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**KINGDOM FAITH CHURCH**

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**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2023**

# **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 2023**

#### **Trustees**

Mr. Simon Coles  
Mr. Jonathan Croft  
Mr. Jon Elliott  
Mr. Clive Urquhart  
Mrs Sophie Coppeard

#### **Charity registered number**

278746

#### **Principal office**

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**

Cripps LLP  
36 - 48 Queen Street  
Horsham  
West Sussex  
RH13 5AD

# **KINGDOM FAITH CHURCH**

## **TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2023**

The Trustees present their annual report together with the audited financial statements of the Kingdom Faith Church for the 1 January 2023 to 31 December 2023.

### **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**

Jan 2023 started with 21 days of prayer and fasting, incorporating encounter nights and prayer meetings, these were held in a combination of all four congregations together as well as in each local congregation. We also encouraged families to meet in their own homes with others and gather for prayer and communion on Friday evenings.

We continued to live stream from our Horsham congregation every week, which helps to support Church in the Home, partnering churches and those who live further away and want to connect in on Sundays and Wednesday night encounters.

During 2023 we continued to run Alpha and Bereavement courses in person and online.

Burgess Hill and Worthing congregations met bi-weekly in their homes, and the other weeks in their respective buildings. Horsham and Crawley congregations met every week in their respective buildings.

The relationships with our partnering church leaders continued to grow and develop. This was through corporate monthly zoom calls, regular individual church zoom calls, in person ministry visits, Leaders gathering in May and Fuel the Fire Leaders event in October, both held in Horsham.

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

In September we closed the Child Contact centre. All families that were using the service were either transferred to other contact centres, or their change in circumstances meant that a Contact Centre was not needed anymore.

Roffey Place continues as a homeless shelter run by Turning Tides, who are a Christian charity based in West Sussex. The building is on a 5-year lease (ending October 2027) at a peppercorn rental and Turning Tides have management agreement to run the facility on behalf of Horsham District homes. Turning Tides are seeing the facility housing fifty residents and their plan is to help eradicate homelessness in the Mid Sussex region.

## **KINGDOM FAITH CHURCH**

### **TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023**

#### **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 cash flow timings. At year end this was being met as the total cash balance was £2,222,352 which is an increase on 2022 when the balance was £100,423.

- **Results**

The current period produced a total surplus of £2,163,764 (2022: deficit £64,723). This was after non-cash depreciation charge of £14,129 (2022- £12,543). As reflected in the increased depreciation figures for 2023 we have invested in computers and equipment out of ongoing cash flow.

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.

## **KINGDOM FAITH CHURCH**

### **TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023**

#### **Structure, governance and management (continued)**

- **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.

- **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.

- **Financial risk management**

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 exposure to the major risks.

#### **Plans for future periods**

The plans for the Trust in the year ahead were set out during the Kingdom Faith vision Sunday held in person January 7th 2024, the recording of which is available on the Church website.

As mentioned above Roffey Place is being Leased to Turning Tides as a homeless shelter, during this lease period we are looking at various options for sale and disposal of Roffey Place with planning. Our medium-term plans are to consolidate from the 2 current facilities we own to a new facility as part of the North Horsham development (Mowbray).

## **KINGDOM FAITH CHURCH**

### **TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023**

#### **Statement of Trustees' responsibilities**

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

The law applicable to charities in England & 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.

#### **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 23 October 2024 and signed on their behalf by:

**Mr. Clive Urquhart**  
(Trustee)

## **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 2023 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 2023 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 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](http://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

23 October 2024

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 2023

	Note	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
<b>Income from:</b>					
Donations and legacies	3	2,500	-	2,500	1,500
Charitable activities	4	128,088	3,298,913	3,427,001	1,008,772
Other trading activities	5	-	18,869	18,869	12,741
Investments	6	-	76,583	76,583	964
<b>Total income</b>		<b>130,588</b>	<b>3,394,365</b>	<b>3,524,953</b>	<b>1,023,977</b>
<b>Expenditure on:</b>					
Raising funds		-	13,498	13,498	9,141
Charitable activities	8	124,254	1,223,437	1,347,691	1,079,559
<b>Total expenditure</b>		<b>124,254</b>	<b>1,236,935</b>	<b>1,361,189</b>	<b>1,088,700</b>
<b>Net income/(expenditure)</b>		<b>6,334</b>	<b>2,157,430</b>	<b>2,163,764</b>	<b>(64,723)</b>
Transfers between funds	19	544	(544)	-	-
<b>Net movement in funds</b>		<b>6,878</b>	<b>2,156,886</b>	<b>2,163,764</b>	<b>(64,723)</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward		9,923	2,789,468	2,799,391	2,864,114
Net movement in funds		6,878	2,156,886	2,163,764	(64,723)
<b>Total funds carried forward</b>		<b>16,801</b>	<b>4,946,354</b>	<b>4,963,155</b>	<b>2,799,391</b>

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

The notes on pages 13 to 28 form part of these financial statements.

