

REALITY CHURCH LONDON

England & Wales · Charity number 1167535

Details

Other names	REALITY LONDON
Status	Registered
Legal form	CIO
Registered	2016-06-07
Register	View on the Charity Commission register

Contact

Address Reality Church London
86-90 Paul Street
London
EC2A 4NE

Phone 07352093081

Email info@realitychurch.london

Website realitychurch.london

Activities

Objects: THE OBJECT OF THE CIO IS, FOR THE PUBLIC BENEFIT, TO PERSUADE MEN AND WOMEN TO FAITH IN JESUS CHRIST AS LORD AND SAVIOUR BY PROCLAIMING AND DEMONSTRATING THE GOSPEL; TO INCREASE CHRISTIAN FAITHFULNESS AS GOOD STEWARDS OF THE MANIFOLD GRACE OF GOD (1 PET. 4:10); TO ENCOURAGE INDIVIDUAL CHRISTIANS TOWARDS ATTAINING THE MEASURE OF THE STATURE OF THE FULLNESS OF CHRIST (EPH. 4:23); TO FULFIL THE GREAT COMMISSION BY SENDING MISSIONARIES, CHURCH PLANTERS, MINISTERS AND CHRISTIAN INFLUENCE THROUGHOUT THE WORLD THROUGH GIVING GIFTS AND PRAYING FOR MISSIONARY VENTURES (MATT. 28:19).

Activities: Reality Church London is a central London church which preaches and practices Christian faith. Our charitable purpose is to build a community around the Christian message through the provision of Christian worship services in central London which include Bible teaching, musical worship, prayer meetings, Sunday school and Bible training courses.

Classification

- **How:** Provides Advocacy/advice/information
- **What:** Education/training, Religious Activities
- **Who:** Children/young People, The General Public/mankind

Geography

- United States
- Throughout London

Finances

Period end	Income	Expenditure	Assets	Employees
2025-08-31	£439,697	£375,826	-	-
2024-08-31	£453,621	£495,873	-	-
2023-08-31	£444,898	£546,051	-	-
2022-08-31	£445,660	£418,071	-	-
2021-08-31	£503,616	£270,012	£393,639	5

Trustees

Name	Role	Appointed
Luke Hamilton	Chair	2024-03-21
Anna Herring		2024-09-19
EFREM BUCKLE		2024-12-05
ENOCH YANG		2023-08-01
Gareth Williams		2024-03-21
Hannah Damant		2024-09-19
Joshua Powers		2024-02-01
Myung Jun Sohn		2024-06-24

REALITY CHURCH LONDON

England & Wales - Charity number 1167535

Accounts

REALITY CHURCH LONDON
FINANCIAL STATEMENTS
FOR THE YEAR TO 31 August 2025

Charity Number: 1167535

REALITY CHURCH LONDON
CHARITY INFORMATION
FOR THE YEAR ENDED 31 AUGUST 2025

Trustees	Efrem Buckle (Appointed 5 December 2024) Hannah Damant (Appointed 19 September 2024) Luke Hamilton Anna Herring (Appointed 19 September 2024) Josh Powers Myung Jun Sohn Gareth Williams Enoch Yang
Key Staff	Myung Jun Sohn (Lead Pastor) Seung Won Park (Director of Operations from 3rd February 2025) Christine Constable (Director of Operations until 27 February 2025)
Governing Document	CIO Constitution dated 19 June 2025
Charity Registration Number	1167535
Principal Address	Reality Church London 86 - 90 Paul Street London EC2A 4NE
Independent Examiner	Miriam Hickson FCA CTA JCS Accountants Ltd 5 Robin Hood Lane Sutton Surrey SM1 2SW
Bankers	Metro Bank One Southampton Row London WC1B 5HA Lloyds Bank 25 Gresham Street London EC2V 7HN

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REALITY CHURCH LONDON

TRUSTEES' ANNUAL REPORT

FOR THE YEAR ENDED 31 AUGUST 2025

The trustees have pleasure in submitting the Report and Accounts for the year.

Objects of the charity

The Object of the CIO is, for the public benefit, to persuade men and women to faith in Jesus Christ as Lord and Saviour by proclaiming and demonstrating the gospel; to increase Christian faithfulness "as good stewards of the manifold grace of God" (1 Pet. 4:10); to encourage individual Christians towards attaining "the measure of the stature of the fullness of Christ" (Eph. 4:23); to fulfil the great commission by sending missionaries, church planters, ministers and Christian influence throughout the world through giving gifts and praying for missionary ventures (Matt. 28:19).

THE CHURCH: ITS AIMS AND OBJECTIVES

We are a church meeting in Central London. We seek to love God, love each other, and love our city. It is our desire to communicate the unchanging truth of the person and work of Jesus Christ in a way that everyone in our city and culture can comprehend. We gather on Sundays for public worship in Old Street and scatter throughout London in small communities committed to living the Christian life together as a family.

We are so thankful for all that God is doing through churches old and new in London and consider it a joy and a privilege to learn from and come alongside them in God's mission. We believe in a message of good news – that God entered our world in the person of Jesus Christ and did for us what we could never do for ourselves: rescue, redeem and renew us from evil, brokenness and death. We seek to build a community on and around the reality of this message.

- **We desire to be a theological church**, seeking to be biblically faithful
- **We desire to be a missional church**, actively seeking God's purposes for our whole lives
- **We desire to be a communal church**, seeking to be relationally committed
- **We desire to be a contextual church**, seeking to be culturally thoughtful
- **We desire to be a spiritual church**, seeking to be supernaturally empowered by God's Spirit

GOVERNMENT

The spiritual government and leadership of the church is primarily responsible for carrying out the purposes and goals of the church. The duty of the Charity Trustees is confined to the proper management and administration of the CIO in accordance with the provisions of the constitution. The trustees have full and proper regard to the Spiritual Leadership as long as they do not act outside their powers given in the constitution and by general law.

REALITY CHURCH LONDON

TRUSTEES' ANNUAL REPORT

FOR THE YEAR ENDED 31 AUGUST 2025

GOVERNMENT (continued)

In selecting individuals for appointment as Charity Trustees, the Spiritual Leadership has regard to the skills, knowledge and experience needed for the effective administration of the CIO. All Charity Trustees subscribe and adhere to, in belief and lifestyle, the Statement of Faith. The primary method of recruiting new trustees is a personal recommendation or word of mouth. This recommendation can come from any existing trustee or the spiritual leadership of the church. Once a potential trustee has been recommended, they will first be vetted by the spiritual leadership of the church to determine if they agree with the beliefs and aims of the church. After this, they will be vetted by the trustees to make sure that they are indeed a suitable candidate and that by appointing them that we would be acting within the law, in accordance to our governing document. Once the potential trustee has been recommended and vetted, the trustees will appoint the candidate by a vote.

Reality Church London "RCL" has a strong working partnership with the Reality family of churches in the US including Ventura and San Francisco. The administrative staff of these churches initially worked with the staff of RCL to support the ministry when it was getting off the ground but now all of the operations and administration are done from London. RCL has a collection of US based donors who add to the support committed from the general funds from the church planting budget of the sending church. The total funding received from the US amounted to approximately £16,911 as detailed in the accounts.

Between September 2024 and August 2025 the church employed five staff members who manage and oversee the day to day operations of the church. The mission of the church, by design, is carried out with the help of volunteers. We are continuing to build ministry teams made up of men and women who are keen to use their gifts to serve others. We believe serving together is one of the best ways to be connected to the church.

THE YEAR: ITS OBJECTIVES AND ACHIEVEMENTS

During the year ended 31 August 2025, the main ways the church sought to achieve its mission and charitable purposes for the public benefit have been as follows:

- **Church Growth:**

Over the course of the year, we have seen a growing number of new people join the church, and a consistency in the number of original members committing to and serving at the church. We are seeking to see signs of growth both in terms of numbers but also in terms of consistent attendance and commitment to the church. These signs of growth are at the very heart of our purpose as a church and we hope will continue to be seen. Across the year, our Sunday attendance grew to an average of 339, which includes both in person and online streaming via YouTube. Church membership grew to 100 members, further enabling us to 'define the flock' of RCL.

REALITY CHURCH LONDON

TRUSTEES' ANNUAL REPORT

FOR THE YEAR ENDED 31 AUGUST 2025

THE YEAR: ITS OBJECTIVES AND ACHIEVEMENTS (continued)

- **Staff:**

Our staff team has remained steady at five employees over the 2024-2025 period. We have also had three staff volunteers who serve the church in a free capacity, assisting with pastoral and operational aspects of church life where required. Within this year, there was a search for a new Operations Director, with Christine Constable returning to the US, which took a planning and a three-stage interview process. Although it took up a proportion of time for the staff, trustees and leaders, we feel the efforts were fruitful with the new Operations Director, Daniel Park starting in February 2025 and having integrated well into the team.

- **Trustee Transition:**

Over the course of the year, we have added three trustees to the board with Anna Herring (Director of Kid's ministry at Reality Ventura), Efreem Buckle (Deputy Chief Executive of London City Mission) and Hannah Damant (member of RCL) joining the board. The aim of these transitions is to bring further depth and breadth of expertise to the board with both external and internal candidates and varied experiences and skills being added.

- **Moving Majority of Church Activity to a Sunday:**

We have continued to build up the events, ministries and rhythms on Sundays as stated in our previous annual report. This has allowed further ministry activities, community and training to take place allowing the majority of the congregation to attend whenever possible. Given the spread of members across London, this has allowed more people to be involved, to serve and to partake in these activities when we are gathered together centrally. We are mindful of overstretching on Sundays but so far we have seen greater attendance and community involvement across the board. For midweek activities, we have introduced a monthly church-wide prayer gathering but otherwise continue to focus on our Community Groups and Serve the City ministries.

- **Growth in Community Focus:**

Over the past year, the leaders have identified a growing need for deeper community and discipleship. With the spread of congregants and the busyness of London life, community and depth of friendships is one area that has needed attention. To this end, the team have focused on introducing more community based activities. We have introduced a monthly Church Meal, with a new Catering team cooking a hot meal to serve those present on Sundays, and a new committee who are encouraging greater social activities across the church calendar. We have continued to hold the 'RCL Family Conversations' and are focused also on strengthening our Community Groups which are key to helping the smaller, localised communities in the church thrive.

- **Serve the City & Serve the Nations Missions:**

We have continued and are looking to strengthen our partnership with London City Mission, with the continued monthly meals at the Webber Street Centre which RCL have helped to host with a growing team of around 15-20 volunteers serving food monthly. We have also seen a growing interest in mission and outreach with a group using material from the Hope Together charity to help spread the Good News around the Old Street area. We hope to increase the frequency of these mission outings this year. We also continue to partner with our missionaries in Ethiopia through the 'Serve the Nations' ministries we have.

In planning the activities, the Trustees have applied the guidance on public benefit issued by the Charity Commission.

REALITY CHURCH LONDON

TRUSTEES' ANNUAL REPORT

FOR THE YEAR ENDED 31 AUGUST 2025

PLANS FOR THE NEW YEAR

Pastor Mike has continued to lean into the ministry and vision historically held by RCL: to be a church that is a community following Jesus, making Him known for the renewal of the city. There have been incremental changes at the church during the past year in terms of community focus as highlighted above and a push to strengthen the staff and leadership at the church. Over the year, there has been a growing focus on deepening relationships across the church with a desire to deepen discipleship and training within the church. The hope next year is to focus on strengthening many of the ministries already happening at RCL to invest more in the current leaders, help people engage and grow in their relationship with God and see a greater interest and desire to proclaim the Good News and help to impact our communities through our Serve the City ministries.

GRANT MAKING POLICY

Gifts to external organisations and individuals are considered by the Trustees on the basis of need and fulfilment of the charitable objectives. There are no upper or lower limits of support.

FINANCIAL REVIEW

Reality Church London received donations and other income of £439,697 (2024: £453,621). A grant from the US which Reality Church London received and paid back in the same year (2024) is skewing the picture as congregational general giving this year actually came in around the same (small increase compared to 2024). Even whilst taking into consideration expenses were higher in 2024 due to the US grant being paid back, there were mid-year efforts to review all outgoings in order to try and avoid another deficit which had been projected at the start of this financial year and as a result, expenditure came in at £375,826 (2024: £495,873) resulting in a surplus of £63,871 across the financial year.

