

**REGISTERED COMPANY NUMBER: 01093879 (England and Wales)**  
**REGISTERED CHARITY NUMBER: 265612**

**KINGSWAY CLC TRUST**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2024**

Berringers LLP  
Lygon House  
50 London Road  
Bromley  
Kent  
BR1 3RA

# **KINGSWAY CLC TRUST**

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# **KINGSWAY CLC TRUST**

## **REFERENCE AND ADMINISTRATIVE DETAILS for the year ended 31 March 2024**

|                                      |   |
|--------------------------------------|---|
| <b>TRUSTEES</b>                      | P V Dalton<br>Mrs E Dowey<br>W H M MacKenzie (resigned 13.9.23)<br>W E Owen<br>Mrs L M Owen<br>J M Watkins<br>H Y Lessous<br>S L Banner (appointed 13.9.23) |
| <b>COMPANY SECRETARY</b>             | W E Owen  |
| <b>REGISTERED OFFICE</b>             | Unit 5 Glendale Avenue<br>Sandycroft Industrial Estate<br>Sandycroft<br>Deeside<br>CH5 2QP  |
| <b>REGISTERED COMPANY<br/>NUMBER</b> | 01093879 (England and Wales)  |
| <b>REGISTERED CHARITY<br/>NUMBER</b> | 265612  |
| <b>AUDITORS</b>                      | Berringers LLP<br>Lygon House<br>50 London Road<br>Bromley<br>Kent<br>BR1 3RA   |

## **KINGSWAY CLC TRUST**

### **REPORT OF THE TRUSTEES for the year ended 31 March 2024**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 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).

#### **OBJECTIVES AND ACTIVITIES**

##### **Objectives and aims**

The Trust's object as defined by its Memorandum and Articles of Association is "to advance the Christian Faith by such lawful means as the Foundation may determine". The activities carried out in furtherance of this object are wholesale, publishing and dealing in Christian literature, distributing Christian films and music, conducting Christian bookshops and running Christian conferences.

##### **Public benefit**

The charity's trustees have complied with the duty in Section 17 of the Charities Act 2011 to have due regard to Public Benefit guidance published by the Charity Commission. The charity delivers public benefit by virtue of the activities described above. The Trustees receive no private benefits from the charity and those in poverty are not excluded from benefiting from the charity's services.

#### **STRATEGIC REPORT**

##### **Achievement and performance**

##### **Charitable activities**

The trustees are pleased to present a more encouraging set of accounts following the previously disappointing 2022/3 financial year result.

The 2023/4 financial year has seen very significant sales growth (£6,908,901 compared to £6,385,350), a growth of +8.1%.

The stated aim of the Trust is to be able to distribute Christian literature and other resources to bring people to faith and maturity in Jesus Christ. We are very thankful that we have been able to continue to do that in this financial year, and specifically we are very grateful to be one of the largest distributors of Bibles in the UK.

Strategic relationships with key Christian publishers based both in the UK and the US has been a mainstay to this activity. Also the key customer relationships that the Trust has developed over recent years with many Christian bookshops has helped to maintain a flow of Christian resources to many high streets across the UK and beyond.

We have also developed the opportunity to sell direct through our three websites: re-vived.com, equippingthechurch.com and aslanchristianbooks.com. We recognise that there is further opportunity to support local churches and individuals through this online ministry.

We are also pleased to support the wider international CLC family, as we make a financial contribution to their mission across the world. Having developed a print on demand facility we are now also able to offer the opportunity to external third parties to print Christian resources in house.

We are grateful to be able to support these varied ministries with a solid infrastructure, owning our own warehouse in Chester, supported by established IT systems, and employing an experienced and stable team committed to the ministry. In particular the team remain excited to be able to distribute God's word, and other evangelical literature and media, which point people to the good news of the life, death and resurrection of Jesus Christ.

The trustees are wholeheartedly committed to the further development of this ministry, and to ensuring and maintaining the financial stability of the organisation and are certainly encouraged by the financial performance achieved in the most recent months of the 2024/5 financial year.

The Trust has now also developed new relationships with four additional Christian publishers, which will further help to provide an even wider cross section of evangelical Christian resources to our customer base.

In summary we remain dependent upon God as we seek to faithfully serve Him, and be guided by Him, in obedience and faith.

## **KINGSWAY CLC TRUST**

### **REPORT OF THE TRUSTEES for the year ended 31 March 2024**

#### **STRATEGIC REPORT**

##### **Financial review**

##### **Financial position**

The Trust has gone through a challenging period from a financial perspective, having suffered a large deficit in the 2022/3 financial year. The 2023/4 financial year, has seen an improvement in this performance, having generated a small surplus of £3,454.

