

**Charity registration number 1106273**

**Company registration number 05124435 (England and Wales)**

**KINGSGATE COMMUNITY CHURCH**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

# KINGSGATE COMMUNITY CHURCH

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Directors and Trustees</b>	Dr David Smith (Chairman) Mr Norman Paskin Mr Barry Featherstone Mr Matthew Negus Mr Samson Abioye Ms Lydia Opayinka	(Appointed 6 January 2023)
<b>Secretary</b>	Mrs Sally Duffy	
<b>Multisite Strategy Team</b>	Dr David Smith Mrs Karen Smith Mr Simon Deeks Mrs Sally Duffy Mr Jim Thody Mrs Jasmine Allen Mr Phil Timson Mrs Zia Deeks Mrs Sharon Keogh Mr Simon Benn	
<b>Charity number</b>	1106273	
<b>Company number</b>	05124435	
<b>Principal office</b>	2 Staplee Way Parnwell Peterborough United Kingdom PE1 4YT	
<b>Auditor</b>	Azets Audit Services Ruthlyn House 90 Lincoln Road Peterborough Cambridgeshire PE1 2SP United Kingdom PE1 2SP	
<b>Bankers</b>	Allied Irish Bank 61/62 The Mall London United Kingdom W5 3TA	

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# KINGSGATE COMMUNITY CHURCH

## LEGAL AND ADMINISTRATIVE INFORMATION

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### Solicitors

Hegarty LLP  
48 Broadway  
Peterborough  
United Kingdom  
PE1 1YW

The directors of the charitable company (the charity) are its trustees for the purpose of charity law and throughout this report are collectively referred to as its trustees.

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# KINGSGATE COMMUNITY CHURCH

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# KINGSGATE COMMUNITY CHURCH

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

### FOR THE YEAR ENDED 31 DECEMBER 2022

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

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2019)

#### **Objectives and activities**

##### The Objectives of The Charity

The charity's purposes, as set out in the objects contained in the company's memorandum of association, are:

1. The advancement of the Christian faith in accordance with the doctrine set out in the underwritten Fourth Schedule and the worship of God in the said county and elsewhere by any means whatsoever including (but not by way of limitation) the preaching and proclamation of the Christian gospel, the teaching of the Christian Doctrine and principles, the pastoral care of Christian people and the printing and distribution of the Bible and Christian literature including video, and audio recordings and by any other media which is, or may become, available.
2. The relief of persons who are in conditions of need, hardship or distress or who are aged or sick.
3. The advancement of education on the basis of Christian principles and, without prejudice, to the generality of the foregoing, the provision of such education in any educational establishment and, if the Trustees so decide, the provision of one or more charitable educational establishments for the general education of children and adults on the basis of such Christian principles.

##### 2022 Vision, Values and Strategic Priorities

In 2022, the Strategic Leadership Team of KingsGate Community Church reaffirmed the vision, values, and strategic priorities of the Church as:

**Vision:** 'Transforming Lives from our Neighbourhoods to the Nations by the Power of God's Love'.

**Values:** Word, Spirit, Worship, Prayer, Fellowship, Discipleship, Mission, and Stewardship.

##### **Strategic Priorities:**

In 2022 we continued to focus on our core mission, which as a church is "TRANSFORMING LIVES from our neighbourhoods to the nations, by the power of God's love", and the call for us to be disciples and make disciples. Our priority is to disciple people in the four key priorities of a Transformed Life:

1. Knowing God
2. Finding Freedom
3. Growing in Community
4. Making a difference

##### 2022 Activities:

The main activity continues to be **teaching via Sunday services and Life Groups both online and in person whenever possible.**

Other activities in 2022 included:

- **Sunday Services:** In-person services take place every Sunday with two services being held at KingsGate Peterborough and one service at KingsGate Cambridge and KingsGate Leicester. Online services continue to be provided via YouTube and the Church Online platform.

# KINGSGATE COMMUNITY CHURCH

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

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- **LifeGroups:** LifeGroups continue to be one of the main ways people grow in their discipleship with Jesus, providing a personalised setting for development of gifts and spiritual depth. In 2022 LifeGroups have continued to meet regularly, either in-person and/or online. We recognise the vital part our volunteer leaders play in providing pastoral support to those in our church family through LifeGroups. LifeGroup Leader training has migrated to the eLearning platform and has increased the accessibility of training. In 2022 a full review of the Small Group Structure has been completed and is informing a re-structuring of the small wing of the church. This includes the launch of the Leadership Community, which will be a key element in supporting and growing our leaders. The re-definition of what constitutes a small group at KingsGate, is informing the training of new leaders to lead different types of groups. We are deeply grateful for all our leaders do and we are excited about the developments for the future.
- **Community Action:** In 2022 Community Action continued to develop its support for people facing poverty and build wrap-around care for people accessing our services. This aimed to address some of the underlying reasons people found themselves in crisis and reduce the need for people to rely on Peterborough Foodbank. This wrap-around care included partnering with Citizens Advice Peterborough and Community Money Advice to offer information and advice.
- **Care Zone, Peterborough:** The furniture bank takes donations from the public of essential furniture, household goods and clothing and gives them free of charge to families facing financial pressures. Often the families that Care Zone supports have been homeless and lost all their furniture. In 2022, Care Zone provided furniture for 649 properties and supported 1276 people. Care Zone also worked with Peterborough City Council and other community organisations to support refugee families arriving from Syria, Afghanistan, and Ukraine, providing furniture so that these families can make a positive start to their new life in the UK.
- **Foodbank, Peterborough:** Peterborough Foodbank is a partnership of 5 churches and is part of the Trussell Trust Foodbank network. The project helps people in crisis by providing three days' emergency food and in 2022, fed 12,683 people. Following a successful 12-month financial inclusion project, Trussell Trust awarded further funding to expand the project for a further 3 years, starting in October 2022. The funding enabled Peterborough Foodbank to partner with Citizens Advice Peterborough (CAP) and have three dedicated CAP workers offer foodbank users information and advice around income maximisation, welfare benefits, housing, and immigration issues. The CAP team now has a triage worker who attends most of the foodbank sessions, a general advice worker and a mental health specialist advice worker who can support foodbank users who have an underlying mental health issue.
- **Debt Advice:** The KingsGate Community Money Advice Connect Centre opened in February 2021 to offer support for people struggling with debt issues. In 2022, a team of volunteer money mentors, trained and supported by Community Money Advice supported 52 people. Nine people have in place a solution to become completely debt-free and this totalled £45,151 of debt cleared for these people.
- **Christmas Hampers:** KingsGate was part of the national 'Love Christmas' campaign, receiving match funding from the Church Revitalisation Trust and gave away 2157 hampers across all our campuses. KingsGate worked with forty-eight community partners to ensure that the hampers went to families facing difficulties and the feedback from families was that the hampers were a much-welcomed reminder that they are cared for.
- **Food Pantry, Peterborough:** In May 2022, KingsGate Peterborough opened a food pantry at Lime Academy Parnwell. The purpose of the Food Pantry is to provide support for families facing long term food insecurity by providing access to healthy food at reduced prices, giving dignity, choice, and hope. A team of volunteers run the food pantry supported by the foodbank warehouse team. Funding was secured by Cambridgeshire Community Foundation to help set up the project. Since opening, 41 families have become members and have made 679 visits to the food pantry.
- **Community Action, Cambridge:** A volunteer team from KingsGate Cambridge continue to run the Trumpington distribution centre of Cambridge City Foodbank. KingsGate Cambridge also partnered with Besom to run several Besom projects where teams supported local families facing pressures by undertaking gardening and decorating projects.