# KINGDOM FAITH CHURCH

## BALANCE SHEET AS AT 31 DECEMBER 2023

	Note	2023 £	2022 £
<b>Fixed assets</b>			
Tangible assets	13	2,715,455	2,723,241
<b>Current assets</b>			
Stocks	14	4,499	3,885
Debtors	15	61,761	22,614
Current asset investments	16	2,153,842	50,349
Cash at bank and in hand		68,510	50,074
		<u>2,288,612</u>	<u>126,922</u>
Creditors: amounts falling due within one year	17	(40,912)	(50,772)
<b>Net current assets</b>		<u>2,247,700</u>	<u>76,150</u>
<b>Total net assets</b>		<u><u>4,963,155</u></u>	<u><u>2,799,391</u></u>
<b>Charity funds</b>			
Restricted funds	19	16,801	9,923
Unrestricted funds	19	4,946,354	2,789,468
<b>Total funds</b>		<u><u>4,963,155</u></u>	<u><u>2,799,391</u></u>

The financial statements were approved and authorised for issue by the Trustees on 23 October 2024 and signed on their behalf by:

**Mr. Simon Coles**  
(Trustee)

The notes on pages 13 to 28 form part of these financial statements.

# KINGDOM FAITH CHURCH

## STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2023

	2023 £	2022 £
<b>Cash flows from operating activities</b>		
Net cash used in operating activities	2,126,301	(59,786)
<b>Cash flows from investing activities</b>		
Purchase of tangible fixed assets	(6,343)	(21,211)
Funds placed on fixed deposit	(2,103,493)	(50,349)
<b>Net cash used in investing activities</b>	(2,109,836)	(71,560)
<b>Cash flows from financing activities</b>		
<b>Net cash provided by financing activities</b>	-	-
<b>Change in cash and cash equivalents in the year</b>	16,465	(131,346)
Cash and cash equivalents at the beginning of the year	44,288	175,634
<b>Cash and cash equivalents at the end of the year</b>	60,753	44,288

The notes on pages 13 to 28 form part of these financial statements

# KINGDOM FAITH CHURCH

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

### 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.

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.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

#### 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.

## KINGDOM FAITH CHURCH

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

#### 2. Accounting policies (continued)

##### 2.3 Expenditure (continued)

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 Interest receivable

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 institution with whom the funds are deposited.

##### 2.5 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

##### 2.6 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.

##### 2.7 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.

##### 2.8 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.

Fixed term bank deposits of more than three months and less than 12 months are shown as current asset investments.



## **KINGDOM FAITH CHURCH**

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

#### **2. Accounting policies (continued)**

##### **2.9 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.

##### **2.10 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.

##### **2.11 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.

##### **2.12 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.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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.

Investment income, gains and losses are allocated to the appropriate fund.

# KINGDOM FAITH CHURCH

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

### 3. Income from donations and legacies

	<b>Restricted funds 2023 £</b>	<b>Total funds 2023 £</b>
Grants	2,500	2,500

	<i>Restricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Grants	1,500	1,500

### 4. Income from charitable activities

	<b>Restricted funds 2023 £</b>	<b>Unrestricted funds 2023 £</b>	<b>Total funds 2023 £</b>
Income from charitable activities	128,088	3,298,913	3,427,001

	<i>Restricted funds 2022 £</i>	<i>Unrestricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Income from charitable activities	47,359	961,413	1,008,772

# KINGDOM FAITH CHURCH

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

### 5. Income from other trading activities

#### Income from non charitable trading activities

	<b>Unrestricted funds 2023 £</b>	<b>Total funds 2023 £</b>
Trading income	18,869	<b>18,869</b>

	<i>Unrestricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Trading income	12,741	12,741

### 6. Investment income

	<b>Unrestricted funds 2023 £</b>	<b>Total funds 2023 £</b>
Investment income - local cash	76,583	<b>76,583</b>

