	100,721	126,805	(128,250)	99,276
Designated fund - Fixed Asset Fund	792,581	(44,069)	-	748,512
Designated fund - Project Fund	100,000	-	50,000	150,000
Designated fund - Facilities Fund	60,000	-	140,000	200,000
	<u>1,053,302</u>	<u>82,736</u>	<u>61,750</u>	<u>1,197,788</u>
<b>Restricted funds</b>				
National Lottery Community Fund, People and Places 3	31,405	58,639	(60,000)	30,044
Awards for All Wales	12,497	(4,277)	-	8,220
Moondance	-	171,992	-	171,992
Newport City Council Property	218,080	(10,984)	-	207,096
Newport City Council Minibus	1,750	-	(1,750)	-
	<u>263,732</u>	<u>215,370</u>	<u>(61,750)</u>	<u>417,352</u>
<b>TOTAL FUNDS</b>	<u><u>1,317,034</u></u>	<u><u>298,106</u></u>	<u><u>-</u></u>	<u><u>1,615,140</u></u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	476,775	(349,970)	126,805
Designated fund - Fixed Asset Fund	-	(44,069)	(44,069)
	<u>476,775</u>	<u>(394,039)</u>	<u>82,736</u>
<b>Restricted funds</b>			
National Lottery Community Fund, People and Places 3	279,842	(221,203)	58,639
Awards for All Wales	-	(4,277)	(4,277)
Moondance	290,000	(118,008)	171,992
Newport City Council Property	-	(10,984)	(10,984)
	<u>569,842</u>	<u>(354,472)</u>	<u>215,370</u>
<b>TOTAL FUNDS</b>	<u><u>1,046,617</u></u>	<u><u>(748,511)</u></u>	<u><u>298,106</u></u>

**Fixed asset fund**

This fund represents the net book value of the charity's unrestricted fixed assets.

**Project fund**

This fund represents funds designated for the new projects and the sustainment of existing church activities.

**Facilities fund**

This fund represents funds designated for the maintenance/improvement and long term sustainment of church properties.

**National Lottery Community Fund, People and Places 3**

**KING'S CHURCH NEWPORT**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2023**

**12. MOVEMENT IN FUNDS - continued**

This restricted fund represents monies received for the charity to help fund its Jesus Cares Project. In accordance with the terms and conditions of the grant, each year £30k is transferred from restricted funds to cover overhead costs.

**Awards for All**

The restricted fund represents monies received for the charity to help fund activities.

**Moondance fund**

This restricted fund represents monies received for the charity to help fund its Jesus Cares Project.

**Newport City Council Property**

The restricted fund represents a capital grant received to assist in the refurbishment of the office premises. This grant is being written off in line with the depreciation policy over the life of the asset

**13. RELATED PARTY DISCLOSURES**

There were no related party transactions for the year ended 31 December 2023.

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## Signature 1

Signed by James Wright using authentication code Z2UkNW9GWTA/eXFS at IP address 86.167.227.191, on 2024/09/23 10:33:58 Z.

James Wright's e-mail address is: [jameswright@gottalife.com](mailto:jameswright@gottalife.com).

James Wright added the following comments:

"Dear Bevan & Buckland

Please find my signature signed on behalf of the Kings Church trustees to the required documents.

James Wright

Trustee"

**KING'S CHURCH, NEWPORT**

England & Wales - Charity number 1183216

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# Accounts

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Charity registration number 1183216

**KING'S CHURCH, NEWPORT**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

# KING'S CHURCH, NEWPORT

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# KING'S CHURCH, NEWPORT

## TRUSTEES' REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2022

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The trustees present their annual report and financial statements for the year ended 31 December 2022.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

#### Objectives and activities

##### General

The King's Church is based in Newport, South Wales and focuses its attention in presenting the Christian message and empowering people to reach their God-given potential, in addition to trying to help meet the practical needs of the communities that constitute the city of Newport.

##### Principle Activities

The charity's main activities can be summarised as follows:

- To share the gospel and teachings of Jesus Christ through all our Church services and meetings
- To provide guidance, care and support to those within the Church
- To impact the city and beyond with outreach projects and programmes

The vision of our Church is to:

- **Reach**  
Towards one another through fellowship  
The world in which we live with the Gospel
- **Renew**  
As followers of Jesus we are committed to live in the new life He has promised us through His Word
- **Release**  
Using our lives to be servant hearted

The Church remains completely focussed through its principal activities to continue in its objectives to further the Christian Church in all of its activities and services.

#### How do activities contribute to the achievement of its stated aims and objectives?

Spreading the gospel and following the teachings of Jesus is at the heart of all activities, aims and objectives of King's Church. Strategically, any development of a new activity or review of an existing activity which has that core purpose will be in line with the charity's aims and objectives.

#### How will achievement of aims further its legal purpose?

King's Church's charitable aim is to reach others with the Gospel of Jesus. The Church makes a clear statement that it believes the Bible cover-to-cover. The achievement of its aims through the programme of activities ensures that anyone who encounters the work of the charity understands the sole purpose is to advance the gospel.

#### Public Benefit

The King's Church was established as a CIO in May 2019, after operating as a registered charity (of the same name) since 1999. The Object of the Church is, for the public benefit, to advance the Christian religion in the UK and such parts of the world as the Charity Trustees may think fit, including by but not limited to, the enrichment of lives through support, training, care and guidance in line with the teachings of the Christian Bible.

# KING'S CHURCH, NEWPORT

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 DECEMBER 2022**

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### **Achievements and performance**

Once again in 2022, Covid-19 and government restrictions put in place to help keep people safe continued to have an impact on areas of church life. However, it was great to be able to reintroduce normal church activities as all eased in the second half of the year, and encourage our congregation members to participate in these activities.

### **Ministry Update**

In line with the vision of our Church, the following took place:

#### **Reach**

##### *The Great Commandment*

**Care & Support** – We have continued to offer care and support to our congregation members; prioritising face to face Sunday services as a means of care, support and instruction. For those not able to attend we have live streamed our services and made all teaching available online. We baptised 11 people and dedicated 3 children in 2022.

For those new to church, we kept in regular contact and were able to invite them to get involved serving within Jesus Cares, teams and become a part of connect groups.

Throughout the year we extended complimentary invitations to all newcomers to have lunch with our church family, which has provided a further opportunity for us to let people know more about the church and how to get connected. We hosted 3 church lunches in July, October and December and saw 128, 153 and 181 respectively in attendance come together for fellowship.

In addition, hospital visitations, individual pastoral sessions, pre-marriage counselling have taken place on a regular basis.

**Connect Groups** – We continued to encourage our church congregation to get involved within connect groups as they are an integral part of reaching towards one another. Many of the connect groups which had been meeting online during Covid, began meeting in homes from September 2022 and these are a great source of care and support for those who wish to take part. Throughout 2022, 109 people met across 13 connect groups which met both online and in homes for fellowship. We also ran 'The Marriage Course' online for which 68 people signed up to take part from our congregation.

##### *The Great Commission*

**Outreach** – Each week a dedicated team went onto the streets in various locations across Newport to share with people about Jesus and hand out bibles.

**Prison Ministry** – For the most part of 2022, prisons continued to remain closed to ministry visits as a result of Covid-19 restrictions. However, at the end of 2022 there was opportunity for us to attend 2 prisons to share the gospel, and we are expectant that more prisons will be able to receive ministry visits in 2023.

**Jesus Cares** – Jesus Cares has continued to play a vital role in helping to provide practical relief and support to those living in poverty and deprivation across South Wales. Throughout the course of the year, we delivered food and other essential provisions to a network of over 123 organisations. Jesus Cares continued to provide meaningful involvement opportunities for members of the community who wanted to help make a difference in the lives of others.

This year we had the privilege of working with 142 volunteers in Jesus Cares who contributed 11,643 volunteer hours to the project.

# KING'S CHURCH, NEWPORT

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2022

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In 2022 Jesus Cares distributed:

- 34,182 Food hampers
- 44,715 Nappies
- 23,608 Hygiene & sanitary products
- 795 Baby & children's clothing pods
- 227 Soft furnishings
- 558 Christmas presents
- 6,320 Easter Eggs

**Ministry Support** – This year, we continued to provide support to ministries for the relief of poverty and preaching of the Gospel both in the UK and overseas.

- Good News UK (distributing Bibles in our local area)
- Samaritans Purse UK (Operation Christmas Child – sending of Christmas gifts for children overseas. We also became a local drop off zone during their national collection week, and were involved in the collection of gifts from southeast Wales to take to their distribution centre in Cardiff).
- We also worked with a church in Romania who were helping refugees fleeing the Ukraine due to war; sending over a consignment of food, sleeping bags and warm clothing.

#### **Renew**

##### **Sunday Services**

Sunday services are the focal point for teaching our congregation. As lockdown restrictions continued to ease, we welcomed back more of our congregation and by the end of the year we saw on average 225 people in each service. During 2022, 76 new people gave us their details for which 58 are still actively attending on Sundays.

Throughout the year we continued live streaming services via YouTube, enabling people to enjoy services as they happen if they are unable to attend in person and we also offer a catch-up on demand service via Facebook and YouTube with links being sent to our congregation each week. On average we are seeing 125 people watching our services via YouTube and 54 people watching via Facebook each week.

**Children's & Youth Provisions** – We welcomed 91 children in King's Kids (Age 1 to Yr 5) and by the end of the year we saw an average attendance of 31 children each week in these groups.

Our youth (Years 6-13) met on Fridays and Sundays twice a month until September and then Friday night youth went back to meeting weekly. A total of 64 young people engaged in our Friday night youth provision and 71 on a Sunday throughout the year, with an average attendance of 16 on a Friday and 21 on a Sunday.

**Men & Women** – We held a Men's curry night, two Sisterhood evenings, 4 day trips for our over 55's ladies to enjoy and an evening for our singles to come together.

**Encounter Israel** – We held bi-monthly midweek meetings throughout 2022, with teaching focussed around Israel. These nights were well attended by our congregation with over 40 people in attendance each night.

**Prayer** – There were opportunities to meet to pray for the needs of our congregation and others. We have a team who pray individually throughout the week as well as a prayer meeting before our Sunday service. On a monthly basis we met for corporate prayer in the evening and also a group prays specifically for Israel.

#### **Release**

**Volunteers** – We had 149 people from our church congregation faithfully serving within teams, both on a Sunday and during the week to help meet the needs of our church family and also our community.

# KING'S CHURCH, NEWPORT

## TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

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### Financial review

The results of the charity can be seen below:

	Unrestricted	Restricted	Total 2022
Income	£242,147	£341,184	£583,331
Expenditure	(£196,395)	(£162,945)	(£359,340)
Transfers	£31,750	(£31,750)	-
<b>Actual operational results</b>	<b>£77,502</b>	<b>£146,489</b>	<b>£223,991</b>

### Reserves policy

It is the policy of the charity to maintain unrestricted funds to cover 6 months management and administration costs and to respond to applications for donations which arise from time to time.

Reserve levels will be monitored monthly throughout the year. In this way the management team will be aware of the buildup of excess reserves or of reserves being unexpectedly or rapidly depleted. If the charity has excess reserves, the trustees will ensure that they do not misrepresent the urgency or need for funds.

Unrestricted reserves at year end were £1,130,803 (2021: £1,053,300). The charity's free reserves available at the year end totaled £101,768 (2021: £100,720).

### Principal funding sources

The charity's principal funding sources are tithes and offerings and gift aid.

### Investment policy

Under the trust deed the charity has the power to make any investment which the trustees see fit.

### Risk management

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

The key risks identified by the charity during the year were:

- *Dependency on income sources - the charity mitigates against this risk by where possible trying to reduce overhead by ensuring value for money on all supplier contracts is undertaken.*
- *Loss of key staff - the charity mitigates against this risk by succession planning, implementing training programmes and reviewing and revising recruitment processes where required.*
- *Information Technology failures and inadequacies- the charity mitigates against this risk by ensuring an IT recovery plan is in place, regular data back ups and ensuring the charity has adequate security measures in place.*

### Plans for future periods

Looking to the future, King's Church plans to continue activities that help us achieve our charitable objectives.

# KING'S CHURCH, NEWPORT

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2022

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

##### **Constitution and objects**

The charity is constituted under a CIO association registered 1 May 2019 and is a charitable incorporated organisation, charity number 1183216.

##### **Organisation**

At the end of the year the charity has three trustees who are responsible to manage the affairs of the Church.

*The responsibility of running and operating the charity on a day to day basis is delegated to an administration team who work from the premises in 71 Lower Dock Street, Newport overseen by Pastor David & Faye Edwards.*

##### **Delegation of duties**

The trustees have the responsibility to make decisions affecting the charity's submission of major grant applications, major building works and purchases of capital assets and are consulted when changes in personnel occur. Small grants applications are approved by the Management Team and all general purchases are authorised by the Lead Pastors.