# KINGSGATE COMMUNITY CHURCH

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2022

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- **Youth:** 2022 has been an encouraging year across the youth ministry, seeing numbers return to pre pandemic levels on a Sunday, Friday nights and in Life Groups. In February 2022, 74 young people attended Youth Camp and 71 attended the Satellites summer camp. We also baptised 16 young people in 2022. Our Autumn Schools mission Illuminate saw unprecedented fruit, working in 4 schools, with over 600 young people attending the end of week gig. In addition to our core ministry provision, we have consulted on Sexuality.com, delivered 'Youth Alpha', youth 'Next Steps', an Easter mission, increased youth ministry presence, creatively developed our bitesize teaching videos, established improved pastoral care with new rhythms and follow up in place, and have returned to a bi-weekly model of Youth service and Social's on a Friday night to maximise momentum and growth, launched Discord as a new online communication platform with our young people and created and filmed a 12 session NOCN Level 2 Award (GCSE Equivalent) in Youthwork Practice ready to be launched for all youth team volunteers in 2023.  
Finally, the Youth Advisory Council for multiracial inclusion, continues to see the voice of young people empowered in our commitment to racial inclusion. Through the work of the YAC, we completed our first annual youth survey to benchmark and assess our youth ministry provision with racial inclusion in mind.
- **Children's Ministry:** Children's work continues offering both in-person and online resources to support families in helping their children to encounter God. The teaching program continues to mirror main auditorium teaching across all ages. Numbers on Sunday mornings continue to grow as new families join the church and, with new volunteers joining the team, we have managed to restore all the age groups across our campuses. As 2023 progresses, we are working to re-establish our schools work and outreach to young families via the Mini Movers Groups.
- **Overseas Mission:** 2022 was a very challenging year for our key overseas partners in Bulembu in eSwatini, Heart for Lebanon, as on the back of the pandemic came the war in Ukraine. As a result of this, our giving last year went to help meet immediate need for things such as food, clothing and shelter. Many children continue to be sponsored through Compassion. We were also able to respond to global crises by giving financial gifts to World Vision in response to the war in Ukraine and Tearfund for relief work in Afghanistan, Pakistan, and Somalia.

#### 2022 The Church We See Special Offering

In March 2022 we gave into 'The Church We See' Special offering. 60% of the offering raised allowed us to make a one-off payment on the mortgage of £193,229. 15% of the offering went into a Cambridge Building Fund, which is set aside to help finance a future building in Cambridge. 15% of the special offering will be put towards leadership development and other projects.

We additionally transferred 10% of this offering, into our Mission Fund. This helps to resource our Community Action projects, as well as resourcing our partnerships with overseas mission projects, as detailed above.

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

# KINGSGATE COMMUNITY CHURCH

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

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### Financial review

#### Income

Total income, both restricted and unrestricted, of £4.05 million was received in 2022, an 8.2% increase from 2021 (£3.74 million in 2021). Trading income was £242,742 in 2022, a 617% from 2021 (£33,879 in 2021). Total income excluding trading income for 2022 was £3.81 million, a 6.0% increase on 2021 (£3.59 million in 2021, also excluding £116,866 of furlough income).

The charity's main income stream is from tithes and offerings given by church members and regular attendees. In 2022, unrestricted tithes and offerings were £2,599,849 which was a 2.5% increase compared to 2021 (£2,536,053 in 2021). This included £558,940 of unrestricted offerings received by the Cambridge campus, a 3.0% increase compared to 2021 (£542,634 in 2021). It also included £87,126 of unrestricted offerings from our Leicester campus, a 10.5% decrease compared to 2021 (£97,307 in 2021).

Restricted offerings were £677,153, which was a 3.4% increase on 2021 (£652,136 in 2021).

#### Expenditure

Expenditure for the year totalled £3,508,624 (2021 £2,965,170) excluding commercial operations in the trading subsidiary.

During 2022, salaries (excluding salaries within the commercial operations) accounted for 47.8% of 2022 expenditure, £1.68 million, compared to 54.2% of 2021 expenditure (£1.61 million). The charity employs both ministry-based positions, such as pastors, children and youth workers and community action workers, as well as administration and management staff, all of which work under the overall direction of the Strategic Leadership Team.

### Reserves Policy

It is the policy of the charity to work towards and then maintain unrestricted funds, which are the free reserves of the charity, at a level which equates to approximately three months unrestricted expenditure excluding certain discretionary spend. This would provide sufficient funds to cover salaries and building running costs for three months. Unrestricted funds of the charity were £964k on 31<sup>st</sup> December 2022 (excluding interest in land & property). The current reserves level is £377k more than the minimum reserves required.

The need for the charity to hold significant reserves is generated by the employment of 57 full and part time permanent employees along with building running costs of the KingsGate Peterborough building.

It is the charity's policy to monitor growth and income statistics carefully and if income were to continue to fall significantly, take immediate measures to minimise risk.

#### Risk Management

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

### Future Plans

In 2023 we will be continuing to focus on our core mission, which as a church is "TRANSFORMING LIVES from our neighbourhoods to the nations, by the power of God's love" with an emphasis on being RADICAL

DISCIPLES who:

1. Keep on ENCOUNTERING Jesus (Knowing God)
4. Keep on FOLLOWING Jesus (Living in Freedom)
5. Keep on GROWING together in Jesus (Growing in Community)
6. Keep on MISSION with Jesus (Making a difference)



# KINGSGATE COMMUNITY CHURCH

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

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

#### Governing Document

KingsGate Community Church is a company limited by Guarantee with no share capital. It was incorporated as Peterborough Community Church on the 11<sup>th</sup> May 2004 and was registered with the Charity Commission on the same day. It changed its name to KingsGate Community Church from 1<sup>st</sup> February 2008.

None of the trustees have any beneficial interest in the company. All the trustees are members of the company and guarantee to contribute such amount as may be required (not exceeding £10) to the company's assets in the event of a winding up.

KingsGate Community Church business is concluded under the framework of its governing memorandum and articles of association, prepared under the Companies Act 1985.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Dr David Smith (Chairman)

Mr Norman Paskin

Mr Barry Featherstone

Mr Matthew Negus

Mr Samson Abioye

Ms Lydia Opayinka

(Appointed 6 January 2023)

#### Appointment of Trustee Directors

The trustees, who have served during the year and since the year end, are set out on page 2. Trustees are appointed by the board and each year, one third retire by rotation and either new trustees are identified, or previous serving trustees are reappointed.

#### Trustee Induction and Training

All trustees are offered external training which will help them to undertake their roles and responsibilities.