We are grateful to WEC International and CLC International (UK) for their financial support in the year. Specifically the capital investment that was required to develop the dedicated print on demand facility within the Chester warehouse.

We have established robust and realistic provisions for both slow moving stock and any bad debt risk and have a rigorous approach to managing and controlling our cost base. We are also pleased to be able to report that the financial position of the organisation continues to improve into the new financial year.

It is our desire to start to reduce the Trust's inventory level over time, and thus start to pay back the loan received from CLC International (UK).

It also remains our desire to continue to support CLC worldwide, and again over time, be able to make a greater contribution to that important mission activity.

##### **Reserves policy**

The directors have examined the charities requirements for reserves in the light of the main risks to the organisation and the expansion of activities as outlined earlier in this report. A level of three-month general expenditure not directly related to turnover is considered desirable. The directors are confident that at this level they would be able to continue the current activities of the charity in the event of a significant drop in funding. 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.

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

##### **Governing document**

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

##### **Organisational structure**

The charity is a company limited by guarantee. The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements are listed on page 1 under the heading Trustees.

The directors of the company are also the charity trustees and comprise the management committee. Each year at the general meeting one third of the trustees since their last election or appointment, retire from office, but are then eligible for re-election.

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. Related parties of Kingsway CLC trust include CLC International UK, a charity with shared trustees.

The trustees report was approved by the Board of Trustees.

#### **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

The trustees (who are also the directors of Kingsway CLC Trust for the purposes of company law) 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).

## **KINGSWAY CLC TRUST**

### **REPORT OF THE TRUSTEES for the year ended 31 March 2024**

#### **STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued**

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing 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;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

#### **AUDITORS**

The auditors, Berringers LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Report of the trustees, incorporating a Strategic report, approved by order of the board of trustees, as the company directors, on 8 October 2024 and signed on the board's behalf by:

W E Owen - Trustee

## **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF KINGSWAY CLC TRUST**

### **Opinion**

We have audited the financial statements of Kingsway CLC Trust (the 'charitable company') for the year ended 31 March 2024 which comprise the Statement of financial activities, the Balance sheet, the Cash flow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2024 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company 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 charitable company'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 trustees are responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our Report of the independent auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the 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.

### **Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the Report of the trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the trustees has been prepared in accordance with applicable legal requirements.

## **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF KINGSWAY CLC TRUST**

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

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the trustees.

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

### **Responsibilities of trustees**

As explained more fully in the Statement of trustees' responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

### **Our responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the independent auditors 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:

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and error, we considered the following:

- the nature of the industry, control environment and business performance;
- results of our enquiries to management about their own assessment of the risks of fraud and error;
- the matters discussed among the audit engagement team regarding how and where fraud may occur in the financial statements and any potential indicators of fraud.

Our procedures to respond to risk include the following:

- reviewing the financial statement disclosures and testing to supporting documentation;
- performing analytical procedures to identify any unusual or unexpected areas that may indicate risks of material misstatement due to fraud or error;

addressing the risk of fraud and error through management override of controls, testing the appropriateness of journals, assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Independent Auditors.



**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
KINGSWAY CLC TRUST**

**Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Paul Allan BSocSc FCA (Senior Statutory Auditor)  
for and on behalf of Berringers LLP  
Lygon House  
50 London Road  
Bromley  
Kent  
BR1 3RA

8 October 2024

**KINGSWAY CLC TRUST**

**STATEMENT OF FINANCIAL ACTIVITIES  
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)  
for the year ended 31 March 2024**

