
KINGDOM FAITH CHURCH

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

KINGDOM FAITH CHURCH

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KINGDOM FAITH CHURCH

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 DECEMBER 2020

Trustees

Mr. Jeremy Blake
Mr. Simon Coles
Mr. Jonathan Croft
Mr. Jon Elliott
Mr. Clive Urquhart
Mr. Bengt Wedemalm (deceased 28 April 2021)

Charity registered number

278746

Principal office

Kingdom Faith Church
Foundry Lane
Horsham
West Sussex
RH13 5PX

Independent auditors

Baldwin Scofield Ltd
Chartered Accountants
Statutory auditors
3 Newhouse Business Centre
Old Crawley Road
Horsham
West Sussex
RH12 4RU

Bankers

National Westminster Bank plc
16 The Boulevard
Crawley
West Sussex
RH10 1GL

Solicitors

Donne, Mileham & Haddock
40 Hight Street
Crawley
West Sussex
RH10 1BW

KINGDOM FAITH CHURCH

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

The Trustees present their annual report together with the audited financial statements of the Kingdom Faith Church for the year 1 January 2020 to 31 December 2020.

Objectives and activities

• Policies and objectives

The principal object of the Trust is the advancement of the Christian Faith.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

Achievements and performance

• Review of activities

The 2020 calendar year started with 21 days prayer and fasting, incorporating encounter nights, prayer meetings and encouraging families and small groups across all the congregations to gather for fellowship and communion together.

Due to the Corona Virus and the ensuing national lockdowns from end of March, we adapted the shape and operational side of the Church. All in person activity stopped and we started streaming prerecorded services on Sundays, which became live stream Covid safe services once the guidelines allowed.

The general activities of the church such as prayer meetings, small groups and pastoral support all went online through Zoom and live streaming. During the year we encouraged, when allowed, groups to meet within the Covid guidelines, Rule of 6 etc, and had Covid safe watch events in Roffey place in a first step towards in person meetings.

Due to the ongoing pandemic the rest of 2020 stayed primarily online including all our Christmas services and events.

The Training College only operated from Jan- March due to the lockdown from April, but continued to deliver first class teaching, training and equipping with very positive feedback from churches who receive the benefit of our students working with them both during and after training.

We made the decision as a leadership that the residential Training College would cease to operate in April 2020. We are currently looking at how we develop and deliver training online in a non-residential context going forward. We will also stopped our accelerated leader training internship.

The partnering church relationships continue to grow and develop. The National Leaders conference in March was very well received and this continues to be an important context in connecting with and building these relationships. Once the pandemic started we moved to a bi weekly Zoom call with all the partnering leaders, which has resulted in an acceleration in strengthening and forging new relationships and delivering support and training.

Our individual Partners have continued to be faithful supporters in terms of prayer, attendance and financial giving. Due to our services and prayer meetings going online that has enabled many others across the UK, Europe and other parts of the World to connect into Kingdom Faith.

The Child Contact Centre continued to operate every other Saturday allowing a separated parent to see their child in a safe and friendly environment until end of March. This was re-introduced as in person covid safe sessions once restrictions allowed.

KINGDOM FAITH CHURCH

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

Financial review

• Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

• Reserves policy

The trustees have a reserve policy of £100,000 to be held in cash to help smooth out cashflow timings. At the year end this was not being met and cash at year end was £55,108 (2019: £32,638), which is an increase of £22,470 on last year.

• Results

The current period produced a total surplus of £129,993. This was after non-cash depreciation charge of £4,523.

We expect that going forward we will run a general budget surplus.

• Principal risks and uncertainties

The Trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the charity, and are satisfied that systems and procedures are in place to mitigate our exposure to major risks. These assessments are subject to ongoing review and monitoring.

Structure, governance and management

• Constitution

Kingdom Faith Church is a registered charity, number 278746, and is constituted under a Trust deed dated 21 September 1979. The Trustees were incorporated as a body on 4 May 2006 in the name "The incorporated Trustees of Kingdom Faith Church".

• Methods of appointment or election of Trustees

Under the terms of the revised trust deed dated 27 April 2009, the Trustees are authorised to appoint new Trustees provided they are approved by the executive team of Kingdom Faith Church as defined in clause 5.8.1 of that deed.

New Trustees are appointed on the basis of their expertise and involvement in furthering the objects of the charity.