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

#### Organisation

The board of trustees meet at least four times a year. Trustees ensure that the charity remains solvent, is well-run, and delivering the charitable outcomes for the benefit of the public for which it has been set up. The Strategic Leadership Team, which is made up of the Senior Leadership Team and the Multisite Strategy Team, are responsible for the day-to-day running of the organisation. Key strategies identified by the Senior Leadership Team and the Multisite Strategy Team are ratified by Trustees before implementation.

#### Related Parties

KingsGate Trading Ltd, a wholly owned subsidiary, was established on 26<sup>th</sup> January 2007. This subsidiary was incorporated to manage the business activities of the charity including the provision of conference facilities, sale of books and resources. KingsGate Community Church granted a 'licence to use' the building to KingsGate Trading Ltd who started to hire out the building from 1<sup>st</sup> June 2008.

KingsGate Trading Ltd made a distribution to the parent company under gift aid of £3,144 and paid a management charge of £28,396 for the trading period (2021 no distribution under gift or management charge). KingsGate Trading Ltd recorded a profit for the year of £18,997 (2021 a loss of £28,329).

# KINGSGATE COMMUNITY CHURCH

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) *FOR THE YEAR ENDED 31 DECEMBER 2022*

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### **Auditor**

In accordance with the company's articles, a resolution proposing that Azets Audit Services be reappointed as auditor of the company will be put at a General Meeting.

### **Disclosure of information to auditor**

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

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

### **Dr David Smith (Chairman)**

Trustee

Dated: 21 June 2023

# **KINGSGATE COMMUNITY CHURCH**

## **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

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

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The trustees, who are also the directors of Kingsgate Community Church for the purpose of company law, 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).

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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

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

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

# KINGSGATE COMMUNITY CHURCH

## INDEPENDENT AUDITOR'S REPORT

### TO THE TRUSTEES OF KINGSGATE COMMUNITY CHURCH

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#### Opinion

We have audited the accounts of Kingsgate Community Church (the 'charity') and its subsidiary for the year ended 31 December 2022 which comprise the Group Statement of Financial Activities, the Group and Parent Charitable Company Balance Sheets, the Group and Parent Charitable Company Cash Flow Statements and the notes to the accounts, 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).

In our opinion, the financial statements:

- give a true and fair view of the state of the Group and Parent charitable company's affairs as at 31 December 2022 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### Basis for opinion

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

#### Conclusions relating to going concern

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

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

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

#### Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, 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.

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

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

- the information given in the trustees' report for the financial year for which the financial statements are prepared, which includes the directors' report prepared for the purposes of company law, is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

# KINGSGATE COMMUNITY CHURCH

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE TRUSTEES OF KINGSGATE COMMUNITY CHURCH

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

In the light of the knowledge and understanding of the Group and Parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report included within the Trustees' Report.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

#### **Responsibilities of trustees**

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the 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 charitable company or to cease operations, or have no realistic alternative but to do so.

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

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

# KINGSGATE COMMUNITY CHURCH

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE TRUSTEES OF KINGSGATE COMMUNITY CHURCH

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

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

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

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

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

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

#### **Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Mr Mark Jackson FCA DChA (Senior Statutory Auditor)  
for and on behalf of Azets Audit Services**

23 June 2023

**Chartered Accountants  
Statutory Auditor**

Ruthlyn House  
90 Lincoln Road  
Peterborough  
Cambridgeshire  
United Kingdom  
PE1 2SP

# KINGSGATE COMMUNITY CHURCH

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2022

### Current financial year

	Notes	Unrestricted funds general 2022 £	Unrestricted funds designated 2022 £	Restricted funds 2022 £	Total 2022 £	Total 2021 £
<b><u>Income and endowments from:</u></b>						
Donations and legacies	3	2,599,849	-	677,153	3,277,002	3,193,990
Charitable activities	4	106,796	-	417,852	524,648	393,270
Other trading activities	5	243,338	-	-	243,338	114,676
Other income	6	7,206	-	-	7,206	42,247
<b>Total income</b>		<b>2,957,189</b>	<b>-</b>	<b>1,095,005</b>	<b>4,052,194</b>	<b>3,744,183</b>
<b><u>Expenditure on:</u></b>						
Raising funds	7	201,671	-	-	201,671	154,525
Charitable activities	8	2,508,451	253,578	746,595	3,508,624	2,965,170
<b>Total expenditure</b>		<b>2,710,122</b>	<b>253,578</b>	<b>746,595</b>	<b>3,710,295</b>	<b>3,119,695</b>
<b>Net incoming resources before transfers</b>		<b>247,067</b>	<b>(253,578)</b>	<b>348,410</b>	<b>341,899</b>	<b>624,488</b>
Gross transfers between funds		(320,741)	612,152	(291,411)	-	-
<b>Net (expenditure)/income for the year/ Net movement in funds</b>		<b>(73,674)</b>	<b>358,574</b>	<b>56,999</b>	<b>341,899</b>	<b>624,488</b>
Fund balances at 1 January 2022		1,039,460	6,901,220	1,213,711	9,154,391	8,529,903
<b>Fund balances at 31 December 2022</b>		<b>965,786</b>	<b>7,259,794</b>	<b>1,270,710</b>	<b>9,496,290</b>	<b>9,154,391</b>

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

# KINGSGATE COMMUNITY CHURCH

## STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2022

Prior financial year

	Notes	Unrestricted funds general 2021 £	Unrestricted funds designated 2021 £	Restricted funds 2021 £	Total 2021 £
<b><u>Income and endowments from:</u></b>					
Donations and legacies	3	2,536,053	-	657,937	3,193,990
Charitable activities	4	75,073	-	318,197	393,270
Other trading activities	5	114,676	-	-	114,676
Other income	6	42,247	-	-	42,247
<b>Total income</b>		<b>2,768,049</b>	<b>-</b>	<b>976,134</b>	<b>3,744,183</b>
<b><u>Expenditure on:</u></b>					
Raising funds	7	154,525	-	-	154,525
Charitable activities	8	1,921,433	278,786	764,951	2,965,170
<b>Total expenditure</b>		<b>2,075,958</b>	<b>278,786</b>	<b>764,951</b>	<b>3,119,695</b>
<b>Net incoming resources before transfers</b>		<b>692,091</b>	<b>(278,786)</b>	<b>211,183</b>	<b>624,488</b>
Gross transfers between funds		(677,366)	680,130	(2,764)	-
<b>Net (expenditure)/income for the year/ Net movement in funds</b>		<b>14,725</b>	<b>401,344</b>	<b>208,419</b>	<b>624,488</b>
Fund balances at 1 January 2021		1,024,735	6,499,876	1,005,292	8,529,903
<b>Fund balances at 31 December 2021</b>		<b>1,039,460</b>	<b>6,901,220</b>	<b>1,213,711</b>	<b>9,154,391</b>