|  |       | <b>2024<br/>Unrestricted<br/>fund<br/>£</b> | <b>2023<br/>Total<br/>funds<br/>£</b> |
|--|-------|---|---------------------------------------|
| <b>INCOME AND ENDOWMENTS FROM</b>        | Notes |   |                                       |
| Donations and legacies                   | 2     | <b>226,713</b>                              | 43,251                                |
| <b>Charitable activities</b>             | 4     |   |                                       |
| Sales of Bibles and Christian Literature |       | <b>6,908,901</b>                            | 6,385,350                             |
| Investment income                        | 3     | <b>98,323</b>                               | 79,811                                |
| Other income                             |       | <b>15,000</b>                               | 8,400                                 |
| <b>Total</b>                             |       | <b>7,248,937</b>                            | 6,516,812                             |
| <br><b>EXPENDITURE ON</b>                |       |   |                                       |
| Raising funds                            | 5     | <b>76,776</b>                               | 66,833                                |
| <b>Charitable activities</b>             | 6     |   |                                       |
| Sales of Bibles and Christian Literature |       | <b>7,168,707</b>                            | 6,915,598                             |
| <b>Total</b>                             |       | <b>7,245,483</b>                            | 6,982,431                             |
| <br><b>NET INCOME/(EXPENDITURE)</b>      |       | <b>3,454</b>                                | (465,619)                             |
| <br><b>RECONCILIATION OF FUNDS</b>       |       |   |                                       |
| Total funds brought forward              |       | <b>2,386,739</b>                            | 2,852,358                             |
| <br><b>TOTAL FUNDS CARRIED FORWARD</b>   |       | <b>2,390,193</b>                            | 2,386,739                             |

The notes form part of these financial statements

# KINGSWAY CLC TRUST

## BALANCE SHEET 31 March 2024

|  |       | 2024<br>Unrestricted<br>fund<br>£ | 2023<br>Total<br>funds<br>£ |
|--|-------|-----------------------------------|-----------------------------|
|  | Notes |                                   |                             |
| <b>FIXED ASSETS</b>                          |       |                                   |                             |
| Tangible assets                              | 12    | 1,858,969                         | 1,685,932                   |
| <b>CURRENT ASSETS</b>                        |       |                                   |                             |
| Stocks                                       | 13    | 1,534,298                         | 1,734,367                   |
| Debtors                                      | 14    | 644,852                           | 687,653                     |
| Cash at bank and in hand                     |       | 244,251                           | 81,898                      |
|  |       | <u>2,423,401</u>                  | <u>2,503,918</u>            |
| <b>CREDITORS</b>                             |       |                                   |                             |
| Amounts falling due within one year          | 15    | (1,125,708)                       | (1,276,642)                 |
| <b>NET CURRENT ASSETS</b>                    |       | <u>1,297,693</u>                  | <u>1,227,276</u>            |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b> |       | <b>3,156,662</b>                  | <b>2,913,208</b>            |
| <b>CREDITORS</b>                             |       |                                   |                             |
| Amounts falling due after more than one year | 16    | (766,469)                         | (526,469)                   |
| <b>NET ASSETS</b>                            |       | <u>2,390,193</u>                  | <u>2,386,739</u>            |
| <b>FUNDS</b>                                 | 18    |                                   |                             |
| Unrestricted funds                           |       | <u>2,390,193</u>                  | <u>2,386,739</u>            |
| <b>TOTAL FUNDS</b>                           |       | <u>2,390,193</u>                  | <u>2,386,739</u>            |

The financial statements were approved by the Board of Trustees and authorised for issue on 8 October 2024 and were signed on its behalf by:

W E Owen - Trustee

The notes form part of these financial statements

**KINGSWAY CLC TRUST**

**CASH FLOW STATEMENT  
for the year ended 31 March 2024**

|   | Notes | 2024<br>£             | 2023<br>£            |
|---|-------|-----------------------|----------------------|
| <b>Cash flows from operating activities</b>                               |       |                       |                      |
| Cash generated from operations  | 1     | <u>95,397</u>         | <u>(216,696)</u>     |
| Net cash provided by/(used in) operating activities                       |       | <u>95,397</u>         | <u>(216,696)</u>     |
| <b>Cash flows from investing activities</b>                               |       |                       |                      |
| Purchase of tangible fixed assets   |       | (228,170)             | (10,213)             |
| Interest received   |       | <u>92</u>             | <u>50</u>            |
| Net cash used in investing activities                                     |       | <u>(228,078)</u>      | <u>(10,163)</u>      |
| <b>Cash flows from financing activities</b>                               |       |                       |                      |
| New loans in year   |       | 305,034               | 185,000              |
| Loan repayments in year   |       | <u>(10,000)</u>       | <u>(10,001)</u>      |
| Net cash provided by financing activities                                 |       | <u>295,034</u>        | <u>174,999</u>       |
| <b>Change in cash and cash equivalents in the reporting period</b>        |       | <u>162,353</u>        | <u>(51,860)</u>      |
| <b>Cash and cash equivalents at the beginning of the reporting period</b> |       | <u>81,898</u>         | <u>133,758</u>       |
| <b>Cash and cash equivalents at the end of the reporting period</b>       |       | <u><u>244,251</u></u> | <u><u>81,898</u></u> |