• Organisational structure and decision-making policies

The governing body of Kingdom Faith Church is the Trustees who are legally responsible for the governance and management of the Trust, working in close consultation with the Executive team of Kingdom Faith Church.

The Trustees are responsible for setting strategies and policies and for ensuring that these are implemented. Authority to conduct the day to day operations of Kingdom Faith Church is delegated by the Trustees to the Executive Team. The Executive Team are responsible for the implementation of the policies and strategies on behalf of the Trustees.

KINGDOM FAITH CHURCH

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

Structure, governance and management (continued)

• Policies adopted for the induction and training of Trustees

The Trustee induction process is considered sufficient at this time. New Trustees are briefed by the Executive team and are provided with the accounts of the Trust, a copy of the trust deed and an explanation of the history of the Trust.

• Related party relationships

The Trust has connections with Lamplugh House Trust up until its closure in November 2016, the incorporated charity, The Way of the Spirit and Kingdom Faith South West Trust.

New charities were established for Kingdom Faith London and Kingdom Faith Yorkshire and with effect from 1 September 2009, the activities and accumulated funds were transferred to those charities.

Plans for future periods

The plans for the Trust in the year ahead were set out during the Kingdom Faith vision Sunday held on January 3rd 2021, the recording of which is available on the Church website.

The Leadership decided in Early 2021 to vacate the Roffey Place premises and locate offices and operations within church building in Foundry Lane Horsham.

At the time of writing Roffey Place is being prepared for sale, with various options that the Trustees are looking at. Our plans are to consolidate from the 2 current facilities we own to a new facility as part of the North Horsham development.

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 & 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 its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 Charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and 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.

KINGDOM FAITH CHURCH

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020**

Disclosure of information to auditors

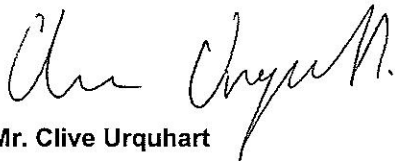
Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Auditors

The auditors, Baldwin Scofield Ltd, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

Approved by order of the members of the board of Trustees on 25 October 2021 and signed on their behalf by:



Mr. Clive Urquhart

KINGDOM FAITH CHURCH

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF KINGDOM FAITH CHURCH

Opinion

We have audited the financial statements of Kingdom Faith Church (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 related notes, 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, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

The financial statements have been prepared in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) 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 been withdrawn.

This has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

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 Auditors' 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 United Kingdom, including the Financial Reporting Council'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.

KINGDOM FAITH CHURCH

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF KINGDOM FAITH CHURCH (CONTINUED)

Other information

The other information comprises the information included in the Annual report other than the financial statements and our Auditors' 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, except to the extent otherwise explicitly stated in our report, 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 where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

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

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees are responsible for the preparation of the financial statements which 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 liquidate the charity or to cease operations, or have no realistic alternative but to do so.

KINGDOM FAITH CHURCH

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF KINGDOM FAITH CHURCH (CONTINUED)

Auditors' 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 Auditors' 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We obtained an understanding of the legal and regulatory frameworks that are applicable to the charitable trust and determined that the most significant are those that relate to the reporting framework in conformity with the requirements of the Charities Act 2011 and the relevant direct and indirect tax compliance regulations in the United Kingdom.

We understood how Kingdom Faith Church is complying with those frameworks by making enquiries of management to understand how the charity maintains and communicates its policies and procedures in these areas and corroborated this by reviewing supporting documentation and minutes of meetings of those charged with governance.

We assessed the susceptibility of the charity's financial statements to material misstatement, including how fraud might occur by considering the risk of management override to be a fraud risk. In addition, we considered the risk of management override by sampling from the entire population of journals, identifying specific transactions which did not meet our expectations based on specific criteria and investigated these to gain an understanding and then agree back to source documentation.

Based on this understanding we designed our audit procedures to identify noncompliance with such laws and regulations. Our procedures involved verifying that material transactions were recorded in compliance with Financial Reporting Standards and the Charities SORP in conformity with the requirements of the Charities Act 2011.

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. This description forms part of our Auditors' report.