RESERVES POLICY

The reserves policy of Reality Church London is to hold a minimum of three months of all operational expenditures on reserve. The trustees currently believe this amount to be £97,629, compared to £266,769 in free cash reserves held at the year-end. Any cash reserves in excess of the minimum target above will be used to cover urgent or unforeseen operational expenses, for new initiatives that support the long-term mission of the church (i.e deposit towards purchasing a building/community hub, new staff) or in the event of a shortfall in donations.

Where there are specific capital expenditures foreseen, amounts are set aside into designated funds so the free cash reserves are available to meet the costs of normal operating expenditures and to ensure the Church can meet the commitments that have been entered into. At the year-end there were no material designated funds held on reserve. This reserve policy will be reviewed annually.

RISK STATEMENT

All major insurable risks are subject to normal Churches and employers' insurance. Contractual risks are reviewed before being entered into to assess that they could not significantly impact the Churches ability to fulfil its objectives. An annual review of areas of risk is undertaken by the Trustees in conjunction with staff and volunteers responsible for the area of activity.

TRUSTEES RESPONSIBILITIES

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

Charity law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charity as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure, for the financial year. In preparing these financial statements, the trustees are required to:

1. select suitable accounting policies and apply them consistently;
2. observe the methods and principles in the Charities SORP;
3. make judgements and estimates that are reasonable and prudent;
4. state whether the applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
5. prepare the financial statements on a going concern basis unless it is inappropriate to presume

The trustees are responsible for keeping proper 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 Charities Act 2011 and the Charity (Accounts and Reports) Regulations 2008. 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.

APPROVAL

This report was approved by the trustees and signed on their behalf by:



Josh Powers

Date: Mar 3, 2026

**INDEPENDENT EXAMINER'S REPORT
TO THE TRUSTEES OF
REALITY CHURCH LONDON
(‘the Charity’)**

Independent examiner’s report to the Trustees of Reality Church London

I report to the charity trustee on my examination of the accounts of the charity for the year ended 31 August 2025.

Responsibilities and basis of report

As the charity’s trustees 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 church’s accounts as carried out under section 145 of the 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.

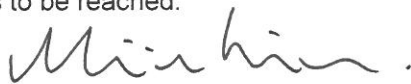
Independent examiner’s statement

Since the Charity’s gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales which is one the listed bodies

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

1. accounting records were not kept in respect of the charity 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 Report) 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.



Miriam Hickson FCA CTA
JCS Accountants Limited
5 Robin Hood Lane
Sutton
Surrey SM1 2SW

4 March 2026

REALITY CHURCH LONDON
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2025

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2025 £	Total Funds 2024 £
INCOME AND ENDOWMENTS FROM:					
Donations and legacies	3	435,339	1,667	437,006	451,970
Charitable activities	4	2,295	-	2,295	1,405
Investments	5	396	-	396	246
Total income and endowments		438,030	1,667	439,697	453,621
EXPENDITURE ON:					
Charitable activities	6	373,537	2,289	375,826	495,873
Total expenditure		373,537	2,289	375,826	495,873
Net income/(expenditure)		64,493	(622)	63,871	(42,252)
Transfers between funds	14	-	-	-	-
Net movement in funds		64,493	(622)	63,871	(42,252)
Reconciliation of funds:					
Total funds brought forward		277,200	622	277,822	320,074
Total funds carried forward	14	341,693	-	341,693	277,822

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

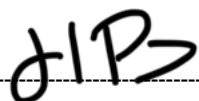
All income and expenditure derive from continuing operations.

The notes on page 10-17 form part of these accounts.

REALITY CHURCH LONDON
BALANCE SHEET
AS AT 31 AUGUST 2025

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2025 £	Total Funds 2024 £
NON-CURRENT ASSETS					
Fixed Assets	8	-	-	-	3,194
		<u>-</u>	<u>-</u>	<u>-</u>	<u>3,194</u>
CURRENT ASSETS					
Debtors	9	90,564	-	90,564	65,565
Cash Deposit Account	10	100,248	-	100,248	-
Cash at bank and in hand	11	166,521	-	166,521	240,614
		<u>357,333</u>	<u>-</u>	<u>357,333</u>	<u>306,180</u>
CREDITORS: Amounts falling due within one year	12	(15,640)	-	(15,640)	(31,552)
		<u>(15,640)</u>	<u>-</u>	<u>(15,640)</u>	<u>(31,552)</u>
Net current assets / (liabilities)		<u>341,693</u>	<u>-</u>	<u>341,693</u>	<u>274,628</u>
TOTAL NET ASSETS		<u>341,693</u>	<u>-</u>	<u>341,693</u>	<u>277,822</u>
FUND BALANCES					
Unrestricted Funds	14				
General funds		341,693	-	341,693	277,200
Designated funds		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
		<u>341,693</u>	<u>-</u>	<u>341,693</u>	<u>277,200</u>
Restricted Funds		<u>-</u>	<u>-</u>	<u>-</u>	<u>622</u>
		<u>341,693</u>	<u>-</u>	<u>341,693</u>	<u>277,822</u>

The financial statements were approved by the Board of Trustees and were signed on its behalf by:



Date: Mar 3 2024

Charity number: 1167535

The notes on page 10-17 form part of these accounts.

REALITY CHURCH LONDON
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2025

1 Statutory Information

The charity is a charitable incorporated organisation registered with the Charity Commission in England & Wales. The charity's registered number and principal address can be found on the Charity Information page.

2 Accounting Policies

These financial statements are prepared on a going concern basis, under the historical cost convention.

These financial statements have been prepared in accordance with the "Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) ("the Charities SORP"), with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland ("FRS 102") and with the Charities Act 2011. The charity meets the definition of a public benefit entity as set out in FRS 102.

The Charities (Accounts and Reports) Regulations 2008 (the '2008 Regulations') requires charities to prepare their accounts in accordance with 'Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005' but this accounting standard has since been withdrawn and has been replaced by the Charities SORP mentioned in the preceding paragraph. The charity has prepared these financial statements in accordance with the new Charities SORP; this departure from the 2008 Regulations is believed to be necessary for these financial statements to give a 'true and fair view'.

The principles adopted in the preparation of the financial statements are set out below.

a) Going concern

The trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charity to continue as a going concern. The trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular the trustees have considered the charity's forecasts and projections and the possible implications should projected income and / or expenditure vary unexpectedly. The trustees have concluded that there is a reasonable expectation that the charity has adequate resources to continue to operate for the foreseeable future. Reality Church Ventura have confirmed that they plan to continue supporting the charity, sufficiently for it to continue for the foreseeable future unless they are told this support is no longer required by the Reality Church London trustees and/or a timeline of withdrawal from support is agreed upon with the Reality Church London Trustees. The charity therefore continues to adopt the going concern basis in preparing its financial statements.

b) Income

Income including investment income is recognised in the period in which the charity becomes entitled to receipt, the amount receivable can be measured with reasonable certainty, and receipt is probable. For the most part, income is generally recognised when it is received. Income is only deferred when the charity has to fulfil conditions before becoming entitled to it or where the donor has specified that the income is to be expended in a future period.

Income from donations and legacies includes:

- i) Recoverable gift aid. This is recognised when the related donation is received. Gift aid that has not been recovered by the balance sheet date is included as a debtor.
- ii) Donated facilities and services for the charity's own use, which are recognised as income when receivable at their value to the charity.

The charity relies on volunteers to carry out many of its activities. However, in accordance with the SORP, the value of these services has not been included in these financial statements as they cannot be reliably measured.

When donated services and facilities are distributed or consumed, an expense in respect of those items is included in the Statement of Financial Activities.

Income from charitable activities represents income receivable from goods, services and facilities supplied in furtherance of the charity's charitable objects. It includes income from church retreats and other events and courses.

Investment income represents income generated by the charity's assets and includes income from bank interest.

The charity has taken the view that it has only one charitable activity, namely the advancement of the Christian faith, and all income from donations, legacies and charitable activities is in respect of this one activity.

REALITY CHURCH LONDON
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2025

2 Accounting Policies (continued)

c) Expenditure

Expenditure, including irrecoverable VAT, is recognised when it is incurred or, if earlier, when a legal or constructive obligation for a payment arises provided that it is probable that settlement will be required and the amount of the obligation can be measured reliably.

The charity makes grants to other institutions and individuals to further its charitable objectives. Grants payable are recognised as constructive obligations arise, which is generally when the charity expresses a commitment to the recipient that can be measured reliably and then only to the extent that any conditions associated with the grant are outside of the control of the charity.

The cost of raising funds is not significant and has not been separately disclosed.

Governance costs, which are included in expenditure on charitable activities but are identified separately in the notes to the accounts, includes costs associated with the independent examination of the financial statements, compliance with constitutional and statutory requirements and any other expenditure incurred on the strategic management of the charity.

d) Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity. Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. Restricted funds are donations which are to be used in accordance with specific restrictions imposed by donors; they include donations received from appeals for specific activities or projects. Endowment funds are donations that are retained as capital in accordance with the donor's wishes. The nature of the restriction determines whether the endowments represent permanent endowments or expendable endowments.

e) Tangible fixed assets

Items purchased or donated for the charity's own use are capitalised when the cost of purchased items, or the fair value of donated items, is more than £2,000 and the item is expected to benefit the charity over more than one accounting period. Depreciation is charged on a straight line basis so as to write down the value of each asset to its estimated residual value (if any) over its expected useful economic life. To achieve this objective the following rates of depreciation are charged:

Equipment	Over 3 to 7 years
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The carrying values of tangible fixed assets are reviewed for impairment in periods when events or changes in circumstances indicate

f) Cash at bank and in hand

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

g) Debtors

Grants receivable and other debtors are included at the settlement amount due. Prepayments are valued at the amount prepaid.

h) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation arising from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be reliably measured or estimated. Creditors and provisions are recognised at their settlement amount.

i) Pension scheme arrangements

The charity operates defined contribution pension schemes for its employees. Obligations for contributions to these schemes are recognised as an expense when the liability arises. The assets of these schemes are held separately from those of the charity in independently administered funds.

j) Taxation

The charity has taken advantage of the various reliefs from taxation available to charities and no tax is payable on the charity's income.

k) Financial instruments

The charity's financial assets and financial liabilities all qualify as basic financial instruments, as defined by FRS102. Except for loans, creditors and debtors are measured at their expected settlement value (normally the amount of cash that the charity expects to pay or receive). The charity recognises liabilities for the principal of those loans that remains outstanding at the year end (i.e. the liabilities exclude any interest chargeable on the loans in future years).

REALITY CHURCH LONDON
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2025

2 Accounting Policies (continued)

k) Foreign currency translation

These financial statements are presented in sterling, rounded to the nearest pound, which is the charity's functional currency.

- i) Income and expenditure denominated in a foreign currency is translated into sterling at the exchange rate prevailing on the date of the transaction.
- ii) Monetary assets and liabilities denominated in a foreign currency are re-translated at the exchange rate prevailing at the balance sheet date.
- iii) Non-monetary assets are measured at historic cost at the rate of exchange prevailing on the date of the transaction and are not subsequently re-translated.

All differences arising from the application of the above policy are charged (or credited) to the Statement of Financial Activities.

l) Exemption from preparing a cashflow statement

The charity has taken advantage of an exemption conferred by the Charities SORP and has not prepared a cash flow statement.

m) Critical accounting estimates and areas of judgement

The trustees do not consider that there are any material sources of estimation or uncertainty at the balance sheet date that could result in a material adjustment to the carrying values of assets and liabilities in the next reporting period.

