

Charity Registration Number: 512642

King's Church, Wirral

Financial Statements

for the year ended 31st March, 2021

King's Church, Wirral**Contents**

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King's Church, Wirral

Charity Information

Charity Name: King's Church, Wirral

Charity Registration Number: 512642

Governing Document: Declaration of Trust dated 28th April, 1982, as amended on 17th June, 1991
The Trustees are incorporated as a body.

Principal Business Address: 1 Victoria Fields
Birkenhead
Wirral
Merseyside CH42 0PF

Trustees: M. A. McGrath
C. Orr
Ms S. P. Pearson
I. S. Roberts
G Duffield (from 09/10/21)

Independent Examiner: Paul Collins F.C.A.
Collins & Co
Chartered Accountants
Suite 13 Hattersley House
1 Hattersley Court
Ormskirk
Lancs L39 2AY

Bankers: NatWest Bank plc
West Kirby
Liverpool Customer Service Centre
Stevenson Way, Wavertree
Liverpool L13 1NW

Solicitors: Percey Hughes & Roberts
19 Hamilton Square
Birkenhead
Wirral CH41 6AY

King's Church, Wirral**Trustees' Report for the year ended 31st March, 2021**

The trustees present their annual report and the financial statements for the year ended 31st March, 2021.

Reference and administrative details

The details are set out on page 2.

Trustees

The trustees who served during the year are as stated below:

M. A. McGrath
C. Orr
Ms S. P. Pearson
I. S. Roberts

Structure, Governance and Management**Governing document**

The charity is an unincorporated charity governed by its Declaration of Trust dated 28th April, 1982, as amended on 17th June, 1991. It is registered as a charity with the Charity Commission.

Appointment of trustees

The trustees of the charity, under the charity's trust Deed, are known as the trustees. Under the requirements of the Trust Deed, the Trustees are eligible to appoint additional trustees from amongst the Church's membership.

Trustee induction and training

New trustees meet with the existing trustees to brief them on their legal obligations under charity law, the content of the Trust Deed, the trustees and decision making processes, the business plan and recent financial performance of the charity. Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

Organisation

The board of trustees, which must have a minimum of 3 members, administers the charity. The board meets regularly through the year to review strategy, performance, operating plans, budgets and building matters.

Risk management

The trustees have a risk management strategy which includes:

- an annual review of the risks the charity may face;
- the establishment of systems and procedures to mitigate those risks identified in the plan; and
- the implementation of procedures designed to minimise any potential impact on the charity should those risks materialise.
- implementation and annual review of the child protection policy and guidelines;
- ongoing review of compliance with Disability Discrimination Act;
- development and implementation of other risk management procedures including health and safety and fire safety;
- a financial reserves policy;
- an investment policy.

Objective and activities

The objects of the charity are:

- the advancement of the Christian faith and the worship of God.
- the relief of persons who are in conditions of need, hardship or distress, or who are aged and sick.
- the advancement of education on the basis of Christian principles and the worship of God.

King's Church, Wirral

Trustees' Report for the year ended 31st March, 2021 (continued)

Objective and activities (continued)

When planning our activities for the year, the trustees gave consideration to the Charity Commission's guidance on public benefit and, in particular, the specific guidance to charities concerned with the advancement of religion.

The activities undertaken by the Church to further its objectives were:

- conducting meetings
- running community projects
- organising activities and groups
- working closely with other Christian organisations.

Volunteers

The charity is grateful for the commitment of its volunteers who are involved in all aspects of the charity's operations.

Achievements and performance during the year

As Senior Leader and Chairman of the Trustees my report for this financial year will be brief.

Due to the COVID pandemic that has swept throughout the world the church has had an unprecedented year.

We have not been able to meet at the church building and some of our activities have, instead, been happening online. We have been hosting live meetings via Zoom and publishing our teaching via YouTube and Facebook.

Community projects like the Cafe and Parent & Toddler groups have been postponed and community fun days cancelled.

During this time of lockdown and general uncertainty of when we would be able to use the building safely, the Trustees took the decision to refurbish the building. The scale of the work could not have been carried out during normal usage.