To be appointed as a Charity Trustee a person must, in the opinion of the Lead Pastor:

- i. be interested in furthering the Object;
- ii. subscribe to the Statement of Faith and demonstrate their adherence by their life style;
- iii. be an active and participating member of the congregation of the Church;
- iv. give regular financial donations to the work of the Church; and
- v. be committed to embodying the character traits described in 1 Timothy 3:1-7 to the best of their ability.

In selecting individuals for appointment as a Charity Trustee regard must be had to the skills, knowledge and experience needed for the effective administration of the Church.

In order for decisions to be made there needs to be a minimum of three trustees in place. When a trustee resigns, the lead pastor appoints a replacement before any other matters are considered. A new lead pastor is appointed by the existing lead pastor, contingent to the regulations set out in the governing document.

New Trustees meet individually with Pastor David Edwards giving opportunity for a lengthy discussion regarding the charity, its operations and future plans. Arrangements are then made for the trustee details and signature to be passed to the relevant bodies for inclusion in charity documents.

##### **Remuneration policy**

The charity undertake pay reviews annually with the following considered when setting the salary of its key management personnel:

- Financial health of Church
- Compare wages against cost of living: Inflation as measured by the Retail Price Index (RPI), Consumer Price Index (CPI)
- Compare wages against average earnings for similar role in other organisations
- Employees experience / length of service
- Increase in role responsibilities
- Employees remuneration package

# KING'S CHURCH, NEWPORT

## TRUSTEES' REPORT (CONTINUED)

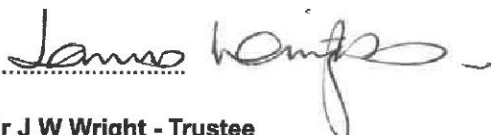
**FOR THE YEAR ENDED 31 DECEMBER 2022**

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### Reference and administrative details

<b>Charity number</b>	1183216
<b>Governing document</b>	CIO - Association registered 1 May 2019
<b>Trustees</b>	Mr D Wood Mr J W Wright Mr P B Marshall
<b>Key management personnel</b>	David Edwards - Lead Pastor Faye Edwards - Associate Lead Pastor and Jesus Cares Project Co-ordinator
<b>Principal office</b>	Kings Church Administrative Office 71 Lower Dock Street Newport NP20 1EH
<b>Bankers</b>	Barclays Bank PLC 14 Commercial Street Newport NP20 1HE
<b>Auditors</b>	Azets Audit Services Ty Derw Lime Tree Court Cardiff Gate Business Park Cardiff CF23 8AB
<b>Solicitors</b>	Harding Evans Queens Chambers 2 North Street Newport NP20 1TE

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



Mr J W Wright - Trustee

Dated: 20/6/2023

# **KING'S CHURCH, NEWPORT**

## **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

### **FOR THE YEAR ENDED 31 DECEMBER 2022**

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The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that year.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

# KING'S CHURCH, NEWPORT

## INDEPENDENT AUDITOR'S REPORT

### TO THE TRUSTEES OF KING'S CHURCH, NEWPORT

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#### **Opinion**

We have audited the financial statements of King's Church, Newport (the 'charity') for the year ended 31 December 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 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 2022 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

#### **Basis for opinion**

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

#### **Conclusions relating to going concern**

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

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

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

#### **Other information**

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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

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

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

# KING'S CHURCH, NEWPORT

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE TRUSTEES OF KING'S CHURCH, NEWPORT

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#### **Responsibilities of trustees**

As explained more fully in the statement of trustees' responsibilities, the trustees 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 cease operations, or have no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 145 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

#### **Extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the entity through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

# KING'S CHURCH, NEWPORT

## INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF KING'S CHURCH, NEWPORT

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### Other matters

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

This has been done in order for the financial statements to provide a true and fair view in accordance with current Generally Accepted Accounting Practice.

### Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

*Azets Audit Services*

**Azets Audit Services**

*17 August 2023*

**Chartered Accountants  
Statutory Auditor**

Ty Derw  
Lime Tree Court  
Cardiff Gate Business Park  
Cardiff  
United Kingdom  
CF23 8AB

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

# KING'S CHURCH, NEWPORT

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2022

		Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
	Notes						
<b>Income and endowments from:</b>							
Donations and legacies	3	217,773	-	217,773	217,755	-	217,755
Charitable activities	4	6,348	341,184	347,532	494	185,455	185,949
Investments	5	493	-	493	580	-	580
Other income	6	17,533	-	17,533	-	-	-
<b>Total income</b>		<b>242,147</b>	<b>341,184</b>	<b>583,331</b>	<b>218,829</b>	<b>185,455</b>	<b>404,284</b>
<b>Expenditure on:</b>							
Charitable activities	7	196,395	162,945	359,340	173,075	166,093	339,168
<b>Net incoming resources before transfers</b>		<b>45,752</b>	<b>178,239</b>	<b>223,991</b>	<b>45,754</b>	<b>19,362</b>	<b>65,116</b>
Gross transfers between funds		31,750	(31,750)	-	30,000	(30,000)	-
<b>Net income for the year/ Net movement in funds</b>		<b>77,502</b>	<b>146,489</b>	<b>223,991</b>	<b>75,754</b>	<b>(10,638)</b>	<b>65,116</b>
Fund balances at 1 January 2022		1,053,301	263,732	1,317,033	977,547	274,370	1,251,917
<b>Fund balances at 31 December 2022</b>		<b>1,130,803</b>	<b>410,221</b>	<b>1,541,024</b>	<b>1,053,301</b>	<b>263,732</b>	<b>1,317,033</b>

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

All income and expenditure derive from continuing activities.

# KING'S CHURCH, NEWPORT

## BALANCE SHEET

AS AT 31 DECEMBER 2022

	Notes	2022		2021	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	11		999,710		1,015,328
<b>Current assets</b>					
Debtors	12	15,022		16,006	
Cash at bank and in hand		536,931		543,020	
		<u>551,953</u>		<u>559,026</u>	
<b>Creditors: amounts falling due within one year</b>	13	<u>(10,639)</u>		<u>(40,276)</u>	
Net current assets			<u>541,314</u>		<u>518,750</u>
<b>Total assets less current liabilities</b>			<u>1,541,024</u>		<u>1,534,078</u>
<b>Creditors: amounts falling due after more than one year</b>	14		-		(217,045)
<b>Net assets</b>			<u><u>1,541,024</u></u>		<u><u>1,317,033</u></u>
<b>Income funds</b>					
Restricted funds	17		410,221		263,732
<u>Unrestricted funds</u>					
Designated funds	18	1,029,035		952,581	
General unrestricted funds		<u>101,768</u>		<u>100,720</u>	
			<u>1,130,803</u>		<u>1,053,301</u>
			<u><u>1,541,024</u></u>		<u><u>1,317,033</u></u>

The financial statements were approved by the Trustees on 20/6/2023



Mr J W Wright - Trustee

# KING'S CHURCH, NEWPORT

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2022

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	Notes	2022 £	£	2021 £	£
<b>Cash flows from operating activities</b>					
Cash generated from operations	22		235,764		124,249
<b>Investing activities</b>					
Purchase of tangible fixed assets		(19,595)		(8,729)	
Proceeds on disposal of tangible fixed assets		20,100		-	
Investment income received		493		580	
		<u>          </u>		<u>          </u>	
<b>Net cash generated from/(used in) investing activities</b>			998		(8,149)
<b>Financing activities</b>					
Repayment of bank loans		(242,851)		(25,784)	
		<u>          </u>		<u>          </u>	
<b>Net cash used in financing activities</b>			(242,851)		(25,784)
<b>Net (decrease)/increase in cash and cash equivalents</b>			(6,089)		90,316
Cash and cash equivalents at beginning of year			543,020		452,704
			<u>          </u>		<u>          </u>
<b>Cash and cash equivalents at end of year</b>			<u>536,931</u>		<u>543,020</u>

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# KING'S CHURCH, NEWPORT

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

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### 1 Accounting policies

#### Charity information

King's Church, Newport is a charitable incorporated organisation, whose principal office is Kings Church Administrative Office, 71 Lower Dock Street, Newport, NP20 1EH.

#### 1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's [governing document], the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention modified to include the revaluation of freehold properties. The principal accounting policies adopted are set out below.

#### 1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

#### 1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Designated funds comprise funds which have been set aside at the discretion of the trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

#### 1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

# KING'S CHURCH, NEWPORT

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2022

---

#### 1 Accounting policies

(Continued)

Income from grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred. Capital grants are released to the Statement of Financial Activities in the year of receipt. Fixed assets relating to capital grants are capitalised, and depreciation charged is offset against the grant income, in a restricted fund.

Income from room hire and events is recognised in the period to which the service is provided and the event is held.

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales related taxes.

#### 1.5 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 classified under the following activity heading:

- Expenditure on charitable activities includes all costs relating to the furtherance of the charity's objectives as stated in the Trustees report

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Expenditure is allocated between direct charitable expenditure and support costs. This is shown in notes 7 and 8 of the financial statements. The trustees have exercised their judgement in the apportionment of some categories of expenditure between these two major headings. Support costs have been allocated between governance and other support costs. Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice.

#### 1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

In accordance with transitional arrangements of FRS 102, the charity have elected to use fair value as deemed cost of freehold properties on the date of transition to FRS 102.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	2% Straight line
Fixtures and fittings	20% Straight line & 25% Straight line
Motor vehicles	25% Straight line

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

Assets with a value below £1,000 have not been capitalised.

# KING'S CHURCH, NEWPORT

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2022

---

#### 1 Accounting policies

(Continued)

##### 1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

##### 1.8 Stocks

Donated goods and gifts of food are included at a value equivalent to the fair value at the date of donation, other than where it is not practical to calculate a reliable fair value on receipt of goods. As the goods are held for free distribution the values have been written down to a nil realisable value in the financial statements.

##### 1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

##### 1.10 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### **Derecognition of financial assets**

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the charity transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

##### **Basic financial liabilities**

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless *the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest*. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at *transaction price and subsequently measured at amortised cost using the effective interest method*.

# KING'S CHURCH, NEWPORT

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2022

#### 1 Accounting policies

(Continued)

##### **Derecognition of financial liabilities**

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

##### 1.11 Taxation

The charity is exempt from corporation tax on its charitable activities.

##### 1.12 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

##### 1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

#### 2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The charity does not have any key or significant accounting estimates.

#### 3 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Donations and gifts	217,773	217,755
	<u>          </u>	<u>          </u>
<b>Donations and gifts</b>		
Tithes and offerings	187,547	183,024
Gift aid	30,136	34,112
Donations	90	619
	<u>          </u>	<u>          </u>
	217,773	217,755
	<u>          </u>	<u>          </u>

# KING'S CHURCH, NEWPORT

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

<b>3</b>	<b>Donations and legacies</b>	<b>(Continued)</b>	
<b>4</b>	<b>Charitable activities</b>		
		<b>2022</b>	<b>2021</b>
		<b>£</b>	<b>£</b>
	Grants	341,184	185,455
	Events	6,348	494
		<u>347,532</u>	<u>185,949</u>
	Analysis by fund		
	Unrestricted funds	6,348	494
	Restricted funds	341,184	185,455
		<u>347,532</u>	<u>185,949</u>
	<b>Grants</b>		
	Coronavirus Job Retention Scheme	-	25,176
	Big Lottery Fund	141,184	160,279
	Moondance	200,000	-
		<u>341,184</u>	<u>185,455</u>
<b>5</b>	<b>Investments</b>		
		<b>Unrestricted funds</b>	<b>Unrestricted funds</b>
		<b>2022</b>	<b>2021</b>
		<b>£</b>	<b>£</b>
	Interest receivable	493	580
		<u>493</u>	<u>580</u>
<b>6</b>	<b>Other income</b>		
		<b>Unrestricted funds</b>	<b>Total</b>
		<b>2022</b>	<b>2021</b>
		<b>£</b>	<b>£</b>
	Net gain on disposal of tangible fixed assets	17,533	-
		<u>17,533</u>	<u>-</u>

# KING'S CHURCH, NEWPORT

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

### 7 Charitable activities

	2022 £	2021 £
Staff costs	122,213	120,749
Depreciation and impairment	32,645	33,460
Jesus Cares Project	62,520	57,555
Mission donations	1,800	5,400
Event costs	23,313	21,994
Premises costs	62,408	46,257
Administration costs	7,139	7,350
	<u>312,038</u>	<u>292,765</u>
Share of support costs (see note 8)	41,434	40,169
Share of governance costs (see note 8)	5,868	6,234
	<u>359,340</u>	<u>339,168</u>
<b>Analysis by fund</b>		
Unrestricted funds	196,395	173,075
Restricted funds	162,945	166,093
	<u>359,340</u>	<u>339,168</u>

### 8 Support costs

	Support costs £	Governance costs £	2022 Support costs		Governance costs £	2021 £
	£	£	£	£	£	£
Staff costs	30,553	-	30,553	30,187	-	30,187
Bank & loan interest	10,317	-	10,317	9,246	-	9,246
Bank charges	564	-	564	736	-	736
Audit fees	-	5,868	5,868	-	6,234	6,234
	<u>41,434</u>	<u>5,868</u>	<u>47,302</u>	<u>40,169</u>	<u>6,234</u>	<u>46,403</u>
Analysed between Charitable activities	<u>41,434</u>	<u>5,868</u>	<u>47,302</u>	<u>40,169</u>	<u>6,234</u>	<u>46,403</u>

Governance costs includes payments to the auditors of £4,698 for audit fees and £1,170 for accountancy and taxation services (2021: £5,064 for audit fees and £1,170 for accountancy and taxation services).