KINGDOM FAITH CHURCH

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF KINGDOM FAITH CHURCH (CONTINUED)

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 its trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

Baldwin Scofield Ltd
Chartered Accountants
Statutory auditors
3 Newhouse Business Centre
Old Crawley Road
Horsham
West Sussex
RH12 4RU

25 October 2021

Baldwin Scofield Ltd are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

KINGDOM FAITH CHURCH

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	Restricted funds 2020 £	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Income from:					
Donations and legacies	3	2,670	194,630	197,300	5,048
Charitable activities	4	18,071	966,840	984,911	1,217,424
Other trading activities	5	-	8,709	8,709	14,391
		<u>20,741</u>	<u>1,170,179</u>	<u>1,190,920</u>	<u>1,236,863</u>
Total income					
Expenditure on:					
Raising funds		-	4,502	4,502	16,903
Charitable activities	7	44,202	1,012,223	1,056,425	1,269,594
		<u>44,202</u>	<u>1,016,725</u>	<u>1,060,927</u>	<u>1,286,497</u>
Total expenditure					
Net (expenditure)/income		(23,461)	153,454	129,993	(49,634)
Transfers between funds	17	556	(556)	-	-
		<u>(22,905)</u>	<u>152,898</u>	<u>129,993</u>	<u>(49,634)</u>
Net movement in funds					
Reconciliation of funds:					
Total funds brought forward		93,776	2,438,119	2,531,894	2,581,528
Net movement in funds		(22,905)	152,898	129,993	(49,634)
		<u>70,871</u>	<u>2,591,017</u>	<u>2,661,888</u>	<u>2,531,894</u>
Total funds carried forward					

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

The notes on pages 13 to 30 form part of these financial statements.

KINGDOM FAITH CHURCH

BALANCE SHEET AS AT 31 DECEMBER 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	12	2,691,466	2,691,350
Current assets			
Stocks	13	12,299	12,120
Debtors	14	20,812	30,656
Cash at bank and in hand		55,108	32,638
		<u>88,219</u>	<u>75,414</u>
Creditors: amounts falling due within one year	15	(117,797)	(234,869)
Net current liabilities		<u>(29,578)</u>	<u>(159,455)</u>
Total assets less current liabilities		<u>2,661,888</u>	<u>2,531,895</u>
Total net assets		<u>2,661,888</u>	<u>2,531,895</u>
Charity funds			
Restricted funds	17	70,871	93,776
Unrestricted funds	17	2,591,017	2,438,119
Total funds		<u>2,661,888</u>	<u>2,531,895</u>

The financial statements were approved and authorised for issue by the Trustees on 25 October 2021 and signed on their behalf by:



Mr. Simon Coles

The notes on pages 13 to 30 form part of these financial statements.

KINGDOM FAITH CHURCH

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2020

	2020 £	2019 £
Cash flows from operating activities		
Net cash used in operating activities	25,943	26,209
Cash flows from investing activities		
Purchase of tangible fixed assets	(4,639)	(2,944)
Net cash used in investing activities	(4,639)	(2,944)
Cash flows from financing activities		
Repayments of borrowing	-	(20,000)
Net cash provided by/(used in) financing activities	-	(20,000)
Change in cash and cash equivalents in the year	21,304	3,265
Cash and cash equivalents at the beginning of the year	31,611	28,346
Cash and cash equivalents at the end of the year	52,915	31,611

The notes on pages 13 to 30 form part of these financial statements

KINGDOM FAITH CHURCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

1. General information

Kingdom Faith Church is a registered charity, number 278746, and is constituted under a Trust deed dated 21 September 1979. The Trustees were incorporated as a body on 4 May 2006 in the name "The incorporated Trustees of Kingdom Faith Church".

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements 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), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and 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 Charities SORP (FRS 102) published in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Kingdom Faith Church meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 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.

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the Charity has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the Charity, can be reliably measured.

Grants are included in the Statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

KINGDOM FAITH CHURCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

2. Accounting policies (continued)

2.3 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 allocated on the portion of the asset's use.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

All expenditure is inclusive of irrecoverable VAT.

2.4 Tangible fixed assets and depreciation

Tangible fixed assets costing £500 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Freehold property	- Not depreciated
Plant and machinery	- 25% straight line
Fixtures and fittings	- 25% straight line
Computer equipment	- 25% straight line

2.5 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

2.6 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.

KINGDOM FAITH CHURCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

2. Accounting policies (continued)

2.7 Cash at bank and in hand

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

2.8 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of financial activities as a finance cost.

