

Company Registration Number: 07161926

KING'S CHURCH AMERSHAM
More than just a Sunday!

KING'S CHURCH AMERSHAM
COMPANY LIMITED BY GUARANTEE

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2018



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KING'S CHURCH AMERSHAM COMPANY LIMITED BY GUARANTEE

TRUSTEES' ANNUAL REPORT

FOR THE YEAR ENDED 31ST MARCH 2018

The Trustees present their Annual Report together with the audited accounts of the charity for the year ended 31st March 2018.

REFERENCES AND ADMINISTRATIVE DETAILS

Registered charity name	King's Church Amersham
Charity registration number	1136061
Company registration number	07161926
Principal office	Raans Road, Amersham, Bucks, HP6 6LX
Registered office	Raans Road, Amersham, Bucks, HP6 6LX
Company Bankers	Handelsbanken, Tudor House, 651 London Road, High Wycombe HP11 1EZ
Company Lawyers	Stone King, 16 St John's Lane, London EC1M 4BS
Company Secretary	Julian Dagnall

STRUCTURE, GOVERNANCE AND MANAGEMENT

The charity is constituted as a company limited by guarantee whose governing document is its articles of association. Its activities are managed by the body of church Elders (who are also the members of the Company), and by the Board of Trustees, who are currently seven in number.

The seven Trustee positions are currently occupied by 5 non-Elders (from whom the Chairman must be appointed), who are all members of King's Church Amersham, and 2 Elders, who may at no time be in the majority.

The power to appoint and re-appoint Trustees and Elders lies with the Elders, who are the members of the company, and who guarantee to contribute £1 in the event of a winding-up.

THE TRUSTEES

The trustees who served the company during the year were as follows:

Andrew Burton	Chairman and Member of the Congregation
Paul Lynch	Elder and Senior Pastor
Julian Dagnall	Elder and Company Secretary
Michael Peters	Member of the Congregation (resigned 23 May 2018)
Simon Rose	Member of the Congregation
Michael Taylor	Member of the Congregation
David Patterson	Member of the Congregation
Vicky Hamilton	Member of the Congregation (appointed 17 May 2017)

KING'S CHURCH AMERSHAM COMPANY LIMITED BY GUARANTEE

TRUSTEES' ANNUAL REPORT (continued)

FOR THE YEAR ENDED 31ST MARCH 2018

The Trustees met four times during the course of the year to oversee the financial and legal matters relating to the Company. The Trustees serve for a period of 3 years and retire by rotation each year at the AGM. Trustees may be reappointed for a further 3 year period. At the AGM held on 17 December 2017, Michael Peters was re-elected for a further 3 year period.

The Trustees delegate the day to day management of the company's activities, i.e. the operation of King's Church Amersham as a functioning church, as explained below, to the Senior Pastor and Associate Pastor and to the body of church Elders.

The Senior Pastor is a remunerated employee of the company, but none of the Trustees has any beneficial interest in the company.

THE ELDERS

The Elders who served during the year were:

Paul Lynch	Senior Pastor
Paul Thomas	Associate Pastor
Julian Dagnall	
Ian Lamb	
Neil Suggett	
Richard Reynolds	

There is no fixed term appointment for the position of Elder but the composition of the Elders is reviewed annually.

In addition to the Elders and Trustees, during the year, the charity operated with 7 full time employees and 2 part-time employees.

There are no connected charities as defined by the SORP.

AIMS AND PURPOSES OF KING'S CHURCH AMERSHAM

King's Church Amersham is a local Christian Church based in Amersham, Bucks. With a congregation of around 300 people, it meets on a Sunday morning and at various other times during the week to learn about the Christian faith and encourage one another to live lives in conformity with the teaching of Jesus. As an expression of the people's faith, the Church operates a number of Community projects, supplementing the programmes and events specifically designed for Church members. King's Church Amersham seeks to have a positive spiritual and social impact on the town of Amersham and the surrounding areas by encouraging people in their faith and enabling them to demonstrate this faith in practical ways, including helping to serve those in most need in the wider local community.