This work has been made possible through the generosity of our church members who have given big-heartedly to the project.

The building itself has been decorated and modernised to a very good standard throughout and works are still ongoing.

Financial Review

Results for the year

The results for the year are set out on page 7.

Grant making policy

The trustees make payments on a case by case basis .

Investment powers and policy

Under the Trust Deed, the charity has the power to invest in any way the trustees wish.

Reserves policy

The trustees have established the level of reserves (that is those funds that are freely available) that the charity ought to have, which is equal to twelve months' of normal unrestricted expenditure. Reserves are needed to even out any short term funding gaps between spending and the related income. The trustees therefore consider that the ideal level of reserves as at 31st March 2021 would be £85,000 (2020: £122,000).

King's Church, Wirral

Trustees' Report for the year ended 31st March, 2021 (continued)

Reserves policy (continued)

The actual reserves at 31st March 2021 were £49,654 (2020: £42,497), which is £35,346 (2020: £79,503) short of our target figure of £85,000 (2019: £120,000). In calculating reserves, the trustees have excluded from total funds, restricted income funds (£4,420) and tangible fixed assets (£85,405). We, therefore, will be examining ways to increase the level of reserves in the coming year.

Plans for future periods

We will commence our activities at our building as soon as it is safe to do so and refurbishment works allow.

In addition to live services, we will continue to publish our teaching on YouTube and Facebook.

We will be exploring the possibility of hiring out rooms in the newly refurbished building.

We continue to support other charities such as MacMillan Cancer Support, Wirral Foodbank, Local Womens Refuge, Pink Box Campaign, Baby Basics, Youth For Christ, Safe Families, Leprosy Mission, sponsoring children through the charity Compassion and ongoing support of the Tender Heart Ministry in India.

We are dedicated to the ongoing mission of sharing the good news of Jesus Christ to our locality, strengthening the church, and supporting ministries and charities both home and abroad.

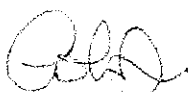
Trustees' responsibilities in relation to the financial statements

Charity 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 its surplus or deficit for that year. In preparing those financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable Accounting Standards and Statements of Recommended Practice have been followed, subject to any 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 business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Charities Act 2011. 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.

This report was approved by the Board of Trustees on 28th November 2021 and signed on its behalf by:



C. Orr
Chairman

King's Church, Wirral

**Independent Examiner's Report to the Trustees of
King's Church, Wirral**

I report to the trustees on my examination of the accounts of the Trust for the year ended 31st March, 2021 which are set out on pages 7 to 15.

Responsibilities and basis of report

As the charity trustees of the Trust you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 (the Act).

I report in respect of my examination of the Trust's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent Examiner's Statement

I have completed my examination. I can confirm that no material matters have come to my attention in connection with my examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the Trust as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

**Paul Collins F.C.A.
Collins & Co
Chartered Accountants
Suite 13 Hattersley House
Ormskirk
Lancs L39 2AY
28th November 2021**

King's Church, Wirral

Statement of Financial Activities
for the year ended 31st March, 2021

	Note	Unrestricted	Restricted	TOTAL FUNDS	
		Funds	Funds	2021	2020
		£	£	£	£
INCOME FROM:					
Donations and Legacies	2	88,892	21,001	109,893	107,973
Other trading activities	3	605	0	605	12,092
Investments	4	0	0	0	0
Charitable activities	5	0	0	0	6,507
Other income	6	0	0	0	0
TOTAL INCOME		<u>89,497</u>	<u>21,001</u>	<u>110,498</u>	<u>126,572</u>
EXPENDITURE ON:					
Raising funds	7	0	0	0	0
Charitable activities	8	85,184	17,390	102,574	129,934
TOTAL EXPENDITURE		<u>85,184</u>	<u>17,390</u>	<u>102,574</u>	<u>129,934</u>
NET (EXPENDITURE)/INCOME		4,313	3,611	7,924	(3,362)
TRANSFERS BETWEEN FUNDS		0	0	0	0
NET MOVEMENT IN FUNDS		<u>4,313</u>	<u>3,611</u>	<u>7,924</u>	<u>(3,362)</u>
RECONCILIATION OF FUNDS					
Total funds brought forward at 1st April, 2020		<u>130,746</u>	<u>809</u>	<u>131,555</u>	<u>134,917</u>
Total funds carried forward at 31st March, 2021		<u>135,059</u>	<u>4,420</u>	<u>139,479</u>	<u>131,555</u>

The notes on pages 9 to 15 form part of these accounts.