# KING'S CHURCH, NEWPORT

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

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### 9 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the current or prior year.

No trustees were reimbursed for expenses in the current or prior year.

During the year 3 trustees made donations totalling £4,680 (2021: 3 trustees donated £4,680).

### 10 Employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
	5	6
	<u>5</u>	<u>6</u>
<b>Employment costs</b>	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Wages and salaries	133,900	133,816
Social security costs	7,859	11,644
Other pension costs	11,007	5,476
	<u>152,766</u>	<u>150,936</u>

# KING'S CHURCH, NEWPORT

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2022

#### 10 Employees

(Continued)

##### Key management personnel

The key management personnel as detailed in the trustees report received benefits (including gross salary, employers national insurance and employers pension contributions) totalling £97,371 (2021: £95,488 ).

There were no employees whose annual remuneration was £60,000 or more in the current or prior year.

#### 11 Tangible fixed assets

	Freehold land and buildings	Fixtures and fittings	Motor vehicles	Total
	£	£	£	£
<b>Cost or valuation</b>				
At 1 January 2022	1,043,136	25,044	12,724	1,080,904
Additions	-	-	19,595	19,595
Disposals	-	-	(12,724)	(12,724)
At 31 December 2022	1,043,136	25,044	19,595	1,087,775
<b>Depreciation and impairment</b>				
At 1 January 2022	48,536	9,005	8,036	65,577
Depreciation charged in the year	24,395	4,905	3,345	32,645
Eliminated in respect of disposals	-	-	(10,157)	(10,157)
At 31 December 2022	72,931	13,910	1,224	88,065
<b>Carrying amount</b>				
At 31 December 2022	970,205	11,134	18,371	999,710
At 31 December 2021	994,600	16,040	4,688	1,015,328

Land buildings were revalued at 30 June 2012 by the Bryan Long Partnership who are independent valuers not connected with the charity on the basis of market value. The valuation conforms to International Valuation Standards and was based on recent market transactions on arm's length terms for similar properties.

The valuation was deemed by the Trustees as still being reasonable at transition to FRS102 on 1 January 2015 and was used as deemed cost on transition.

In the prior year freehold land and buildings were pledged to secure borrowings of the charity. During the year ended 31 December 2022 the borrowings were repaid in full.

# KING'S CHURCH, NEWPORT

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

12 Debtors		2022	2021
Amounts falling due within one year:		£	£
Other debtors		8,860	9,845
Prepayments and accrued income		6,162	6,161
		<u>15,022</u>	<u>16,006</u>
13 Creditors: amounts falling due within one year		2022	2021
	Notes	£	£
Bank loans	15	-	25,806
Trade creditors		539	2,873
Accruals and deferred income		10,100	11,597
		<u>10,639</u>	<u>40,276</u>
14 Creditors: amounts falling due after more than one year		2022	2021
	Notes	£	£
Bank loans	15	-	217,045
15 Loans and overdrafts		2022	2021
		£	£
Bank loans		-	242,851
Payable within one year		-	25,806
Payable after one year		-	217,045
16 Retirement benefit schemes			

### Defined contribution schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £11,007 (2021: £5,476). The amount outstanding at the current and prior year end was £nil.

# KING'S CHURCH, NEWPORT

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

### 17 Restricted funds

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

	Balance at 1 January 2021		Movement in funds		Transfers		Balance at 1 January 2022		Movement in funds		Transfers		Balance at 31 December 2022	
	£	£	Incoming resources	Resources expended	£	£	£	£	Incoming resources	Resources expended	£	£	£	£
Big Lottery Fund	32,131		160,279	(131,005)	(30,000)	31,405	141,184	(123,090)	(30,000)	19,499				
Awards for All Wales	15,417		-	(2,920)	-	12,497	-	(1,003)	-	11,494				
Moondance	-		-	-	-	-	200,000	(33,360)	-	166,640				
Newport City Council - Property	223,572		-	(5,492)	-	218,080	-	(5,492)	-	212,588				
Newport City Council - Minibus	3,250		-	(1,500)	-	1,750	-	-	(1,750)	-				
Coronavirus Job Retention Scheme	-		25,176	(25,176)	-	-	-	-	-	-				
	274,370		185,455	(166,093)	(30,000)	263,732	341,184	(162,945)	(31,750)	410,221				

**Big Lottery Fund** - The restricted fund represents monies received for the charity to help fund its Jesus Cares Project.

**Moondance** - The restricted fund represents monies received for the charity to help fund its Jesus Cares Project.

**Big Lottery Fund** - In accordance with the terms and conditions of the grant, each year £30k is transferred from restricted funds to unrestricted funds to cover overhead costs.

**Newport City Property** - The restricted fund represents monies received for the charity to purchase the property at Lower Dock Street.

**Newport City Council Minibus** - Each year the depreciation is transferred from restricted funds to unrestricted funds.

**Coronavirus Job Retention Scheme** - The restricted fund represents funding received through the Job Retention Scheme to help support the charity during the Covid-19 pandemic.

**Transfers** - Transfers from restricted funds to unrestricted funds are for support from project towards overheads in line with grant agreements.

**KING'S CHURCH, NEWPORT**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

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17 Restricted funds

(Continued)

# KING'S CHURCH, NEWPORT

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2022

#### 18 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Balance at 1 January 2021	Resources expended	Transfers	Balance at 1 January 2022	Resources expended	Transfers	Balance at 31 December 2022
	£	£	£	£	£	£	£
Fixed asset fund	807,820	(23,968)	8,729	792,581	(23,546)	-	769,035
Project fund	-	-	100,000	100,000	-	-	100,000
Facilities fund	-	-	60,000	60,000	-	100,000	160,000
	<u>807,820</u>	<u>(23,968)</u>	<u>168,729</u>	<u>952,581</u>	<u>(23,546)</u>	<u>100,000</u>	<u>1,029,035</u>

#### Fixed asset fund

This fund represents the net book value of the charity's unrestricted fixed assets.

#### Project fund

This fund represents funds designated for new projects and the sustainment of existing church activities.

#### Facilities fund

This fund represents funds designated for the maintenance/improvement and long term sustainment of church properties.



# KING'S CHURCH, NEWPORT

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2022

#### 20 Related party transactions

There were no related party transactions to note for the current or prior year.

#### 21 Donated goods for distribution

The charity receives donated food and goods from various sources all of which are distributed to its beneficiaries for a nil consideration.

22 Cash generated from operations	2022 £	2021 £
Surplus for the year	223,991	65,116
Adjustments for:		
Investment income recognised in statement of financial activities	(493)	(580)
Gain on disposal of tangible fixed assets	(17,533)	-
Depreciation and impairment of tangible fixed assets	32,643	33,460
Movements in working capital:		
Decrease in debtors	987	20,499
(Decrease)/increase in creditors	(3,831)	5,754
<b>Cash generated from operations</b>	<b>235,764</b>	<b>124,249</b>

#### 23 Analysis of changes in net funds

	At 1 January 2022 £	Cash flows £	At 31 December 2022 £
Cash at bank and in hand	543,020	(6,089)	536,931
Loans falling due within one year	(25,806)	25,806	-
Loans falling due after more than one year	(217,045)	217,045	-
	<u>300,169</u>	<u>236,762</u>	<u>536,931</u>

**KING'S CHURCH, NEWPORT**

England & Wales - Charity number 1183216

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# Accounts

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**Charity Registration No. 1183216**

**KING'S CHURCH, NEWPORT**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

# KING'S CHURCH, NEWPORT

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# KING'S CHURCH, NEWPORT

## TRUSTEES' REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2021

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

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

#### Objectives and activities

##### General

The King's Church is based in Newport, South Wales and focuses its attention in presenting the Christian message and empowering people to reach their God-given potential, in addition to trying to help meet the practical needs of the communities that constitute the city of Newport.

##### Principle Activities

The charity's main activities can be summarised as follows:

- To share the gospel and teachings of Jesus Christ through all our Church services and meetings
- To provide guidance, care and support to those within the Church
- To impact the city and beyond with outreach projects and programmes

The vision of our Church is to:

- *Reach*  
Towards one another through fellowship  
The world in which we live with the Gospel
- *Renew*  
As followers of Jesus, we are committed to live in the new life He has promised us through His Word
- *Release*  
Using our lives to be servant hearted

The Church very much remains completely focussed through its principle activities to continue in its objectives to further the Christian Church in all of its activities and services.

##### Public Benefit

The King's Church was established as a CIO in May 2019, after operating as a registered charity (of the same name) since 1999. The Object of the Church is, for the public benefit, to advance the Christian religion in the UK and such parts of the world as the Charity Trustees may think fit, including by but not limited to, the enrichment of lives through support, training, care and guidance in line with the teachings of the Christian Bible.

##### How do activities contribute to the achievement of its stated aims and objectives?

Spreading the gospel and following the teachings of Jesus is at the heart of all activities, aims and objectives of King's Church. Strategically, any development of a new activity or review of an existing activity which has that core purpose will be in line with the charity's aims and objectives.

##### How will achievement of aims further its legal purpose?

King's Church's charitable aim is to reach others with the Gospel of Jesus. The Church makes a clear statement that it believes the Bible cover-to-cover. The achievement of its aims through the programme of activities ensures that anyone who encounters the work of the charity understands the sole purpose is to advance the gospel.

# KING'S CHURCH, NEWPORT

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 DECEMBER 2021**

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### **Achievements and performance**

#### **Achievements & Performance**

Once again in 2021, COVID-19 and government restrictions put in place to help keep people safe has continued to impact all areas of church life (services, provisions and midweek activities). We have therefore continued to adapt many of our working practices throughout the year in line with the most up to date government guidelines.

Whilst we have not been able to operate as normal, we have been so encouraged to see the church continue to lean in to the Word of God, by attending Sunday Services or watching the service online, and throughout the second half year, as restrictions eased, it was wonderful to see more people attending in person services and provisions.

#### **Ministry Update**

In line with the vision of our Church, the following took place:

#### **Reach**

##### *The Great Commandment*

**Care & Support** – Throughout the year, in the midst of ongoing COVID-19 restrictions, we have continued to offer care and support to our congregation members; prioritising face to face Sunday services as a means of care, support and instruction. For those not able to attend we have live streamed our services and made all teaching available online. Our Connect Groups, which have predominantly met online during 2021, have been a great source of care and support for those who wish to take part. In addition, we have continued to maintain telephone/written contact with church members who have not been able to return to services at this time.

For those who are new to church, we have kept regular contact and been able to invite them to get involved serving within Jesus Cares, and teams (as restrictions began to ease) and being a part of connect groups. In October we hosted a New to Church Lunch for those who have joined which was well attended by 67 newcomers and provided a further opportunity for us to let people know more about the church and how to get connected.

In addition, hospital visitations, individual pastoral sessions, as well as pre-marriage counselling have taken place on a regular basis.

**Connect Groups** – Connect groups normally form an integral part of reaching towards one another. Throughout the year with restrictions not enabling to meet in people's homes, we have continued to have groups meet online through Zoom and other online platforms using Sunday study notes to form the basis of discussion and encouragement during the calls. Throughout 2021, 138 adults and 12 children took part in online meetings that were hosted by 17 different groups. At the beginning of 2021 whilst national lockdown was in place, we saw between 70-93 people attending our bi-weekly online groups. As restrictions eased and people were able to meet together in person this figure began to decrease and by the end of the year in any given period, 45-58 people were meeting online every fortnight.

##### *The Great Commission*

**Outreach** – Each week a team of dedicated volunteers went onto the streets in various locations across Newport and Pontypool to share with people about Jesus and hand out bibles. We've received some great testimonies of how Jesus has changed lives and met the needs of those people we have come into contact with.