All spiritual matters relating to the Church are overseen by a group of six Elders, who also are the members of the Company, and include two full-time Pastors. The financial and legal matters are overseen by a group of Trustees, whose job it is to ensure the Church is run on a sound financial basis and in conformity with all laws.

KING'S CHURCH AMERSHAM COMPANY LIMITED BY GUARANTEE

TRUSTEES' ANNUAL REPORT (continued)

FOR THE YEAR ENDED 31ST MARCH 2018

Church Activities for Church Members

The Church runs the following groups and activities for Church members:

- Sunday Services
- Prayer Meetings
- Midweek Community Group Meetings
- Honeycomb - a weekly meeting for people aged over fifty
- Men's Dinners
- Youth Events for young people and children including Connect, Encounter, Kid's Church, Oasis, Charge, Mini Church, Holiday Club & Soul Survivor.

Church Activities for the Community

The Church runs the following meetings and programmes for the local Community:

Oasis

Oasis is a Mothers and Toddlers group that meets three times a week and is attended by approximately 90 Mothers and 90 Toddlers.

Foodbank

The Church provides food parcels for those people in short term need of food.

CAP (Christians Against Poverty)

Working in conjunction with CAP UK, the Church provides a befriending and advisory service for local people with serious debt problems.

Furniture Project

This provides good quality second hand furniture free of charge to members of the local community in need. It provided furniture to over 50 people and families during the year.

King's Church Amersham Football Club

Working in conjunction with a wide range of members of the local community, a number of Church Members sit on the KCAFC Club Committee. The Club, founded by KCA members in 1999 exists to provide football training and organised matches, participating in the Chiltern Church Junior League. In the 2017/18 season the Club has had over 200 members across 14 squads, for children aged 5 to 16.

Alpha Courses

The Church organises a study course for those people interested in finding out more about the Christian faith.

Special Events

This Church ran another fun day called "The Big Day Out" for the local community that had approximately 900 people in attendance during the course of the day.

Restoring Homes and Gardens - The church offers a free, low-key service where we can decorate one or two rooms in a house, or provide a garden clearing service to local people in need, especially for those who are elderly, or with restricted mobility.

KING'S CHURCH AMERSHAM COMPANY LIMITED BY GUARANTEE

TRUSTEES' ANNUAL REPORT (continued)

FOR THE YEAR ENDED 31ST MARCH 2018

Baby Basics

This initiative provides expectant vulnerable local women, facing financial or domestic hardship, with a lovely Moses basket full of essential products, including toiletries, clothing, blankets, first small toys - all for starting life with a new baby. We work in close liaison with our local community midwives and other agencies in providing this community service.

Make Lunch

During the year the Church launched this initiative that provides hot meals for children and their carers during the school holidays for children who receive free school dinners.

Life Line Visiting

This initiative providing visiting/friendship for elderly people living on their own was continued throughout the year.

Dads and Kids

This activity which provides opportunities for fathers and their children to play in a convivial environment commenced during the year.

ACHIEVEMENTS AND PERFORMANCE, FINANCIAL REVIEW

In November 2013 the new Church building was completed on time and within the agreed budget funded by the sale proceeds of the former Baptist Chapel, congregation giving and a bank loan of £750,000 over 10 years from Handelsbanken. At 1 April 2017 the outstanding amount on the loan amounted to £643,320. During the year an additional loan of £80,000 was provided towards the cost of extending the air conditioning to the auditorium and the offices. At 31 March 2018 the total loan outstanding amounted to £662,612. Since November 2013, the Church has met in the new building and there has been a significant increase in the number of people attending Sunday Services.

Income and Expenditure

During the year the Group had a deficit of £24,438. Its total revenue was £608,449; of this £478,134 resulted from regular giving to the work of the Church and £71,756 was donated towards specific projects and activities. Expenditure amounted to £632,887; this figure being significantly lifted by the non-cash depreciation cost of £127,619.