3 Donations and legacies

	2025	2024
	£	£
General donations	339,972	331,777
Donations in cash from Reality Ventura	16,911	74,000
Giftaid recoverable	78,456	46,193
Restricted donations	1,667	-
	437,006	451,970

4 Income from charitable activities

	2025	2024
	£	£
Church retreats and events	2,295	1,405
	2,295	1,405

5 Investment income

	2025	2024
	£	£
Bank interest	396	246
	396	246

REALITY CHURCH LONDON
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2025

6 Charitable expenditure

	2025	2024
	£	£
a Costs incurred directly on specific activities		
Staffing Costs	237,299	292,210
Ministry & Outreach	27,368	43,207
Venue Hire	84,171	76,280
Travel & Conferences	974	17,111
Equipment	2,826	6,749
Media	1,329	4,241
Repayment of restricted grant	-	26,564
Other	6,743	524
	<u>360,710</u>	<u>466,885</u>
Grants payable (note 6c)	1,859	5,603
	<u>362,569</u>	<u>472,488</u>
b Costs incurred on support & administration		
General Administration	9,627	14,799
Legal and professional services	1,118	3,896
Accounts preparation and examination	2,440	3,900
Depreciation of tangible fixed assets	-	790
Foreign Exchange Loss	72	-
	<u>13,257</u>	<u>23,385</u>
Total expenditure	<u>375,826</u>	<u>495,873</u>

The fee payable for preparation and examining of the accounts was £2,440 (2024: £3,900); in addition the charity paid £831 (2024: £1,074) to Stewardship for payroll bureau and consultancy services.

c Grants payable

	Institutions	Individuals	2025
	£	£	£
Grants for UK and overseas mission	1,859	-	1,859
	<u>1,859</u>	<u>-</u>	<u>1,859</u>

The comparatives for the previous year are as follows:

	Institutions	Individuals	2024
	£	£	£
Grants for UK and overseas mission	5,603	-	5,603
	<u>5,603</u>	<u>-</u>	<u>5,603</u>

The charity's principal grants to institutions comprised:

	2025	2024
	£	£
London City Mission	-	2,500
Leadership Transformation Ministries	1,115	1,025
New Testament Manna Christian Ministry	744	1,500
Grants to institutions for less than £1,000 each	-	578
	<u>1,859</u>	<u>5,603</u>

REALITY CHURCH LONDON
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2025

7 Analysis of staff costs, the cost of key management personnel and trustee remuneration

	2025	2024
	£	£
Gross wages and salaries	188,249	257,738
Social security	11,621	27,221
Pension costs	9,829	4,693
Other employment benefits	27,600	2,558
	<u>237,299</u>	<u>292,210</u>

The average monthly number of employees during the year was 5.08 (2024: 5.2). Most of the charity's activities are carried out by volunteers.

	2025	2024
Total employee's benefits exceeding £60,000 (excluding Employers Pension contributions):		
£60,000 - £69,999	-	-
£70,000 - £79,999	1	-
£80,000 - £89,999	-	-
£90,000 - £99,999	-	-
£100,000 - £109,999	-	1

The employee exceeding £60,000 threshold relates to Myung Jun Sohn's compensation which includes RCL's pastoral accomodation, see below for detail.

The charity's key management comprise the trustees and the key staff named on the Charity Information page. Total employment benefits payable to key management for the year were as follows:

	Wages & salaries	Other Employment Benefits	Employer pension contributions	2025 £
Trustees:				
Bijan Mirtolooi	-	-	-	-
Myung Jun Sohn	43,970	34,523	2,668	81,161
Other members of key management	48,076	5,796	2,404	56,276
	<u>92,046</u>	<u>40,319</u>	<u>5,072</u>	<u>137,437</u>

The following amounts were payable in the previous year:

	Wages & salaries	Other Employment Benefits	Employer pension contributions	2024 £
Trustees:				
Bijan Mirtolooi	106,077	13,488	-	119,565
Myung Jun Sohn	-	767	-	767
Other members of key management	68,541	8,314	2,135	78,990
	<u>174,618</u>	<u>22,569</u>	<u>2,135</u>	<u>199,322</u>

Bijan Mirtolooi served as lead pastor of the church until 14 July 2024 and received the above payments for serving in that capacity, not for serving as a trustee. These payments are permitted by the charity's governing document.

All expenses incurred by or on behalf of Myung Jun Sohn related to his employment, not for serving as a trustee and contained no profit element.

REALITY CHURCH LONDON
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2025

8 Tangible fixed assets

	Fixtures, fittings and equipment £	Total 2025 £
Cost		
At 1 September 2024	3,310	3,310
Additions	-	-
Gains / (losses) on revaluation	-	-
Disposals	<u>(3,310)</u>	<u>(3,310)</u>
At 31 August 2025	<u>-</u>	<u>-</u>
Accumulated depreciation		
At 1 September 2024	116	116
Charge for the year	-	-
Eliminated on disposal	<u>(116)</u>	<u>(116)</u>
At 31 August 2025	<u>-</u>	<u>-</u>
Net book value		
At 31 August 2025	<u>-</u>	<u>-</u>
At 31 August 2024	<u>3,194</u>	<u>3,194</u>

9 Debtors

	2025 £	2024 £
Falling due within one year:		
Tax recoverable	73,211	57,255
Other debtors	5,917	6,777
Prepayments and accrued income	<u>11,436</u>	<u>1,533</u>
	<u>90,564</u>	<u>65,565</u>

10 Cash Deposit Account

	2025 £	2024 £
Cash at bank requiring over 3 months to access	<u>100,248</u>	<u>-</u>
	<u>100,248</u>	<u>-</u>

11 Cash at Bank and in Hand

	2025 £	2024 £
Cash at bank with immediate access	<u>166,521</u>	<u>240,614</u>
	<u>166,521</u>	<u>240,614</u>

12 Creditors: liabilities falling due within one year

	2025 £	2024 £
Other creditors	13,200	1,089
Repayable grant	-	26,564
Accruals	<u>2,440</u>	<u>3,900</u>
	<u>15,640</u>	<u>31,552</u>

13 Pension commitments

During the year employer's pension contributions totalling £9,830 (2024: £4,693) were payable to defined contribution personal pension schemes. Pension contributions totalling £1,333 were owing at the balance sheet date (2024: £252).

REALITY CHURCH LONDON
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2025

14 Funds

During the year the movements in the charity's funds were as follows:

	Opening balance 2025 £	Incoming resources 2025 £	Outgoing resources 2025 £	Transfers in the year 2025 £	Gains and losses 2025 £	Closing balance 2025 £
<i>General Unrestricted Funds</i>	277,200	438,030	(373,537)	-	-	341,693
Total Unrestricted Funds	277,200	438,030	(373,537)	-	-	341,693
<i>Restricted Funds</i>						
Serve the City	622	-	(622)	-	-	-
Vision day donation	-	1,167	(1,167)	-	-	-
Pastoral Fund	-	500	(500)	-	-	-
	622	1,667	(2,289)	-	-	-
Aggregate of funds	277,822	439,697	(375,826)	-	-	341,693

Serve the City is a fund specific to helping the marginalised in our London society through our partnership with London City Mission.

Vision day donation relates to members choosing to financially support other members of the church to attend RCL vision day event.

Pastoral fund allows Elders to give grants to members of the church for financial support.

Analysis of net assets by fund

The assets and liabilities of the various funds were as follows:

	Unrestricted Funds			2025 £
	General funds £	Designated funds £	Restricted funds £	
Debtors	90,564	-	-	90,564
Cash Deposit Account	100,248	-	-	100,248
Cash at bank and in hand	166,521	-	-	166,521
Creditors falling due within one year	(15,640)	-	-	(15,640)
	341,693	-	-	341,693

In the previous year the movements in the charity's funds were as follows:

	Opening balance 2024 £	Incoming resources 2024 £	Outgoing resources 2024 £	Transfers in the year 2024 £	Gains and losses 2024 £	Closing balance 2024 £
<i>General Unrestricted Funds</i>	320,074	425,857	(468,731)	-	-	277,200
Total Unrestricted Funds	320,074	425,857	(468,731)	-	-	277,200
<i>Restricted Funds</i>						
Serve the City	-	1,200	(578)	-	-	622
Associate Pastor	-	26,564	(26,564)	-	-	-
	-	27,764	(27,142)	-	-	622
Aggregate of funds	320,074	453,621	(495,873)	-	-	277,822

REALITY CHURCH LONDON
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2025

14 Funds (continued)

Analysis of net assets by fund

In the previous year, the assets and liabilities of the various funds were as follows:

	<u>Unrestricted Funds</u>			2024 £
	General funds £	Designated funds £	Restricted funds £	
Tangible fixed assets	3,194	-	-	3,194
Debtors	65,565	-	-	65,565
Cash at bank and in hand	239,993	-	622	240,615
Creditors falling due within one year	(31,552)	-	-	(31,552)
	<u>277,200</u>	<u>-</u>	<u>622</u>	<u>277,822</u>

An Associate Pastor grant was transferred from Reality Church San Francisco (RSF) to support the employment of an Associate Pastor at Reality Church London. Due to the transition from Bijan Mirtolooi to Mike Sohn, Trustees have agreed to postpone the hiring of this role. For administrative reasons, RCL and RSF have decided to return the cash back to RSF.

15 Operating lease commitments

The charity has an operating lease for pastoral accommodation for a minimum term of 12 months from 21 August 2024. From 21st August 2025, per the operating lease, the lease commitment is on a month by month rolling basis. Therefore, only one month is recognised for 2025. The minimum amount payable (until the next break clause and ignoring the potential effect of future rent reviews) in respect of this lease is as follows:

	2025 £	2024 £
Payments falling due:		
Within one year	2,300	29,133
Between one and five years	-	-
After five years	-	-
	<u>2,300</u>	<u>29,133</u>

During the year the charity was charged £27,600 (2024: £737) for its operating lease.

16 Transactions with related parties

During the year the charity:

- a) received donations totalling £66,494 (2024: £67,711) from related parties (which includes trustees, any other members of key management and anyone closely connected to them).
- b) paid no expenses for or on behalf of trustees other than reimbursements for expenses incurred when acting as agent for the charity or incurred when undertaking employment duties not connected with serving as a trustee (2024: £nil).

Except as disclosed in note 7 'Analysis of staff costs', there have been no other transactions with related parties during the year.

17 Guarantees and security provided

No guarantees have been made, which result in an outstanding potential liability as at the year-end date.

There are no outstanding debts at the balance sheet date which are owed and which are secured by an express charge on any of the assets of the CIO.

REALITY CHURCH LONDON
DETAILED STATEMENT OF FINANCIAL ACTIVITIES WITH COMPARATIVES
FOR THE YEAR ENDED 31 AUGUST 2025

Note	Unrestricted funds				Unrestricted funds				
	General 2025 £	Designated 2025 £	Restricted 2025 £	Total 2025 £	General 2024 £	Designated 2024 £	Restricted 2024 £	Total 2024 £	
INCOME AND ENDOWMENTS FROM:									
Donations and legacies	3	435,339	-	1,667	437,006	424,207	-	27,764	451,970
Charitable activities	4	2,295	-	-	2,295	1,405	-	-	1,405
Investments	5	396	-	-	396	246	-	-	246
Total income and endowments		438,030	-	1,667	439,697	425,858	-	27,764	453,621
EXPENDITURE ON:									
Charitable activities:	6	373,537	-	2,289	375,826	468,731	-	27,142	495,873
Total Expenditure		373,537	-	2,289	375,826	468,731	-	27,142	495,873
Net income/(expenditure)		64,493	-	(622)	63,871	(42,874)	-	622	(42,252)
Transfers between funds	14	-	-	-	-	-	-	-	-
Net movement in funds		64,493	-	(622)	63,871	(42,874)	-	622	(42,252)
Reconciliation of funds:									
Total funds brought forward		277,200	-	622	277,822	320,074	-	-	320,074
Total funds carried forward	14	341,693	-	-	341,693	277,200	-	622	277,822

REALITY CHURCH LONDON

England & Wales - Charity number 1167535

Accounts

Reality Church London

Report and Accounts

Year ended 31 August 2024

Stewardship 
Active generosity

1 Lamb's Passage, London EC1Y 8AB
www.stewardship.org.uk

REALITY CHURCH LONDON
CHARITY INFORMATION
FOR THE YEAR ENDED 31 AUGUST 2024

Trustees	Efrem Buckle (appointed 5 December 2024) Hannah Damant (appointed 19 September 2024) Luke Hamilton (appointed 21 March 2024) Anna Herring (appointed 19 September 2024) Joel MacMillan (resigned 24 June 2024) Bijan Mirtolooi (resigned 24 June 2024) Josh Powers (appointed 1 February 2024) Myung Jun Sohn (appointed 24 June 2024) Gareth Williams (appointed 21 March 2024) Enoch Yang Sarah Yardley (resigned 24 June 2024)
Key Staff	Bijan Mirtolooi (Lead Pastor until 14 July 2024) Luke Hamilton (Executive Director until 20 March 2024) Christine Constable (Director of Operations from 1 January 2024) Myung Jun Sohn (Lead Pastor from 1 September 2024)
Governing Document	CIO Constitution dated 7 June 2016
Charity Registration Number	1167535
Principal Address	Reality Church London 86 - 90 Paul Street London EC2A 4NE
Independent Examiner	Lisa Darby FCA Stewardship 1 Lamb's Passage London EC1Y 8AB
Bankers	Metro Bank One Southampton Row London WC1B 5HA

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REALITY CHURCH LONDON
TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31 AUGUST 2024

The trustees have pleasure in submitting the Report and Accounts for the year.