# KINGSGATE COMMUNITY CHURCH

## BALANCE SHEETS

AS AT 31 DECEMBER 2022

	Notes	Group 2022 £	Charity 2022 £	Group 2021 £	Charity 2021 £
<b>Fixed assets</b>					
Tangible assets	15	8,372,459	9,266,453	8,523,720	9,413,984
Investments	16	-	1	-	1
		<u>8,372,459</u>	<u>9,266,454</u>	<u>8,523,720</u>	<u>9,413,985</u>
<b>Current assets</b>					
Stocks	18	9,872	-	14,542	-
Debtors	19	158,986	148,945	95,404	107,986
Cash at bank and in hand		2,395,538	2,358,930	2,485,312	2,457,748
		<u>2,564,396</u>	<u>2,507,875</u>	<u>2,595,258</u>	<u>2,565,734</u>
<b>Creditors: amounts falling due within one year</b>	20	(606,724)	(575,225)	(619,190)	(595,696)
Net current assets		<u>1,957,672</u>	<u>1,932,650</u>	<u>1,976,068</u>	<u>1,970,038</u>
<b>Total assets less current liabilities</b>		<u>10,330,131</u>	<u>11,199,104</u>	<u>10,499,788</u>	<u>11,384,023</u>
<b>Creditors: amounts falling due after more than one year</b>	21	(833,841)	(810,432)	(1,345,397)	(1,345,397)
<b>Net assets</b>		<u>9,496,290</u>	<u>10,388,672</u>	<u>9,154,391</u>	<u>10,062,626</u>
<b>Income funds</b>					
Restricted funds	24	1,270,710	1,270,710	1,213,711	1,213,711
<u>Unrestricted funds - general</u>					
Designated funds	25	7,259,794	8,153,788	6,901,220	7,791,484
General unrestricted funds	26	965,786	964,174	1,039,460	1,057,431
		<u>9,496,290</u>	<u>10,388,672</u>	<u>9,154,391</u>	<u>10,062,626</u>

The financial statements were approved by the board of directors and authorised for issue on 21 June 2023 and are signed on its behalf by:

Dr David Smith (Chairman)

Trustee

Company Registration No. 05124435

# KINGSGATE COMMUNITY CHURCH

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2022

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	Notes	2022 Group £	2022 Charity £	2021 Group £	2021 Charity £
<b>Cash flows from operating activities</b>					
Cash generated from operations	31	514,729	505,094	804,600	842,664
<b>Investing activities</b>					
Purchase of tangible fixed assets		(106,047)	(106,047)	(368,840)	(355,485)
Proceeds on disposal of tangible fixed assets		7,374	7,374	7,092	7,092
<b>Net cash used in investing activities</b>		<u>(98,673)</u>	<u>(98,673)</u>	<u>(361,748)</u>	<u>(348,393)</u>
<b>Financing activities</b>					
Repayment of bank loans		<u>(505,830)</u>	<u>(505,239)</u>	<u>(287,081)</u>	<u>(287,081)</u>
<b>Net cash used in financing activities</b>		<u>(505,830)</u>	<u>(505,239)</u>	<u>(287,081)</u>	<u>(287,081)</u>
<b>Net (decrease)/increase in cash and cash equivalents</b>		(89,774)	(98,818)	155,771	207,190
Cash and cash equivalents at beginning of year		<u>2,485,312</u>	<u>2,457,748</u>	<u>2,329,541</u>	<u>2,250,558</u>
<b>Cash and cash equivalents at end of year</b>		<u><u>2,395,538</u></u>	<u><u>2,358,930</u></u>	<u><u>2,485,312</u></u>	<u><u>2,457,748</u></u>

# KINGSGATE COMMUNITY CHURCH

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

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### 1 Accounting policies

#### Charity information

Kingsgate Community Church is a private company limited by guarantee incorporated in England and Wales. The registered office is 2 Staplee Way, Parnwell, Peterborough, PE1 4YT, United Kingdom.

#### 1.1 Accounting convention

The accounts have been prepared in accordance with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

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

The accounts have been prepared under the historical cost convention, modified to include certain items at fair value. The principal accounting policies adopted are set out below.

#### 1.2 Group financial statements

The financial statements consolidate the results of the charitable company and its subsidiary undertaking KingsGate Trading Limited on a line-by line basis. Intra-group sales and profits are eliminated fully on consolidation. A separate Statement of Financial Activities and Income and Expenditure Account for the charity has not been presented because the charity has taken advantage of the exemption afforded by section 408 of the Companies Act 2006.

#### 1.3 Going concern

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

#### 1.4 Charitable funds

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

Designated funds - these are funds set aside by the trustees out of unrestricted general funds for specific future purposes or projects.

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

#### 1.5 Income

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

Donated facilities and donated professional services are recognised in income at their fair value when their economic benefit is probable, it can be measured reliably and the charity has control over the item. Fair value is determined on the basis of the value of the gift to the charity. For example the amount the charity would be willing to pay in the open market for such facilities and services. A corresponding amount is recognised in expenditure.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102). The charity benefits from many voluntary hours and unclaimed out-of-pocket expenses contributed by a number of supporters. The charity is extremely grateful for all these gifts in kind.

# KINGSGATE COMMUNITY CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2022

---

#### 1 Accounting policies

(Continued)

The charity receives grants in respect of its activities. Income from grants are recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met then these amounts are deferred.

Income from trading activities is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

Investment income is accounted for in the period in which the charity is entitled to receipt.

#### 1.6 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

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

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Costs of raising funds;
- Expenditure on charitable activities; and
- Other expenditure which represents those items not falling into the categories above.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs and other administrative costs. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources.

#### 1.7 Tangible fixed assets

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

All assets costing more than £250 are capitalised. No depreciation is provided on freehold land.

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

Freehold buildings	1% p.a. straight line
Office equipment	25% p.a. reducing balance
Computer equipment	25% p.a. straight line

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

# KINGSGATE COMMUNITY CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

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### 1 Accounting policies

(Continued)

#### 1.8 Fixed asset investments

A subsidiary is an entity controlled by the charity. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

Investments in subsidiaries are measured at cost less impairment.

#### 1.9 Impairment of fixed assets

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

#### 1.10 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing stock to its present location and condition. Cost is calculated using the first in, first out formula. Provision is made for damaged, obsolete and slow-moving stock where appropriate.

#### 1.11 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, and other short-term liquid investments with original maturities of three months or less.

#### 1.12 Financial instruments

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

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

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

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

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

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

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

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

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

# KINGSGATE COMMUNITY CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2022

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#### 1 Accounting policies

(Continued)

##### *Derecognition of financial liabilities*

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

#### 1.13 Taxation

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

#### 1.14 Provisions

Provisions are recognised when the charity has a legal or constructive present obligation as a result of a past event, it is probable that the charity will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value, the unwinding of the discount is recognised as a finance cost in net income/(expenditure) in the period in which it arises.

#### 1.15 Employee benefits

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

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

#### 1.16 Leases

Rentals payable under operating leases, including any lease incentives received, are charged as an expense on a straight line basis over the term of the relevant lease.