Balance Sheet

During the year the group's cash reserves decreased from £153,766 to £118,677 as its liabilities decreased by £21,503. The trustees are confident of their ability to manage the financial position in the medium term although they anticipate there may be significant monthly fluctuations.

Reserves Policy

The Trustees review the Reserves policy of the company each year and have decided to maintain the amount held in unrestricted general reserves not invested in fixed assets at £120,000. This amount is the equivalent of approximately 2.5 months operating costs of the Company and is considered adequate.

KING'S CHURCH AMERSHAM COMPANY LIMITED BY GUARANTEE

TRUSTEES' ANNUAL REPORT (continued)

FOR THE YEAR ENDED 31ST MARCH 2018

Building Ownership

The new Church Building is jointly owned by King's Church Amersham and Old Town Baptist Chapel Trust Amersham and their respective ownership percentages is governed by a Declaration of Trust signed by both parties on 9th September 2012. On September 29th 2015, with all the capital costs for the new Church building expended and quantifiable, the Trustees of KCA Ltd and the Trustees of the OTBCTA agreed that the respective ownership percentages of the Church building are:

King's Church Amersham	80.78% (based on a capital contribution of £3,911,144.54)
OTBCTA	19.22% (based on a capital contribution of £751,626.00)

Risk Management

During the year, the Trustees regularly reviewed the financial and operational risks facing the Company.

The Trustees are satisfied that the Company remains on a firm financial footing and also has a variety of contingency plans in place in the event of a reduction in revenue. The Company has robust health and safety procedures in place and these are reviewed at each Trustee meeting. There are currently no significant risks of concern to the Trustees.

Outlook for 2018/19

The Elders and Trustees are encouraged by the continued increase in attendance in Sunday Services and the increase in income. The Church plans to increase the number of ways it engages with the Community and works with some of the neediest people in the locality, in particular, it is looking to further develop their social action projects in the areas of food poverty, debt counselling, furniture distribution, holiday lunch clubs and visiting vulnerable elderly members of the community.

RESPONSIBILITIES OF THE TRUSTEES

The trustees (who are also the directors of Kings Church Amersham for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standard (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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing 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 2015 (FRS102);
- 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

**KING'S CHURCH AMERSHAM
COMPANY LIMITED BY GUARANTEE**

TRUSTEES' ANNUAL REPORT (continued)

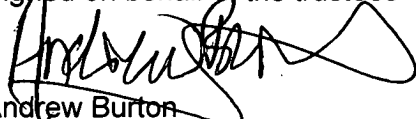
FOR THE YEAR ENDED 31ST MARCH 2018

assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

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

Signed on behalf of the trustees



Andrew Burton

Chairman of the Board of Trustees

Date: 16 Dec 2018,

KING'S CHURCH AMERSHAM COMPANY LIMITED BY GUARANTEE

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF KING'S CHURCH AMERSHAM

Opinion

We have audited the financial statements of Kings Church Amersham (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2018 which comprise the Group Statement of Financial Activities, and the Group and the Parent Charitable Company Balance Sheet, the Group and the Parent Charitable Company Cash Flow and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, 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's and parent charitable company's affairs as at 31 March 2018, and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or parent charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information

and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our 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.

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement [set out on page 5], the trustees (who are also the directors of the group and charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or the parent 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

We have been appointed auditor under the Companies Act 2006 and report in accordance with this Act.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate,

they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- 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. 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.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's or charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or parent charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the group's and 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 trustees those matters we are required to state to them in an auditor's 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 trustees as a body for our audit work, for this report, or for the opinions we have formed.