Objects of the charity

The Object of the CIO is, for the public benefit, to persuade men and women to faith in Jesus Christ as Lord and Saviour by proclaiming and demonstrating the gospel; to increase Christian faithfulness “as good stewards of the manifold grace of God” (1 Pet. 4:10); to encourage individual Christians towards attaining “the measure of the stature of the fullness of Christ” (Eph. 4:23); to fulfil the great commission by sending missionaries, church planters, ministers and Christian influence throughout the world through giving gifts and praying for missionary ventures (Matt. 28:19).

THE CHURCH: ITS AIMS AND OBJECTIVES

We are a church plant in central London. We seek to love God, love each other, and love our city. It is our desire to communicate the unchanging truth of the person and work of Jesus Christ in a way that everyone in our city and culture can comprehend. We gather on Sundays for public worship in Old Street and scatter throughout London in small communities committed to living the Christian life together as a family.

We are so thankful for all that God is doing through churches old and new in London and consider it a joy and a privilege to learn from and come alongside them in God's mission. We believe in a message of good news – that God entered our world in the person of Jesus Christ and did for us what we could never do for ourselves: rescue, redeem and renew us from evil, brokenness and death. We seek to build a community on and around the reality of this message.

- **We desire to be a theological church**, seeking to be biblically faithful
- **We desire to be a missional church**, actively seeking God's purposes for our whole lives
- **We desire to be a communal church**, seeking to be relationally committed
- **We desire to be a contextual church**, seeking to be culturally thoughtful
- **We desire to be a spiritual church**, seeking to be supernaturally empowered by God's Spirit

GOVERNMENT

The spiritual government and leadership of the church is primarily responsible for carrying out the purposes and goals of the church. The duty of the Charity Trustees is confined to the proper management and administration of the CIO in accordance with the provisions of the constitution. The trustees have full and proper regard to the Spiritual Leadership as long as they do not act outside their powers given in the constitution and by general law.

REALITY CHURCH LONDON
TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31 AUGUST 2024

GOVERNMENT (continued)

In selecting individuals for appointment as Charity Trustees, the Spiritual Leadership has regard to the skills, knowledge and experience needed for the effective administration of the CIO. All Charity Trustees subscribe and adhere to, in belief and lifestyle, the Statement of Faith. The primary method of recruiting new trustees is a personal recommendation or word of mouth. This recommendation can come from any existing trustee or the spiritual leadership of the church. Once a potential trustee has been recommended, they will first be vetted by the spiritual leadership of the church to determine if they agree with the beliefs and aims of the church. After this, they will be vetted by the trustees to make sure that they are indeed a suitable candidate and that by appointing them that we would be acting within the law, in accordance to our governing document. Once the potential trustee has been recommended and vetted, the trustees will appoint the candidate by a vote.

Reality Church London "RCL" has a strong working partnership with both Reality Carpinteria and Reality Ventura, both based in California, USA. The administrative staff of both churches have worked with the staff of RCL to support the ministry while it is getting off the ground. This assistance is continual but is shifting to move operations and admin activity to be held locally in London. RCL has a collection of US based donors who add to the support committed from the general funds from the church planting budget of the sending church. The total funding received from the US amounted to approximately £47,437 as detailed in the accounts.

Between September 2023 and August 2024 the church employed between five and six staff members who manage and oversee the day to day operations of the church. The mission of the church, by design, is carried out with the help of volunteers. We are continuing to build ministry teams made up of men and women who are keen to use their gifts to serve others. We believe serving together is one of the best ways to be connected to the church.

THE YEAR: ITS OBJECTIVES AND ACHIEVEMENTS

During the year ended 31 August 2024 the main ways the church sought to achieve its mission and charitable purposes for the public benefit have been as follows:

◦ **Church Growth:**

Over the course of the year, we have seen new people join the church and original members grow in applying the weekly teaching to their lives and commit to serving weekly in the church. These signs of growth are at the very heart of our purpose as a church and we hope will continue to be seen. Across the year, our Sunday attendance grew to an average of 323, which includes both in person and online streaming via YouTube. Church membership grew to 86 members, further enabling us to 'define the flock' of RCL.

REALITY CHURCH LONDON
TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31 AUGUST 2024

THE YEAR: ITS OBJECTIVES AND ACHIEVEMENTS (continued)

◦ **Staff:**

In addition to our staff team which fluctuated over the 2023-2024 period between five and six employees, we also had three volunteers who serve the church significantly in a free capacity. At the end of this financial year the Lead Pastor transition took place. Additionally, within this year there was a search for an Assistant Pastor and an Operations Director. Planning and outworking for these roles, and their transitions took up a large amount of both time and finances, but we feel the efforts were fruitful with the new Operations Director, Christine Constable, who started in January 2024, and new Lead Pastor, Mike Sohn, having arrived in September 2024.

◦ **Trustee transition:**

Over the course of the year, we have seen three trustees step down from duties, Joel MacMillan, Bijan Mirtolooi and Sarah Yardley. Also, within the year, three additional trustees joined the board, Joshua Powers, Gareth Williams and Mike Sohn. The aim of these transitions is to bring a wider scope of expertise onto the board and start to grow the percentage of the board being from the UK rather than the US.

◦ **Moving majority of church activity to a Sunday:**

Upon feedback and conversation with various RCL leaders and members, the overwhelming majority expressed excitement of moving various church rhythms and events to Sundays. This move expressed an ongoing desire to act on the feedback and suggestion of church members alongside a continual approach to ministry that is healthy, relevant, and productive for our churches mission of seeking the renewal of London. This move which has taken place enabled all activity to be accessible to the majority of the church, especially those who have previously been unable to attend mid-week activity due to home location, work schedules and/or childcare needs. Through various conversations it's been identified that as well as those groups, individuals new to faith and new to RCL are now more likely to attend Sunday activity rather than something mid-week. This shift has seen higher attendance to all church activity, alongside a greater attendance to the two midweek ministry elements which we have continued, Community Groups and the Serve The City ministry.

◦ **Content based on community need:**

Through spotting trends in pastoral care the staff team have been able to identify and recommend to the elders topics of teaching, conversation and engagement that would best serve the church community. These topics have led to the launch of 'RCL Family Conversations' in 2023, which all in the church are encouraged to attend. These conversations continued in 2024.

◦ **Serve the City & Serve the Nations:**

In developing the relationships with 'Serve the City partners' we've been able to see increased involvement and see fruit come from these partnerships. A focus was also placed on building the foundations for the first 'Serve the Nations' partnership in Ethiopia, something we will continue to develop over the years. Our partner in London, London City Mission, hosted RCL at their Webber Street Centre, and a team of around 10 volunteers served a meal once a month for 8 months. Additionally, RCL ran an Alpha course for 8 weeks and were encouraged to see an average of 15 attendees and several participants came to church following the course.

In planning the activities the Trustees have applied the guidance on public benefit issued by the Charity Commission.

REALITY CHURCH LONDON
TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31 AUGUST 2024

PLANS FOR THE NEW YEAR

With the transition of the new pastor this year will be an opportunity for RCL to refresh and renew its plans in the short, medium and long-term. In initial conversations with Pastor Myung (referred to as "Mike" in this report) the aim is to not substantially change what RCL has been doing historically but instead to lean into the vision that it has historically had: to be a church that is a community following Jesus, making Him known for the renewal of the city. There are initial plans to explore each of these aspects of the vision together as a church. The hope is that this will help to grow community, mission and community engagement alongside the ongoing Bible teaching and training that is part of the church's aims.

GRANT MAKING POLICY

Gifts to external organisations and individuals are considered by the Trustees on the basis of need and fulfilment of the charitable objectives. There are no upper or lower limits of support.

FINANCIAL REVIEW

Reality Church London received donations and other income of £453,621 (2023: £444,898). Specifically, £74,000 was donated via third party donations, made up of churches and individuals in the United States via the sending church Reality Ventura (2023: £71,644), of which £26,564 was repayable following the charity being unable to fulfill the specified restriction. Expenditure was £495,873 (2023: £546,051) resulting in a net deficit of £42,252 across the financial year - something pre planned with the trustees encouraging spend of the vast reserves across the FY (2023: £101,154).

RESERVES POLICY

The reserves policy of Reality Church London is to hold three months of all operational expenditures on reserve. The trustees currently believe this amount to be £109,510, compared to £240,193 in free cash reserves held at the year-end. This is more than what is required by the policy and yet the planting church have informed the trustees that they are committed to continuing to make regular donations to Reality Church London and that they currently have paid all funds due.

Where there are specific capital expenditures foreseen, amounts are set aside into designated funds so the free cash reserves are available to meet the costs of normal operating expenditures and to ensure the Church can meet the commitments that have been entered into. At the year-end there were no material designated funds held on reserve. This reserve policy will be reviewed annually.

REALITY CHURCH LONDON
TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31 AUGUST 2024

RISK STATEMENT

All major insurable risks are subject to normal Churches and employers' insurance. Contractual risks are reviewed before being entered into to assess that they could not significantly impact the Churches ability to fulfil its objectives. An annual review of areas of risk is undertaken by the Trustees in conjunction with staff and volunteers responsible for the area of activity.

TRUSTEES RESPONSIBILITIES

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

Charity law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charity as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure, for the financial year. In preparing these financial statements, the trustees are required to:

1. select suitable accounting policies and apply them consistently;
2. observe the methods and principles in the Charities SORP;
3. make judgements and estimates that are reasonable and prudent;
4. state whether the applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
5. prepare the financial statements on a going concern basis unless it is inappropriate to presume

The trustees are responsible for keeping proper 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 Charities Act 2011 and the Charity (Accounts and Reports) Regulations 2008. 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.

APPROVAL

This report was approved by the trustees and signed on their behalf by:

Enoch Yang
[Enoch Yang \(Mar 13, 2025 21:18 GMT\)](#)
ENOCH YANG

Date: Mar 13, 2025

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF REALITY CHURCH LONDON (‘the Charity’)

I report to the charity trustees on my examination of the accounts of the Charity for the year ended 31 August 2024 on pages 8 to 18 following, which have been prepared on the basis of the accounting policies set out on pages 10 to 12.

Responsibilities and basis of report

As the charity’s trustees of the Charitable Incorporated Organisation 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 Charity’s accounts carried out under section 145 of the 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

Since the Charity’s gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants of England and Wales, which is one of the listed bodies.

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

1. accounting records were not kept in respect of the Charity 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.

Lisa Darby

[Lisa Darby \(Mar 17, 2025 10:49 GMT\)](#)

Lisa Darby FCA
Institute of Chartered Accountants of England and Wales
Stewardship
1 Lamb's Passage
London
EC1Y 8AB

Date: Mar 17, 2025

REALITY CHURCH LONDON
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2024

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2024 £	Total Funds 2023 £
INCOME AND ENDOWMENTS FROM:					
Donations and legacies	3	424,206	27,764	451,970	434,700
Charitable activities	4	1,405	-	1,405	10,075
Investments	5	246	-	246	123
Total income and endowments		<u>425,857</u>	<u>27,764</u>	<u>453,621</u>	<u>444,898</u>
EXPENDITURE ON:					
Charitable activities	6	468,731	27,142	495,873	546,051
Total expenditure		<u>468,731</u>	<u>27,142</u>	<u>495,873</u>	<u>546,051</u>
Net income/(expenditure)		(42,874)	622	(42,252)	(101,154)
Transfers between funds	13	-	-	-	-
Net movement in funds		<u>(42,874)</u>	<u>622</u>	<u>(42,252)</u>	<u>(101,154)</u>
Reconciliation of funds:					
Total funds brought forward		320,074	-	320,074	421,227
Total funds carried forward	13	<u>277,200</u>	<u>622</u>	<u>277,822</u>	<u>320,074</u>

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

All income and expenditure derive from continuing operations.