King's Church, Wirral**Notes to the Financial Statements
for the year ended 31st March, 2021****1 Accounting policies**

The financial statements have been prepared under the historical cost convention except for the valuation of investment assets, which are shown at market value. The financial statements have been prepared in accordance with the Statement of Recommended Practice - Accounting and Reporting by Charities (SORP 2015 FRS 102) and applicable UK Accounting Standards.

Funds

General funds represent the funds of the charity that are not subject to any restrictions regarding their use and are available for application on the general purposes of the charity. Funds designated for a particular purpose by the trustees are also unrestricted.

Restricted funds are funds subject to specific conditions imposed by the donors or through the terms of an appeal.

Transfers of funds are made to recognise the release of restricted funds or to meet expenditure not covered by restricted income.

The accounts include all transactions, assets and liabilities for which the charity is held responsible in law. They do not include the accounts of groups that owe their main affiliation to another body.

Income**Donations and legacies**

Voluntary income received by way of grants, donations and gifts is included in the Statement of Financial Activities in the year in which it is received by or on behalf of the charity. Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.

The charity received substantial amounts of voluntary help from its supporters, but no attempt is made to place a financial value on these services and they have not been included.

Grants receivable

Grants are credited to the Statement of Financial Activities in the year in which they are receivable.

Other income

Rental income from the letting of the charity's premises is recognised when the rental is due.

Income from investments

Dividends and interest are accounted for when due and payable. Interest entitlements are accounted for as they accrue. Tax recoverable on such income is recognised in the same accounting period.

Gains and losses on investments

Realised gains or losses are recognised when investments are sold. Unrealised gains or losses are accounted for on revaluation of investments at 31st March.

Volunteers

No amounts are included in the financial statements for services donated by volunteers.

King's Church, Wirral

**Notes to the Financial Statements
for the year ended 31st March, 2021 (continued)**

1 Accounting policies (cont.)**Expenditure****Grants**

Grants and donations are accounted for when paid over, or when awarded, if that award creates a binding obligation on the charity.

Raising funds

All expenses relating to fundraising, publicity, public relations and investment management charges are charged to this heading.

Charitable activities

Charitable activities comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both the costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Irrecoverable VAT

All resources expended are classified under activity headings that aggregate all costs related to the category. Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

Tangible fixed assets and depreciation

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Freehold leasehold land and buildings	-	2% on cost (or valuation)
Fixtures & fittings	-	20% reducing balance
Musical equipment	-	20% reducing balance

All equipment, fixtures and fittings with an original cost of less than £500, are written off in the year in which the expenditure was incurred on the basis that due to the nature of the charity's activities, there is no expectation that the cost of the assets will be recovered in the way of future revenues.

Investments

Investments are valued at market value at 31st March. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

Current Assets

Amounts owing to the charity at 31st March in respect of fees, rents or other income are shown as debtors less provision for amounts that may prove uncollectible.

Short-term deposits include cash held on deposit at the bank.

Operating Leases

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

Contingent Liabilities and Provisions

In accordance with the SORP, a contingent liability is disclosed for those grants, which do not represent liabilities, where the possible obligation, which arises from past events, will only be confirmed by the occurrence of one or more uncertain future events not wholly within the trustees' control. Provisions are recognised for those grants where there is uncertainty as to the timing or amount, and any uncertainty regarding the amount is more than one of determining a basis for reasonable estimation of the liability arising from that constructive obligation.