The notes form part of these financial statements

**KINGSWAY CLC TRUST**

**NOTES TO THE CASH FLOW STATEMENT  
for the year ended 31 March 2024**

**1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES**

|   | 2024<br>£            | 2023<br>£               |
|---|----------------------|-------------------------|
| <b>Net income/(expenditure) for the reporting period (as per the Statement of financial activities)</b> | <b>3,454</b>         | <b>(465,619)</b>        |
| <b>Adjustments for:</b>   |                      |                         |
| Depreciation charges  | 55,133               | 44,241                  |
| Interest received   | (92)                 | (50)                    |
| Decrease/(increase) in stocks   | 200,069              | (39,228)                |
| Decrease/(increase) in debtors  | 42,801               | (92,543)                |
| (Decrease)/increase in creditors  | (205,968)            | 336,503                 |
| <b>Net cash provided by/(used in) operations</b>  | <b><u>95,397</u></b> | <b><u>(216,696)</u></b> |

**2. ANALYSIS OF CHANGES IN NET DEBT**

|                                 | At 1.4.23<br>£          | Cash flow<br>£          | At 31.3.24<br>£         |
|---------------------------------|-------------------------|-------------------------|-------------------------|
| <b>Net cash</b>                 |                         |                         |                         |
| Cash at bank and in hand        | 81,898                  | 162,353                 | 244,251                 |
|                                 | <u>81,898</u>           | <u>162,353</u>          | <u>244,251</u>          |
| <b>Debt</b>                     |                         |                         |                         |
| Debts falling due within 1 year | (99,364)                | (55,034)                | (154,398)               |
| Debts falling due after 1 year  | (526,469)               | (240,000)               | (766,469)               |
|                                 | <u>(625,833)</u>        | <u>(295,034)</u>        | <u>(920,867)</u>        |
| <b>Total</b>                    | <b><u>(543,935)</u></b> | <b><u>(132,681)</u></b> | <b><u>(676,616)</u></b> |

The notes form part of these financial statements

## KINGSWAY CLC TRUST

### NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2024

#### 1. ACCOUNTING POLICIES

##### **Basis of preparing the financial statements**

The financial statements of the charitable company, 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 Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value.

The charity constitutes a public benefit entity as defined by FRS 102.

##### **Going concern**

The trustees have reviewed the post year end financial information available at the time of approving these financial statements, and have concluded that the financial statements should be prepared on a going concern basis.

##### **Income**

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably. Turnover from the sales of Bibles and Christian literature is brought into account as receivable for the period and excludes VAT.

Donations, legacies and gifts are recognised when received or when the charity becomes legally entitled to them having been notified in writing of both the amount and settlement date. Donations are allocated specifically at the request of the donor, or to the general fund for volunteers. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either of those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

##### **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 settlement will be required and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis, exclusive of any VAT.

Expenditure which is directly attributable to specific activities has been included in these cost categories. Costs have been allocated to specific departments on a usage basis, as a result no further allocation of costs is required. There are no costs to be allocated to the cost of generating voluntary income.

Distributions to volunteers and centres are recognised on commitment to payment and are included in charitable expenditure. Staff costs have been included in charitable expenditure.

##### **Allocation and apportionment of costs**

In accordance with SORP FRS 102, governance costs have been included within support costs. Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs relating to statutory audit and legal fees together with the apportionment of overhead and support costs.

##### **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        | - not provided        |
| Improvements to property | - 5% on cost          |
| Plant and machinery      | - 10% - 33.3% on cost |
| Fixtures and fittings    | - 10% - 20% on cost   |

## KINGSWAY CLC TRUST

### NOTES TO THE FINANCIAL STATEMENTS - continued for the year ended 31 March 2024

#### 1. ACCOUNTING POLICIES - continued

##### **Tangible fixed assets**

Computer equipment - 20% - 33.3% on cost

Fixed assets donated from CLC International (UK) were initially included within fixed asset additions at the net book value as per the audited financial statements of CLC International (UK) and then depreciated over their useful economic lives with reference to the relevant depreciation policy (as detailed above).

Freehold property is included in the financial statements at fair value as at the balance sheet date. No depreciation is provided in respect of the freehold properties. This policy of non-depreciation, is, in the opinion of the trustees, necessary for the financial statements to give a true and fair view in accordance with applicable accounting standards as the properties are included in the financial statements at appropriate value. The properties will maintain a long useful economic life and high residual value through the policy of regular maintenance and repair (charges for which are recognised in the Statement of Financial Activities) such that the assets are kept to the previously assessed levels.