Differences of £1 may appear in these accounts due to rounding.

The notes on page 10-17 form part of these accounts.

REALITY CHURCH LONDON

BALANCE SHEET

AS AT 31 AUGUST 2024

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2024 £	Total Funds 2023 £
FIXED ASSETS					
Tangible assets	8	3,194	-	3,194	2,466
		<u>3,194</u>	<u>-</u>	<u>3,194</u>	<u>2,466</u>
CURRENT ASSETS					
Debtors	9	65,565	-	65,565	41,468
Cash at bank and in hand	10	239,993	622	240,614	284,624
		305,558	622	306,180	326,092
CREDITORS: Amounts falling due within one year	11	(31,552)	-	(31,552)	(8,484)
Net current assets / (liabilities)		<u>274,006</u>	<u>622</u>	<u>274,628</u>	<u>317,608</u>
TOTAL NET ASSETS		<u>277,200</u>	<u>622</u>	<u>277,822</u>	<u>320,074</u>
FUND BALANCES					
Unrestricted Funds	13				
General funds		277,200	-	277,200	320,074
Designated funds		-	-	-	-
		<u>277,200</u>	<u>-</u>	<u>277,200</u>	<u>320,074</u>
Restricted Funds		-	622	622	-
		<u>277,200</u>	<u>622</u>	<u>277,822</u>	<u>320,074</u>

Differences of £1 may appear in these accounts due to rounding.

The financial statements were approved by the Board of Trustees and were signed on its behalf by:

Enoch Yang
[Enoch Yang \(Mar 13, 2025 21:18 GMT\)](#)

 ENOCH YANG
 Date: Mar 13, 2025

Charity number: 1167535

The notes on page 10-17 form part of these accounts.

REALITY CHURCH LONDON
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2024

1 Statutory Information

The charity is a charitable incorporated organisation registered with the Charity Commission in England & Wales. The charity's registered number and principal address can be found on the Charity Information page.

2 Accounting Policies

These financial statements are prepared on a going concern basis, under the historical cost convention.

These financial statements have been prepared in accordance with the "Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) ("the Charities SORP"), with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland ("FRS 102") and with the Charities Act 2011. The charity meets the definition of a public benefit entity as set out in FRS 102.

The Charities (Accounts and Reports) Regulations 2008 (the '2008 Regulations') requires charities to prepare their accounts in accordance with 'Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005' but this accounting standard has since been withdrawn and has been replaced by the Charities SORP mentioned in the preceding paragraph. The charity has prepared these financial statements in accordance with the new Charities SORP; this departure from the 2008 Regulations is believed to be necessary for these financial statements to give a 'true and fair view'.

The principles adopted in the preparation of the financial statements are set out below.

a) Going concern

The trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charity to continue as a going concern. The trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular the trustees have considered the charity's forecasts and projections and the possible implications should projected income and / or expenditure vary unexpectedly. The trustees have concluded that there is a reasonable expectation that the charity has adequate resources to continue to operate for the foreseeable future. Reality Church Ventura have confirmed that they plan to continue supporting the charity, sufficiently for it to continue for the foreseeable future unless they are told this support is no longer required by the Reality Church London trustees and/or a timeline of withdrawal from support is agreed upon with the Reality Church London Trustees. The charity therefore continues to adopt the going concern basis in preparing its financial statements.

b) Income

Income including investment income is recognised in the period in which the charity becomes entitled to receipt, the amount receivable can be measured with reasonable certainty, and receipt is probable. For the most part, income is generally recognised when it is received. Income is only deferred when the charity has to fulfil conditions before becoming entitled to it or where the donor has specified that the income is to be expended in a future period.

Income from donations and legacies includes:

- i) Recoverable gift aid. This is recognised when the related donation is received. Gift aid that has not been recovered by the balance sheet date is included as a debtor.
- ii) Donated facilities and services for the charity's own use, which are recognised as income when receivable at their value to the charity.

The charity relies on volunteers to carry out many of its activities. However, in accordance with the SORP, the value of these services has not been included in these financial statements as they cannot be reliably measured.

When donated services and facilities are distributed or consumed, an expense in respect of those items is included in the Statement of Financial Activities.

Income from charitable activities represents income receivable from goods, services and facilities supplied in furtherance of the charity's charitable objects. It includes income from church retreats and other events and courses.

Investment income represents income generated by the charity's assets and includes income from bank interest.

The charity has taken the view that it has only one charitable activity, namely the advancement of the Christian faith, and all income from donations, legacies and charitable activities is in respect of this one activity.

REALITY CHURCH LONDON
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2024

2 Accounting Policies (continued)

c) Expenditure

Expenditure, including irrecoverable VAT, is recognised when it is incurred or, if earlier, when a legal or constructive obligation for a payment arises provided that it is probable that settlement will be required and the amount of the obligation can be measured reliably.

The charity makes grants to other institutions and individuals to further its charitable objectives. Grants payable are recognised as constructive obligations arise, which is generally when the charity expresses a commitment to the recipient that can be measured reliably and then only to the extent that any conditions associated with the grant are outside of the control of the charity.

The cost of raising funds is not significant and has not been separately disclosed.

Governance costs, which are included in expenditure on charitable activities but are identified separately in the notes to the accounts, includes costs associated with the independent examination of the financial statements, compliance with constitutional and statutory requirements and any other expenditure incurred on the strategic management of the charity.

d) Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity. Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. Restricted funds are donations which are to be used in accordance with specific restrictions imposed by donors; they include donations received from appeals for specific activities or projects. Endowment funds are donations that are retained as capital in accordance with the donor's wishes. The nature of the restriction determines whether the endowments represent permanent endowments or expendable endowments.

e) Tangible fixed assets

Items purchased or donated for the charity's own use are capitalised when the cost of purchased items, or the fair value of donated items, is more than £2,000 and the item is expected to benefit the charity over more than one accounting period. Depreciation is charged on a straight line basis so as to write down the value of each asset to its estimated residual value (if any) over its expected useful economic life. To achieve this objective the following rates of depreciation are charged:

Freehold land	Is not depreciated (because it is not consumed by use)
Freehold buildings	Over 50 years after taking account of the building's residual value
Leasehold improvements	Over the lease term or, if shorter, expected useful life
Equipment	Over 3 to 7 years

The carrying values of tangible fixed assets are reviewed for impairment in periods when events or changes in circumstances indicate that the carrying value may not be recoverable.

f) Pension scheme arrangements

The charity operates defined contribution pension schemes for its employees. Obligations for contributions to these schemes are recognised as an expense when the liability arises. The assets of these schemes are held separately from those of the charity in independently administered funds.

g) Taxation

The charity has taken advantage of the various reliefs from taxation available to charities and no tax is payable on the charity's income.

h) Financial instruments

The charity's financial assets and financial liabilities all qualify as basic financial instruments, as defined by FRS102. Except for loans, creditors and debtors are measured at their expected settlement value (normally the amount of cash that the charity expects to pay or receive). The charity recognises liabilities for the principal of those loans that remains outstanding at the year end (i.e. the liabilities exclude any interest chargeable on the loans in future years).

REALITY CHURCH LONDON
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2024

2 Accounting Policies (continued)

i) Foreign currency translation

These financial statements are presented in sterling, which is the charity's functional currency.

- i) Income and expenditure denominated in a foreign currency is translated into sterling at the exchange rate prevailing on the date of the transaction.
- ii) Monetary assets and liabilities denominated in a foreign currency are re-translated at the exchange rate prevailing at the balance sheet date.
- iii) Non-monetary assets are measured at historic cost at the rate of exchange prevailing on the date of the transaction and are not subsequently re-translated.

All differences arising from the application of the above policy are charged (or credited) to the Statement of Financial Activities.

j) Exemption from preparing a cashflow statement

The charity has taken advantage of an exemption conferred by the Charities SORP and has not prepared a cash flow statement.

k) Critical accounting estimates and areas of judgement

The trustees do not consider that there are any material sources of estimation or uncertainty at the balance sheet date that could result in a material adjustment to the carrying values of assets and liabilities in the next reporting period.

3 Donations and legacies

	2024	2023
	£	£
General donations	331,777	309,770
Donations in cash from Reality Ventura	74,000	71,644
Income tax recoverable	46,193	53,285
	451,970	434,700

4 Income from charitable activities

	2024	2023
	£	£
Church retreats and events	1,405	10,075
	1,405	10,075

5 Investment income

	2024	2023
	£	£
Bank interest	246	123
	246	123

REALITY CHURCH LONDON
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2024

6 Charitable expenditure		2024	2023
		£	£
a Costs incurred directly on specific activities			
Staffing Costs		292,210	277,298
Ministry & Outreach		43,207	62,808
Venue Hire		76,280	41,042
Travel & Conferences		17,111	77,322
Equipment		6,749	14,446
Media		4,241	3,708
Repayment of restricted grant		26,564	-
Other		524	2,590
		<u>466,885</u>	<u>479,214</u>
Grants payable (note 6c)		5,603	7,500
		<u><u>472,488</u></u>	<u><u>486,714</u></u>
b Costs incurred on support & administration			
General Administration		14,799	29,047
Legal and professional services		3,896	26,397
Accounts preparation and examination		3,900	3,660
Depreciation of tangible fixed assets		790	233
		<u>23,385</u>	<u>59,337</u>
Total expenditure		<u><u>495,873</u></u>	<u><u>546,051</u></u>

The fee payable to the independent examiner for preparing and examining the accounts was £3,900 (2023: £3,660); in addition the charity paid £1,074 (2023: £1,084) to Stewardship for payroll bureau and consultancy services.

c Grants payable		Institutions	Individuals	2024
		£	£	£
Grants for UK and overseas mission		<u>5,603</u>	-	<u>5,603</u>
		<u><u>5,603</u></u>	<u><u>-</u></u>	<u><u>5,603</u></u>

The comparatives for the previous year are as follows:

		Institutions	Individuals	2023
		£	£	£
Grants for UK and overseas mission		<u>7,500</u>	-	<u>7,500</u>
		<u><u>7,500</u></u>	<u><u>-</u></u>	<u><u>7,500</u></u>

The charity's principal grants to institutions comprised:

	2024	2023
	£	£
Gratitude Institute	-	5,000
London City Mission	2,500	2,500
Leadership Transformation Ministries	1,025	-
New Testament Manna Christian Ministry	1,500	-
Grants to institutions for less than £1,000 each	578	-
	<u>5,603</u>	<u>7,500</u>

REALITY CHURCH LONDON
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2024

7 Analysis of staff costs, the cost of key management personnel and trustee remuneration

	2024	2023
	£	£
Gross wages and salaries	257,738	250,376
Social security	27,221	23,023
Pension costs	4,693	3,898
Other employment benefits	2,558	18,756
	<u>292,210</u>	<u>296,053</u>

The average monthly number of employees during the year was 5.2 (2023: 5.8). Most of the charity's activities are carried out by volunteers.

Total employee's benefits exceeding £60,000 (excluding Employers Pension contributions):	2024	2023
£60,000 - £69,999	-	1
£100,000 - £109,999	1	-
£130,000 - £139,999	-	1

No other staff received salaries at a rate of more than £60,000 per annum.

The charity's key management comprise the trustees and the key staff named on the Charity Information page. Total employment benefits payable to key management for the year were as follows:

	Wages & salaries	Other Employment Benefits	Employer pension contributions	2024 £
Trustees:				
Bijan Mirtolooi	106,077	-	-	106,077
Myung Jun Sohn	-	767	-	767
Other members of key management	68,541	1,791	2,135	72,467
	<u>174,618</u>	<u>2,558</u>	<u>2,135</u>	<u>179,311</u>

The following amounts were payable in the previous year:

	Wages & salaries	Other Employment Benefits	Employer pension contributions	2023 £
Trustees:				
Bijan Mirtolooi	114,618	18,756	-	133,373
Other members of key management	65,352	-	1,961	67,313
	<u>179,970</u>	<u>18,756</u>	<u>1,961</u>	<u>200,686</u>

Bijan Mirtolooi served as lead pastor of the church until 14 July 2024 and received the above payments for serving in that capacity, not for serving as a trustee; these payments are permitted by the charity's governing document.