**Prison Ministry** – Sadly, prisons have remained closed to visitors at this time due to COVID-19, therefore we have not been able to reach out and conduct services as normal.

**Jesus Cares** – Jesus Cares has continued to play a vital role in helping to provide practical relief and support to those living in poverty and deprivation across South Wales. Throughout the course of the year, we delivered food and other essential provisions to a network of over 99 organisations. Jesus Cares continued to provide meaningful involvement opportunities for members of the community who wanted to help make a difference in the lives of others.

# KING'S CHURCH, NEWPORT

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2021

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Our volunteers have continued to work well within new working practices and regulations in the light of the COVID pandemic and all reasonable measures have been taken to ensure that we continue to work safely.

This year we have provided volunteer opportunities for people from Probation Services, GAVO, Newport Council, in addition to members of the public. In 2021, we oversaw 108 volunteers (60 of which were new volunteers to Jesus Cares) who contributed over 13,829 volunteer hours.

In 2021 Jesus Cares distributed:

- 30,190 Food hampers
- 30,596 Nappies
- 18,346 Hygiene & sanitary products
- 887 Baby & children's clothing pods
- 187 Soft furnishings
- 579 Christmas presents

**Community Minibus** - Due to COVID-19 we have not been able to run our bus to help people on a Sunday or Youth on a Friday

**Ministry Support** – This year, we continued to provide support to ministries for the relief of poverty and preaching of the Gospel both in the UK and overseas.

- His Church Charity (working in refugee camps in Syria)
- Good News UK (distributing Bibles in our local area)
- Samaritans Purse UK (Operation Christmas Child – sending of Christmas gifts for children overseas. We also became a local drop off zone during their national collection week, and were involved in the collection of gifts from Southeast Wales to take to their distribution centre in Cardiff)

#### **Renew**

##### **Sunday and Midweek Services –**

Sunday services and midweek services provide a focal point for teaching our congregation. Throughout the year we have had the privilege of welcoming 424 adults and 136 children and young people to our Sunday Services. During this time, we had 111 adult visitors attend services for which 45 are still actively attending on Sundays.

From January to August, due to strict guidelines in place we continued to run two morning services each Sunday at 9:30am and 11:30am to ensure that there was sufficient capacity for people to attend services. During this time, we saw on average 175 people attend in person services each Sunday.

In August as restrictions began to ease, we were able to move back to one service at 10:30am on a Sunday, and we saw more people returning to in person services. During this time our average attendance on a Sunday began to build with an average of 219 people attending each Sunday service.

Throughout the year we have continued live streaming services via YouTube, enabling people to enjoy services as they happen, and we also offer a catch up on demand service via Facebook and YouTube with links being sent to our congregation each week. On average we are seeing 142 people watching our services via YouTube and 68 people watching via Facebook each week.

**Children's & Youth Provisions** – For the first half of the year we were not able to provide any children's or youth provisions for our family in order to comply with government guidelines. As restrictions eased, in June we were able to reopen our kid's provision during Sunday services for children from age 1 to 10. These have operated on a smaller scale and were adapted in order to follow government guidelines. During this time, we have had 81 children attend either our crèche/kids services with an average attendance of 27 children each week in those groups.

# KING'S CHURCH, NEWPORT

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 DECEMBER 2021**

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In September we started meeting with our youth (Year 6-13) on a Friday and on Sundays twice a month. A total of 83 young people have engaged in our youth provisions since September, with an average attendance of 30 on a Friday and 22 on a Sunday.

**Men & Women** – Due to government restrictions we were not able to meet for most of the year, however, when restrictions relaxed we were able to host a Sisterhood evening in October attended by 35 women, and also a Men's Night in November attended by 48 men.

**Alpha** – We ran an online Alpha group from February to May and saw a number of new believers join the group in addition to those who wanted to find out more about faith.

**Encounter Israel** – starting in September we held a bimonthly meeting for our congregation teaching on the significance of Israel. These nights were well attended by 48 and 34 people respectively.

**Prayer** – Throughout the year, we have had teams of people praying for: the needs of our church congregation and others throughout the week, praying specifically for Israel, and meeting to pray before Sunday services.

### **Release**

**Volunteers** – We had 123 people from our church congregation this year involved in serving within teams that meet the needs of people from all ages and stages of life from both within our church and also reach out to help our community practically.

# KING'S CHURCH, NEWPORT

## TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

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### Financial review

The results of the charity can be seen below:

	Unrestricted	Restricted	Total 2021
Income	£218,829	£185,455	£404,284
Expenditure	(£173,075)	(£166,093)	(£339,168)
Transfers	£30,000	(£30,000)	-
<b>Actual operational results</b>	<b>£75,754</b>	<b>(£10,638)</b>	<b>£65,116</b>

### Reserves policy

It is the policy of the charity to maintain unrestricted funds to cover 6 months management and administration costs and to respond to applications for donations which arise from time to time.

Reserve levels will be monitored monthly throughout the year. In this way the management team will be aware of the buildup of excess reserves or of reserves being unexpectedly or rapidly depleted. If the charity has excess reserves, the trustees will ensure that they do not misrepresent the urgency or need for funds.

Unrestricted reserves at year end were £1,053,301 (2020: £977,547). The charity's free reserves available at the year end totaled £100,720 (2020: £169,727). The trustees are aware that the free reserves of the charity do not currently meet its reserves policy but has put plans in place to try and build the free reserves of the charity going forward. Over the last few years, significant progress has been made towards this with cash at bank balances increasing year on year, demonstrating an ongoing trend of improvement in position. This reflects both the trustees and the management teams hard work in reducing outgoings and making savings where possible.

A full review of outgoings has been undertaken and it is recognised that savings will be made when renewing utilities contracts, insurance contracts and seeking alternate printing sources. At that time, surplus funds will be transferred to a longer-term Savings account in accordance with the policy.

### Principal funding sources

The charity's principal funding sources are tithes and offerings and gift aid.

### Investment policy

Under the trust deed the charity has the power to make any investment which the trustees see fit.

### Risk management

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

The key risks identified by the charity during the year were:

- Dependency on income sources - the charity mitigates against this risk by where possible trying to reduce overhead by ensuring value for money on all supplier contracts is undertaken.
- Loss of key staff - the charity mitigates against this risk by succession planning, implementing training programmes and reviewing and revising recruitment processes where required.
- Information Technology failures and inadequacies- the charity mitigates against this risk by ensuring an IT recovery plan is in place, regular data back ups and ensuring the charity has adequate security measures in place.

### Plans for future periods

Looking to the future, King's Church plans to continue activities that help us achieve our charitable objectives. We look forward to seeing COVID-19 restrictions ease further over 2022.

# KING'S CHURCH, NEWPORT

## TRUSTEES' REPORT (CONTINUED)

*FOR THE YEAR ENDED 31 DECEMBER 2021*

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

#### **Constitution and objects**

The charity is constituted under a CIO association registered 1 May 2019 and is a charitable incorporated organisation, charity number 1183216.

#### **Organisation**

At the end of the year the charity has three trustees who are responsible to manage the affairs of the Church.

The responsibility of running and operating the charity on a day to day basis is delegated to an administration team who work from the premises in 71 Lower Dock Street, Newport overseen by Pastor David & Faye Edwards.

#### **Delegation of duties**

The trustees have the responsibility to make decisions affecting the charity's submission of major grant applications, major building works and purchases of capital assets and are consulted when changes in personnel occur. Small grants applications are approved by the Management Team and all general purchases are authorised by the Lead Pastors.

To be appointed as a Charity Trustee a person must, in the opinion of the Lead Pastor:

- i. be interested in furthering the Object;
- ii. subscribe to the Statement of Faith and demonstrate their adherence by their life style;
- iii. be an active and participating member of the congregation of the Church;
- iv. give regular financial donations to the work of the Church; and
- v. be committed to embodying the character traits described in 1 Timothy 3:1-7 to the best of their ability.

In selecting individuals for appointment as a Charity Trustee regard must be had to the skills, knowledge and experience needed for the effective administration of the Church.

In order for decisions to be made there needs to be a minimum of three trustees in place. When a trustee resigns, the lead pastor appoints a replacement before any other matters are considered. A new lead pastor is appointed by the existing lead pastor, contingent to the regulations set out in the governing document.

New Trustees meet individually with Pastor David Edwards giving opportunity for a lengthy discussion regarding the charity, its operations and future plans. Arrangements are then made for the trustee details and signature to be passed to the relevant bodies for inclusion in charity documents.

#### **Remuneration policy**

The charity undertake pay reviews annually with the following considered when setting the salary of its key management personnel:

- Financial health of Church
- Compare wages against cost of living: Inflation as measured by the Retail Price Index (RPI), Consumer Price Index (CPI)
- Compare wages against average earnings for similar role in other organisations
- Employees experience / length of service
- Increase in role responsibilities
- Employees remuneration package

# KING'S CHURCH, NEWPORT

## TRUSTEES' REPORT (CONTINUED)

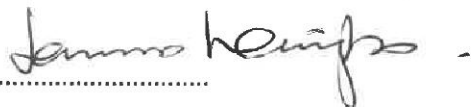
FOR THE YEAR ENDED 31 DECEMBER 2021

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### Reference and administrative details

<b>Charity number</b>	1183216
<b>Governing document</b>	CIO - Association registered 1 May 2019
<b>Trustees</b>	Mr D Wood Mr J W Wright Mr P B Marshall
<b>Key management personnel</b>	David Edwards - Lead Pastor Faye Edwards - Associate Lead Pastor and Jesus Cares Project Co-ordinator
<b>Principal office</b>	Kings Church Administrative Office 71 Lower Dock Street Newport NP20 1EH
<b>Bankers</b>	Barclays Bank PLC 14 Commercial Street Newport NP20 1HE
<b>Auditors</b>	Azets Audit Services Ty Derw Lime Tree Court Cardiff Gate Business Park Cardiff CF23 8AB
<b>Solicitors</b>	Harding Evans Queens Chambers 2 North Street Newport NP20 1TE

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

  
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**Mr J W Wright - Trustee**

Dated: .....3/4/22

# **KING'S CHURCH, NEWPORT**

## **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

***FOR THE YEAR ENDED 31 DECEMBER 2021***

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The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that year.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

# KING'S CHURCH, NEWPORT

## INDEPENDENT AUDITOR'S REPORT

### TO THE TRUSTEES OF KING'S CHURCH, NEWPORT

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#### **Opinion**

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

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2021 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

#### **Basis for opinion**

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

#### **Conclusions relating to going concern**

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

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

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

#### **Other information**

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

# KING'S CHURCH, NEWPORT

## INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF KING'S CHURCH, NEWPORT

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

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

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

### **Responsibilities of trustees**

As explained more fully in the statement of trustees' responsibilities, the trustees 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 cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 145 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

# KING'S CHURCH, NEWPORT

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE TRUSTEES OF KING'S CHURCH, NEWPORT

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#### **Extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the entity through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

#### **Other matters**

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

This has been done in order for the financial statements to provide a true and fair view in accordance with current Generally Accepted Accounting Practice.

# KING'S CHURCH, NEWPORT

## INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF KING'S CHURCH, NEWPORT

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### Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



**Azets Audit Services**

7-4-2012

**Chartered Accountants  
Statutory Auditor**

Ty Derw  
Lime Tree Court  
Cardiff Gate Business Park  
Cardiff  
United Kingdom  
CF23 8AB

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

# KING'S CHURCH, NEWPORT

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
<b>Income from:</b>							
Donations and legacies	3	217,755	-	217,755	1,079,095	250,034	1,329,129
Charitable activities	4	494	185,455	185,949	2,500	270,973	273,473
Other trading activities	5	-	-	-	4,922	-	4,922
Investments	6	580	-	580	421	-	421
<b>Total income</b>		<b>218,829</b>	<b>185,455</b>	<b>404,284</b>	<b>1,086,938</b>	<b>521,007</b>	<b>1,607,945</b>
<b>Expenditure on:</b>							
Charitable activities	7	173,075	166,093	339,168	139,391	216,637	356,028
<b>Net incoming resources before transfers</b>		<b>45,754</b>	<b>19,362</b>	<b>65,116</b>	<b>947,547</b>	<b>304,370</b>	<b>1,251,917</b>
Gross transfers between funds		30,000	(30,000)	-	30,000	(30,000)	-
<b>Net income/(expenditure) for the year/ Net movement in funds</b>		<b>75,754</b>	<b>(10,638)</b>	<b>65,116</b>	<b>977,547</b>	<b>274,370</b>	<b>1,251,917</b>
Fund balances at 1 January 2021		977,547	274,370	1,251,917	-	-	-
<b>Fund balances at 31 December 2021</b>		<b>1,053,301</b>	<b>263,732</b>	<b>1,317,033</b>	<b>977,547</b>	<b>274,370</b>	<b>1,251,917</b>

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

All income and expenditure derive from continuing activities.