##### **Stocks**

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

##### **Taxation**

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

##### **Fund accounting**

Unrestricted funds comprise of a general fund which can be used in accordance with the charitable objectives at the discretion of the trustees, and a revaluation fund which is realised and transferred to the general fund upon the sale of the revalued property or properties to which the fund relates.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor or trust deed. At the balance sheet date there were no restricted funds held by the charity.

##### **Foreign currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

##### **Operating Leases**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged as incurred.

##### **Pension costs and other post-retirement benefits**

Employees of the charity may be entitled to join a defined contribution scheme. The costs of the defined contribution scheme are included within support and governance costs and charged to the unrestricted funds of the charity.

The plan is managed by The People's Pension Trustee Limited and invests the contributions made by the employee and employer in an investment fund to build up over the term of the plan. The pension fund is converted into a pension upon the employee's normal retirement age which is defined as when they are eligible for state pension. The charity has no liability beyond making its contributions and paying across the deductions for the employee's contributions.

##### **Realised gains and losses**

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on property sales are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year.

##### **Charitable activities**

# KINGSWAY CLC TRUST

## NOTES TO THE FINANCIAL STATEMENTS - continued for the year ended 31 March 2024

### 1. ACCOUNTING POLICIES - continued

Costs of charitable activities include costs in connection with the sale of Bibles and Christian literature, governance costs and an apportionment of support costs as shown in note 7.

#### Trade and other creditors

Trade and other creditors are recognised in the accounts at fair value on the date of the transaction. Impairments are recognised in the Statement of Financial Activities in the reporting period.

#### Critical accounting estimates and judgements

In 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.

### 2. DONATIONS AND LEGACIES

|           | 2024           | 2023          |
|-----------|----------------|---------------|
|           | £              | £             |
| Donations | 224,979        | 43,251        |
| Gift aid  | 1,734          | -             |
|           | <u>226,713</u> | <u>43,251</u> |

### 3. INVESTMENT INCOME

|                          | 2024          | 2023          |
|--------------------------|---------------|---------------|
|                          | £             | £             |
| Rents received           | 67,603        | 47,122        |
| Service charges received | 30,628        | 32,639        |
| Interest receivable      | 92            | 50            |
|                          | <u>98,323</u> | <u>79,811</u> |

### 4. INCOME FROM CHARITABLE ACTIVITIES

|                        | Activity                                 | 2024             | 2023             |
|------------------------|--|------------------|------------------|
|                        |  | £                | £                |
| Wholesale sales        | Sales of Bibles and Christian Literature | 5,416,946        | 5,025,661        |
| Educational conference | Sales of Bibles and Christian Literature | 48,008           | 9,469            |
| Online sales           | Sales of Bibles and Christian Literature | 1,418,996        | 1,347,110        |
| Royalties income       | Sales of Bibles and Christian Literature | 10,852           | 3,110            |
| POD income             | Sales of Bibles and Christian Literature | 14,099           | -                |
|                        |  | <u>6,908,901</u> | <u>6,385,350</u> |



# KINGSWAY CLC TRUST

## NOTES TO THE FINANCIAL STATEMENTS - continued for the year ended 31 March 2024

### 5. RAISING FUNDS

#### Raising donations and legacies

|             | 2024          | 2023          |
|-------------|---------------|---------------|
|             | £             | £             |
| Advertising | <u>76,776</u> | <u>66,833</u> |

### 6. CHARITABLE ACTIVITIES COSTS

|  | Direct<br>Costs<br>£ | Support<br>costs (see<br>note 7)<br>£ | Totals<br>£      |
|--|----------------------|---------------------------------------|------------------|
| Sales of Bibles and Christian Literature | <u>6,310,138</u>     | <u>858,569</u>                        | <u>7,168,707</u> |

### 7. SUPPORT COSTS

The breakdown of support costs, included in the above, are as follows:

#### Other support costs

|   | Year ended 31.3.24<br>Sales of Bibles and<br>Christian<br>Literature<br>£ | Year ended<br>31.3.23<br>Sales of Bibles and<br>Christian Literature<br>£ |
|---|---|---|
| Rent, rates & utilities                 | 69,209  | 48,915  |
| Telephone                               | 12,853  | 10,945  |
| Repairs                                 | 38,427  | 18,829  |
| Insurance                               | 3,500   | 21,114  |
| Cleaning                                | 12,772  | 10,839  |
| Travel & motor expenses                 | 36,406  | 34,694  |
| Event costs                             | 3,352   | 23,700  |
| Advertising & promotion                 | 119,005   | 113,147   |
| Printing & stationery                   | 2,199   | 6,931   |
| Subscription and donations              | 3,450   | 6,882   |
| Credit card charges                     | 6,503   | 7,649   |
| Training costs                          | 1,774   | 843   |
| Bad and doubtful debts                  | 21,999  | 3,778   |
| Computer licencing & maintenance        | 55,243  | 86,148  |
| Equipment maintenance                   | 4,877   | 8,744   |
| Welfare expenses                        | 6,557   | 8,858   |
| International office field contribution | 34,693  | 31,706  |
| Bank charges                            | 36,439  | 24,762  |
| Sundry                                  | 4,448   | 8,857   |
| Interest on CLC loan                    | 25,177  | 5,212   |
| POD Costs                               | 28,560  | -   |
| Depreciation of tangible fixed assets   | 55,133  | 44,241  |
|   | <u>582,576</u>  | <u>526,794</u>  |

#### Governance costs

| Year Ended<br>31.3.24 | Year Ended<br>31.3.23 |
|-----------------------|-----------------------|
|-----------------------|-----------------------|

# KINGSWAY CLC TRUST

## NOTES TO THE FINANCIAL STATEMENTS - continued for the year ended 31 March 2024

### 7. SUPPORT COSTS - continued

|                                | Sales of Bibles<br>and Christian<br>Literature<br>£ | Sales of Bibles<br>and Christian<br>Literature<br>£ |
|--------------------------------|---|---|
| Salaries                       | 249,668   | 229,564   |
| Auditors' remuneration         | 17,400  | 16,300  |
| Legal and professional fees    | 7,036   | 12,430  |
| Conferences & trustee meetings | 1,889   | 4,148   |
|                                | <u>275,993</u>                                      | <u>262,442</u>                                      |

### 8. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

|                             | 2024<br>£     | 2023<br>£     |
|-----------------------------|---------------|---------------|
| Auditors' remuneration      | 17,400        | 16,300        |
| Depreciation - owned assets | <u>55,133</u> | <u>44,240</u> |

### 9. TRUSTEES' REMUNERATION AND BENEFITS

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

#### Trustees' expenses

Included within Trustees, conference and committee expenses are expenses claimed by trustees for travelling to trustees meetings of £467 (2023: £170).

### 10. STAFF COSTS

|                       | 2024<br>£        | 2023<br>£        |
|-----------------------|------------------|------------------|
| Employment costs      |                  |                  |
| Wages and salaries    | 1,186,180        | 1,002,615        |
| Social security costs | 90,941           | 70,080           |
| Other pension costs   | 23,551           | 22,810           |
|                       | <u>1,300,672</u> | <u>1,095,505</u> |

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

|                         | 2024      | 2023      |
|-------------------------|-----------|-----------|
| Full time and part time | <u>55</u> | <u>49</u> |

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

**KINGSWAY CLC TRUST**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
for the year ended 31 March 2024**

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

|  | Unrestricted<br>fund<br>£ |
|--|---------------------------|
| <b>INCOME AND ENDOWMENTS FROM</b>        |                           |
| Donations and legacies                   | 43,251                    |
| <b>Charitable activities</b>             |                           |
| Sales of Bibles and Christian Literature | 6,385,350                 |
| Investment income                        | 79,811                    |
| Other income                             | 8,400                     |
| <b>Total</b>                             | <u>6,516,812</u>          |
| <b>EXPENDITURE ON</b>                    |                           |
| Raising funds                            | 66,833                    |
| <b>Charitable activities</b>             |                           |
| Sales of Bibles and Christian Literature | 6,915,598                 |
| <b>Total</b>                             | <u>6,982,431</u>          |
| <b>NET INCOME/(EXPENDITURE)</b>          | (465,619)                 |
| <b>RECONCILIATION OF FUNDS</b>           |                           |
| Total funds brought forward              | 2,852,358                 |
| <b>TOTAL FUNDS CARRIED FORWARD</b>       | <u><u>2,386,739</u></u>   |