Myung Jun Sohn was appointed to serve as lead pastor of the church with effect from 1 September 2024. The church incurred expenditure totalling £767 in respect of the customary provision of accomodation to him so that he could better perform his duties. This is permitted by the charity's governing document.

In addition the charity incurred expenditure totalling £nil (2023: £18,756) in respect of the UK Immigration Visa renewal for the Mirtolooi family.

All expenses incurred by or on behalf of Bijan Mirtolooi related to his employment, not for serving as a trustee and contained no profit element.

REALITY CHURCH LONDON
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2024

8 Tangible fixed assets	Fixtures, fittings and equipment £	Total 2024 £
Cost		
At 1 September 2023	2,699	2,699
Additions	3,310	3,310
Disposals	(2,699)	(2,699)
At 31 August 2024	<u>3,310</u>	<u>3,310</u>
Accumulated depreciation		
At 1 September 2023	233	233
Charge for the year	790	790
Eliminated on disposal	(908)	(908)
At 31 August 2024	<u>116</u>	<u>116</u>
Net book value		
At 31 August 2024	<u>3,194</u>	<u>3,194</u>
At 31 August 2023	<u>2,466</u>	<u>2,466</u>
9 Debtors	2024 £	2023 £
Falling due within one year:		
Tax recoverable	57,255	20,000
Other debtors	6,777	21,468
Prepayments and accrued income	1,533	-
	<u>65,565</u>	<u>41,468</u>
10 Cash at Bank and in Hand	2024 £	2023 £
Cash at bank with immediate access	<u>240,614</u>	<u>284,624</u>
	<u>240,614</u>	<u>284,624</u>
11 Creditors: liabilities falling due within one year	2024 £	2023 £
Other creditors	1,089	4,824
Repayable grant	26,564	-
Accruals	3,900	3,660
	<u>31,552</u>	<u>8,484</u>

An Associate Pastor grant was transferred from Reality Church San Francisco (RSF) to support the employment of an Associate Pastor at Reality Church London. Due to the transition from Bijan Mirtolooi to Mike Sohn, Trustees have agreed to postpone the hiring of this role. For administrative reasons, RCL and RSF have decided to return the cash back to RSF.

12 Pension commitments

During the year employer's pension contributions totalling £4,693 (2023: £3,898) were payable to defined contribution personal pension schemes. Pension contributions totalling £252 were owing at the balance sheet date (2023: £1,068).

REALITY CHURCH LONDON
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2024

13 Funds

During the year the movements in the charity's funds were as follows:

	Opening balance 2024 £	Incoming resources 2024 £	Outgoing resources 2024 £	Transfers in the year 2024 £	Gains and losses 2024 £	Closing balance 2024 £
<i>Designated Funds</i>						
Missional Fund	-	-	-	-	-	-
	-	-	-	-	-	-
<i>General Unrestricted Funds</i>	320,074	425,857	(468,731)	-	-	277,200
Total Unrestricted Funds	320,074	425,857	(468,731)	-	-	277,200
<i>Restricted Funds</i>						
Serve the City	-	1,200	(578)	-	-	622
Associate Pastor	-	26,564	(26,564)	-	-	-
	-	27,764	(27,142)	-	-	622
Aggregate of funds	320,074	453,621	(495,873)	-	-	277,822

Analysis of net assets by fund

The assets and liabilities of the various funds were as follows:

	Unrestricted Funds			2024 £
	General funds £	Designated funds £	Restricted funds £	
Tangible fixed assets	3,194	-	-	3,194
Debtors	65,565	-	-	65,565
Cash at bank and in hand	239,993	-	622	240,614
Creditors falling due within one year	(31,552)	-	-	(31,552)
	277,200	-	622	277,822

In the previous year the movements in the charity's funds were as follows:

	Opening balance 2023 £	Incoming resources 2023 £	Outgoing resources 2023 £	Transfers in the year 2023 £	Gains and losses 2023 £	Closing balance 2023 £
<i>Designated Funds</i>						
Missional Fund	-	-	-	-	-	-
	-	-	-	-	-	-
<i>General Unrestricted Funds</i>	421,227	444,898	(546,051)	-	-	320,074
Aggregate of funds	421,227	444,898	(546,051)	-	-	320,074

REALITY CHURCH LONDON
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2024

13 Funds (continued)

Analysis of net assets by fund

In the previous year, the assets and liabilities of the various funds were as follows:

	<u>Unrestricted Funds</u>			Restricted funds £	2023 £
	General funds £	Designated funds £	-		
	-	-	-		
Tangible fixed assets	2,466	-	-	2,466	
Debtors	41,468	-	-	41,468	
Cash at bank and in hand	284,624	-	-	284,624	
Creditors falling due within one year	(8,484)	-	-	(8,484)	
	<u>320,074</u>	<u>-</u>	<u>-</u>	<u>320,074</u>	

The Missional Fund was an unrestricted fund designated by the Trustees for expenditure on Mission and Church Planting, sewing into individuals and charities across London that align to the mission of Reality Church London. At the end of the 2021-2022 financial year, the charity decided to amalgamate the Missional Fund with the General Fund to permit an increase in general activity and recategorize expenditure within this area. Accordingly, the balance was transferred to the General Fund.

An Associate Pastor grant was transferred from Reality Church San Francisco (RSF) to support the employment of an Associate Pastor at Reality Church London. Due to the transition from Bijan Mirtolooi to Mike Sohn, Trustees have agreed to postpone the hiring of this role. For administrative reasons, RCL and RSF have decided to return the cash back to RSF.

14 Operating lease commitments

The charity has an operating lease for pastoral accommodation for a minimum term of 12 months from 21 August 2024. The minimum amount payable (until the next break clause and ignoring the potential effect of future rent reviews) in respect of this lease is as follows:

	2024 £	2023 £
Payments falling due:		
Within one year	29,133	-
Between one and five years	-	-
After five years	-	-
	<u>29,133</u>	<u>-</u>

During the year the charity was charged £767 (2023: £nil) for its operating lease.

15 Transactions with related parties

During the year the charity:

- a) received donations totalling £67,711 (2023: £28,510) from related parties (which includes trustees, any other members of key management and anyone closely connected to them).
- b) paid no expenses for or on behalf of trustees other than reimbursements for expenses incurred when acting as agent for the charity or incurred when undertaking employment duties not connected with serving as a trustee (2023: £nil).

Except as disclosed in note 7 'Analysis of staff costs', there have been no other transactions with related parties during the year.

16 Guarantees and security provided

No guarantees have been made, which result in an outstanding potential liability as at the year-end date.

There are no outstanding debts at the balance sheet date which are owed and which are secured by an express charge on any of the assets of the CIO.

REALITY CHURCH LONDON
DETAILED STATEMENT OF FINANCIAL ACTIVITIES WITH COMPARATIVES
FOR THE YEAR ENDED 31 AUGUST 2024

	Note	<u>Unrestricted funds</u>				<u>Unrestricted funds</u>			
		General	Designated	Restricted	Total	General	Designated	Restricted	Total
		2024	2024	2024	2024	2023	2023	2023	2023
		£	£	£	£	£	£	£	
INCOME AND ENDOWMENTS FROM:									
Donations and legacies	3	424,206	-	27,764	451,970	434,700	-	-	434,700
Charitable activities	4	1,405	-	-	1,405	10,075	-	-	10,075
Investments	5	246	-	-	246	123	-	-	123
Total income and endowments		425,857	-	27,764	453,621	444,898	-	-	444,898
EXPENDITURE ON:									
Charitable activities:	6	468,731	-	27,142	495,873	546,051	-	-	546,051
Total Expenditure		468,731	-	27,142	495,873	546,051	-	-	546,051
Net income/(expenditure)		(42,874)	-	622	(42,252)	(101,154)	-	-	(101,154)
Transfers between funds	13	-	-	-	-	-	-	-	-
Net movement in funds		(42,874)	-	622	(42,252)	(101,154)	-	-	(101,154)
Reconciliation of funds:									
Total funds brought forward		320,074	-	-	320,074	421,227	-	-	421,227
Total funds carried forward	13	277,200	-	622	277,822	320,074	-	-	320,074

REALITY CHURCH LONDON

England & Wales - Charity number 1167535

Accounts

Reality Church London

Report and Accounts

Year ended 31 August 2023

Stewardship 
Active generosity

1 Lamb's Passage, London EC1Y 8AB
www.stewardship.org.uk

REALITY CHURCH LONDON
CHARITY INFORMATION
FOR THE YEAR ENDED 31 AUGUST 2023

Trustees Timothy Chaddick (resigned 29 September 2022)
Sarah Yardley
Bijan Mirtolooi
Joel MacMillan
Jihan Watkins (resigned 2 August 2023)
Enoch Yang (appointed 1 August 2023)
Josh Powers (appointed 1 February 2024)

Key Staff Bijan Mirtolooi (Lead Pastor)
Luke Hamilton (Executive Director)

Governing Document CIO Constitution dated 7 June 2016

Charity Registration Number 1167535

Principal Address Reality Church London
86 - 90 Paul Street
London EC2A 4NE

Independent Examiner Lisa Darby FCA
Stewardship
1 Lamb's Passage
London
EC1Y 8AB

Bankers Metro Bank
One Southampton Row
London WC1B 5HA

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REALITY CHURCH LONDON
TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31 AUGUST 2023

The trustees have pleasure in submitting the Report and Accounts for the year.

Objects of the charity

The Object of the CIO is, for the public benefit, to persuade men and women to faith in Jesus Christ as Lord and Saviour by proclaiming and demonstrating the gospel; to increase Christian faithfulness “as good stewards of the manifold grace of God” (1 Pet. 4:10); to encourage individual Christians towards attaining “the measure of the stature of the fullness of Christ” (Eph. 4:23); to fulfil the great commission by sending missionaries, church planters, ministers and Christian influence throughout the world through giving gifts and praying for missionary ventures (Matt. 28:19).

THE CHURCH: ITS AIMS AND OBJECTIVES

We are a church plant in central London. We seek to love God, love each other, and love our city. It is our desire to communicate the unchanging truth of the person and work of Jesus Christ in a way that everyone in our city and culture can comprehend. We gather on Sundays for public worship in Old Street and scatter throughout London in small communities committed to living the Christian life together as a family.

We are so thankful for all that God is doing through churches old and new in London and consider it a joy and a privilege to learn from and come alongside them in God's mission. We believe in a message of good news – that God entered our world in the person of Jesus Christ and did for us what we could never do for ourselves: rescue, redeem and renew us from evil, brokenness and death. We seek to build a community on and around the reality of this message.

- **We desire to be a theological church**, seeking to be biblically faithful
- **We desire to be a missional church**, actively seeking God's purposes for our whole lives
- **We desire to be a communal church**, seeking to be relationally committed
- **We desire to be a contextual church**, seeking to be culturally thoughtful
- **We desire to be a spiritual church**, seeking to be supernaturally empowered by God's Spirit

GOVERNMENT

The spiritual government and leadership of the church is primarily responsible for carrying out the purposes and goals of the church. The duty of the Charity Trustees is confined to the proper management and administration of the CIO in accordance with the provisions of the constitution. The trustees have full and proper regard to the Spiritual Leadership as long as they do not act outside their powers given in the constitution and by general law.

REALITY CHURCH LONDON
TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31 AUGUST 2023

GOVERNMENT (continued)

In selecting individuals for appointment as Charity Trustees, the Spiritual Leadership has regard to the skills, knowledge and experience needed for the effective administration of the CIO. All Charity Trustees subscribe and adhere to, in belief and lifestyle, the Statement of Faith. The primary method of recruiting new trustees is a personal recommendation or word of mouth. This recommendation can come from any existing trustee or the spiritual leadership of the church. Once a potential trustee has been recommended, they will first be vetted by the spiritual leadership of the church to determine if they agree with the beliefs and aims of the church. After this, they will be vetted by the trustees to make sure that they are indeed a suitable candidate and that by appointing them that we would be acting within the law, in accordance to our governing document. Once the potential trustee has been recommended and vetted, the trustees will appoint the candidate by a vote.

Reality Church London "RCL" has a strong working partnership with both Reality Carpinteria and Reality Ventura, both based in California, USA. The administrative staff of both churches have worked with the staff of RCL to support the ministry while it is getting off the ground. This assistance is continual but is shifting to move operations and admin activity to be held locally in London. RCL has a collection of US based donors who add to the support committed from the general funds from the church planting budget of the sending church. The total funding received from the US amounted to approximately £80,194 as detailed in the accounts.