#### 2 Critical accounting estimates and judgements

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

# KINGSGATE COMMUNITY CHURCH

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

### 3 Donations and legacies

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
Gifts and offerings	567,796	117,807	685,603	735,518
Covenants and gift aid	1,623,482	368,909	1,992,391	1,833,409
Income tax repayments	408,571	94,828	503,399	469,089
Grants received	-	95,609	95,609	155,974
	<u>2,599,849</u>	<u>677,153</u>	<u>3,277,002</u>	<u>3,193,990</u>
<b>For the year ended 31 December 2021</b>	<u>2,536,053</u>	<u>657,937</u>		<u>3,193,990</u>
<b>Grants receivable for core activities</b>				
Peterborough City Council	-	13,619	13,619	75,175
The Trussell Trust	-	51,750	51,750	31,392
Church Revitalisation Trust	-	10,500	10,500	47,742
Other	-	19,740	19,740	1,665
	<u>-</u>	<u>95,609</u>	<u>95,609</u>	<u>155,974</u>

### 4 Charitable activities

	2022 £	2021 £
Courses and events	32,250	3,562
Foodbank income	132,101	87,727
Community action income	22,843	14,013
Learning communities	311,837	230,457
Miscellaneous income	25,617	57,511
	<u>524,648</u>	<u>393,270</u>
<b>Analysis by fund</b>		
Unrestricted funds	106,796	75,073
Restricted funds	417,852	318,197
	<u>524,648</u>	<u>393,270</u>

# KINGSGATE COMMUNITY CHURCH

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

### 5 Other trading activities

	<b>2022</b>	<b>2021</b>
	£	£
Commercial operations in trading subsidiary	243,338	114,676

### 6 Other income

	<b>Unrestricted funds general 2022 £</b>	<b>Unrestricted funds general 2021 £</b>
Net gain on disposal of tangible fixed assets	7,206	6,178
Other income	-	36,069
	<u>7,206</u>	<u>42,247</u>

### 7 Raising funds

	<b>2022</b>	<b>2021</b>
	£	£
Commercial operations in trading subsidiary		
Staff costs	130,379	143,485
Direct costs	24,608	6,765
Administrative expenses	46,684	4,275
	<u>201,671</u>	<u>154,525</u>



# KINGSGATE COMMUNITY CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

### 8 Charitable activities

	2022 £	2021 £
Staff costs	1,678,691	1,607,894
Depreciation	253,578	278,786
Outreach and Community Action	323,250	258,953
Sunday Experience and Connect	264,231	157,276
Pastoral Care	146,801	86,182
Equip and Leadership Development	293,090	165,500
Overseas Mission	122,957	67,090
Facilities	301,712	246,595
	<u>3,384,310</u>	<u>2,868,276</u>
Share of support costs (see note 9)	112,499	86,556
Share of governance costs (see note 9)	11,815	10,338
	<u>3,508,624</u>	<u>2,965,170</u>
<b>Analysis by fund</b>		
Unrestricted funds	2,508,451	1,921,433
Unrestricted funds - designated	253,578	278,786
Restricted funds	746,595	764,951
	<u>3,508,624</u>	<u>2,965,170</u>

### 9 Support costs

	Support costs £	Governance costs £	2022 £	2021 £
Office costs	102,580	-	102,580	74,943
Printing, postage and stationery	3,282	-	3,282	3,951
Photocopying	6,637	-	6,637	7,662
Audit fees	-	11,815	11,815	10,338
	<u>112,499</u>	<u>11,815</u>	<u>124,314</u>	<u>96,894</u>

### 10 Trustees

Trustees' remuneration is permitted under certain limited circumstances, if paid as an employee, under the terms of its governing document. During the year, remuneration was paid to one Trustee amounting to £79,046 (2021 - £78,956). Employer pension contributions for this Trustee were £7,406 (2021 - £5,127). No Trustees waived any remuneration.

One Trustee (2021 - one) is accruing pension arrangements.

# KINGSGATE COMMUNITY CHURCH

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

### 10 Trustees

(Continued)

During the year one trustee received reimbursement of expenses amounting to £440 (2021 - two trustees received £264) of which £nil (2021 - £60) was outstanding at the year end and included within trade creditors.

### 11 Auditor's remuneration

The analysis of auditor's remuneration is as follows:

	2022 £	2021 £
Audit of the charity's annual accounts	11,815	10,338
<b>Other services to the group</b> - the audit of the subsidiary	2,923	2,898
<b>Total audit fees</b>	<u>14,738</u>	<u>13,236</u>

### 12 Surplus for the financial year

As permitted by section 408 of the Companies Act 2006, the holding company's surplus has not been included in these financial statements. The surplus for the financial year is made up as follows:

	2022 £	2021 £
Holding company's gross income for the financial year	<u>3,835,664</u>	<u>3,629,507</u>
Holding company's surplus for the financial year	<u>326,185</u>	<u>652,817</u>

# KINGSGATE COMMUNITY CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2022

#### 13 Commercial operations in trading subsidiary

The wholly owned trading subsidiary, KingsGate Trading Limited, which is incorporated in England and Wales, pays a proportion of its profits to the charity by gift aid. KingsGate Trading Limited operates the resources centre and room hire at KingsGate Community Church. The charity owns the entire issued share capital of 1 ordinary share at £1 each. A summary of the trading results is shown below.

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
<b>KingsGate Trading Limited Profit &amp; Loss Account</b>		
Turnover	242,742	33,859
JRS income	-	80,797
Cost of sales	(181,795)	(150,250)
Administration costs	(15,618)	(13,168)
Other income and interest received	596	20
Interest payable	(539)	-
	<hr/>	<hr/>
Net profit	45,386	(48,742)
Add: sales made to charity	994	11,520
Less: management charges paid to charity	(23,664)	-
	<hr/>	<hr/>
Dividend paid to charity	22,716	(37,222)
	(3,144)	-
	<hr/>	<hr/>
Tax on loss on ordinary activities	19,572	(37,222)
	(3,719)	8,893
	<hr/>	<hr/>
Retained in the subsidiary	15,853	(28,329)
	<hr/> <hr/>	<hr/> <hr/>
<b>KingsGate Trading Limited Balance Sheet</b>		
	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Fixed assets	10,680	14,410
Current assets	103,629	56,243
Current liabilities	(78,607)	(50,213)
Long term liabilities	(23,409)	(24,000)
	<hr/>	<hr/>
Total net assets	12,293	(3,560)
	<hr/> <hr/>	<hr/> <hr/>
Aggregate share capital and reserves	12,293	(3,560)
	<hr/> <hr/>	<hr/> <hr/>

# KINGSGATE COMMUNITY CHURCH

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

### 14 Employees

#### Number of employees

The average monthly number of employees during the year was:

	<b>2022</b>	<b>2021</b>
	<b>Number</b>	<b>Number</b>
KingsGate Community Church	57	55
KingsGate Trading Limited	15	22
	<u>72</u>	<u>77</u>

<b>Employment costs</b>	<b>2022</b>	<b>2022</b>	<b>2022</b>	<b>2021</b>
	<b>Charity</b>	<b>Subsidiary</b>	<b>Group</b>	<b>Group</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Wages and salaries	1,468,789	119,706	1,588,495	1,549,957
Social security costs	142,554	7,234	149,788	135,508
Other pension costs	67,348	3,439	70,787	65,914
	<u>1,678,691</u>	<u>130,379</u>	<u>1,809,070</u>	<u>1,751,379</u>

The number of employees whose annual remuneration was £60,000 or more were:

	<b>2022</b>	<b>2021</b>
	<b>Number</b>	<b>Number</b>
£70,001 - £80,000	<u>1</u>	<u>1</u>

The above employee participated in the pension scheme. During the year ended 31 December 2022, pension contributions for this employee amounted to £7,406 (2021 - £5,127).

