

Charity registration number 1199012

THE KING'S CHURCH CHESHAM CIO
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023



Caladine
Chartered Certified Accountants

THE KING'S CHURCH CHESHAM CIO

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr P J Reynolds Mr G Gorton (Chairman) Ms L Wade Ms A Berisford Ms A Wisky-Jitman
Charity number	1199012
Principal address	Trinity Christian Community Centre Red Lion Street Chesham HP5 1EZ
Auditor	Caladine Limited Chantry House 22 Upperton Road Eastbourne East Sussex BN21 1BF
Bankers	HSBC 92 Sycamore Road Amersham Buckinghamshire HP6 5EW

THE KING'S CHURCH CHESHAM CIO

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THE KING'S CHURCH CHESHAM CIO

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2023

The trustees present their annual report and financial statements for the year ended 31 December 2023.

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 CIO's Constitution dated 19 May 2022, 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

The CIO's objects are the proclamation and furtherance of the Gospel of God concerning His Son, Jesus Christ our Lord, through mission (locally and worldwide), in developing maturity in the membership, and in reflecting the love of Christ.

Public benefit

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the CIO should undertake.

Achievements and performance

Significant activities and achievements against objectives

At present, no operating activities have taken place in the CIO. During the year, the CIO was gifted ownership of the old Trinity Baptist Church Chesham building. This will require renovation, using the funds built up in the existing charity (The King's Church Chesham, charity registration number 291990), and then the CIO will be the main operational charity.

Financial review

The accounts for the year show a surplus of £1,197,960, following the recognition of the property which was donated to us during the year.

Plans for future periods

Phase One of the renovation of the trinity building is planned to commence early in 2024 and be completed by the end of June 2024. Following completion of phase one the Office and meeting rooms will transfer from Unit 11 Chess Business Park to the Trinity building. It is planned that all the activities of the King's Church will transfer from the charity registration number 291990 to the CIO Charity as soon as is practical during 2024.

Phase 2 of the renovation will commence when funds are available.

Structure, governance and management

The CIO is registered with the Charity Commission for England and Wales (no. 1199012). It is governed in accordance with its Constitution dated 19 May 2022.

The trustees who served during the year and up to the date of signature of the financial statements were:

Mr P J Reynolds
Mr G Gorton (Chairman)
Ms L Wade
Ms A Berisford
Ms A Wisky-Jitman

Recruitment and appointment of trustees

The trustees are minded to recruit another trustee as soon as possible to replace the position left by the death of Jeremy Browne (one of the original trustees of the CIO)

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

THE KING'S CHURCH CHESHAM CIO

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

Statement of trustees' responsibilities

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 CIO and of the incoming resources and application of resources of the CIO 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 CIO 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 CIO and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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



Mr G Gorton (Chairman)
Trustee

Date: 8.10.2024

THE KING'S CHURCH CHESHAM CIO

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF THE KING'S CHURCH CHESHAM CIO

Opinion

We have audited the financial statements of The King's Church Chesham CIO (the 'CIO') for the year ended 31 December 2023 which comprise the statement of financial activities, the statement of financial position, 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 2023 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 CIO 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 the provisions available for small entities, in the circumstances set out in note 17 to the financial statements, 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 CIO'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.

THE KING'S CHURCH CHESHAM CIO

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE KING'S CHURCH CHESHAM CIO

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 CIO'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.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the CIO through discussions with trustees, and from our commercial knowledge and experience of the charity sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the CIO, such as the Charities Act 2011;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the CIO's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

Audit response to risks identified

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

THE KING'S CHURCH CHESHAM CIO

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE KING'S CHURCH CHESHAM CIO

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC and relevant regulators

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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.

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.

The corresponding figures are unaudited.



Caladine Limited

**Chartered Certified Accountants
Statutory Auditor**

9/10/24

Chantry House
22 Upperton Road
Eastbourne
East Sussex
BN21 1BF

Caladine Limited is eligible for appointment as auditor of the CIO by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

THE KING'S CHURCH CHESHAM CIO

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	Unrestricted funds 2023 £
Income from:		
Donations and legacies	3	1,200,000
Total income		<u>1,200,000</u>
Expenditure on:		
Charitable activities	4	2,040
Total expenditure		<u>2,040</u>
Net income and movement in funds		1,197,960
Reconciliation of funds:		
Fund balances at 1 January 2023		-
Fund balances at 31 December 2023		<u><u>1,197,960</u></u>

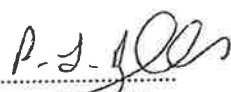
THE KING'S CHURCH CHESHAM CIO

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2023

	Notes	2023 £	£	2022 £	£
Fixed assets					
Property, plant and equipment	10		1,200,000		-
Current assets			-		-
Current liabilities	11	(2,040)			-
Net current liabilities			(2,040)		-
Net assets			1,197,960		-
The funds of the CIO					
Unrestricted funds			1,197,960		-
			1,197,960		-