Between September 2022 and August 2023 the church employed between four and six staff members who manage and oversee the day to day operations of the church. The mission of the church, by design, is carried out with the help of volunteers. We are continuing to build ministry teams made up of men and women who are keen to use their gifts to serve others. We believe serving together is one of the best ways to be connected to the church.

THE YEAR: ITS OBJECTIVES AND ACHIEVEMENTS

During the year ended 31 August 2023 the main ways the church sought to achieve its mission and charitable purposes for the public benefit have been as follows:

◦ **Moving majority of church activity to a Sunday:**

Upon feedback and conversation with various RCL leaders and members, the overwhelming majority expressed excitement of moving various church rhythms and events to Sundays. This move expressed an ongoing desire to act on the feedback and suggestion of church members alongside a continual approach to ministry that is healthy, relevant, and productive for our churches mission of seeking the renewal of London. This move which has taken place enabled all activity to be accessible to the majority of the church, especially those who have previously been unable to attend mid-week activity due to home location, work schedules and/or childcare needs. Through various conversations it's been identified that as well as those groups, individuals new to faith and new to RCL are now more likely to attend Sunday activity rather than something mid-week. This shift has seen higher attendance to all church activity, alongside a greater attendance to the two midweek ministry elements which we have continued, Community Groups and the Serve The City ministry.

REALITY CHURCH LONDON
TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31 AUGUST 2023

THE YEAR: ITS OBJECTIVES AND ACHIEVEMENTS (continued)

◦ **Overall Growth:**

Over the course of the year, we have seen new people join the church and original members grow in applying the weekly teaching to their lives and commit to serving weekly in the church. These signs of growth are at the very heart of our purpose as a church and we hope will continue to be seen. Across the year, our Sunday attendance grew to an average of 240 Which includes both in person and online streaming via YouTube.

◦ **Content based on community need:**

Through spotting trends in pastoral care the staff team have been able to identify and recommend to the elders topics of teaching, conversation and engagement that would best serve the church community. These topics have led to the launch of 'RCL Family Conversations' which all in the church are encouraged to attend.

In planning the activities the Trustees have applied the guidance on public benefit issued by the Charity Commission.

PLANS FOR THE NEW YEAR

Our overall goal and strategy as a church remains the same. Although we do not have specific numbers in mind, we desire to see the church community grow in depth and breadth. We have planned to communicate this to the church by using the language of maturity and mission. We want our church to grow in their understanding of the Bible and put it into practice. In addition, we want people to mature in relationships, especially in community. Many of our events and training sessions will continue to focus on these themes going into the next financial year.

GRANT MAKING POLICY

Gifts to external organisations and individuals are considered by the Trustees on the basis of need and fulfilment of the charitable objectives. There are no upper or lower limits of support.

FINANCIAL REVIEW

Reality Church London received donations and other income of £444,898 (2022: £445,660). £71,644 was donated via the sending church Reality Ventura (2022:£40,871) . Expenditure was £546,051 (2022: £418,071) resulting in a net deficit of £101,153 across the financial year - something pre planned with the trustees encouraging spend of the vast reserves across the FY on various new ministry initiatives alongside expanding the staff team.(2022: Surplus £27,589)

REALITY CHURCH LONDON
TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31 AUGUST 2023

RESERVES POLICY

The reserves policy of Reality Church London is to hold three months of all operational expenditures on reserve. The trustees currently believe this amount to be £131,810, compared to £284,624 in free cash reserves held at the year-end. This is more than what is required by the policy and yet the planting church have informed the trustees that they are committed to continuing to make regular donations to Reality Church London and that they currently have paid all funds due.

Where there are specific capital expenditures foreseen, amounts are set aside into designated funds so the free cash reserves are available to meet the costs of normal operating expenditures and to ensure the Church can meet the commitments that have been entered into. At the year-end there were no material designated funds held on reserve. This reserve policy will be reviewed annually.

RISK STATEMENT

All major insurable risks are subject to normal Churches and employers' insurance. Contractual risks are reviewed before being entered into to assess that they could not significantly impact the Churches ability to fulfil its objectives. An annual review of areas of risk is undertaken by the Trustees in conjunction with staff and volunteers responsible for the area of activity.

TRUSTEES RESPONSIBILITIES

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

Charity law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charity as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure, for the financial year. In preparing these financial statements, the trustees are required to:

1. select suitable accounting policies and apply them consistently;
2. observe the methods and principles in the Charities SORP;
3. make judgements and estimates that are reasonable and prudent;
4. state whether the applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
5. prepare the financial statements on a going concern basis unless it is inappropriate to presume

The trustees are responsible for keeping proper 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 Charities Act 2011 and the Charity (Accounts and Reports) Regulations 2008. 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.

**REALITY CHURCH LONDON
TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31 AUGUST 2023**

APPROVAL

This report was approved by the trustees and signed on their behalf by:

Sarah Yardley

SARAH YARDLEY

Date: 26 February 2024

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF REALITY CHURCH LONDON (‘the Charity’)

I report to the charity trustees on my examination of the accounts of the Charity for the year ended 31 August 2023 on pages 8 to 18 following, which have been prepared on the basis of the accounting policies set out on pages 10 to 12.

Responsibilities and basis of report

As the charity’s trustees of the Charitable Incorporated Organisation 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 Charity’s accounts carried out under section 145 of the 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

Since the Charity’s gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants of England and Wales, which is one of the listed bodies.

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

1. accounting records were not kept in respect of the Charity 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.

Lisa Darby

Lisa Darby FCA
Institute of Chartered Accountants of England and Wales
Stewardship
1 Lamb's Passage
London
EC1Y 8AB

Date: 28 February 2024

REALITY CHURCH LONDON
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2023

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £	Total Funds 2022 £
INCOME AND ENDOWMENTS FROM:					
Donations and legacies	3	434,700	-	434,700	437,179.10
Charitable activities	4	10,075	-	10,075	8,468.00
Investments	5	123	-	123	13.28
Total income and endowments		444,898	-	444,898	445,660
EXPENDITURE ON:					
Charitable activities	6	546,051	-	546,051	418,071
Total expenditure		546,051	-	546,051	418,071
Net income/(expenditure)		(101,153)	-	(101,153)	27,589
Transfers between funds	13	-	-	-	-
Net movement in funds		(101,153)	-	(101,153)	27,589
Reconciliation of funds:					
Total funds brought forward		421,227	-	421,227	393,638
Total funds carried forward	13	320,074	-	320,074	421,227

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

All income and expenditure derive from continuing operations.

The notes on page 10-17 form part of these accounts.

REALITY CHURCH LONDON

BALANCE SHEET

AS AT 31 AUGUST 2023

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £	Total Funds 2022 £
FIXED ASSETS					
Tangible assets	8	2,466	-	2,466	-
		<u>2,466</u>	<u>-</u>	<u>2,466</u>	<u>-</u>
CURRENT ASSETS					
Debtors	9	41,468	-	41,468	38,098
Cash at bank and in hand	10	284,624	-	284,624	394,130
		326,092	-	326,092	432,228
CREDITORS: Amounts falling due within one year	11	(8,484)	-	(8,484)	(11,001)
Net current assets / (liabilities)		<u>317,608</u>	<u>-</u>	<u>317,608</u>	<u>421,227</u>
TOTAL NET ASSETS		<u>320,074</u>	<u>-</u>	<u>320,074</u>	<u>421,227</u>
FUND BALANCES					
Unrestricted Funds	13				
General funds		320,074	-	320,074	421,227
Designated funds		-	-	-	-
		<u>320,074</u>	<u>-</u>	<u>320,074</u>	<u>421,227</u>
Restricted Funds		-	-	-	-
		<u>320,074</u>	<u>-</u>	<u>320,074</u>	<u>421,227</u>

The financial statements were approved by the Board of Trustees and were signed on its behalf by:

Sarah Yardley

SARAH YARDLEY

Date: 26 February 2024

Charity number: 1167535

The notes on page 10-17 form part of these accounts.

REALITY CHURCH LONDON
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2023

1 Statutory Information

The charity is a charitable incorporated organisation registered with the Charity Commission in England & Wales. The charity's registered number and principal address can be found on the Charity Information page.

2 Accounting Policies

These financial statements are prepared on a going concern basis, under the historical cost convention.

These financial statements have been prepared in accordance with the "Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) ("the Charities SORP"), with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland ("FRS 102") and with the Charities Act 2011. The charity meets the definition of a public benefit entity as set out in FRS 102.

The Charities (Accounts and Reports) Regulations 2008 (the '2008 Regulations') requires charities to prepare their accounts in accordance with 'Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005' but this accounting standard has since been withdrawn and has been replaced by the Charities SORP mentioned in the preceding paragraph. The charity has prepared these financial statements in accordance with the new Charities SORP; this departure from the 2008 Regulations is believed to be necessary for these financial statements to give a 'true and fair view'.

The principles adopted in the preparation of the financial statements are set out below.

a) Going concern

The trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charity to continue as a going concern. The trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular the trustees have considered the charity's forecasts and projections and the possible implications should projected income and / or expenditure vary unexpectedly. The trustees have concluded that there is a reasonable expectation that the charity has adequate resources to continue to operate for the foreseeable future. Reality Church Ventura have confirmed that they plan to continue supporting the charity, sufficiently for it to continue for the foreseeable future unless they are told this support is no longer required by the Reality Church London trustees and/or a timeline of withdrawal from support is agreed upon with the Reality Church London Trustees. The charity therefore continues to adopt the going concern basis in preparing its financial statements.

b) Income

Income including investment income is recognised in the period in which the charity becomes entitled to receipt, the amount receivable can be measured with reasonable certainty, and receipt is probable. For the most part, income is generally recognised when it is received. Income is only deferred when the charity has to fulfil conditions before becoming entitled to it or where the donor has specified that the income is to be expended in a future period.

Income from donations and legacies includes:

- i) Recoverable gift aid. This is recognised when the related donation is received. Gift aid that has not been recovered by the balance sheet date is included as a debtor.
- ii) Donated facilities and services for the charity's own use, which are recognised as income when receivable at their value to the charity.

The charity relies on volunteers to carry out many of its activities. However, in accordance with the SORP, the value of these services has not been included in these financial statements as they cannot be reliably measured.

When donated services and facilities are distributed or consumed, an expense in respect of those items is included in the Statement of Financial Activities.

Income from charitable activities represents income receivable from goods, services and facilities supplied in furtherance of the charity's charitable objects. It includes income from church retreats and other events and courses.

Investment income represents income generated by the charity's assets and includes income from bank interest.

The charity has taken the view that it has only one charitable activity, namely the advancement of the Christian faith, and all income from donations, legacies and charitable activities is in respect of this one activity.

REALITY CHURCH LONDON
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2023

2 Accounting Policies (continued)

c) Expenditure

Expenditure, including irrecoverable VAT, is recognised when it is incurred or, if earlier, when a legal or constructive obligation for a payment arises provided that it is probable that settlement will be required and the amount of the obligation can be measured reliably.

The charity makes grants to other institutions and individuals to further its charitable objectives. Grants payable are recognised as constructive obligations arise, which is generally when the charity expresses a commitment to the recipient that can be measured reliably and then only to the extent that any conditions associated with the grant are outside of the control of the charity.

The cost of raising funds is not significant and has not been separately disclosed.