2.9 Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.10 Pensions

The Charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Charity to the fund in respect of the year.

2.11 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

KINGDOM FAITH CHURCH

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

3. Income from donations and legacies

	Restricted funds 2020 £	Unrestricted funds 2020 £	Total funds 2020 £
Legacies	-	-	-
Grants	2,670	194,630	197,300
	<u>2,670</u>	<u>194,630</u>	<u>197,300</u>
	Restricted funds 2019 £	Unrestricted funds 2019 £	Total funds 2019 £
Legacies	-	668	668
Grants	4,380	-	4,380
	<u>4,380</u>	<u>668</u>	<u>5,048</u>

4. Income from charitable activities

	Restricted funds 2020 £	Unrestricted funds 2020 £	Total funds 2020 £
Income from charitable activities - Revival College	-	52,525	52,525
Income from charitable activities - Faith Camp	-	-	-
Income from charitable activities - Kingdom Faith Church	7,645	727,864	735,509
Income from charitable activities - Ministry	10,426	186,451	196,877
	<u>18,071</u>	<u>966,840</u>	<u>984,911</u>

KINGDOM FAITH CHURCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

4. Income from charitable activities (continued)

	<i>Restricted funds 2019 £</i>	<i>Unrestricted funds 2019 £</i>	<i>Total funds 2019 £</i>
Income from charitable activities - Revival College	-	162,165	162,165
Income from charitable activities - Faith Camp	-	20	20
Income from charitable activities - Kingdom Faith Church	21,530	774,549	796,079
Income from charitable activities - Ministry	28,773	230,387	259,160
	<u>50,303</u>	<u>1,167,121</u>	<u>1,217,424</u>

5. Income from other trading activities

Income from non charitable trading activities

	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Trading income	<u>8,709</u>	<u>8,709</u>

	<i>Unrestricted funds 2019 £</i>	<i>Total funds 2019 £</i>
Trading income	<u>14,391</u>	<u>14,391</u>

6. Analysis of grants

	<i>Grants to Institutions 2020 £</i>	<i>Grants to Individuals 2020 £</i>	<i>Total funds 2020 £</i>
Grants, Kingdom Faith Church	-	800	800
Grants, Ministry	36,125	36,200	72,325
	<u>36,125</u>	<u>37,000</u>	<u>73,125</u>

KINGDOM FAITH CHURCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

6. Analysis of grants (continued)

	<i>Grants to Institutions 2019 £</i>	<i>Grants to Individuals 2019 £</i>	<i>Total funds 2019 £</i>
Grants, Kingdom Faith Church	-	305	305
Grants, Ministry	17,075	31,800	48,875
	<u>17,075</u>	<u>32,105</u>	<u>49,180</u>

7. Analysis of expenditure on charitable activities

Summary by fund type

	Restricted funds 2020 £	Unrestricted funds 2020 £	Total funds 2020 £
Revival College	851	17,371	18,222
Kingdom Faith Church	2,938	770,210	773,148
Ministry	40,413	224,642	265,055
	<u>44,202</u>	<u>1,012,223</u>	<u>1,056,425</u>

	<i>Restricted funds 2019 £</i>	<i>Unrestricted funds 2019 £</i>	<i>Total funds 2019 £</i>
Revival College	835	69,173	70,008
Kingdom Faith Church	24,701	861,224	885,925
Ministry	37,867	275,794	313,661
	<u>63,403</u>	<u>1,206,191</u>	<u>1,269,594</u>

KINGDOM FAITH CHURCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

8. Analysis of expenditure by activities

	Activities undertaken directly 2020 £	Grant funding of activities 2020 £	Support costs 2020 £	Total funds 2020 £
Revival College	18,222	-	-	18,222
Kingdom Faith Church	772,347	800	-	773,147
Ministry	129,388	72,325	63,343	265,056
	<u>919,957</u>	<u>73,125</u>	<u>63,343</u>	<u>1,056,425</u>

	Activities undertaken directly 2019 £	Grant funding of activities 2019 £	Support costs 2019 £	Total funds 2019 £
Revival College	70,008	-	-	70,008
Kingdom Faith Church	885,620	305	-	885,925
Ministry	192,561	48,875	72,225	313,661
	<u>1,148,189</u>	<u>49,180</u>	<u>72,225</u>	<u>1,269,594</u>