The financial statements were approved by the trustees on 8.10.2024


Mr P J Reynolds
Trustee


Mr G Gorton (Chairman)
Trustee

THE KING'S CHURCH CHESHAM CIO

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	2023 £	£	2022 £	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	15		1,200,000		-
Investing activities					
Purchase of property, plant and equipment		(1,200,000)		-	
Net cash used in investing activities			(1,200,000)		-
Cash and cash equivalents at beginning of year			-		-
Cash and cash equivalents at end of year			-		-

THE KING'S CHURCH CHESHAM CIO

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

1 Accounting policies

Charity information

The CIO is registered with the Charity Commission for England and Wales (no. 1199012). It is governed in accordance with its Constitution dated 19 May 2022.

1.1 Accounting convention

The financial statements have been prepared in accordance with the CIO'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 CIO 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 CIO. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. 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 CIO 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.

In due course, the CIO will be taking over the existing activities of The King's Church Chesham, charity registration number 291990.

1.3 Charitable funds

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

1.4 Income

Income is recognised when the CIO 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.

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

THE KING'S CHURCH CHESHAM CIO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies (Continued)

1.6 Property, plant and equipment

Property, plant and equipment 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 basis:

Freehold land and buildings	50 years straight line
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Freehold land is not depreciated.

Following the receipt of the Church building, significant renovation works are required, which will be undertaken during 2024. Therefore, the building is not currently in a state to be used and therefore no depreciation has yet been charged.

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.

1.7 Impairment of non-current assets

At each reporting end date, the CIO 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 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.

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. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including trade and other payables 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 payables 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 payables 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 CIO's contractual obligations expire or are discharged or cancelled.

THE KING'S CHURCH CHESHAM CIO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

2 Critical accounting estimates and judgements

In the application of the CIO'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.

3 Income from donations and legacies

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Donated goods and services	1,200,000	-

4 Expenditure on charitable activities

	Church activities 2023 £
Direct costs	
Share of support and governance costs (see note 5)	
Governance	2,040
Analysis by fund	
Unrestricted funds	2,040

5 Support costs allocated to activities

	2023 £	2022 £
Governance costs	2,040	-
Analysed between:		
Church activities	2,040	-

THE KING'S CHURCH CHESHAM CIO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

5 Support costs allocated to activities (Continued)

	2023 £	2022 £
Governance costs comprise:		
Audit fees	2,040	-
	<u>2,040</u>	<u>-</u>

6 Net movement in funds

	2023 £	2022 £
The net movement in funds is stated after charging/(crediting):		
Fees payable for the audit of the charity's financial statements	2,040	-
	<u>2,040</u>	<u>-</u>

7 Trustees

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

8 Employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
Total	-	-

There were no employees whose annual remuneration was more than £60,000.

9 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

10 Property, plant and equipment

	Freehold land and buildings £
Cost	
Additions	1,200,000
At 31 December 2023	<u>1,200,000</u>
Carrying amount	

Included above is the property at Trinity Baptist Church Chesham, which was gifted to us on 11 December 2023. The property has therefore been brought in as a donated asset, based on its valuation at that date. The property was valued by Jaggard Macland, a firm of independent valuation experts.

THE KING'S CHURCH CHESHAM CIO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

11 Current liabilities

	2023 £	2022 £
Accruals and deferred income	2,040	-

12 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 January 2023 £	Incoming resources £	Resources expended £	At 31 December 2023 £
General funds	-	1,200,000	(2,040)	1,197,960

13 Events after the reporting date

Following the transfer of ownership of Trinity Baptist Church Chesham the trust has commenced renovations and refurbishment. Phase 1 was completed during 2023 at a cost of approximately £235,000 and was financed by transfer of the building fund from the old King's Church Chesham Trust and monies raised by the Church.

Occupation of the building by the Old King's Church Chesham began in 2024 with the intention of transferring all operational activities across in 2025.

14 Related party transactions

During the year, the CIO was gifted the old Trinity Baptist Church building. This will be renovated, using the funds raised within the existing King's Church Chesham charity. Once the building is ready to be used, the activities of the Church will transfer across to this CIO, who will continue its activities.

15 Cash generated from operations

	2023 £	2022 £
Surplus for the year	1,197,960	-
Movements in working capital: Increase in trade and other payables	2,040	-
Cash generated from/(absorbed by) operations	1,200,000	-

16 Analysis of changes in net (debt)/funds

The CIO had no material debt during the year.

THE KING'S CHURCH CHESHAM CIO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

17 Non-audit services provided by auditor

In common with many businesses of our size and nature we use our auditor to assist with the preparation of the financial statements.