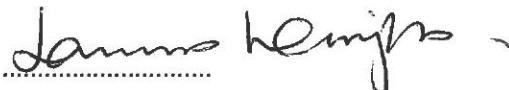
# KING'S CHURCH, NEWPORT

## BALANCE SHEET

AS AT 31 DECEMBER 2021

	Notes	2021		2020	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	11		1,015,328		1,040,059
<b>Current assets</b>					
Debtors	12	16,006		36,505	
Cash at bank and in hand		543,020		452,704	
		<u>559,026</u>		<u>489,209</u>	
<b>Creditors: amounts falling due within one year</b>	14	(40,276)		(33,076)	
Net current assets			518,750		456,133
<b>Total assets less current liabilities</b>			<u>1,534,078</u>		<u>1,496,192</u>
<b>Creditors: amounts falling due after more than one year</b>	15		(217,045)		(244,275)
<b>Net assets</b>			<u>1,317,033</u>		<u>1,251,917</u>
<b>Income funds</b>					
Restricted funds	17		263,732		274,370
<u>Unrestricted funds</u>					
Designated funds	18	952,581		807,820	
General unrestricted funds		100,720		169,727	
		<u>1,053,301</u>		<u>977,547</u>	
		<u>1,317,033</u>		<u>1,251,917</u>	

The financial statements were approved by the Trustees on 3/4/22



Mr J W Wright - Trustee

# KING'S CHURCH, NEWPORT

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

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### 1 Accounting policies

#### Charity information

King's Church, Newport is a charitable incorporated organisation, whose principal office is Kings Church Administrative Office, 71 Lower Dock Street, Newport, NP20 1EH.

#### 1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention modified to include the revaluation of freehold properties. The principal accounting policies adopted are set out below.

#### 1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

#### 1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Designated funds comprise funds which have been set aside at the discretion of the trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

#### 1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

# KING'S CHURCH, NEWPORT

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2021

---

#### 1 Accounting policies

(Continued)

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Income from grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred. Capital grants are released to the Statement of Financial Activities in the year of receipt. Fixed assets relating to capital grants are capitalised, and depreciation charged is offset against the grant income, in a restricted fund.

Income from room hire and events is recognised in the period to which the service is provided and the event is held.

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales related taxes.

#### 1.5 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 classified under the following activity heading:

- Expenditure on charitable activities includes all costs relating to the furtherance of the charity's objectives as stated in the Trustees report

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Expenditure is allocated between direct charitable expenditure and support costs. This is shown in notes 7 and 8 of the financial statements. The trustees have exercised their judgement in the apportionment of some categories of expenditure between these two major headings. Support costs have been allocated between governance and other support costs. Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice.

#### 1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	2% Straight line
Fixtures and fittings	20% Straight line & 25% Straight line
Motor vehicles	25% Straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

Assets with a value below £1,000 have not been capitalised.

# KING'S CHURCH, NEWPORT

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

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### 1 Accounting policies

(Continued)

#### 1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

#### 1.8 Stocks

Donated goods and gifts of food are included at a value equivalent to the fair value at the date of donation, other than where it is not practical to calculate a reliable fair value on receipt of goods. As the goods are held for free distribution the values have been written down to a nil realisable value in the financial statements.

#### 1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.10 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### **Derecognition of financial assets**

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the charity transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

# KING'S CHURCH, NEWPORT

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

---

### 1 Accounting policies

(Continued)

#### **Basic financial liabilities**

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### **Derecognition of financial liabilities**

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

#### 1.11 Taxation

The charity is exempt from corporation tax on its charitable activities.

#### 1.12 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### 1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

### 2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The charity does not have any key or significant accounting estimates.

# KING'S CHURCH, NEWPORT

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

### 3 Donations and legacies

	Unrestricted funds	Unrestricted funds	Restricted funds	Total
	2021	2020	2020	2020
	£	£	£	£
Donations and gifts	217,755	1,079,095	250,034	1,329,129
<b>Donations and gifts</b>				
Tithes and offerings	183,024	179,965	-	179,965
Gift aid	34,112	31,525	-	31,525
Donations	619	5,302	-	5,302
Legacy	-	15,000	-	15,000
Transfer from unincorporated charity to CIO	-	847,303	250,034	1,097,337
	217,755	1,079,095	250,034	1,329,129

The net assets from The Kings Church Newport South Wales (charity number 519494) were transferred to the charitable incorporated organisation on 1st January 2020.

The net assets consisted of unrestricted net assets of £847,303 and restricted net assets of £250,034.

# KING'S CHURCH, NEWPORT

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

### 4 Charitable activities

	2021 £	2020 £
Grants	185,455	270,973
Events	494	2,244
Other income	-	256
	<u>185,949</u>	<u>273,473</u>

#### Analysis by fund

Unrestricted funds	494	2,500
Restricted funds	185,455	270,973
	<u>185,949</u>	<u>273,473</u>

#### Grants

Coronavirus Job Retention Scheme	25,176	47,301
Big Lottery Fund	160,279	208,672
Awards For All Wales	-	10,000
Newport City Council	-	5,000
	<u>185,455</u>	<u>270,973</u>

### 5 Other trading activities

	Total	Unrestricted funds
	2021 £	2020 £
Bookshop income	-	22
Rental income	-	4,900
	<u>-</u>	<u>4,922</u>
Other trading activities	-	4,922
	<u>-</u>	<u>4,922</u>

# KING'S CHURCH, NEWPORT

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

### 6 Investments

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Interest receivable	580	421

### 7 Charitable activities

	2021	2020
	£	£
Staff costs	120,749	122,212
Depreciation and impairment	33,460	32,117
Jesus Cares Project	57,555	90,339
Mission donations	5,400	5,100
Event costs	21,994	22,300
Premises costs	46,257	27,777
Administration costs	7,350	7,914
Advertising	-	112
	<u>292,765</u>	<u>307,871</u>
Share of support costs (see note 8)	40,169	42,457
Share of governance costs (see note 8)	6,234	5,700
	<u>339,168</u>	<u>356,028</u>
<b>Analysis by fund</b>		
Unrestricted funds	173,075	139,391
Restricted funds	166,093	216,637
	<u>339,168</u>	<u>356,028</u>

# KING'S CHURCH, NEWPORT

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

### 8 Support costs

	Support costs	Governance costs	2021	Support costs	Governance costs	2020
	£	£	£	£	£	£
Staff costs	30,187	-	30,187	30,553	-	30,553
Bank & loan interest	9,246	-	9,246	10,628	-	10,628
Bank charges	736	-	736	1,276	-	1,276
Audit fees	-	6,234	6,234	-	5,700	5,700
	<u>40,169</u>	<u>6,234</u>	<u>46,403</u>	<u>42,457</u>	<u>5,700</u>	<u>48,157</u>
Analysed between Charitable activities	<u>40,169</u>	<u>6,234</u>	<u>46,403</u>	<u>42,457</u>	<u>5,700</u>	<u>48,157</u>

Governance costs includes payments to the auditors of £5,064 for audit fees and £1,170 for accountancy and taxation services (2020: £4,950 for audit fees and £750 for accountancy services).

### 9 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the current or prior year.

No trustees were reimbursed for expenses in the current or prior year.

During the year 3 trustees made donations totalling £4,680 (2020: 3 trustees donated £5,780).

### 10 Employees

The average monthly number of employees during the year was:

	2021	2020
	Number	Number
	<u>6</u>	<u>6</u>
<b>Employment costs</b>	<b>2021</b>	<b>2020</b>
	£	£
Wages and salaries	133,816	141,771
Social security costs	11,644	8,003
Other pension costs	5,476	2,991
	<u>150,936</u>	<u>152,765</u>

# KING'S CHURCH, NEWPORT

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

### 10 Employees

(Continued)

#### Key management personnel

The key management personnel as detailed in the trustees report received benefits (including gross salary, employers national insurance and employers pension contributions) totalling £95,488 (2020: £100,755 ).

There were no employees whose annual remuneration was £60,000 or more in the current or prior year.

### 11 Tangible fixed assets

	Freehold land and buildings	Fixtures and fittings	Motor vehicles	Total
	£	£	£	£
<b>Cost or valuation</b>				
At 1 January 2021	1,035,936	23,516	12,724	1,072,176
Additions	7,200	1,529	-	8,729
At 31 December 2021	1,043,136	25,045	12,724	1,080,905
<b>Depreciation and impairment</b>				
At 1 January 2021	24,251	3,848	4,018	32,117
Depreciation charged in the year	24,285	5,157	4,018	33,460
At 31 December 2021	48,536	9,005	8,036	65,577
<b>Carrying amount</b>				
At 31 December 2021	994,600	16,040	4,688	1,015,328
At 31 December 2020	1,011,685	19,668	8,706	1,040,059

Land buildings were revalued at 30th June 2012 by the Bryan Long Partnership who are independent valuers not connected with the charity on the basis of market value. The valuation conforms to International Valuation Standards and was based on recent market transactions on arm's length terms for similar properties.

At 31 December 2021, had the revalued assets been carried at historic cost less accumulated depreciation and accumulated impairment losses, their carrying amount would have been approximately £1,295,028.

Freehold land and buildings with a carrying amount of £994,600 have been pledged to secure borrowings of the charity. The charity is not allowed to pledge these assets as security for other borrowings or to sell them to another entity.

# KING'S CHURCH, NEWPORT

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

### 12 Debtors

	2021 £	2020 £
<b>Amounts falling due within one year:</b>		
Trade debtors	-	225
Other debtors	9,845	30,275
Prepayments and accrued income	6,161	6,005
	<u>16,006</u>	<u>36,505</u>

### 13 Loans and overdrafts

	2021 £	2020 £
Bank loans	<u>242,851</u>	<u>268,635</u>
Payable within one year	25,806	24,360
Payable after one year	<u>217,045</u>	<u>244,275</u>

The mortgage used to purchase 71-73 Lower Dock Street, is secured upon the properties 67-69 Lower Dock Street, Newport.

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

	Notes	2021 £	2020 £
Bank loans	13	25,806	24,360
Trade creditors		2,873	313
Accruals and deferred income		11,597	8,403
		<u>40,276</u>	<u>33,076</u>

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

	Notes	2021 £	2020 £
Bank loans	13	<u>217,045</u>	<u>244,275</u>

# KING'S CHURCH, NEWPORT

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

*FOR THE YEAR ENDED 31 DECEMBER 2021*

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### **16 Retirement benefit schemes**

#### **Defined contribution schemes**

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £5,476 (2020: 2,991). The amount outstanding at the current and prior year end was £nil.

# KING'S CHURCH, NEWPORT

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

### 17 Restricted funds

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

	Movement in funds			Movement in funds			Balance at 31 December 2021
	Incoming resources	Resources expended	Transfers	Incoming resources	Resources expended	Transfers	
	£	£	£	£	£	£	£
Big Lottery Fund	216,975	(154,844)	(30,000)	160,279	(131,005)	(30,000)	31,405
Awards for All Wales	17,917	(2,500)	-	-	(2,920)	-	12,497
	5,000	(5,000)	-	-	-	-	-
Newport City Council - Property	229,064	(5,492)	-	-	(5,492)	-	218,080
Newport City Council - Minibus	4,750	(1,500)	-	-	(1,500)	-	1,750
Coronavirus Job Retention Scheme	47,301	(47,301)	-	25,176	(25,176)	-	-
	521,007	(216,637)	(30,000)	185,455	(166,093)	(30,000)	263,732

**Big Lottery Fund-** The restricted fund represents monies received for the charity to help fund its Jesus Cares Project.

**Awards for All Wales-** The restricted fund represents a capital grant received to assist with the purchase of a minibus. The minibus was purchased in February 2019. The capital grant is being written off in line with the depreciation policy over the life of the asset.

**Newport City Council – Jesus Cares** – The restricted fund represents monies received for the charity to help fund its Jesus Cares Project.

**Newport City Council - Property** - The restricted fund represents a capital grant received to assist with the refurbishment of the office premises. This grant is being written off in line with the depreciation policy over the life of the asset.

**Newport City Council - Minibus** - The restricted fund represents a capital grant received to assist with the purchase of a minibus. The minibus was purchased in February 2019. The capital grant is being written off in line with the depreciation policy over the life of the asset.

**Coronavirus Job Retention Scheme** - The restricted fund represents funds received to fund employee salary costs who were placed on furlough.