Mr James Foskett
Senior Statutory Auditor
For and on behalf of Candaless
Chartered Accountants & Business Advisors

Bourbon Court
Nightingales Corner
Little Chalfont
Bucks HP7 9QS

Candaless is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

Date: 17 December 2018

KING'S CHURCH AMERSHAM COMPANY LIMITED BY GUARANTEE

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (including consolidated income & expenditure account)

FOR THE YEAR ENDED 31ST MARCH 2018

		Unrestricted funds 2018 £	Restricted funds 2018 £	Endowment funds 2018 £	Total Group 2018 £	Total Group 2017 £
Notes						
Income						
	Donations and gifts	514,744	8,390	-	523,134	493,275
Income from charitable activities						
	Towards church activities	26,756	-	-	26,756	22,470
Income from other trading activities						
	Hire of facilities	24,838	-	-	24,838	25,232
	Commercial trading activities	33,704	-	-	33,704	29,546
	Investment income - interest	17	-	-	17	230
	Total income	600,059	8,390	-	608,449	570,753
Expenditure						
	Church activities	578,657	9,266	-	587,923	567,050
	Commercial activities	35,772	-	-	35,772	31,635
	Fees	9,192	-	-	9,192	7,938
	Total expenditure	623,621	9,266	-	632,887	606,623
	Net Income/(expenditure)	(23,562)	(876)	-	(24,438)	(35,870)
	Net movement in funds	(23,562)	(876)	-	(24,438)	(35,870)
	Fund balances at 1 April 2017	2,258,735	31,376	751,626	3,041,737	3,082,626
	Fund balances at 31 March 2018	2,235,173	30,500	751,626	3,017,299	3,046,756

The statement of financial activities includes all gains and losses recognised in the year.
All of the activities of the charity are classed as continuing.

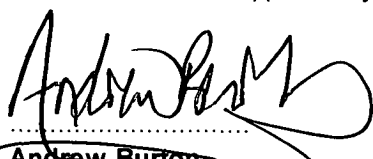
KING'S CHURCH AMERSHAM
COMPANY LIMITED BY GUARANTEE (Company number 07161926)

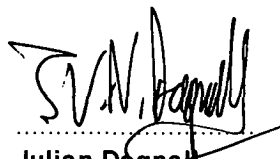
CONSOLIDATED AND CHARITY BALANCE SHEETS

AS AT 31ST MARCH 2018

		Group		Charity	
	Notes	2018 £	2017 £	2018 £	2017 £
Fixed Assets					
Tangible Assets	6	3,518,996	3,532,501	3,518,222	3,529,829
Investments	7	-	-	1	1
		<u>3,518,996</u>	<u>3,532,501</u>	<u>3,518,223</u>	<u>3,529,830</u>
Current assets					
Stock		1,192	593	-	-
Debtors	8	68,086	66,032	76,211	75,200
Cash at bank and in hand		118,677	153,766	114,976	151,644
		<u>187,955</u>	<u>220,391</u>	<u>191,187</u>	<u>226,844</u>
Creditors: amounts falling due within one year	9	(95,477)	(81,175)	(93,801)	(80,112)
Net current assets		<u>92,478</u>	<u>139,216</u>	<u>97,386</u>	<u>146,732</u>
Total assets less current liabilities		<u>3,611,474</u>	<u>3,671,717</u>	<u>3,615,609</u>	<u>3,676,562</u>
Creditors: amounts falling due after one year	10	(594,175)	(629,980)	(594,175)	(629,980)
Net assets	13	<u>3,017,299</u>	<u>3,041,737</u>	<u>3,021,434</u>	<u>3,046,582</u>
Income funds					
Restricted funds	11	30,500	31,376	30,500	31,376
Unrestricted funds		2,235,173	2,258,735	2,239,308	2,263,580
Endowment Funds	12	751,626	751,626	751,626	751,626
Total church funds		<u>3,017,299</u>	<u>3,041,737</u>	<u>3,021,434</u>	<u>3,046,582</u>