KINGDOM FAITH CHURCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

8. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Revival College 2020 £	Kingdon Faith Church 2020 £	Ministry 2020 £	Total funds 2020 £
Staff costs	-	741,929	-	741,929
Depreciation	-	-	4,523	4,523
Telephone	-	-	12,734	12,734
Administration	4,350	4,379	-	8,729
Premises repairs and renewals	-	7,926	15,706	23,632
Motor and travel	-	-	28,851	28,851
Printing, postage and stationery	-	16	6,669	6,685
Ministry costs	-	9,359	-	9,359
Computer expenses	-	-	13,696	13,696
Finance and interest charges	-	-	1,827	1,827
Utilities	-	-	42,764	42,764
Housekeeping	-	-	2,618	2,618
Catering and team costs	19,444	1,122	-	20,566
Venue costs	-	7,617	-	7,617
Bad debts	(5,572)	-	-	(5,572)
	<u>18,222</u>	<u>772,348</u>	<u>129,388</u>	<u>919,958</u>

KINGDOM FAITH CHURCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

8. Analysis of expenditure by activities (continued)

Analysis of direct costs (continued)

	<i>Revival College 2019 £</i>	<i>Kingdom Faith Church 2019 £</i>	<i>Ministry 2019 £</i>	<i>Total funds 2019 £</i>
Staff costs	-	787,990	-	787,990
Depreciation	-	-	8,817	8,817
Telephone	-	-	13,737	13,737
Administration	1,181	8,653	-	9,834
Premises repairs and renewals	-	15,222	14,230	29,452
Motor and travel	-	-	67,223	67,223
Printing, postage and stationery	-	492	7,745	8,236
Ministry costs	-	18,616	-	18,616
Computer expenses	-	-	12,011	12,011
Finance and interest charges	-	-	1	1
Utilities	-	-	60,169	60,169
Housekeeping	-	-	8,628	8,628
Catering and team costs	70,088	4,860	-	74,948
Venue costs	-	49,787	-	49,787
Bad debts	(1,261)	-	-	(1,261)
	<u>70,008</u>	<u>885,620</u>	<u>192,561</u>	<u>1,148,189</u>

Analysis of support costs

	Ministry 2020 £	Total funds 2020 £
Insurance	18,133	18,133
Legal and professional	28,834	28,834
Administration	6,046	6,046
Bank charges	5,530	5,530
Audit fee	4,800	4,800
	<u>63,343</u>	<u>63,343</u>

KINGDOM FAITH CHURCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

8. Analysis of expenditure by activities (continued)

Analysis of support costs (continued)

	Ministry 2019 £	Total funds 2019 £
Insurance	18,874	18,874
Legal and professional	33,384	33,384
Administration	6,187	6,187
Bank charges	8,980	8,980
Audit fee	4,800	4,800
	<u>72,225</u>	<u>72,225</u>

9. Auditors' remuneration

	2020 £	2019 £
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	<u>4,800</u>	<u>4,800</u>

10. Staff costs

	2020 £	2019 £
Wages and salaries	656,444	697,068
Social security costs	47,167	50,632
Contribution to defined contribution pension schemes	38,318	40,290
	<u>741,929</u>	<u>787,990</u>

The average number of persons employed by the Charity during the year was as follows:

	2020 No.	2019 No.
Administrative and ministry	<u>29</u>	<u>33</u>

KINGDOM FAITH CHURCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

10. Staff costs (continued)

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2020 No.	2019 No.
In the band £70,001 - £80,000	1	1
In the band £80,001 - £90,000	1	1

11. Trustees' remuneration and expenses

During the year, one or more Trustees has been paid remuneration or has received other benefits from an employment with the Charity. The value of Trustees' remuneration and other benefits was as follows:

		2020 £	2019 £
Mr. Simon Coles	Remuneration	81,200	81,200
	Pension contributions paid	5,488	5,544
Mr. Clive Urquhart	Remuneration including remuneration of close family	75,800	75,800
	Pension contributions paid	5,142	5,142

During the year ended 31 December 2020, no Trustee expenses have been incurred (2019 - £NIL).