	<i>Unrestricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Investment income - local cash	964	964

### 7. Analysis of grants

	<b>Grants to Institutions 2023 £</b>	<b>Grants to Individuals 2023 £</b>	<b>Total funds 2023 £</b>
Grants	203,052	39,729	<b>242,781</b>

# KINGDOM FAITH CHURCH

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

### 7. Analysis of grants (continued)

	<i>Grants to Institutions 2022 £</i>	<i>Grants to Individuals 2022 £</i>	<i>Total funds 2022 £</i>
Grants	<u>102,329</u>	<u>30,968</u>	<u>133,297</u>

### 8. Analysis of expenditure on charitable activities

#### Summary by fund type

	<b>Restricted funds 2023 £</b>	<b>Unrestricted funds 2023 £</b>	<b>Total 2023 £</b>
Charitable expenditure	<u>124,254</u>	<u>1,223,437</u>	<u>1,347,691</u>

	<i>Restricted funds 2022 £</i>	<i>Unrestricted funds 2022 £</i>	<i>Total 2022 £</i>
Charitable expenditure	<u>66,738</u>	<u>1,012,821</u>	<u>1,079,559</u>

### 9. Analysis of expenditure by activities

	<b>Activities undertaken directly 2023 £</b>	<b>Grant funding of activities 2023 £</b>	<b>Support costs 2023 £</b>	<b>Total funds 2023 £</b>
Charitable expenditure	<u>1,034,345</u>	<u>242,781</u>	<u>70,565</u>	<u>1,347,691</u>

# KINGDOM FAITH CHURCH

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

### 9. Analysis of expenditure by activities (continued)

	<i>Activities undertaken directly 2022 £</i>	<i>Grant funding of activities 2022 £</i>	<i>Support costs 2022 £</i>	<i>Total funds 2022 £</i>
Charitable expenditure	892,246	133,297	54,016	1,079,559

### Analysis of direct costs

	<b>Total funds 2023 £</b>	<b>Total funds 2022 £</b>
Staff costs	828,078	688,812
Depreciation	14,129	12,543
Telephone	14,292	13,359
Administration	7,241	7,692
Premises repairs and renewals	26,795	39,431
Motor and travel	22,566	17,053
Printing, postage and stationery	6,358	6,469
Ministry costs	15,941	14,561
Computer expenses	10,158	19,251
Utilities	35,033	29,313
Housekeeping	2,428	1,852
Catering and team costs	21,873	15,278
Venue costs	29,453	26,632
	<b>1,034,345</b>	<b>892,246</b>

# KINGDOM FAITH CHURCH

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

### 9. Analysis of expenditure by activities (continued)

#### Analysis of support costs

	<b>Total funds 2023 £</b>	<b>Total funds 2022 £</b>
Insurance	26,461	22,090
Legal and professional	28,086	18,259
Administration	4,291	5,212
Bank charges	6,687	3,655
Audit fee	5,040	4,800
	<b>70,565</b>	<b>54,016</b>

### 10. Auditors' remuneration

	<b>2023 £</b>	<b>2022 £</b>
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	5,040	4,800

### 11. Staff costs

	<b>2023 £</b>	<b>2022 £</b>
Wages and salaries	719,204	595,503
Social security costs	51,882	43,843
Contribution to defined contribution pension schemes	56,992	49,466
	<b>828,078</b>	<b>688,812</b>

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

	<b>2023 No.</b>	<b>2022 No.</b>
Administrative and ministry	25	25

# KINGDOM FAITH CHURCH

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

### 11. Staff costs (continued)

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

	2023 No.	2022 No.
In the band £80,001 - £90,000	-	1
In the band £100,001 - £110,000	1	1
In the band £140,001 - £150,000	1	-

Two trustees are included in the salary banding above. The Senior Pastor, his wife, son and daughter are all remunerated as employees of the church. The total remuneration including benefits package of all of them in aggregate are included in the totals disclosed in note 11 below.

### 12. 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 remunerated Trustees are employed as the Senior Pastor and Executive Pastor as permitted under clause 8 of the charity trust deed. The value of Trustees' remuneration and other benefits was as follows:

		2023 £	2022 £
Mr. Simon Coles	Remuneration	92,987	76,886
	Pension contributions paid	7,370	6,400
	Other benefits	818	795
Mr. Clive Urquhart	Remuneration including close family members	134,130	97,391
	Pension contributions paid	9,927	8,112
	Other benefits	777	743

During the year ended 31 December 2023, no Trustee expenses have been incurred (2022 - £NIL).