King's Church, Wirral

Notes to the Financial Statements
for the year ended 31st March, 2021 (continued)

	Unrestricted Funds £	Restricted Funds £	TOTAL 2021 £	Unrestricted Funds £	Restricted Funds £	TOTAL 2020 £
8 Charitable activities						
Missionary & charitable giving:						
Pidugu	4,800	0	4,800	0	3,360	3,360
A. Smith	3,000	0	3,000	3,000	0	3,000
Together for the Harvest	300	0	300	300	0	300
Wirral Youth for Christ	360	0	360	360	0	360
Sundries	133	295	428	230	2,874	3,104
	<u>8,593</u>	<u>295</u>	<u>8,888</u>	<u>3,890</u>	<u>6,234</u>	<u>10,124</u>
Ministry:						
Pastor's expenses		0	0		0	0
Costs of services	298	0	298	84	0	84
Wages and salaries	51,006	8,414	59,420	67,908	0	67,908
Employers pension costs	1,732	0	1,732	1,407	0	1,407
Church costs:						
Water charges	165	0	165	187	0	187
Insurance	2,749	0	2,749	2,723	0	2,723
Heat and light	6,350	0	6,350	10,866	0	10,866
Repairs and maintenance	0	8,681	8,681	3,792	1,399	5,191
Cleaning and waste disposal	69	0	69	805	0	805
Sunday school, King's Kids & Youth Work	348	0	348	350	0	350
Bank charges	558	0	558	855		855
Website costs	1,221	0	1,221	486	0	486
Catering	24	0	24	853	0	853
Licences	899	0	899	867	0	867
Computer Costs	47	0	47	110	0	110
Gifts	105	0	105	33	0	33
King's Café and community catering	0	0	0	6,070	0	6,070
Outreach costs	44	0	44	3,780	0	3,780
PA equipment	24	0	24	19	0	19
Printing, postage and stationery	512	0	512	236	0	236
Hire of equipment	2,914	0	2,914	2,914	0	2,914
Telephone	1,708	0	1,708	1,815	0	1,815
Oversight & training fees	0	0	0	5,199	0	5,199
Independent examination	1,200	0	1,200	1,200	0	1,200
Sundries	1,774	0	1,774	3,008	0	3,008
Depreciation on land & buildings	2,844	0	2,844	2,844	0	2,844
	<u>85,184</u>	<u>17,390</u>	<u>102,574</u>	<u>122,301</u>	<u>7,633</u>	<u>129,934</u>

King's Church, Wirral

Notes to the Financial Statements
for the year ended 31st March, 2021 (continued)

9 Net income	2021	2020
	£	£
Net income is stated after charging:		
Depreciation of tangible fixed assets	2,844	2,844
Profit/(loss) on disposal of fixed assets	0	0
Staff costs (see note 10)	61,152	69,315
Independent Examination	1,200	1,200
	<u>61,152</u>	<u>69,315</u>

10 Staff Costs	2021	2020
	£	£
Wages and Salaries	59,420	67,908
Pension costs	1,732	1,407
	<u>61,152</u>	<u>69,315</u>

The average number of full-time equivalent employees (including casual and part-time staff) employed by the charity during the year was as follows:

	2021	2020
Self employed pastor	1	1
Management & Administration	1	1
	<u>2</u>	<u>2</u>

During the year the charity employed members of staff as detailed above. None (2020: None) of whom earned more than £60,000 p.a. One of the trustees (Mr C. Orr, and his wife) received £35,000 fees/remuneration (2020: £42,146) during the year. Mr Orr was also reimbursed working expenses of office of £NIL (2020: £123) for the year. There were no other discloseable transactions in respect of trustees, persons closely connected with them or other related parties.