The accounts were approved by the Trustees on 16 Dec 2018


 Andrew Burton
 Trustee


 Julian Dagnall
 Trustee

**KING'S CHURCH AMERSHAM
COMPANY LIMITED BY GUARANTEE**

CONSOLIDATED AND CHARITY CASHFLOWS

FOR THE YEAR ENDED 31ST MARCH 2018

		Group		Charity	
	Notes	2018 £	2017 £	2018 £	2017 £
Cash flows from operating activities					
Net cash provided by/(used in) operating activities	14	59,716	30,828	57,915	27,285
Cash flow from investing activities					
Investment income - interest	17	230	239	468	
Purchase of fixed assets	(114,114)	(4,023)	(114,114)	(1,707)	
Bank Loan repayments	(60,708)	-	(60,708)	-	
Bank Loan advance	80,000	-	80,000	-	
Net cash used in investing activities		(94,805)	(3,793)	(94,583)	(1,239)
Change in cash and cash equivalents in the reporting period					
		(35,089)	27,035	(36,668)	26,046
Cash and cash equivalents at 1 April		153,766	126,731	151,644	125,598
Cash and cash equivalents at 31 March		118,677	153,766	114,976	151,644

KING'S CHURCH AMERSHAM COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2018

1. Accounting Policies

1.1 Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom accounting standards, the Charities Act 2011, the Statement of Recommended Practice applicable to charities preparing the accounts in accordance with the Financial Reporting Standard applicable in the UK (FRS102)(Charities SORP FRS 102) issued 16 July 2014 (as updated through Update Bulletin 1 published on 2 February 2016) and the Companies Act 2006.

The financial statements are presented in sterling which is the functional currency of the charitable company and rounded to the nearest pound.

Based on the level of reserves the Trustees have no uncertainties as to the charity's ability to continue as a going concern.

1.2 Basis of consolidation

These financial statements consolidate the results of the charity and its wholly-owned subsidiary, KCA Roast Ltd, a company registered in England and Wales under number 09216215 on a line by line basis. A separate Statement of Financial Activities, or Income and Expenditure account for the Charity itself is not presented because the Charity has taken advantage of the exemptions afforded by section 408 of the Companies Act 2006 and paragraph 24 of Charities SORP FRS102. The deficit dealt with in the charity only SOFA was £25,148 (2017: £36,044).

1.3 Income

Income represents funds received by the Charity for the support of its objectives and activities. Donations are recognised when receipt is more likely than not and income tax recoverable is recognised on an accruals basis. Legacies from a person's death estate are recognised when the receipt is considered more likely than not.

1.4 Expenditure

Expenditure is recognised when incurred, inclusive of VAT which is not recoverable.

1.5 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Freehold Buildings	50 years.
Church equipment	Between 1 and 10 years

Individual items of furniture or equipment are capitalised where the benefit of the expenditure will extend for a minimum of three accounting periods.

1.6 Stocks

Stocks are valued at the lower of cost and net realisable value.

1.6 Pensions

During the year, the Charity's auto-enrolment staging date occurred and employees were enrolled in the Nest pension scheme replacing the previous arrangements. The pension costs charged in the financial statements represent the contributions payable by the charity during the period.

KING'S CHURCH AMERSHAM COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2018

1.7 Fund accounting

The funds held by the charity are:

- Unrestricted general funds - these are funds which can be used in accordance with the objects of the charity at the discretion of the Trustees.
- Endowment Funds – these represent the funds held by Old Town Baptist Chapel Trust Amersham, a linked charity (see note 12).
- Restricted funds - these are funds which can only be used for particular purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes. Gift aid related to restricted donations is treated as restricted income.

1.8 Taxation

The Church is not subject to income Tax. It is entitled to claim from H M Revenue & Customs the tax associated with income received under gift aid.

1.9 Connected charities

The church is closely linked with the Amersham Old Town Christian (Baptists) Fellowship Trust but no grants were made to or from this Trust during the year.