# KINGDOM FAITH CHURCH

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

### 13. Tangible fixed assets

	Freehold property £	Plant and machinery £	Fixtures and fittings £	Computer equipment £	Total £
<b>Cost or valuation</b>					
At 1 January 2023	2,683,000	131,484	12,948	45,891	2,873,323
Additions	-	6,343	-	-	6,343
At 31 December 2023	<u>2,683,000</u>	<u>137,827</u>	<u>12,948</u>	<u>45,891</u>	<u>2,879,666</u>
<b>Depreciation</b>					
At 1 January 2023	-	97,158	12,948	39,976	150,082
Charge for the year	-	13,709	-	420	14,129
At 31 December 2023	<u>-</u>	<u>110,867</u>	<u>12,948</u>	<u>40,396</u>	<u>164,211</u>
<b>Net book value</b>					
At 31 December 2023	<u>2,683,000</u>	<u>26,960</u>	<u>-</u>	<u>5,495</u>	<u>2,715,455</u>
At 31 December 2022	<u>2,683,000</u>	<u>34,326</u>	<u>-</u>	<u>5,915</u>	<u>2,723,241</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 (2022 - £2,448,482).

### 14. Stocks

	2023 £	2022 £
Raw materials and consumables	<u>4,499</u>	<u>3,885</u>



# KINGDOM FAITH CHURCH

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

### 15. Debtors

	2023 £	2022 £
<b>Due within one year</b>		
Trade debtors	-	25
Other debtors	1,977	2,504
Prepayments and accrued income	59,784	20,085
	<u>61,761</u>	<u>22,614</u>

### 16. Current asset investments

	2023 £	2022 £
Bank fixed deposits	<u>2,153,842</u>	<u>50,349</u>

### 17. Creditors: Amounts falling due within one year

	2023 £	2022 £
Bank overdrafts and credit cards	7,757	5,786
Trade creditors	7,585	12,235
Other taxation and social security	12,435	11,395
Pension fund contributions payable	8,330	9,056
Other creditors	5	7,500
Accruals and deferred income	4,800	4,800
	<u>40,912</u>	<u>50,772</u>

### 18. Financial instruments

	2023 £	2022 £
<b>Financial assets</b>		
Financial assets measured at fair value through income and expenditure	<u>2,222,352</u>	<u>100,423</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 2023

19. Statement of funds

Statement of funds - current year

	Balance at 1 January 2023 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 December 2023 £
<b>Unrestricted funds</b>					
<b>Designated funds</b>					
New building	-	-	-	2,000,000	2,000,000
<b>General funds</b>					
General fund	2,554,950	3,394,365	(1,236,935)	(2,000,544)	2,711,836
Revaluation fund	234,518	-	-	-	234,518
	<u>2,789,468</u>	<u>3,394,365</u>	<u>(1,236,935)</u>	<u>(2,000,544)</u>	<u>2,946,354</u>
<b>Total Unrestricted funds</b>	<u>2,789,468</u>	<u>3,394,365</u>	<u>(1,236,935)</u>	<u>(544)</u>	<u>4,946,354</u>
<b>Restricted funds</b>					
Benevolent	-	581	(1,125)	544	-
Child contact centre fund	3,111	20,618	(19,505)	(4,224)	-
Storehouse fund	-	4,981	(2,532)	4,224	6,673
Staff fund	-	64,435	(64,435)	-	-
Mission fund	581	-	(62)	-	519
Israel fund	-	3,104	(565)	-	2,539
New building fund	6,231	839	-	-	7,070
Specific gifts	-	36,030	(36,030)	-	-
	<u>9,923</u>	<u>130,588</u>	<u>(124,254)</u>	<u>544</u>	<u>16,801</u>
<b>Total of funds</b>	<u>2,799,391</u>	<u>3,524,953</u>	<u>(1,361,189)</u>	<u>-</u>	<u>4,963,155</u>