# KING'S CHURCH, NEWPORT

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

### 18 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Balance at 1 January 2020	Transfers	Balance at 1 January 2021	Resources expended	Transfers	Balance at 31 December 2021
	£	£	£	£	£	£
Fixed asset fund	-	807,820	807,820	(23,968)	8,729	792,581
Project fund	-	-	-	-	100,000	100,000
Facilities fund	-	-	-	-	60,000	60,000
	<u>-</u>	<u>807,820</u>	<u>807,820</u>	<u>(23,968)</u>	<u>168,729</u>	<u>952,581</u>

#### Fixed asset fund

This fund represents the net book value of the charity's unrestricted fixed assets.

#### Project fund

This fund represents funds designated for new projects and the sustainment of existing church activities.

#### Facilities fund

This fund represents funds designated for the maintenance/ improvement and long term sustainment of church properties.

# KING'S CHURCH, NEWPORT

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

### 19 Analysis of net assets between funds

Fund balances at 31 December 2021 are represented by:

	Unrestricted funds		Designated funds		Restricted funds		Total Unrestricted funds		Restricted funds		Total	
	2021	£	2021	£	2021	£	2021	£	2020	£	2020	£
Tangible assets	-		792,581		222,747		1,015,328		-		232,239	1,040,059
Current assets/(liabilities)	317,765		160,000		40,985		518,750		414,002		42,131	456,133
Long term liabilities	(217,045)		-		-		(217,045)		(244,275)		-	(244,275)
	100,720		952,581		263,732		1,317,033		169,727		274,370	1,251,917

# KING'S CHURCH, NEWPORT

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

*FOR THE YEAR ENDED 31 DECEMBER 2021*

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**20 Related party transactions**

There were no related party transactions to note for the current or prior year.

**21 Donated goods for distribution**

The charity receives donated food and goods from various sources all of which are distributed to its beneficiaries for a nil consideration.

**KING'S CHURCH, NEWPORT**

England & Wales - Charity number 1183216

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# Accounts

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Charity Registration No. 1183216

**KING'S CHURCH, NEWPORT**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

# **KING'S CHURCH, NEWPORT**

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# KING'S CHURCH, NEWPORT

## TRUSTEES' REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2020

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The trustees present their report and financial statements for the year ended 31 December 2020.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

#### Objectives and activities

##### General

The King's Church is based in Newport, South Wales and focuses its attention in presenting the Christian message and empowering people to reach their God-given potential, in addition to trying to help meet the practical needs of the communities that constitute the city of Newport.

##### Principle Activities

The charity's main activities can be summarised as follows:

- To share the gospel and teachings of Jesus Christ through all our Church services and meetings
- To provide guidance, care and support to those within the Church
- To impact the city and beyond with outreach projects and programmes

The vision of our Church is to:

- *Reach*  
Towards one another through fellowship  
The world in which we live with the Gospel
- *Renew*  
As followers of Jesus we are committed to live in the new life He has promised us through His Word.
- *Release*  
Using our lives to be servant hearted

The Church, now operating as a CIO, very much remains completely focussed through its principle activities to continue in its objectives to further the Christian Church in all of its activities and services.

##### Public Benefit

The King's Church was established as a CIO in May 2019, after operating as a registered charity (of the same name) since 1999. The Object of the Church is, for the public benefit, to advance the Christian religion in the UK and such parts of the world as the Charity Trustees may think fit, including by but not limited to, the enrichment of lives through support, training, care and guidance in line with the teachings of the Christian Bible. The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

##### How do activities contribute to the achievement of its stated aims and objectives?

Spreading the gospel and following the teachings of Jesus is at the heart of all activities, aims and objectives of King's Church. Strategically, any development of a new activity or review of an existing activity which has that core purpose will be in line with the charity's aims and objectives.

##### How will achievement of aims further its legal purpose?

King's Church's charitable aim is to reach others with the Gospel of Jesus. The Church makes a clear statement that it believes the Bible cover-to-cover. The achievement of its aims through the programme of activities ensures that anyone who encounters the work of the charity understands the sole purpose is to advance the gospel.

# **KING'S CHURCH, NEWPORT**

## **TRUSTEES' REPORT (CONTINUED)**

### **FOR THE YEAR ENDED 31 DECEMBER 2020**

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#### **Achievements and performance**

At the beginning of 2020 we continued to hold morning services, which were well attended by our congregation. Children's and Youth services were also extremely well attended. We continued to build on the foundation already established, maintaining the financial commitment to the Church through tithes and offerings, and maintaining attendance at services.

As the COVID-19 pandemic became apparent and the UK was taken into lockdown, we had to adapt our working practices to ensure that the needs of the congregation continued to be met and government guidelines adhered to.

At the beginning of the pandemic all Sunday services and midweek meetings and activities were stopped in accordance with government guidelines, with the exception of the Jesus Cares project, which played a vital role in providing practical support to communities at that time.

We adapted to the lockdown regulations in place by implementing the following:

#### **1. Services Online (March to July)**

- Sunday messages were pre-recorded at the Church and links were sent to the congregation weekly to watch the services via YouTube. We also premiered these services via Facebook and found many people watched the services on this platform.
- We redesigned our website to carry all relevant updates regarding our services and activities. We also created a 'Sunday Online' Page for this new season which provided all links for staying connected including: how to watch pre-recorded messages, sending in prayer requests, getting connected in groups, updating details, and how to give online.

#### **2. Adapting In-Person Services from 2nd August:**

- We worked within government guidelines and liaised with Newport trading standards to ensure our buildings were reconfigured to open safely.
- We introduced two services each Sunday morning to ensure sufficient capacity for people to attend.
- We set up a robust registration process for services each week which are Trace and Protect compliant
- We started a new live streaming service via YouTube which has enabled people to enjoy the services as they happen.
- We also offered a catch-up on-demand service via Facebook and YouTube with links being sent to our congregation each week.

#### **3. Giving**

- Having moved our software systems in November 2019, we were able to utilise the online giving platform to be embedded into our website. This has proved invaluable and enabled people to give online and set up monthly direct debits via credit card, when in-person giving has not been possible.
- Our congregation has continued to give generously during the lockdown period, although we have seen a decrease in donations. This has been due to a number of reasons including people being unable to bring cash donations as we were unable to meet in-person for weekly services, loss of jobs and reduction in wages.

#### **4. Expenditure/Grants**

- We contacted our suppliers at the beginning of the pandemic to reduce costs to the charity.
- We took advantage of the CJRS grant for furloughed staff.
- We applied for and received additional funding and grants for Jesus Cares.

# KING'S CHURCH, NEWPORT

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 DECEMBER 2020**

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### 5. Volunteers

- Our volunteers have been instrumental in enabling us to continue to operate Jesus Cares during this pandemic. As a result of shielding guidance, sadly we had to stand down nearly half of our volunteers who were deemed to be vulnerable due to age or pre-existing conditions. To overcome the challenge of not having enough volunteers to complete the work required to operate as normal, we advertised volunteer opportunities to our congregation and through social media, creating 2 hour sign-up sessions throughout the week. The volunteer numbers were limited to ensure compliance with legislation. This has proven extremely effective and as a result we have seen a big increase in the number of people volunteering in Jesus Cares each month.
- When reopening our buildings for Sunday Services all volunteers available to help completed training in order to comply with the Trace and Protect and cleaning requirements of the government.

### Ministry Update

In line with the vision of our Church, the following took place:

#### Reach

##### *The Great Commandment*

**Connect Groups** – Forming an integral part of reaching towards one another, we continued to invite our congregation to get involved in a connect group. In February we saw attendance in our connect groups increase as we launched the Bible Course within our groups. During lockdown we switched to online meetings (via zoom and other platforms) when meeting physically was restricted, with a good proportion of our existing group members joining online. Towards the end of the year, we launched weekly Sunday Study notes to complement the teaching received through our groups. Commitment and interest remains strong in our connect groups with new people joining groups each session.

**Care & Support** – Throughout the year we offered help and support to our congregation and new Christians through many different channels: from face to face meetings (services, connect groups, midweek activities), telephone conversations to online meetings during lockdown – we have tried to utilise all means possible to care for and support our congregation.

Prior to lockdown we hosted monthly lunches for the whole church and provided complimentary tickets for people new to church or those who were not able to afford it. We utilised the time spent in lunch to have meaningful discussions with those new to King's and used it as an opportunity to let them know more about the Church and how to get connected within the life of the Church.

During the first lockdown we quickly identified our elderly and more vulnerable members of the congregation, who we called regularly with offers of support, prayer and assistance. As the year progressed, pastoral care calls were made to all of our congregation including video calls to parents and children. These have continued throughout the year with many people touched by the calls they receive.

##### *The Great Commission*

**Outreach** – Each week a team of dedicated volunteers went onto the streets in various locations across Newport to share with people about Jesus. Whilst unable to meet during lockdown, the team were able to continue sharing once restrictions eased. In the second half of the year we focussed on the Pontypool area and have shared our faith with the people living there. We've received some great testimonies of how Jesus has changed lives and met the needs of those people we have come into contact with.

**Prison Ministry** – At the beginning of the year we were able to attend 3 prisons and conduct 4 services before lockdown. However, from March onwards, the prisons closed to visitors and did not reopen for the remainder of the year.

# KING'S CHURCH, NEWPORT

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2020

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**Jesus Cares** – Throughout the year, Jesus Cares has continued to help those in poverty in deprivation in the South Wales area. To help us provide additional assistance to those affected by the COVID pandemic, we were awarded an additional £50,000 from the Big Lottery and £5,000 from Newport City Council.

During this season we have seen an increase in the number of volunteers. We have introduced a new online volunteering system, where volunteers can book their place to come and volunteer and we have also introduced a 'drive-by laundry' whereby those wishing to help from home can simply call ahead and collect laundry from outside our offices. Our volunteers have adapted extremely well to the new working practices and regulations in the light of the COVID pandemic and all reasonable measures have been taken to ensure that we continue to work safely.

Throughout the course of the year, we delivered food and other essential provisions to a network of over 127 organisations. Jesus Cares continued to provide meaningful involvement opportunities for members of the community who wanted to help make a difference in the lives of others. We provided volunteer opportunities for people from Probation Services, GAVO, Newport Council, in addition to members of the public. In 2020, we oversaw 136 volunteers who contributed over 10,318 volunteer hours, 105 of which were new volunteers to Jesus Cares. Prior to lockdown we hosted 1 corporate day as part of the company's corporate responsibility days.

In 2020 Jesus Cares distributed:

- 26,363 Food hampers
- 3,428 Nappies
- 10,045 Hygiene & sanitary products
- 1,042 Baby & children's clothing pods
- 827 Christmas presents
- 430 Soft furnishings

**Community Minibus** - At the beginning of the year our community minibus provided transport for people from the Duffryn & Bettws areas who struggled with public transport to our Sunday services. We usually had to provide two collection/drop off routes each week. We also offered the same service to our young people on a Friday evening who attended our youth provision from all areas of Newport. This service will resume once restrictions lift.

**Evangelism** – Prior to lockdown we hosted an evangelism training night run by the Billy Graham Evangelistic Association.

**Ministry Support** – This year we continued to provide support to programmes for the relief of poverty and preaching of the Gospel both in the UK and overseas:

- His Church Charity (working into refugee camps in Syria)
- Gideons (distributing Bibles in our local area)
- Samaritans Purse UK (Operation Christmas Child - over 180 shoeboxes full of Christmas gifts for children were sent overseas)

### Renew

**Sunday and Midweek Services** – Sunday services and midweek services provide a focal point for teaching our congregation. In 2020, as well as meeting on a Sunday morning, we also held a monthly evening meeting in January and February and then launched weekly Sunday evening meetings in March. As a result of national and subsequent local lockdowns, requiring the closure of our buildings for public meetings, our Sunday morning service moved online.

# KING'S CHURCH, NEWPORT

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 DECEMBER 2020**

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When Sunday services were able to resume, we launched in-person morning services at 9.30am and 11.30am and began live streaming these through YouTube as well as making the service available on demand via Facebook and YouTube. We have seen about a third of our congregation return to in-person services, with many of our congregation continuing to enjoy services online. During this season we have not been able to provide any children's or youth provisions for our families, in order to comply with government guidelines.

**Children's & Youth Provisions** - At the start of the year we continued with our Sunday and midweek provisions for Under 18's with King's Kids, Youth and Creative Academy taking place weekly. During the lockdown period we were unable to provide these services, however, contact remained with our young people through calls, video contact with children & parents and innovative online interaction with our Youth and leaders.

**Men & Women** – Prior to lockdown the ladies met for a Sisterhood evening in January, and an over 55's trip in February. The men also met in February. Although unable to meet physically for the remainder of the year due to COVID restrictions, the needs of our men and women have continued to be met through pastoral care calls and connect groups specifically set up for the men and women of our Church

**Discover New Life Class** – Prior to lockdown we were able to host one four week Discover New Life class for new Christians.