# KINGSGATE COMMUNITY CHURCH

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

### 15 Tangible fixed assets

Group	Freehold land and buildings £	Plant and equipment £	Total £
<b>Cost</b>			
At 1 January 2022	8,951,827	1,703,077	10,654,904
Additions	-	106,047	106,047
Disposals	-	(7,278)	(7,278)
At 31 December 2022	8,951,827	1,801,846	10,753,673
<b>Depreciation</b>			
At 1 January 2022	1,015,699	1,115,485	2,131,184
Depreciation charged in the year	83,871	173,269	257,140
Eliminated in respect of disposals	-	(7,110)	(7,110)
At 31 December 2022	1,099,570	1,281,644	2,381,214
<b>Carrying amount</b>			
At 31 December 2022	7,852,257	520,202	8,372,459
At 31 December 2021	7,936,128	587,592	8,523,720
<b>Charity</b>			
	Freehold land and buildings £	Plant and equipment £	Total £
<b>Cost</b>			
At 1 January 2022	9,856,501	1,621,322	11,477,823
Additions	-	106,047	106,047
Disposals	-	(5,020)	(5,020)
At 31 December 2022	9,856,501	1,722,349	11,578,850
<b>Depreciation</b>			
At 1 January 2022	1,015,699	1,048,140	2,063,839
Depreciation charged in the year	83,871	169,707	253,578
Eliminated in respect of disposals	-	(5,020)	(5,020)
At 31 December 2022	1,099,570	1,212,827	2,312,397
<b>Carrying amount</b>			
At 31 December 2022	8,756,931	509,522	9,266,453
At 31 December 2021	8,840,802	573,182	9,413,984

# KINGSGATE COMMUNITY CHURCH

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

### 15 Tangible fixed assets

(Continued)

All assets are used for direct charitable purposes.

Included within land and buildings is an amount of £1,472,000 (2021 - £1,472,000) in respect of land which is not depreciated.

### 16 Fixed asset investments

<b>Group</b>	<b>Investment in subsidiaries</b>
<b>Cost or valuation</b>	<b>£</b>
At 1 January 2022 & 31 December 2022	-
	<u>          </u>
<b>Charity</b>	
<b>Cost or valuation</b>	
At 1 January 2022 & 31 December 2022	1
	<u>          </u>

The investment represents a 100% shareholding in KingsGate Trading Limited, a company incorporated in England and Wales.

For details of the principal activity and results for the year, see note 13.

<b>17 Financial instruments</b>	<b>Group</b>	<b>Charity</b>	<b>Group</b>	<b>Charity</b>
	<b>2022</b>	<b>2022</b>	<b>2021</b>	<b>2021</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Carrying amount of financial assets</b>				
Trade debtors	74,564	24,523	6,797	4,079
Other debtors	6,233	4,299	5,559	3,033
Amounts due from subsidiary undertakings	-	47,108	-	26,719
Bank and cash	2,395,538	2,358,930	2,485,312	2,457,748
Fixed asset investments	-	1	-	1
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Measured at cost	2,476,335	2,434,861	2,497,668	2,491,580
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Carrying amount of financial liabilities</b>				
Trade creditors	41,058	35,463	53,480	48,285
Accruals	88,820	77,481	95,874	92,841
Bank loans	1,158,986	1,129,577	1,664,816	1,634,816
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Measured at cost	1,288,864	1,242,521	1,814,170	1,775,942
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

# KINGSGATE COMMUNITY CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

18	Stocks	2022 Group £	2022 Company £	2021 Group £	2021 Company £
	Finished goods and goods for resale	9,872	-	14,542	-

19	Debtors	2022 Group £	2022 Charity £	2021 Group £	2021 Charity £
	<b>Amounts falling due within one year:</b>				
	Trade debtors	74,564	24,523	6,797	4,079
	Income tax recoverable	38,566	38,566	34,927	34,927
	Amounts due from subsidiary undertakings	-	47,108	-	26,719
	Other debtors	6,233	4,299	5,559	3,033
	Prepayments and accrued income	34,449	34,449	39,228	39,228
		153,812	148,945	86,511	107,986
	Deferred tax asset	5,174	-	8,893	-
		158,986	148,945	95,404	107,986

20	Creditors: amounts falling due within one year	2022 Group £	2022 Charity £	2021 Group £	2021 Charity £
	<b>Notes</b>				
	Bank loans	325,145	319,145	319,419	313,419
	Other taxation and social security	39,208	39,208	39,217	39,217
	Deferred income	70,699	70,699	74,100	74,100
	Trade creditors	41,058	35,463	53,480	48,285
	Other creditors	41,794	33,229	37,100	27,834
	Accruals	88,820	77,481	95,874	92,841
		606,724	575,225	619,190	595,696

Deferred income is income received for Learning Communities that relates to the year ended 31 December 2023.

21	Creditors: amounts falling due after more than one year	2022 Group £	2022 Charity £	2021 Group £	2021 Charity £
	<b>Notes</b>				
	Bank loans	833,841	810,432	1,345,397	1,321,397

# KINGSGATE COMMUNITY CHURCH

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

### 22 Loans and overdrafts

	2022 Group £	2022 Charity £	2021 Group £	2021 Charity £
Bank loans	1,158,986	1,129,577	1,664,816	1,634,816
Payable within one year	325,145	319,145	319,419	313,419
Payable after one year	833,841	810,432	1,345,397	1,321,397

The charity bank borrowings are secured over the assets of the group.

### 23 Provision for liabilities

	2022 Group £	2022 Charity £	2021 Group £	2021 Charity £
<b>Deferred taxation Balances:</b>				
Tax losses	5,174	-	8,893	-

	2022 £
<b>Movements in the year:</b>	
Liability/(Asset) at 1 January 2022	(8,893)
Charge to profit or loss	3,719
Liability/(Asset) at 31 December 2022	(5,174)

The deferred tax asset set out above is expected to reverse within the foreseeable future and relates to the utilisation of tax losses against future expected profits of the same period.



# KINGSGATE COMMUNITY CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2022

#### 24 Restricted funds

##### Group and Charity

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

	Movement in funds				Movement in funds				Balance at 31 December 2022 £
	Balance at 1 January 2021 £	Income £	Expenditure £	Transfers £	Balance at 1 January 2022 £	Income £	Expenditure £	Transfers £	
Building fund - Peterborough	-	109,989	(98,990)	(10,999)	-	-	-	-	-
Building fund - Cambridge	290	2,257	-	(226)	2,321	35,291	-	51,172	88,784
Mission fund	479,971	37,985	(243,075)	181,116	455,997	157,173	(208,765)	20,084	424,489
Body needs fund - Peterborough	18,627	-	(2,105)	-	16,522	9,375	(5,339)	(1,177)	19,381
Body needs fund - Cambridge	558	-	(135)	-	423	200	(900)	1,177	900
Foodbank fund	160,054	87,727	(33,529)	-	214,252	132,101	(49,365)	-	296,988
Sabbatical fund	2,666	-	(2,666)	-	-	-	-	-	-
PCAS grant	78,552	-	(26,112)	2,280	54,720	-	(51,617)	(3,103)	-
Together on purpose	-	279,231	-	(27,923)	251,308	12,986	(26,057)	(69,151)	169,086
Learning Community fund	9,268	230,457	(151,076)	-	88,649	285,451	(271,958)	-	102,142
2020 vision fund	186,407	65,950	(34,027)	(183,224)	35,106	-	(4,137)	-	30,969
Children's work	8,563	-	-	-	8,563	-	(1,000)	-	7,563
Parnwell Hub grant	17,395	13	(704)	-	16,704	300	(114)	-	16,890
Peterborough - Love Your Neighbour	14,963	31,392	(14,964)	-	-	-	-	-	-
Coronavirus support grant	22,986	47,742	(109,220)	38,492	31,391	51,750	(62,067)	-	21,074
Winter Support fund	4,992	40,579	(33,179)	(2,280)	10,112	3,000	(14,210)	3,103	2,005
Carried forward to next page	1,005,292	933,322	(749,782)	(2,764)	1,186,068	687,627	(695,529)	2,105	1,180,271