KINGDOM FAITH CHURCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

12. Tangible fixed assets

	Freehold property £	Plant and machinery £	Fixtures and fittings £	Computer equipment £	Total £
Cost or valuation					
At 1 January 2020	2,683,000	264,094	42,093	43,561	3,032,748
Additions	-	4,639	-	-	4,639
At 31 December 2020	<u>2,683,000</u>	<u>268,733</u>	<u>42,093</u>	<u>43,561</u>	<u>3,037,387</u>
Depreciation					
At 1 January 2020	-	256,802	42,093	42,503	341,398
Charge for the year	-	4,116	-	407	4,523
At 31 December 2020	<u>-</u>	<u>260,918</u>	<u>42,093</u>	<u>42,910</u>	<u>345,921</u>
Net book value					
At 31 December 2020	<u>2,683,000</u>	<u>7,815</u>	<u>-</u>	<u>651</u>	<u>2,691,466</u>
At 31 December 2019	<u>2,683,000</u>	<u>7,292</u>	<u>-</u>	<u>1,058</u>	<u>2,691,350</u>

The freehold land and buildings comprising Roffey Place, Horsham and National Revival Centre, Foundry Lane, Horsham were valued by Mr Daniel Berrisford for and on behalf of Ibbett Mosely Consultants LLP on 9 July 2010.

The properties have been valued at market value net of purchases cost of the freehold with vacant possession. The trustees are of the opinion that the valuation at the balance sheet date is not materially different to the value at the date of the valuation report.

The carrying amount under the cost model of the assets which have been revalued would have been £2,448,482 (2019 - £2,448,482).

13. Stocks

	2020 £	2019 £
Raw materials and consumables	<u>12,299</u>	<u>12,120</u>

KINGDOM FAITH CHURCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

14. Debtors

	2020 £	2019 £
Due within one year		
Trade debtors	708	8,082
Other debtors	-	88
Prepayments and accrued income	20,104	22,486
	<u>20,812</u>	<u>30,656</u>

15. Creditors: Amounts falling due within one year

	2020 £	2019 £
Bank overdrafts and credit cards	2,193	1,269
Trade creditors	12,546	69,909
Other taxation and social security	78,035	89,176
Pension fund contribution payable	5,223	11,851
Other creditors	-	51,615
Accruals and deferred income	19,800	11,049
	<u>117,797</u>	<u>234,869</u>

16. Financial instruments

	2020 £	2019 £
Financial assets		
Financial assets measured at fair value through income and expenditure	<u>55,108</u>	<u>32,638</u>

Financial assets measured at fair value through income and expenditure comprise bank and cash balances.

KINGDOM FAITH CHURCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

17. Statement of funds

Statement of funds - current year

	Balance at 1 January 2020 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 December 2020 £
Unrestricted funds					
General fund	2,203,601	1,170,179	(1,016,725)	(556)	2,356,499
Revaluation fund	234,518	-	-	-	234,518
	<u>2,438,119</u>	<u>1,170,179</u>	<u>(1,016,725)</u>	<u>(556)</u>	<u>2,591,017</u>
Restricted funds					
Building refresh fund	4,409	-	(4,965)	556	-
Child contact centre fund	11,224	17,522	(19,710)	-	9,036
Storehouse fund	2,266	1,625	(2,275)	-	1,616
Foyer refurbishment fund	58,686	-	-	-	58,686
Play area fund	940	-	(940)	-	-
Israel No2 fund	15,000	-	(15,000)	-	-
Mission fund	1,250	-	-	-	1,250
Jerusalem Prayer Breakfast	1	-	(1)	-	-
Israel fund	-	1,594	(1,311)	-	283
	<u>93,776</u>	<u>20,741</u>	<u>(44,202)</u>	<u>556</u>	<u>70,871</u>
Total of funds	<u><u>2,531,895</u></u>	<u><u>1,190,920</u></u>	<u><u>(1,060,927)</u></u>	<u><u>-</u></u>	<u><u>2,661,888</u></u>

Restricted funds

The building refresh fund is for the building maintenance and improvement project in 2017 at the Foundry Lane premises.

The Israel, Storehouse, mission and church gift funds represent funds raised and spent on ministry projects of the church.

The balance on the Foyer refurbishment funds amounting to £56,686 represents the capital expenditure incurred on the project.

The play area fund is to cover the costs of further improvements.

The child contact centre fund receives donations and uses the funds raised for running the project.