11 Tangible Fixed Assets

	Freehold land & buildings £	Fixtures & fittings £	Musical equipment £	Total £
COST OR VALUATION				
At 1st April, 2020	142,213	23,858	14,473	180,544
Additions	0	0	0	0
At 31st March, 2021	<u>142,213</u>	<u>23,858</u>	<u>14,473</u>	<u>180,544</u>
DEPRECIATION				
At 1st April, 2020	53,966	23,857	14,472	92,295
Charge for the year	2,844	0	0	2,844
At 31st March, 2021	<u>56,810</u>	<u>23,857</u>	<u>14,472</u>	<u>95,139</u>
NET BOOK VALUE				
At 31st March, 2021	<u>85,403</u>	<u>1</u>	<u>1</u>	<u>85,405</u>
At 31st March, 2020	<u>88,247</u>	<u>1</u>	<u>1</u>	<u>88,249</u>

King's Church, Wirral

Notes to the Financial Statements
for the year ended 31st March, 2021 (continued)

11 Tangible Fixed Assets

The freehold and leasehold buildings consist of the church premises.

Church fixtures & fittings comprises various items shown at cost.

Church musical equipment comprises various items shown at cost.

12 Debtors

	2021	2020
	£	£
Income Tax recoverable	11,602	16,870
Prepayments and accrued income	2,250	0
	<u>13,852</u>	<u>16,870</u>

13 Liabilities: Amounts falling due within one year

	2021	2020
	£	£
Trade Creditors	291	364
Other taxes and social security costs	918	1,533
Accruals	1,200	1,200
	<u>2,409</u>	<u>3,097</u>

14 Analysis of Net Assets by Fund

	Unrestricted Funds	Restricted Funds	Total
	£	£	£
Fixed Assets	85,405	0	85,405
Current Assets	52,063	4,420	56,483
Current Liabilities	(2,409)	0	(2,409)
Liabilities after more than one year	0	0	0
Fund Balance	<u>135,059</u>	<u>4,420</u>	<u>139,479</u>

15 Movement on funds

	At 1st April, 2020	Incoming Resources (inc. gains)	Outgoing Resources	Transfers	At 31st March, 2021
	£	£	£	£	£
<u>Unrestricted funds</u>					
Mission Fund	0				0
Capital Asset Fund	88,249	0	2,844	0	85,405
General fund	42,497	89,497	82,340		49,654
Total unrestricted funds	<u>130,746</u>	<u>89,497</u>	<u>85,184</u>	<u>0</u>	<u>135,059</u>
<u>Restricted funds</u>					
Building Fund	0	11,878	8,681	0	3,197
Earmarked income	809	709	295	0	1,223
CJRS Grants	0	8,414	8,414	0	0
Total restricted funds	<u>809</u>	<u>21,001</u>	<u>17,390</u>	<u>0</u>	<u>4,420</u>
Total funds	<u>131,555</u>	<u>110,498</u>	<u>102,574</u>	<u>0</u>	<u>139,479</u>

King's Church, Wirral

Notes to the Financial Statements for the year ended 31st March, 2021 (continued)

16 Fund Details

Details of the various funds held by the charity are as follows:

Name of fund	Description, nature and purposes of the fund
<u>Unrestricted funds</u>	
Mission Fund	This fund was set up to collect the 10% Tithed monies to be forwarded onto various missionary societies and other charities. This fund ceased to be designated at the year end.
Capital Asset Fund	This fund represents the net book value of fixed assets at the year end date which cannot be readily converted into liquid funds at short notice.
General fund	Any monies not included in any other fund.
<u>Restricted funds</u>	
Building Fund	This fund was set up to collect monies to be used as when required for the continual repair and refurbishment of the Church building.
Earmarked income fund	This fund was set up to collect small amounts of money which is restricted in its use. These monies typically relate to Parent & Toddler group, church conferences and certain travel expenses.
CJRS Grants	These were grants received from the government towards the salaries of furloughed workers during the pandemic.

17 Taxation

As a charity, King's Church, Wirral is exempt from tax on income and gains to the extent that these are applied to its charitable objects. No tax charges have arisen in the Charity.

18 Contingent liabilities

The charity had no contingent liabilities at 31st March, 2021 (2020: None).

19 Capital commitments

The charity had no capital commitments at 31st March, 2021 (2020: None) either contracted for or authorised by the trustees but not contracted for.