# KINGSGATE COMMUNITY CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

### 24 Restricted funds

(Continued)

	Movement in funds				Balance at 1 January 2022 £	Movement in funds			Balance at 31 December 2022 £
	Balance at 1 January 2021 £	Income £	Expenditure £	Transfers £		Income £	Expenditure £	Transfers £	
Brought forward	1,005,292	933,322	(749,782)	(2,764)	1,186,068	687,627	(695,529)	2,105	1,180,271
Food Pantry fund	-	1,165	-	-	1,165	22,789	(16,529)	10,000	17,425
Syrian and Afghan Refugees	-	10,347	(9,388)	-	959	17,156	(18,115)	-	-
Romanian Fund	-	500	(500)	-	-	1,288	(18)	-	1,270
Care Leavers Goods	-	25,000	(5,281)	-	19,719	-	(10,604)	-	9,115
Care Zone donations	-	5,800	-	-	5,800	-	(5,800)	-	-
The Church We See	-	-	-	-	-	366,145	-	(303,516)	62,629
	<u>1,005,292</u>	<u>976,134</u>	<u>(764,951)</u>	<u>(2,764)</u>	<u>1,213,711</u>	<u>1,095,005</u>	<u>(746,595)</u>	<u>(291,411)</u>	<u>1,270,710</u>

The Building funds are held to fund improvements to the premises at Peterborough and to finance any future Cambridge building needs. Once expended a transfer is made to a designated fund representing the interest in the land and property.

The Mission fund arises from the commitment to spend 10% of all income on mission activities. These include community action, launching new Centres, overseas missions and gifts to other ministries.

The Body Needs fund represents funds to support members of the church community who are in financial hardship.

The Foodbank fund represents funds provided to support the running of a foodbank across Peterborough.

The sabbatical fund represents the balance of income given to the Church to finance the Senior Pastor's sabbatical.

PCAS grant was a grant received from the City Council for the provision of emergency food and furniture upon referral from the Peterborough Community Assistance scheme.

The Together on Purpose fund was an offering received in September 2021 to finance key areas of the Together on Purpose vision; Leadership Development, Media and Technology to support our online presence and community action initiatives.

# KINGSGATE COMMUNITY CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2022

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#### 24 Restricted funds

(Continued)

The Learning Community fund represents income and expenses in relation to educational events hosted in partnership with Gateway Church (Dallas), ARC and Stewardship.

The 2020 Vision fund was an offering received over a 4 year period to finance 5 key areas of the 2020 Vision; Inside out initiatives, Leadership Development, Launching new Centres, Technology and building needs.

The Children's Work fund was a donation received given specifically for the benefit of the Children's Ministry.

The Parnwell Hub grant was a grant received from the City Council to run community development activities in Parnwell with a range of partner agencies.

The Love Your Neighbour grant was a grant received from the Church Revitalisation Trust for the provision of emergency food, support the running of Care Zone and to launch a new Debt Advice Service.

Coronavirus Support Grant was a grant received from the Trussell Trust to provide information and advice services for Peterborough Foodbank beneficiaries through a partnership with Citizens Advice Peterborough.

The Winter Support Fund was a grant received from Peterborough City Council for the provision of emergency food and white goods upon referral from the Peterborough Community Assistance scheme.

The Peterborough Care Zone - Cambridgeshire Community Foundation provided funding for Care Zone to purchase crockery and saucepan sets for people who had previously experienced homelessness and had been allocated housing.

Food Pantry - KingsGate is setting up a food pantry in Parnwell for families facing long term food insecurity.

Syrian and Afghan Refugee fund - Care Zone is working in partnership with other organisations to resettle refugees from Syrian and Afghanistan into the city. Peterborough City Council has provided funding to enable to Care Zone to increase its capacity to provide furniture for these families.

Romanian Fund included a grant received in 2021 from the local council to help with the COVID relief efforts within the Peterborough Romanian Community, and also includes giving to help support KingsGate members setting up a church in Cluj, Romania.

Care Leavers Goods Fund - Peterborough City Council provided funding for Care Zone to supply furniture and white goods to care leavers.

Care Zone Donations is a donation received from the Institute of Export to purchase items as needed by the Care Zone.

The Church We See fund was an offering received in March. 60% was used to make a one-off mortgage payment, 15% was set aside into a Cambridge building fund and the remainder is for Leadership Development and other projects.

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# KINGSGATE COMMUNITY CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2022

#### 25 Designated funds

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

##### Group

	Balance at 1 January 2021	Expenditure	Transfers	Balance at 1 January 2022	Expenditure	Transfers	Balance at 31 December 2022
	£	£	£	£	£	£	£
Interest in land and property	6,068,102	(83,871)	317,081	6,301,312	(83,871)	505,240	6,722,681
Interest in fixed assets	423,711	(194,915)	350,246	587,592	(169,707)	102,317	520,202
Fixed asset fund	12,316	-	-	12,316	-	4,595	16,911
	<u>6,504,129</u>	<u>(278,786)</u>	<u>667,327</u>	<u>6,901,220</u>	<u>(253,578)</u>	<u>612,152</u>	<u>7,259,794</u>

##### Charity

	Balance at 1 January 2021	Expenditure	Transfers	Balance at 1 January 2022	Expenditure	Transfers	Balance at 31 December 2022
	£	£	£	£	£	£	£
Interest in land and property	6,972,776	(83,871)	317,081	7,205,986	(83,871)	505,240	7,627,355
Interest in fixed assets	413,598	(194,915)	354,499	573,182	(169,707)	106,047	509,522
Fixed asset fund	12,316	-	-	12,316	-	4,595	16,911
	<u>7,398,690</u>	<u>(278,786)</u>	<u>671,580</u>	<u>7,791,484</u>	<u>(253,578)</u>	<u>615,882</u>	<u>8,153,788</u>

The designated fund for interest in land and property is an amount transferred from restricted funds in respect of restricted expenditure that has been capitalised in fixed assets. This fund will be utilised as depreciation is charged on the property.

The interest in fixed assets fund represents the net book value of equipment and vehicles.