KINGDOM FAITH CHURCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

17. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 January 2019 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 December 2019 £
Unrestricted funds					
General fund	2,251,829	1,182,181	(1,223,093)	(7,316)	2,203,601
Revaluation fund	234,518	-	-	-	234,518
	<u>2,486,347</u>	<u>1,182,181</u>	<u>(1,223,093)</u>	<u>(7,316)</u>	<u>2,438,119</u>
Restricted funds					
Building refresh fund	7,786	-	(3,377)	-	4,409
Child contact centre fund	10,338	29,953	(29,067)	-	11,224
Storehouse fund	1,179	1,750	(663)	-	2,266
Israel fund	-	2,387	(5,429)	3,042	-
Foyer refurbishment fund	58,686	-	-	-	58,686
Play area fund	940	-	-	-	940
Israel no2 fund	15,000	-	-	-	15,000
Mission fund	1,250	-	-	-	1,250
Jerusalem Prayer Breakfast	-	20,593	(24,866)	4,274	1
	<u>95,179</u>	<u>54,683</u>	<u>(63,402)</u>	<u>7,316</u>	<u>93,776</u>
Total of funds	<u>2,581,526</u>	<u>54,683</u>	<u>(1,286,495)</u>	<u>-</u>	<u>2,531,895</u>

KINGDOM FAITH CHURCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

18. Summary of funds

Summary of funds - current year

	Balance at 1 January 2020 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 December 2020 £
General funds	2,438,119	1,170,179	(1,016,725)	(556)	2,591,017
Restricted funds	93,776	20,741	(44,202)	556	70,871
	<u>2,531,895</u>	<u>1,190,920</u>	<u>(1,060,927)</u>	<u>-</u>	<u>2,661,888</u>

Summary of funds - prior year

	Balance at 1 January 2019 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 December 2019 £
General funds	2,486,347	1,182,181	(1,223,093)	(7,316)	2,438,119
Restricted funds	95,179	54,683	(63,402)	7,316	93,776
	<u>2,581,526</u>	<u>1,236,864</u>	<u>(1,286,495)</u>	<u>-</u>	<u>2,531,895</u>

19. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Restricted funds 2020 £	Unrestricted funds 2020 £	Total funds 2020 £
Tangible fixed assets	58,686	2,632,780	2,691,466
Current assets	12,185	76,033	88,218
Creditors due within one year	-	(117,796)	(117,796)
Total	<u>70,871</u>	<u>2,591,017</u>	<u>2,661,888</u>

KINGDOM FAITH CHURCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

19. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior period

	<i>Restricted funds 2019 £</i>	<i>Unrestricted funds 2019 £</i>	<i>Total funds 2019 £</i>
Tangible fixed assets	58,686	2,632,664	2,691,350
Current assets	35,090	40,323	75,413
Creditors due within one year	-	(234,869)	(234,869)
Total	93,776	2,438,118	2,531,894

20. Reconciliation of net movement in funds to net cash flow from operating activities

	2020 £	2019 £
Net income/expenditure for the period (as per Statement of Financial Activities)	129,993	(49,634)
Adjustments for:		
Depreciation charges	4,523	8,817
Decrease/(increase) in stocks	(179)	5,189
Decrease in debtors	9,844	1,566
Increase/(decrease) in creditors	(118,238)	60,271
Net cash provided by operating activities	25,943	26,209

21. Analysis of cash and cash equivalents

	2020 £	2019 £
Cash in hand	55,108	32,638
Overdraft facility repayable on demand	(2,193)	(1,027)
Total cash and cash equivalents	52,915	31,611

KINGDOM FAITH CHURCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

22. Analysis of changes in net debt

	At 1 January 2020 £	Cash flows £	At 31 December 2020 £
Cash at bank and in hand	32,638	22,470	55,108
Bank overdrafts repayable on demand	(1,269)	(924)	(2,193)
Debt due within 1 year	(11,851)	6,628	(5,223)
	<u>19,518</u>	<u>28,174</u>	<u>47,692</u>

23. Pension commitments

The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. The pension cost charge represents contributions payable by the charity to the fund and amounted to £38,318 (2019 - £41,290). Contributions amounting to £5,223 (2019 - £11,851) were payable to the fund at the balance sheet date and are included in creditors.

Pension contributions payable in respect of the trustees are more fully disclosed in note 11.