2. Church Activities

	Staff costs (note 5) 2018 £	Depreciation 2018 £	Other costs 2018 £	Total 2018 £	Total 2017 £
Grants payable - see note 3	-	-	19,505	19,505	16,033
Church Ministry - see note below	189,507	-	18,312	207,819	200,601
Church activities - direct	-	-	53,043	53,043	52,557
Administration:					
Church maintenance/operating costs	8,866	127,619	62,659	199,144	190,670
Church administration	62,292	-	46,120	108,412	107,189
	<u>260,665</u>	<u>127,619</u>	<u>199,639</u>	<u>587,923</u>	<u>567,050</u>

Church Ministry include the cost of Pastors, Youth and Children workers' salaries, pensions and expenses and the cost of visiting speakers. The cost of other employees is included in Administration.

The amount of Church activities - direct of £53,043 (2017: £52,557) includes £3,108 (2017: £6,716) from restricted funds provided specifically for the purposes for which the funds were used.

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FOR THE YEAR ENDED 31ST MARCH 2018

3. Grants Payable

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total 2018 £	Total 2017 £
Grants to institutions:				
King's Church Ghana	7,745	3,175	10,920	7,530
Every Life	-	1,655	1,655	61
Rennie Grove Hospice	-	-	-	2,606
ROPE	540	-	540	300
Other	62	38	100	60
	<u>8,347</u>	<u>4,868</u>	<u>13,215</u>	<u>10,557</u>
Grants to individuals (7 grants)	5,000	1,290	6,290	5,476
	<u>13,347</u>	<u>6,158</u>	<u>19,505</u>	<u>16,033</u>

4. Fees

	2018 £	2017 £
Audit fees	4,418	4,200
Payroll fees - Cansdales	2,585	2,233
Consultant fees	2,189	1,505
	<u>9,192</u>	<u>7,938</u>

None of the fees paid during the year were paid from restricted funds.

5. Employees and Trustees

	2018 £	2017 £
Employee costs during the year (including key management):		
Wages and salaries	229,851	226,181
Social security costs	18,587	17,960
Other pension costs	12,227	11,233
	<u>260,665</u>	<u>255,374</u>
Average monthly number of persons employed:	Number	Number
Continuing Operations	<u>10</u>	<u>10</u>

No employees receive total employee benefits of more than £60,000.

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FOR THE YEAR ENDED 31ST MARCH 2018**

	2018 £	2017 £
Key management compensation:		
Trustees' emoluments	56,263	55,326
Trustees' travel expenses	814	600
Other salaries and short-term employee benefits	75,175	73,009
Post-employment benefits	4,511	4,380
	<u>136,763</u>	<u>133,315</u>

The senior management team is the Pastors Paul Lynch and Paul Thomas plus the Church Administrator, Jane Thomas. Trustees' emoluments relate to one trustee, Paul Lynch (2017: Paul Lynch); who is also the highest paid employee. The other trustees did not receive any emoluments in respect of services to the company (2017: £nil). In addition, Paul Lynch was reimbursed expenses amounting to £814 (2017: £600). No other Trustee received expenses (2017: nil).

During the year Trustees' donations to the Church amounted to £70,963 (2017: £59,148); none of which were made with any special conditions attached.

6. Tangible fixed assets

	Freehold Land & Buildings	Church equipment	Coffee shop	Total
	£	£	£	£
Cost				
At 1 April 2017	3,638,825	328,116	5,698	3,972,639
Additions	105,816	8,298	-	114,114
Disposals	-	(7,200)	-	(7,200)
At 31 March 2018	<u>3,744,641</u>	<u>329,214</u>	<u>5,698</u>	<u>4,079,553</u>
Depreciation				
At 1 April 2017	240,661	196,451	3,026	440,138
Charge for year	73,835	51,886	1,898	127,619
Disposals	-	(7,200)	-	(7,200)
At 31 March 2018	<u>314,496</u>	<u>241,137</u>	<u>4,924</u>	<u>560,557</u>
Net book value:				
At 31 March 2018	<u>3,430,145</u>	<u>88,077</u>	<u>774</u>	<u>3,518,996</u>
At 31 March 2017	<u>3,398,164</u>	<u>131,665</u>	<u>2,672</u>	<u>3,532,501</u>

The Charity owns all the above assets except the coffee shop assets which are owned by KCA Roast Ltd.