**12. TANGIBLE FIXED ASSETS**

|                       | Freehold<br>property<br>£ | Improvements<br>to<br>property<br>£ | Plant and<br>machinery<br>£ |
|-----------------------|---------------------------|-------------------------------------|-----------------------------|
| <b>COST</b>           |                           |                                     |                             |
| At 1 April 2023       | 1,407,176                 | 258,019                             | 27,178                      |
| Additions             | -                         | 120,972                             | 92,055                      |
|                       | <u>1,407,176</u>          | <u>378,991</u>                      | <u>119,233</u>              |
| At 31 March 2024      | 1,407,176                 | 378,991                             | 119,233                     |
| <b>DEPRECIATION</b>   |                           |                                     |                             |
| At 1 April 2023       | -                         | 47,557                              | 18,394                      |
| Charge for year       | -                         | 18,830                              | 6,978                       |
|                       | <u>-</u>                  | <u>66,387</u>                       | <u>25,372</u>               |
| At 31 March 2024      | -                         | 66,387                              | 25,372                      |
| <b>NET BOOK VALUE</b> |                           |                                     |                             |
| At 31 March 2024      | <u>1,407,176</u>          | <u>312,604</u>                      | <u>93,861</u>               |
| At 31 March 2023      | <u>1,407,176</u>          | <u>210,462</u>                      | <u>8,784</u>                |

# KINGSWAY CLC TRUST

## NOTES TO THE FINANCIAL STATEMENTS - continued for the year ended 31 March 2024

### 12. TANGIBLE FIXED ASSETS - continued

|                       | Fixtures<br>and<br>fittings<br>£ | Computer<br>equipment<br>£ | Totals<br>£ |
|-----------------------|----------------------------------|----------------------------|-------------|
| <b>COST</b>           |                                  |                            |             |
| At 1 April 2023       | 113,366                          | 49,166                     | 1,854,905   |
| Additions             | 1,029                            | 14,114                     | 228,170     |
| At 31 March 2024      | 114,395                          | 63,280                     | 2,083,075   |
| <b>DEPRECIATION</b>   |                                  |                            |             |
| At 1 April 2023       | 67,692                           | 35,330                     | 168,973     |
| Charge for year       | 18,665                           | 10,660                     | 55,133      |
| At 31 March 2024      | 86,357                           | 45,990                     | 224,106     |
| <b>NET BOOK VALUE</b> |                                  |                            |             |
| At 31 March 2024      | 28,038                           | 17,290                     | 1,858,969   |
| At 31 March 2023      | 45,674                           | 13,836                     | 1,685,932   |

The freehold property was valued in 2018 by the trustees of CLC International (UK) using market data to ensure that the carrying value was at fair value in accordance with FRS 102. Following the donation of the property to the charity on 1 August 2019 the trustees of both charities reviewed the carrying amount and concluded there was no material change in fair value since the last valuation. The trustees continue to believe that there has been no material adjustment in the carrying value since that date.

### 13. STOCKS

|        | 2024<br>£ | 2023<br>£ |
|--------|-----------|-----------|
| Stocks | 1,534,298 | 1,734,367 |

During the period the trustees revalued wholesale slow-moving stock to net realisable value. Included in the accounts is a impairment provision totalling £205,800 (2023: £188,800).

### 14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

|                               | 2024<br>£ | 2023<br>£ |
|-------------------------------|-----------|-----------|
| Trade debtors                 | 533,761   | 617,822   |
| Other debtors and prepayments | 67,328    | 68,307    |
| VAT                           | 43,763    | 1,524     |
|                               | 644,852   | 687,653   |

**KINGSWAY CLC TRUST**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
for the year ended 31 March 2024**

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

|   | 2024             | 2023             |
|---|------------------|------------------|
|   | £                | £                |
| Bank loans and overdrafts (see note 17) | 9,364            | 9,364            |
| Other loans (see note 17)               | 145,034          | 90,000           |
| Trade creditors                         | 701,523          | 926,644          |
| Social security and other taxes         | 19,474           | 20,535           |
| Sundry creditors and accruals           | 250,313          | 230,099          |
|   | <u>1,125,708</u> | <u>1,276,642</u> |

**16. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

|                           | 2024           | 2023           |
|---------------------------|----------------|----------------|
|                           | £              | £              |
| Bank loans (see note 17)  | 16,469         | 26,469         |
| Other loans (see note 17) | 750,000        | 500,000        |
|                           | <u>766,469</u> | <u>526,469</u> |

**17. LOANS**

An analysis of the maturity of loans is given below:

|   | 2024           | 2023           |
|---|----------------|----------------|
|   | £              | £              |
| Amounts falling due within one year on demand:  |                |                |
| Bank loans                                      | 9,364          | 9,364          |
| Other loans                                     | 145,034        | 90,000         |
|   | <u>154,398</u> | <u>99,364</u>  |
| Amounts falling between one and two years:      |                |                |
| Bank loans - 1-2 years                          | 9,714          | 9,714          |
| Other loans - 1-2 years                         | 750,000        | 500,000        |
|   | <u>759,714</u> | <u>509,714</u> |
| Amounts falling due between two and five years: |                |                |
| Bank loans - 2-5 years                          | <u>6,755</u>   | <u>16,755</u>  |