### Release

**Volunteers** –We have 20 teams available for volunteers to get involved in, within the life of the Church. Prior to lockdown we saw 152 volunteers faithfully serving across all areas. At the beginning of March we launched a 'Do Something Great' campaign to encourage people to get involved and enable them to release their talents in all areas of Church life. In the 2 weeks following launch and prior to lockdown, 27 people completed cards to indicate they would like to get involved.

As a result of lockdown, having to close our buildings and stop our public meetings, for a large part of the year, most of our teams have not been able to function. However, our volunteers have remained faithful and willing to serve both mid-week in our Jesus Cares teams and assisting during Sunday services where able to do so.

**Prayer** – Throughout the year we have had a team of people who continued to pray for the needs of our church congregation and others, and as restrictions were lifted, meeting to pray before Sunday services. We also have a group that prays specifically for Israel.

# KING'S CHURCH, NEWPORT

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2020

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#### Financial review

The net assets from The Kings Church Newport South Wales (charity number 519494) were transferred to the charitable incorporated organisation on 1st January 2020.

The net assets consisted of unrestricted net assets of £847,303 and restricted net assets of £250,034.

The results of the charity can be seen below:

	Unrestricted	Restricted	Total 2020
Income	£1,086,938	£521,007	£1,607,945
Expenditure	(£139,391)	(£216,637)	(£356,028)
Less net assets transferred from unincorporated charity	(£847,303)	(£250,034)	(£1,097,337)
Transfers	£30,000	(£30,000)	-
<b>Actual operational results</b>	<b>£130,244</b>	<b>£24,336</b>	<b>£154,580</b>

#### Reserves policy

It is the policy of the charity to maintain unrestricted funds to cover 6 months management and administration costs and to respond to applications for donations which arise from time to time.

Reserve levels will be monitored monthly throughout the year. In this way the management team will be aware of the buildup of excess reserves or of reserves being unexpectedly or rapidly depleted. If the charity has excess reserves, the trustees will ensure that they do not misrepresent the urgency or need for funds.

Unrestricted reserves at year end were £977,547 (2019: £nil). The charity's free reserves available at the year end totaled £169,727 (2019: £nil). The trustees are aware that the free reserves of the charity do not currently meet its reserves policy but has put plans in place to try and build the free reserves of the charity going forward. Over the last few years, significant progress has been made towards this with cash at bank balances increasing year on year, demonstrating an ongoing trend of improvement in position. This reflects both the trustees and the management teams hard work in reducing outgoings and making savings where possible.

A full review of outgoings has been undertaken and it is recognised that savings will be made when renewing utilities contracts, insurance contracts and seeking alternate printing sources. At that time, surplus funds will be transferred to a longer-term Savings account in accordance with the policy.

#### Principal funding sources

The charity's principal funding sources are tithes and offerings and gift aid.

#### Investment policy

Under the trust deed the charity has the power to make any investment which the trustees see fit.

#### Risk management

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

The key risks identified by the charity during the year were:

- Dependency on income sources - the charity mitigates against this risk by where possible trying to reduce overhead by ensuring value for money on all supplier contracts is undertaken.
- Loss of key staff - the charity mitigates against this risk by succession planning, implementing training programmes and reviewing and revising recruitment processes where required.
- Information Technology failures and inadequacies- the charity mitigates against this risk by ensuring an IT recovery plan is in place, regular data back ups and ensuring the charity has adequate security measures in place.

# **KING'S CHURCH, NEWPORT**

## **TRUSTEES' REPORT (CONTINUED)**

***FOR THE YEAR ENDED 31 DECEMBER 2020***

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### **Plans for future periods**

Looking to the future, King's Church plans to continue activities that help us achieve our charitable objectives. At the time of this report we are still in national lockdown with the First Minister stating that it is not likely for life to return to normal during 2021. We will continue to keep up-to-date with latest government guidelines with the view to re-engaging in normal church activities as soon as possible.

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

#### **Constitution and objects**

The charity is constituted under a CIO association registered 1 May 2019 and is a charitable incorporated organisation, charity number 1183216.

#### **Organisation**

At the end of the year the charity has three trustees who are responsible to manage the affairs of the Church.

The responsibility of running and operating the charity on a day to day basis is delegated to an administration team who work from the premises in 71 Lower Dock Street, Newport overseen by Pastor David & Faye Edwards.

#### **Delegation of duties**

The trustees have the responsibility to make decisions affecting the charity's submission of major grant applications, major building works and purchases of capital assets and are consulted when changes in personnel occur. Small grants applications are approved by the Management Team and all general purchases are authorised by the Lead Pastors.

To be appointed as a Charity Trustee a person must, in the opinion of the Lead Pastor:

- i. be interested in furthering the Object;
- ii. subscribe to the Statement of Faith and demonstrate their adherence by their life style;
- iii. be an active and participating member of the congregation of the Church;
- iv. give regular financial donations to the work of the Church; and
- v. be committed to embodying the character traits described in 1 Timothy 3:1-7 to the best of their ability.

In selecting individuals for appointment as a Charity Trustee regard must be had to the skills, knowledge and experience needed for the effective administration of the Church.

In order for decisions to be made there needs to be a minimum of three trustees in place. When a trustee resigns, the lead pastor appoints a replacement before any other matters are considered. A new lead pastor is appointed by the existing lead pastor, contingent to the regulations set out in the governing document.

New Trustees meet individually with Pastor David Edwards giving opportunity for a lengthy discussion regarding the charity, its operations and future plans. Arrangements are then made for the trustee details and signature to be passed to the relevant bodies for inclusion in charity documents.

# KING'S CHURCH, NEWPORT

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2020

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#### Remuneration policy

The charity undertake pay reviews annually with the following considered when setting the salary of its key management personnel:

- Financial health of Church
- Compare wages against cost of living: Inflation as measured by the Retail Price Index (RPI), Consumer Price Index (CPI)
- Compare wages against average earnings for similar role in other organisations
- Employees experience / length of service
- Increase in role responsibilities
- Employees remuneration package

#### Reference and administrative details

<b>Charity number</b>	1183216
<b>Governing document</b>	CIO - Association registered 1 May 2019
<b>Trustees</b>	Mr D Wood Mr J W Wright Mr P Marshall
<b>Key management personnel</b>	David Edwards - Lead Pastor Faye Edwards - Associate Lead Pastor and Jesus Cares Project Co-ordinator Hayley Corley - PA and Office Manager
<b>Principal office</b>	Kings Church Administrative Office 71 Lower Dock Street Newport NP20 1EH
<b>Bankers</b>	Barclays Bank PLC 14 Commercial Street Newport NP20 1HE
<b>Auditors</b>	Azets Audit Services Ty Derw Lime Tree Court Cardiff Gate Business Park Cardiff CF23 8AB
<b>Solicitors</b>	Harding Evans Queens Chambers 2 North Street Newport NP20 1TE

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

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**KING'S CHURCH, NEWPORT**

**TRUSTEES' REPORT (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2020**

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Mr J W Wright - Trustee  
Dated: 19/9/21

# **KING'S CHURCH, NEWPORT**

## **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

### ***FOR THE YEAR ENDED 31 DECEMBER 2020***

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The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that year.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

# KING'S CHURCH, NEWPORT

## INDEPENDENT AUDITOR'S REPORT

### TO THE TRUSTEES OF KING'S CHURCH, NEWPORT

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#### **Opinion**

We have audited the financial statements of King's Church, Newport (the 'charity') for the year ended 31 December 2020 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2020 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

#### **Basis for opinion**

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

#### **Conclusions relating to going concern**

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

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

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

#### **Other information**

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

# KING'S CHURCH, NEWPORT

## INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF KING'S CHURCH, NEWPORT

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

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

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

### **Responsibilities of trustees**

As explained more fully in the statement of trustees' responsibilities, the trustees 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 cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

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

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

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

# KING'S CHURCH, NEWPORT

## INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF KING'S CHURCH, NEWPORT

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### **Extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the entity through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

### **Other matters**

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

This has been done in order for the financial statements to provide a true and fair view in accordance with current Generally Accepted Accounting Practice.

# KING'S CHURCH, NEWPORT

## INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF KING'S CHURCH, NEWPORT

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### Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



**Azets Audit Services**

.....27-9-2021

**Chartered Accountants  
Statutory Auditor**

Ty Derw  
Lime Tree Court  
Cardiff Gate Business Park  
Cardiff  
CF23 8AB

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

# KING'S CHURCH, NEWPORT

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £	Total 2019 £
<b><u>Income from:</u></b>					
Donations and legacies	3	1,079,095	250,034	1,329,129	-
Charitable activities	4	2,500	270,973	273,473	-
Other trading activities	5	4,922	-	4,922	-
Investments	6	421	-	421	-
<b>Total income</b>		<b>1,086,938</b>	<b>521,007</b>	<b>1,607,945</b>	<b>-</b>
<b><u>Expenditure on:</u></b>					
Charitable activities	7	139,391	216,637	356,028	-
<b>Net incoming resources before transfers</b>		<b>947,547</b>	<b>304,370</b>	<b>1,251,917</b>	<b>-</b>
Gross transfers between funds		30,000	(30,000)	-	-
<b>Net income for the year/ Net movement in funds</b>		<b>977,547</b>	<b>274,370</b>	<b>1,251,917</b>	<b>-</b>
Fund balances at 1 January 2020		-	-	-	-
<b>Fund balances at 31 December 2020</b>		<b>977,547</b>	<b>274,370</b>	<b>1,251,917</b>	<b>-</b>

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

All income and expenditure derive from continuing activities.

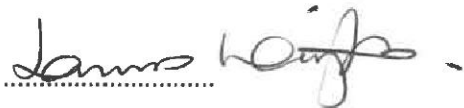
# KING'S CHURCH, NEWPORT

## BALANCE SHEET

AS AT 31 DECEMBER 2020

	Notes	2020		2019	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	11		1,040,059		-
<b>Current assets</b>					
Debtors	12	36,505		-	
Cash at bank and in hand		452,704		-	
		<u>489,209</u>		<u>-</u>	
<b>Creditors: amounts falling due within one year</b>	13	(33,076)		-	
Net current assets			456,133		-
<b>Total assets less current liabilities</b>			<u>1,496,192</u>		<u>-</u>
<b>Creditors: amounts falling due after more than one year</b>	15		(244,275)		-
<b>Net assets</b>			<u>1,251,917</u>		<u>-</u>
<b>Income funds</b>					
Restricted funds	17		274,370		-
<u>Unrestricted funds</u>					
Designated funds	18	807,820		-	
General unrestricted funds		169,727		-	
		<u>977,547</u>		<u>-</u>	
		<u>1,251,917</u>		<u>-</u>	

The financial statements were approved by the Trustees on 19/9/20 JW .



Mr J W Wright - Trustee

# KING'S CHURCH, NEWPORT

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2020

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	Notes	2020 £	£	2019 £	£
<b>Cash flows from operating activities</b>					
Cash generated from/(absorbed by) operations	22		1,255,824		-
<b>Investing activities</b>					
Purchase of tangible fixed assets		(19,433)		-	
Assets transferred from unincorporated charity		(1,052,743)		-	
Investment income received		421		-	
<b>Net cash used in investing activities</b>			(1,071,755)		-
<b>Financing activities</b>					
Loan transferred from unincorporated charity		293,259		-	
Repayment of bank loans		(24,624)		-	
<b>Net cash generated from/(used in) financing activities</b>			268,635		-
<b>Net increase in cash and cash equivalents</b>			452,704		-
Cash and cash equivalents at beginning of year			-		-
<b>Cash and cash equivalents at end of year</b>			452,704		-

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# KING'S CHURCH, NEWPORT

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

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### 1 Accounting policies

#### Charity information

King's Church, Newport is a charitable incorporated organisation, whose principal office is Kings Church Administrative Office, 71 Lower Dock Street, Newport, NP20 1EH.

#### 1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention modified to include the revaluation of freehold properties. The principal accounting policies adopted are set out below.

#### 1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

#### 1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Designated funds comprise funds which have been set aside at the discretion of the trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

#### 1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

# KING'S CHURCH, NEWPORT

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

### 1 Accounting policies

(Continued)

Income from grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred. Capital grants are released to the Statement of Financial Activities in the year of receipt. Fixed assets relating to capital grants are capitalised, and depreciation charged is offset against the grant income, in a restricted fund.

Income from room hire and events is recognised in the period to which the service is provided and the event is held.

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales related taxes.

#### 1.5 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 classified under the following activity heading:

- Expenditure on charitable activities includes all costs relating to the furtherance of the charity's objectives as stated in the Trustees report

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Expenditure is allocated between direct charitable expenditure and support costs. This is shown in notes 7 and 8 of the financial statements. The trustees have exercised their judgement in the apportionment of some categories of expenditure between these two major headings. Support costs have been allocated between governance and other support costs. Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice.