# KINGDOM FAITH CHURCH

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

### 19. Statement of funds (continued)

#### Statement of funds - prior year

	Balance at 1 January 2022 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 December 2022 £
<b>Unrestricted funds</b>					
General fund	2,609,935	975,118	(1,021,962)	(8,141)	2,554,950
Revaluation fund	234,518	-	-	-	234,518
	<u>2,844,453</u>	<u>975,118</u>	<u>(1,021,962)</u>	<u>(8,141)</u>	<u>2,789,468</u>
<b>Restricted funds</b>					
Child contact centre fund	12,698	20,512	(30,099)	-	3,111
Storehouse fund	213	910	(3,387)	2,264	-
Mission fund	-	581	-	-	581
Israel fund	-	1,744	(6,933)	5,189	-
New building fund	6,750	-	(519)	-	6,231
Specific gifts	-	25,112	(25,800)	688	-
	<u>19,661</u>	<u>48,859</u>	<u>(66,738)</u>	<u>8,141</u>	<u>9,923</u>
<b>Total of funds</b>	<u>2,864,114</u>	<u>1,023,977</u>	<u>(1,088,700)</u>	<u>-</u>	<u>2,799,391</u>

#### Restricted funds

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

The child contact centre fund which used the funds raised for running the project was closed in the year with the balance of the funds transferred to the Storehouse fund.

The new building fund represents funds raised for the purpose of acquiring a new building in the future.

# KINGDOM FAITH CHURCH

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

### 20. Summary of funds

#### Summary of funds - current year

	Balance at 1 January 2023 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 December 2023 £
Designated funds	-	-	-	2,000,000	2,000,000
General funds	2,789,468	3,394,365	(1,236,935)	(2,000,544)	2,946,354
Restricted funds	9,923	130,588	(124,254)	544	16,801
	<u>2,799,391</u>	<u>3,524,953</u>	<u>(1,361,189)</u>	<u>-</u>	<u>4,963,155</u>

#### Summary of funds - prior year

	Balance at 1 January 2022 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 December 2022 £
General funds	2,844,453	975,118	(1,021,962)	(8,141)	2,789,468
Restricted funds	19,661	48,859	(66,738)	8,141	9,923
	<u>2,864,114</u>	<u>1,023,977</u>	<u>(1,088,700)</u>	<u>-</u>	<u>2,799,391</u>

### 21. Analysis of net assets between funds

#### Analysis of net assets between funds - current year

	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £
Tangible fixed assets	-	2,715,455	2,715,455
Current assets	16,801	2,271,811	2,288,612
Creditors due within one year	-	(40,912)	(40,912)
<b>Total</b>	<u>16,801</u>	<u>4,946,354</u>	<u>4,963,155</u>

# KINGDOM FAITH CHURCH

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

### 21. Analysis of net assets between funds (continued)

#### Analysis of net assets between funds - prior year

	<i>Restricted funds 2022 £</i>	<i>Unrestricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Tangible fixed assets	-	2,723,241	2,723,241
Current assets	9,923	116,999	126,922
Creditors due within one year	-	(50,772)	(50,772)
<b>Total</b>	<b>9,923</b>	<b>2,789,468</b>	<b>2,799,391</b>

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

	<b>2023 £</b>	<b>2022 £</b>
Net income/expenditure for the year (as per Statement of Financial Activities)	<b>2,163,764</b>	(64,723)
<b>Adjustments for:</b>		
Depreciation charges	<b>14,129</b>	12,543
Decrease/(increase) in stocks	<b>(614)</b>	1,117
Decrease/(increase) in debtors	<b>(39,147)</b>	971
Decrease in creditors	<b>(11,831)</b>	(9,694)
<b>Net cash provided by/(used in) operating activities</b>	<b>2,126,301</b>	(59,786)

### 23. Analysis of cash and cash equivalents

	<b>2023 £</b>	<b>2022 £</b>
Cash in hand	<b>68,510</b>	50,074
Overdrafts and credit cards	<b>(7,757)</b>	(5,786)
<b>Total cash and cash equivalents</b>	<b>60,753</b>	44,288

# KINGDOM FAITH CHURCH

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

### 24. Analysis of changes in net debt

	At 1 January 2023 £	Cash flows £	At 31 December 2023 £
Cash at bank and in hand	50,074	18,436	68,510
Bank overdrafts repayable on demand	(5,786)	(1,971)	(7,757)
Debt due within 1 year	(9,056)	726	(8,330)
Bank fixed deposits	50,349	2,103,493	2,153,842
	<u>85,581</u>	<u>2,120,684</u>	<u>2,206,265</u>

### 25. 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 £56,992 (2022 - £49,466) Contributions amounting to £8,330 (2022 - £9,056) 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.