**18. MOVEMENT IN FUNDS**

|                           | At 1.4.23        | Net<br>movement<br>in funds | At               |
|---------------------------|------------------|-----------------------------|------------------|
|                           | £                | £                           | 31.3.24<br>£     |
| <b>Unrestricted funds</b> |                  |                             |                  |
| General fund              | 2,386,739        | 3,454                       | 2,390,193        |
|                           | <u>2,386,739</u> | <u>3,454</u>                | <u>2,390,193</u> |
| <b>TOTAL FUNDS</b>        | <u>2,386,739</u> | <u>3,454</u>                | <u>2,390,193</u> |

# KINGSWAY CLC TRUST

## NOTES TO THE FINANCIAL STATEMENTS - continued for the year ended 31 March 2024

### 18. MOVEMENT IN FUNDS - continued

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

|                           | Incoming<br>resources<br>£ | Resources<br>expended<br>£ | Movement<br>in funds<br>£ |
|---------------------------|----------------------------|----------------------------|---------------------------|
| <b>Unrestricted funds</b> |                            |                            |                           |
| General fund              | 7,248,937                  | (7,245,483)                | 3,454                     |
| <b>TOTAL FUNDS</b>        | <u>7,248,937</u>           | <u>(7,245,483)</u>         | <u>3,454</u>              |

### Comparatives for movement in funds

|                           | At 1.4.22<br>£   | Net<br>movement<br>in funds<br>£ | At<br>31.3.23<br>£ |
|---------------------------|------------------|----------------------------------|--------------------|
| <b>Unrestricted funds</b> |                  |                                  |                    |
| General fund              | 2,852,358        | (465,619)                        | 2,386,739          |
| <b>TOTAL FUNDS</b>        | <u>2,852,358</u> | <u>(465,619)</u>                 | <u>2,386,739</u>   |

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

|                           | Incoming<br>resources<br>£ | Resources<br>expended<br>£ | Movement<br>in funds<br>£ |
|---------------------------|----------------------------|----------------------------|---------------------------|
| <b>Unrestricted funds</b> |                            |                            |                           |
| General fund              | 6,516,812                  | (6,982,431)                | (465,619)                 |
| <b>TOTAL FUNDS</b>        | <u>6,516,812</u>           | <u>(6,982,431)</u>         | <u>(465,619)</u>          |

### 19. RELATED PARTY DISCLOSURES

CLC International (UK) is a related party due to mutual trustees. By an Asset Transfer Agreement on 1 August 2019, CLC transferred assets totalling £3,179,349 to Kingsway CLC Trust, a Charity Company limited by guarantee. During this process CLC transferred its wholesale and ecommerce divisions as well as its warehouse and offices in Sandycroft, warehouse stock, trade debtors and creditors. 32 CLC employees were transferred to Kingsway under the TUPE arrangement, with the remaining employees transferred during the year ended 31 March 2021.

During 2024 there were management charges to CLC of £15,000 (2023: £8,400) and no goods were sold to them (2023: £nil). As at 31 March 2024, £895,034 was owed to CLC International (UK), relating to a short term loan of £145,034, due within one month of the year end, and a long term loan of £750,000. Interest is accruing at the Bank of England rate, with £25,177 charged for the year.

CLC International is a related party due to a mutual trustee. A Mission Support Contribution of £34,693 (2023: £31,706) was paid to CLC International during the year.

## KINGSWAY CLC TRUST

### NOTES TO THE FINANCIAL STATEMENTS - continued for the year ended 31 March 2024

#### 19. RELATED PARTY DISCLOSURES - continued

Christian Focus Publications Limited is a related party due to a mutual trustee. During the period purchases amounting to £90,902 (2023: £93,722) were made by Kingsway CLC Trust, with £1,442 (2023: £13,549) outstanding at the year end.

The activities of Re-vived.com label were held in a separate account in the name of Re-vived.com Resources Ltd but are treated as activities of the Kingsway CLC Trust. Re-vived.com Resources Ltd was dormant, limited by guarantee and closed down during the year. The trustees of Kingsway CLC Trust were the guarantors.

#### **Key management personnel**

Included in wages and salaries is the remuneration paid to key management personnel of the charity during the financial period with the total employment benefits including employer pension contributions being £249,668 (2023: £229,564).