#### 1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	2% Straight line
Fixtures and fittings	20% Straight line & 25% Straight line
Motor vehicles	25% Straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

Properties whose fair value can be measured reliably are held under the revaluation model and are carried at a revalued amount, being their fair value at the date of valuation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. The fair value of the land and buildings is usually considered to be their market value.

Revaluation gains and losses are recognised in other recognised gains and losses and accumulated in equity, except to the extent that a revaluation gain reverses a revaluation loss previously recognised in net income/(expenditure) or a revaluation loss exceeds the accumulated revaluation gains recognised in equity; such gains and loss are recognised in net income/(expenditure) for the year.

# KING'S CHURCH, NEWPORT

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2020

---

#### 1 Accounting policies

(Continued)

Assets with a value below £1,000 have not been capitalised.

#### 1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

#### 1.8 Stocks

Donated goods and gifts of food are included at a value equivalent to the fair value at the date of donation, other than where it is not practical to calculate a reliable fair value on receipt of goods. As the goods are held for free distribution the values have been written down to a nil realisable value in the financial statements.

#### 1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.10 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

#### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

#### **Derecognition of financial assets**

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the charity transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

# KING'S CHURCH, NEWPORT

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2020

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#### 1 Accounting policies

(Continued)

##### **Basic financial liabilities**

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

##### **Derecognition of financial liabilities**

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

#### 1.11 Taxation

The charity is exempt from corporation tax on its charitable activities.

#### 1.12 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### 1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

#### 2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The charity does not have any key or significant accounting estimates.

# KING'S CHURCH, NEWPORT

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

### 3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Total
	2020	2020	2020	2019
	£	£	£	£
Donations and gifts	1,079,095	250,034	1,329,129	-
<b>Donations and gifts</b>				
Tithes and offerings	179,965	-	179,965	-
Gift aid	31,525	-	31,525	-
Donations	5,302	-	5,302	-
Legacy	15,000	-	15,000	-
Transfer from unincorporated charity to CIO	847,303	250,034	1,097,337	-
	1,079,095	250,034	1,329,129	-

The net assets from The Kings Church Newport South Wales (charity number 519494) were transferred to the charitable incorporated organisation on 1st January 2020.

The net assets consisted of unrestricted net assets of £847,303 and restricted net assets of £250,034.

# KING'S CHURCH, NEWPORT

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

### 4 Charitable activities

	2020	2019
	£	£
Grants	270,973	-
Events	2,244	-
Other income	256	-
	<u>273,473</u>	<u>-</u>
	<u><u>273,473</u></u>	<u><u>-</u></u>
Analysis by fund		
Unrestricted funds	2,500	-
Restricted funds	270,973	-
	<u>273,473</u>	<u>-</u>
	<u><u>273,473</u></u>	<u><u>-</u></u>
<b>Grants</b>		
Coronavirus Job Retention Scheme	47,301	-
Big Lottery Fund	208,672	-
Awards For All Wales	10,000	-
Newport City Council	5,000	-
	<u>270,973</u>	<u>-</u>
	<u><u>270,973</u></u>	<u><u>-</u></u>

### 5 Other trading activities

	Unrestricted funds	Total
	2020	2019
	£	£
Bookshop income	22	-
Rental income	4,900	-
	<u>4,922</u>	<u>-</u>
Other trading activities	<u><u>4,922</u></u>	<u><u>-</u></u>

# KING'S CHURCH, NEWPORT

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

### 6 Investments

	Unrestricted funds	Total
	2020 £	2019 £
Interest receivable	421	-

### 7 Charitable activities

	2020 £	2019 £
Staff costs	122,212	-
Depreciation and impairment	32,117	-
Jesus Cares Project	90,339	-
Mission donations	5,100	-
Event costs	22,300	-
Premises costs	27,777	-
Administration costs	7,914	-
Advertising	112	-
	<u>307,871</u>	<u>-</u>
Share of support costs (see note 8)	42,457	-
Share of governance costs (see note 8)	5,700	-
	<u>356,028</u>	<u>-</u>
<b>Analysis by fund</b>		
Unrestricted funds	139,391	-
Restricted funds	216,637	-
	<u>356,028</u>	<u>-</u>

# KING'S CHURCH, NEWPORT

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

### 8 Support costs

	Support costs	Governance costs	2020	Support costs	Governance costs	2019
	£	£	£	£	£	£
Staff costs	30,553	-	30,553	-	-	-
Bank & loan interest	10,628	-	10,628	-	-	-
Bank charges	1,276	-	1,276	-	-	-
Audit fees	-	5,700	5,700	-	-	-
	<u>42,457</u>	<u>5,700</u>	<u>48,157</u>	<u>-</u>	<u>-</u>	<u>-</u>
Analysed between Charitable activities	<u>42,457</u>	<u>5,700</u>	<u>48,157</u>	<u>-</u>	<u>-</u>	<u>-</u>

Governance costs includes payments to the auditors of £4,950 for audit fees and £750 for accountancy services (2019: £nil).

### 9 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the current or prior year.

No trustees were reimbursed for expenses in the current or prior year.

During the year 3 trustees made donations totalling £5,780 (2019: £nil).

### 10 Employees

The average monthly number of employees during the year was:

	2020	2019
	Number	Number
	6	-
	<u>6</u>	<u>-</u>
Employment costs	2020	2019
	£	£
Wages and salaries	141,771	-
Social security costs	8,003	-
Other pension costs	2,991	-
	<u>152,765</u>	<u>-</u>

# KING'S CHURCH, NEWPORT

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2020

#### 10 Employees

(Continued)

##### Key management personnel

The key management personnel as detailed in the trustees report received benefits (including gross salary, employers national insurance and employers pension contributions) totalling £100,755 (2019: £nil).

There were no employees whose annual remuneration was £60,000 or more in the current or prior year.

#### 11 Tangible fixed assets

	Freehold land and buildings £	Fixtures and fittings £	Motor vehicles £	Total £
<b>Cost or valuation</b>				
Additions	-	19,433	-	19,433
Net book value transferred from unincorporated charity	1,035,936	4,083	12,724	1,052,743
At 31 December 2020	1,035,936	23,516	12,724	1,072,176
<b>Depreciation and impairment</b>				
Depreciation charged in the year	24,251	3,848	4,018	32,117
At 31 December 2020	24,251	3,848	4,018	32,117
<b>Carrying amount</b>				
At 31 December 2020	1,011,685	19,668	8,706	1,040,059

Land buildings were revalued at 30th June 2012 by the Bryan Long Partnership who are independent valuers not connected with the charity on the basis of market value. The valuation conforms to International Valuation Standards and was based on recent market transactions on arm's length terms for similar properties.

At 31 December 2020, had the revalued assets been carried at historic cost less accumulated depreciation and accumulated impairment losses, their carrying amount would have been approximately £1,326,931.

Freehold land and buildings with a carrying amount of £1,011,685 have been pledged to secure borrowings of the charity. The charity is not allowed to pledge these assets as security for other borrowings or to sell them to another entity.

#### 12 Debtors

	2020 £	2019 £
<b>Amounts falling due within one year:</b>		
Trade debtors	225	-
Other debtors	30,275	-
Prepayments and accrued income	6,005	-
	36,505	-

# KING'S CHURCH, NEWPORT

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

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

	Notes	2020 £	2019 £
Bank loans	14	24,360	-
Trade creditors		313	-
Accruals and deferred income		8,403	-
		<u>33,076</u>	<u>-</u>

### 14 Loans and overdrafts

	2020 £	2019 £
Bank loans	268,635	-
	<u>268,635</u>	<u>-</u>
Payable within one year	24,360	-
Payable after one year	244,275	-
	<u>268,635</u>	<u>-</u>

The mortgage used to purchase 71-73 Lower Dock Street, is secured upon the properties 67-69 Lower Dock Street, Newport.

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

	Notes	2020 £	2019 £
Bank loans	14	244,275	-
		<u>244,275</u>	<u>-</u>

### 16 Retirement benefit schemes

#### Defined contribution schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £2,991 (2019: £nil). The amount outstanding at the current and prior year end was £nil.

# KING'S CHURCH, NEWPORT

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2020

#### 17 Restricted funds

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

	Movement in funds		Movement in funds			
	Incoming resources	Balance at January 2020	Incoming resources	Resources expended	Transfers	Balance at 31 December 2020
	£	£	£	£	£	£
Big Lottery Fund	-	-	216,975	(154,844)	(30,000)	32,131
Awards for All Wales	-	-	17,917	(2,500)	-	15,417
Newport City Council - Jesus Cares	-	-	5,000	(5,000)	-	-
Newport City Council - Property	-	-	229,064	(5,492)	-	223,572
Newport City Council - Minibus	-	-	4,750	(1,500)	-	3,250
Coronavirus Job Retention Scheme	-	-	47,301	(47,301)	-	-
	-	-	521,007	(216,637)	(30,000)	274,370

**Big Lottery Fund-** The restricted fund represents monies received for the charity to help fund its Jesus Cares Project. Within incoming resources were amounts transferred from the unincorporated charity totalling £8,303.

**Awards for All Wales-** The restricted fund represents a capital grant received to assist with the purchase of a minibus. The minibus was purchased in February 2019. The capital grant is being written off in line with the depreciation policy over the life of the asset. Within incoming resources were amounts transferred from the unincorporated charity totalling £7,917.

**Newport City Council – Jesus Cares –** The restricted fund represents monies received for the charity to help fund its Jesus Cares Project.

**Newport City Council - Property -** The restricted fund represents a capital grant received to assist with the refurbishment of the office premises. This grant is being written off in line with the depreciation policy over the life of the asset. Within incoming resources were amounts transferred from the unincorporated charity totalling £229,064.

**Newport City Council - Minibus -** The restricted fund represents a capital grant received to assist with the purchase of a minibus. The minibus was purchased in February 2019. The capital grant is being written off in line with the depreciation policy over the life of the asset. Within incoming resources were amounts transferred from the unincorporated charity totalling £4,750.

**Coronavirus Job Retention Scheme -** The restricted fund represents funds received to fund employee salary costs who were placed on furlough.

# KING'S CHURCH, NEWPORT

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2020

#### 18 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Movement in funds		Transfers	Balance at 31 December 2020
	Incoming resources <sup>1</sup>	Balance at January 2020		
	£	£	£	£
Fixed asset fund	-	-	807,820	807,820
	-	-	807,820	807,820

#### Fixed asset fund

This fund represents the net book value of the charity's unrestricted fixed assets.

#### 19 Analysis of net assets between funds

	Unrestricted funds 2020 £	Designated funds 2020 £	Restricted funds 2020 £	Total 2020 £	Total 2019 £
Fund balances at 31 December 2020 are represented by:					
Tangible assets	-	807,820	232,239	1,040,059	-
Current assets/(liabilities)	414,002	-	42,131	456,133	-
Long term liabilities	(244,275)	-	-	(244,275)	-
	169,727	807,820	274,370	1,251,917	-

#### 20 Related party transactions

Rayla Ministries Limited is a private company, whose director and shareholder is Mr R Bevan, Founding Pastor of the Kings Church.

During the year the charity paid £4,200 (2019: £nil) in honorarium costs to Rayla Ministries Limited. Amounts outstanding at the year end totalled £nil (2019: £nil).

#### 21 Donated goods for distribution

The charity receives donated food and goods from various sources all of which are distributed to its beneficiaries for a nil consideration.

# KING'S CHURCH, NEWPORT

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

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<b>22</b>	<b>Cash generated from operations</b>	<b>2020</b>	<b>2019</b>	
		<b>£</b>	<b>£</b>	
	Surplus for the year	1,251,917	-	
	Adjustments for:			
	Investment income recognised in statement of financial activities	(421)	-	
	Depreciation and impairment of tangible fixed assets	32,117	-	
	Movements in working capital:			
	(Increase) in debtors	(36,505)	-	
	Increase in creditors	8,716	-	
	<b>Cash generated from/(absorbed by) operations</b>	<b>1,255,824</b>	<b>-</b>	
<b>23</b>	<b>Analysis of changes in net funds</b>			
		<b>Transferred</b>	<b>Cash flows</b>	<b>At 31 December</b>
		<b>£</b>	<b>£</b>	<b>2020</b>
				<b>£</b>
	Cash at bank and in hand	308,224	144,480	452,704
	Loans falling due within one year	(23,051)	(1,309)	(24,360)
	Loans falling due after more than one year	(270,208)	25,933	(244,275)
		<u>14,965</u>	<u>169,104</u>	<u>184,069</u>

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