KING'S CHURCH AMERSHAM COMPANY LIMITED BY GUARANTEE

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FOR THE YEAR ENDED 31ST MARCH 2018

7. Investments

KCA Roast Limited is a fully owned subsidiary that operates a coffee shop on the Church premises operating under the name of King's Roast. The company has loaned funds to KCA Roast Limited to enable it to purchase the fixed assets required and to provide it with working capital to operate. KCA Roast started to trade with effect from 1 April 2015 as King's Roast and as such the income and expenditure to 31 March 2018 and 31 March 2017 are included in the accounts of the company.

The address of KCA Roast Limited is the same as King's Church Amersham, which can be found on page 1 of these financial statements. KCA Roast Limited was exempt from the requirements of the Companies Act 2016 relating to the audit of its individual accounts by virtue of section 479A.

8. Debtors

	Group		Charity	
	2018	2017	2018	2017
	£	£	£	£
Income tax recoverable	53,264	41,939	53,264	41,939
Debtors due greater than 12 months	6,400	7,550	6,400	7,550
Trade Debtors	56	951	-	-
Other debtors	8,366	15,592	16,547	25,711
	<u>68,086</u>	<u>66,032</u>	<u>76,211</u>	<u>75,200</u>

9. Creditors: amounts falling due within one year

	2018	2017	2018	2017
	£	£	£	£
Member loans towards the new church building	-	5,000	-	5,000
Taxes & social security costs	5,717	5,724	5,717	5,724
Handelsbanken loan	68,437	53,340	68,437	53,340
Accruals and deferred income	21,323	17,111	19,647	16,048
	<u>95,477</u>	<u>81,175</u>	<u>93,801</u>	<u>80,112</u>

10. Creditors: amounts falling due after more than one year

	2018	2017	2018	2017
	£	£	£	£
Member loans towards the new church building	-	40,000	-	40,000
Handelsbanken loan	594,175	589,980	594,175	589,980
	<u>594,175</u>	<u>629,980</u>	<u>594,175</u>	<u>629,980</u>
Loans payable 1-2 years	68,437	58,340	68,437	58,340
Loans payable 2-5 years	205,311	175,020	205,311	175,020
Loans payable after 5 years	320,427	396,620	320,427	396,620

The company has a 10 year loan of £750,000 with Handelsbanken to finance the construction of its

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building over and above the amount it raised from members' contributions. The interest on the loan is fixed at 3.19338% per annum with repayments fixed at £13,335 per quarter. The loan is secured against the value of the building. A further loan of £80,000 was made by Handelsbanken during the financial year to enable the company to install air conditioning to all facilities within its building. The interest rate on the additional loan is 3.47% and the quarterly repayments are £3,780.

11. Restricted Funds

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

	Balance at 1 April 2017	Incoming Resources	Resources Expended	Outgoing Transfers	Balance at 31 March 2018
	£	£	£	£	£
Specific donations	31,376	8,390	(9,266)	-	30,500
	<u>31,376</u>	<u>8,390</u>	<u>(9,266)</u>	<u>-</u>	<u>30,500</u>

Specific Donations

Donations have been received for specific other purposes and these funds have been kept separate. They will be paid out in accordance with the purposes for which they were given. In certain instances they were paid out as grants and such items are included in the analysis of grants in note 3.