# KINGSGATE COMMUNITY CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

### 26 Unrestricted funds

Group	Movement in funds				Movement in funds				Balance at 31 December 2022
	Balance at 1 January 2021	Income	Expenditure	Transfers	Balance at 1 January 2022	Income	Expenditure	Transfers	
	£	£	£	£	£	£	£	£	
General fund	1,024,735	2,768,049	(2,075,958)	(677,366)	1,039,460	2,957,189	(2,710,122)	(320,741)	965,786
	<u>1,024,735</u>	<u>2,768,049</u>	<u>(2,075,958)</u>	<u>(677,366)</u>	<u>1,039,460</u>	<u>2,957,189</u>	<u>(2,710,122)</u>	<u>(320,741)</u>	<u>965,786</u>
	<u><u>1,024,735</u></u>	<u><u>2,768,049</u></u>	<u><u>(2,075,958)</u></u>	<u><u>(677,366)</u></u>	<u><u>1,039,460</u></u>	<u><u>2,957,189</u></u>	<u><u>(2,710,122)</u></u>	<u><u>(320,741)</u></u>	<u><u>965,786</u></u>
<b>Charity</b>	<b>Movement in funds</b>				<b>Movement in funds</b>				<b>Balance at 31 December 2022</b>
	Balance at 1 January 2021	Income	Expenditure	Transfers	Balance at 1 January 2022	Income	Expenditure	Transfers	
	£	£	£	£	£	£	£	£	
General fund	1,005,827	2,653,372	(1,932,953)	(668,815)	1,057,431	2,740,659	(2,508,451)	(325,465)	964,174
	<u>1,005,827</u>	<u>2,653,372</u>	<u>(1,932,953)</u>	<u>(668,815)</u>	<u>1,057,431</u>	<u>2,740,659</u>	<u>(2,508,451)</u>	<u>(325,465)</u>	<u>964,174</u>
	<u><u>1,005,827</u></u>	<u><u>2,653,372</u></u>	<u><u>(1,932,953)</u></u>	<u><u>(668,815)</u></u>	<u><u>1,057,431</u></u>	<u><u>2,740,659</u></u>	<u><u>(2,508,451)</u></u>	<u><u>(325,465)</u></u>	<u><u>964,174</u></u>

# KINGSGATE COMMUNITY CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2022

#### 27 Analysis of net assets between funds

Group	Unrestricted funds 2022 £	Designated funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Designated funds 2021 £	Restricted funds 2021 £	Total 2021 £
Fund balances at 31 December 2022 are represented by:								
Tangible assets	-	8,372,459	-	8,372,459	-	8,523,720	-	8,523,720
Current assets/(liabilities)	989,195	(302,233)	1,270,710	1,957,672	1,063,460	(301,103)	1,213,711	1,976,068
Long term liabilities	(23,409)	(810,432)	-	(833,841)	(24,000)	(1,321,397)	-	(1,345,397)
	<u>965,786</u>	<u>7,259,794</u>	<u>1,270,710</u>	<u>9,496,290</u>	<u>1,039,460</u>	<u>6,901,220</u>	<u>1,213,711</u>	<u>9,154,391</u>

Charity	Unrestricted funds 2022 £	Designated funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Designated funds 2021 £	Restricted funds 2021 £	Total 2021 £
Fund balances at 31 December 2022 are represented by:								
Tangible assets	-	9,266,453	-	9,266,453	-	9,413,984	-	9,413,984
Investments	1	-	-	1	1	-	-	1
Current assets/(liabilities)	964,173	(302,233)	1,270,710	1,932,650	1,057,430	(301,103)	1,213,711	1,970,038
Long term liabilities	-	(810,432)	-	(810,432)	-	(1,321,397)	-	(1,321,397)
	<u>964,174</u>	<u>8,153,788</u>	<u>1,270,710</u>	<u>10,388,672</u>	<u>1,057,431</u>	<u>7,791,484</u>	<u>1,213,711</u>	<u>10,062,626</u>

# KINGSGATE COMMUNITY CHURCH

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

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### 28 Control

No one individual has overall control of the charity.

### 29 Operating lease commitments

#### Group and charity

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2022 £	2021 £
Within one year	39,762	79,515
Between two and five years	58,695	-
	<u>98,457</u>	<u>79,515</u>

### 30 Related party transactions

#### Remuneration of key management personnel

The total amount of employee benefits (including employer's pension contributions) received by key management personnel is £478,478 (2021 - £515,386). The charity considers its key management personnel comprises of the members of the Multisite Strategy team.

#### Transactions with related parties

During the year management charges of £23,664 (2021 - £nil) were charged to KingsGate Trading Limited, a subsidiary company. Wages costs are recharged between the Charity and its subsidiary, resulting in a net income to the Charity of £18,090 (2021 - net cost of £11,224). A gift aided donation of £3,144 (2021 - £nil) was also received from KingsGate Trading Limited. Included within debtors is £47,108 (2021 - £26,719) due from KingsGate Trading Limited.

Donations of £90,220 (2021 - £61,122) were received during the year from eight Trustees (2021 - six Trustees). No conditions were attached to these donations.

During the prior year the charity had an arrangement with a third party to create videos based on a book authored by D Smith, a trustee. Many churches and individuals benefitted from the videos, as did KingsGate. The creation of the videos promoted books sales and therefore may have impacted on royalties earned by D Smith, but it is not possible to quantify the effect. A proportion of royalties from the book earned by D Smith will be gifted back to the project and the church will receive an equal share of any surplus generated from video sales over and above costs incurred.

# KINGSGATE COMMUNITY CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2022

31 Cash generated from operations	2022 Group £	2022 Charity £	2021 Group £	2021 Charity £
Surplus for the year	341,899	326,046	624,488	652,817
Adjustments for:				
Gain on disposal of tangible fixed assets	(7,206)	(7,374)	(6,178)	(6,178)
Depreciation of tangible fixed assets	257,140	253,578	283,591	278,786
Movements in working capital:				
(Decrease) in stocks	4,670	-	-	-
(Increase) in debtors	(63,582)	(40,959)	(13,255)	5,082
(Decrease) in creditors	(18,192)	(26,197)	(84,046)	(87,843)
<b>Cash generated from operations</b>	<u>514,729</u>	<u>505,094</u>	<u>804,600</u>	<u>842,664</u>

### 32 Analysis of changes in net funds

Group	At 1 January 2022 £	Cash flows £	At 31 December 2022 £
Cash at bank and in hand	2,485,312	(89,774)	2,395,538
Loans falling due within one year	(319,419)	(5,726)	(325,145)
Loans falling due after more than one year	(1,345,397)	511,556	(833,841)
	<u>820,496</u>	<u>416,056</u>	<u>1,236,552</u>
<b>Charity</b>	<b>At 1 January 2022 £</b>	<b>Cash flows £</b>	<b>At 31 December 2022 £</b>
Cash at bank and in hand	2,457,748	(98,818)	2,358,930
	<u>2,457,748</u>	<u>(98,818)</u>	<u>2,358,930</u>
Loans falling due within one year	(319,419)	274	(319,145)
Loans falling due after more than one year	(1,345,397)	534,965	(810,432)
	<u>792,932</u>	<u>436,421</u>	<u>1,229,353</u>