12. Endowment Funds

The Old Town Baptist Chapel Trust Amersham (OTBCTA), formerly 1824 Trust, was established in 1824 and since that date owned one principal asset in the form of the Baptist Chapel in Old Amersham. Following agreement with the Charity Commission, in November 2012, this building was sold to raise funds for the new church building. Under the direction of the Charity Commission, OTBCTA ('the linked charity') should be treated as forming part of the charity called King's Church Amersham ('the reporting entity'), so that the Trustees are required to prepare a single set of accounts for the whole entity. OTBCTA received £751,626 from the sale of the Baptist Chapel, which represents the balance of endowment funds held at both 31 March 2018 and 2017.

13. Analysis of net assets between funds

Total Group

	Unrestricted funds	Restricted funds	Endowment funds	Total
	£	£	£	£
Fund balances at 31 March 2018 are represented by:				
Non-current assets	2,767,370	-	751,626	3,518,996
Current assets	157,455	30,500	-	187,955
Creditors: amounts falling due within one year	(95,477)	-	-	(95,477)
Creditors: amounts falling due after more than one year	(594,175)	-	-	(594,175)
	<u>2,235,173</u>	<u>30,500</u>	<u>751,626</u>	<u>3,017,299</u>

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FOR THE YEAR ENDED 31ST MARCH 2018

13. Analysis of net assets between funds continued

Charity

	Unrestricted funds	Restricted funds	Endowment funds	Total
	£	£	£	£
Fund balances at 31 March 2018 are represented by:				
Non-current assets	2,766,597	-	751,626	3,518,223
Current assets	160,687	30,500	-	191,187
Creditors: amounts falling due within one year	(93,801)	-	-	(93,801)
Creditors: amounts falling due after more than one year	(594,175)	-	-	(594,175)
	<u>2,239,308</u>	<u>30,500</u>	<u>751,626</u>	<u>3,021,434</u>

14. Reconciliation of deficit to net cash inflow from operating activities

	Group		Charity	
	2018	2017	2018	2017
	£	£	£	£
Net movement in funds	(24,438)	(35,870)	(25,148)	(36,044)
Add back depreciation	127,619	126,395	125,721	124,496
Less investment income	(17)	(230)	(239)	(468)
Increase/(decrease) in stock	(599)	120	-	-
Increase in debtors	(2,054)	(5,647)	(1,011)	(8,342)
Decrease in creditors excl bank loans	(40,795)	(53,940)	(41,408)	(52,357)
Net cash used in operating activities	59,716	30,828	57,915	27,285

15. Related Parties

Apart from its close links with the Amersham Old Town Christian (Baptists) Fellowship Trust, the company has no other formal associations with other charities but works closely with several other Christian charities.

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FOR THE YEAR ENDED 31ST MARCH 2018

16. Detail of prior year Statement of Financial Activities

	Notes	Unrestricted funds £	Restricted funds £	Endowment funds £	Total Group £
Income					
Donations and gifts		480,401	12,874	-	493,275
Income from charitable activities					
Towards church activities		22,470	-	-	22,470
Income from other trading activities					
Hire of facilities		25,232	-	-	25,232
Commercial trading activities		29,546	-	-	29,546
Investment income - interest		224	6	-	230
Total income		<u>557,873</u>	<u>12,880</u>	<u>-</u>	<u>570,753</u>
Expenditure					
Church activities		588,550	10,135	-	598,685
Governance costs - Audit & legal fees		7,938	-	-	7,938
Total expenditure		<u>596,488</u>	<u>10,135</u>	<u>-</u>	<u>606,623</u>
Net Income/(expenditure)		<u>(38,615)</u>	<u>2,745</u>	<u>-</u>	<u>(35,870)</u>
Net movement in funds		<u>(38,615)</u>	<u>2,745</u>	<u>-</u>	<u>(35,870)</u>
Fund balances at 1 April 2016		2,297,350	28,631	751,626	3,077,607
Fund balances at 31 March 2017		<u>2,258,735</u>	<u>31,376</u>	<u>751,626</u>	<u>3,041,737</u>

The statement of financial activities includes all gains and losses recognised in the year.
All of the activities of the charity are classed as continuing.