Governance costs, which are included in expenditure on charitable activities but are identified separately in the notes to the accounts, includes costs associated with the independent examination of the financial statements, compliance with constitutional and statutory requirements and any other expenditure incurred on the strategic management of the charity.

d) Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity. Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. Restricted funds are donations which are to be used in accordance with specific restrictions imposed by donors; they include donations received from appeals for specific activities or projects. Endowment funds are donations that are retained as capital in accordance with the donor's wishes. The nature of the restriction determines whether the endowments represent permanent endowments or expendable endowments.

e) Tangible fixed assets

Items purchased or donated for the charity's own use are capitalised when the cost of purchased items, or the fair value of donated items, is more than £2,000 and the item is expected to benefit the charity over more than one accounting period. Depreciation is charged on a straight line basis so as to write down the value of each asset to its estimated residual value (if any) over its expected useful economic life. To achieve this objective the following rates of depreciation are charged:

Freehold land	Is not depreciated (because it is not consumed by use)
Freehold buildings	Over 50 years after taking account of the building's residual value
Leasehold improvements	Over the lease term or, if shorter, expected useful life
Equipment	Over 3 to 7 years

The carrying values of tangible fixed assets are reviewed for impairment in periods when events or changes in circumstances indicate that the carrying value may not be recoverable.

f) Pension scheme arrangements

The charity operates defined contribution pension schemes for its employees. Obligations for contributions to these schemes are recognised as an expense when the liability arises. The assets of these schemes are held separately from those of the charity in independently administered funds.

g) Taxation

The charity has taken advantage of the various reliefs from taxation available to charities and no tax is payable on the charity's income.

h) Financial instruments

The charity's financial assets and financial liabilities all qualify as basic financial instruments, as defined by FRS102. Except for loans, creditors and debtors are measured at their expected settlement value (normally the amount of cash that the charity expects to pay or receive). The charity recognises liabilities for the principal of those loans that remains outstanding at the year end (i.e. the liabilities exclude any interest chargeable on the loans in future years).

REALITY CHURCH LONDON
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2023

2 Accounting Policies (continued)

i) Foreign currency translation

These financial statements are presented in sterling, which is the charity's functional currency.

- i) Income and expenditure denominated in a foreign currency is translated into sterling at the exchange rate prevailing on the date of the transaction.
- ii) Monetary assets and liabilities denominated in a foreign currency are re-translated at the exchange rate prevailing at the balance sheet date.
- iii) Non-monetary assets are measured at historic cost at the rate of exchange prevailing on the date of the transaction and are not subsequently re-translated.

All differences arising from the application of the above policy are charged (or credited) to the Statement of Financial Activities.

j) Exemption from preparing a cashflow statement

The charity has taken advantage of an exemption conferred by the Charities SORP and has not prepared a cash flow statement.

k) Critical accounting estimates and areas of judgement

The trustees do not consider that there are any material sources of estimation or uncertainty at the balance sheet date that could result in a material adjustment to the carrying values of assets and liabilities in the next reporting period.

3 Donations and legacies

	2023	2022
	£	£
General donations	309,770	343,227
Donations in cash from Reality Carpinteria/Reality Ventura	71,644	40,871
Donations in kind from Reality Carpinteria/Reality Ventura (see note 3a)	-	955
Income tax recoverable	53,285	52,127
	434,700	437,179

a Donations in kind comprise:

	2023	2022
Donated services	-	955
	-	955

Donated services comprised the secondment of a book-keeper working remotely to support the church.

4 Income from charitable activities

	2023	2022
	£	£
Church retreats and events	10,075	8,468
Other income	-	-
	10,075	8,468

5 Investment income

	2023	2022
	£	£
Bank interest	123	13
	123	13

REALITY CHURCH LONDON
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2023

6 Charitable expenditure		2023	2022
		£	£
a Costs incurred directly on specific activities			
Staffing Costs	277,298		221,275
Ministry & Outreach	62,808		46,232
Venue Hire	41,042		83,068
Travel & Conferences	77,322		14,614
Equipment	14,446		7,867
Media	3,708		6,198
Other	2,590		1,284
Donations in kind expensed	-		955
	<u>479,214</u>		<u>381,493</u>
Grants payable (note 6c)	7,500		10,689
	<u>486,714</u>		<u>392,182</u>
b Costs incurred on support & administration			
General Administration	29,047		20,145
Legal and professional services	26,397		2,263
Accounts preparation and examination	3,660		3,480
Depreciation of tangible fixed assets	233		-
	<u>59,337</u>		<u>25,888</u>
Total expenditure	<u>546,051</u>		<u>418,071</u>

The fee payable to the independent examiner for preparing and examining the accounts was £3,660 (2022: £3,480); in addition the charity paid £1,084 (2022: £1,034) to Stewardship for payroll bureau and consultancy services.

c Grants payable		Institutions	Individuals	2023
		£	£	£
Grants for UK and overseas mission	7,500	-		7,500
	<u>7,500</u>	<u>-</u>		<u>7,500</u>

The comparatives for the previous year are as follows:

		Institutions	Individuals	2022
		£	£	£
Grants for UK and overseas mission	10,214	-		10,214
Grants for education, including ministry training	475	-		475
	<u>10,689</u>	<u>-</u>		<u>10,689</u>

The charity's principal grants to institutions comprised:

	2023	2022
	£	£
Reality Church Santa Barbara	-	2,214
Gratitude Institute	5,000	5,000
Serve The City	-	3,000
Kingham Hill Trust Oak Hill College	-	475
London City Mission	2,500	-
	<u>7,500</u>	<u>10,689</u>

REALITY CHURCH LONDON
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2023

7 Analysis of staff costs, the cost of key management personnel and trustee remuneration

	2023	2022
	£	£
Gross wages and salaries	250,376	201,381
Social security	23,023	17,019
Pension costs	3,898	2,874
Other employment benefits	18,756	-
	296,053	221,275

The average monthly number of employees during the year was 5.8 (2022: 6.5). Most of the charity's activities are carried out by volunteers.

	2023	2022
Total employee's benefits exceeding £60,000 (excluding Employers Pension contributions):		
£60,000 - £69,999	1	-
£90,000 - £99,999	-	1
£130,000 - £139,999	1	-

No other staff received salaries at a rate of more than £60,000 per annum.

The charity's key management comprise the trustees and the key staff named on the Charity Information page. Total employment benefits payable to key management for the year were as follows:

	Wages & salaries	Other Employment Benefits	Directly from Carpinteria USA	Employer pension contributions	2023 £
Trustees:					
Bijan Mirtolooi	114,618	18,756	-	-	133,373
Other members of key management	65,352	-	-	1,961	67,313
					200,686

The following amounts were payable in the previous year:

	Wages & salaries	Other Employment Benefits	Directly from Carpinteria USA	Employer pension contributions	2022 £
Trustees:					
Bijan Mirtolooi	98,769	-	-	-	98,769

Bijan Mirtolooi served as lead pastor of the church and received the above payments for serving in that capacity, not for serving as a trustee; these payments are permitted by the charity's governing document.

In addition the charity incurred expenditure totalling £18,756 (2022: £NIL) in respect of the UK Immigration Visa renewal for the Mirtolooi family.

All expenses incurred by or on behalf of Bijan Mirtolooi related to his employment, not for serving as a trustee and contained no profit element.

REALITY CHURCH LONDON
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2023

8 Tangible fixed assets

	Fixtures, fittings and equipment £	Total 2023 £
Cost		
At 1 September 2022	-	-
Additions	2,699	2,699
Disposals	-	-
At 31 August 2023	<u>2,699</u>	<u>2,699</u>
Accumulated depreciation		
At 1 September 2022	-	-
Charge for the year	233	233
Eliminated on disposal	-	-
At 31 August 2023	<u>233</u>	<u>233</u>
Net book value		
At 31 August 2023	<u>2,466</u>	<u>2,466</u>
At 31 August 2022	<u>-</u>	<u>-</u>

9 Debtors

	2023 £	2022 £
Falling due within one year:		
Tax recoverable	20,000	20,000
Other debtors	21,468	50
Prepayments and accrued income	-	18,048
	<u>41,468</u>	<u>38,098</u>

10 Cash at Bank and in Hand

	2023 £	2022 £
Cash at bank with immediate access	<u>284,624</u>	<u>394,130</u>
	<u>284,624</u>	<u>394,130</u>

11 Creditors: liabilities falling due within one year

	2023 £	2022 £
Other creditors	4,824	7,521
Accruals	<u>3,660</u>	<u>3,480</u>
	<u>8,484</u>	<u>11,001</u>

12 Pension commitments

During the year employer's pension contributions totalling £3,898 (2022: £2,874) were payable to defined contribution personal pension schemes. Pension contributions totalling £1,068 were owing at the balance sheet date (2022: £605).

REALITY CHURCH LONDON
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2023

13 Funds

During the year the movements in the charity's funds were as follows:

	Opening balance 2023 £	Incoming resources 2023 £	Outgoing resources 2023 £	Transfers in the year 2023 £	Gains and losses 2023 £	Closing balance 2023 £
<i>Designated Funds</i>						
Missional Fund	-	-	-	-	-	-
	-	-	-	-	-	-
<i>General Unrestricted Funds</i>	421,227	444,898	(546,051)	-	-	320,074
Aggregate of funds	421,227	444,898	(546,051)	-	-	320,074

Analysis of net assets by fund

The assets and liabilities of the various funds were as follows:

	Unrestricted Funds			2023 £
	General funds £	Designated funds £	Restricted funds £	
Tangible fixed assets	2,466	-	-	2,466
Debtors	41,468	-	-	41,468
Cash at bank and in hand	284,624	-	-	284,624
Creditors falling due within one year	(8,484)	-	-	(8,484)
	320,074	-	-	320,074

In the previous year the movements in the charity's funds were as follows:

	Opening balance 2022 £	Incoming resources 2022 £	Outgoing resources 2022 £	Transfers in the year 2022 £	Gains and losses 2022 £	Closing balance 2022 £
<i>Designated Funds</i>						
Missional Fund	103,028	-	(10,689)	(92,339)	-	-
	103,028	-	(10,689)	(92,339)	-	-
<i>General Unrestricted Funds</i>	290,610	445,660	(407,382)	92,339	-	421,227
Aggregate of funds	393,638	445,660	(418,071)	-	-	421,227

REALITY CHURCH LONDON
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2023

13 Funds (continued)

Analysis of net assets by fund

In the previous year, the assets and liabilities of the various funds were as follows:

	<u>Unrestricted Funds</u>			2022 £
	General	Designated	Restricted	
	funds £	funds £	funds £	
Debtors	38,098	-	-	38,098
Cash at bank and in hand	394,130	-	-	394,130
Creditors falling due within one year	(11,001)	-	-	(11,001)
	421,227	-	-	421,227

The Missional Fund was an unrestricted fund designated by the Trustees for expenditure on Mission and Church Planting, sewing into individuals and charities across London that align to the mission of Reality Church London. At the end of the 2021-2022 financial year, the charity decided to amalgamate the Missional Fund with the General Fund to permit an increase in general activity and recategorize expenditure within this area. Accordingly, the balance was transferred to the General Fund.

14 Transactions with related parties

During the year the charity:

- a) received donations totalling £28,510 (2022: £600) from related parties (which includes trustees, any other members of key management and anyone closely connected to them).
- b) paid no expenses for or on behalf of trustees other than reimbursements for expenses incurred when acting as agent for the charity or incurred when undertaking employment duties not connected with serving as a trustee (2022: £nil).

Except as disclosed in note 7 'Analysis of staff costs', there have been no other transactions with related parties during the year.

15 Guarantees and security provided

No guarantees have been made, which result in an outstanding potential liability as at the year-end date.

There are no outstanding debts at the balance sheet date which are owed and which are secured by an express charge on any of the assets of the CIO.

REALITY CHURCH LONDON
DETAILED STATEMENT OF FINANCIAL ACTIVITIES WITH COMPARATIVES
FOR THE YEAR ENDED 31 AUGUST 2023

Note	Unrestricted funds				Unrestricted funds			
	General	Designated	Restricted	Total	General	Designated	Restricted	Total
	2023 £	2023 £	2023 £	2023 £	2022 £	2022 £	2022 £	2022 £
INCOME AND ENDOWMENTS FROM:								
Donations and legacies	434,700	-	-	434,700	437,179	-	-	437,179
Charitable activities	10,075	-	-	10,075	8,468	-	-	8,468
Investments	123	-	-	123	13	-	-	13
Total income and endowments	444,898	-	-	444,898	445,660	-	-	445,660
EXPENDITURE ON:								
Charitable activities:	546,051	-	-	546,051	407,382	10,689	-	418,071
Total Expenditure	546,051	-	-	546,051	407,382	10,689	-	418,071
Net income/(expenditure)	(101,153)	-	-	(101,153)	38,278	(10,689)	-	27,589
Transfers between funds	-	-	-	-	92,339	(92,339)	-	-
Net movement in funds	(101,153)	-	-	(101,153)	130,617	(103,028)	-	27,589
Reconciliation of funds:								
Total funds brought forward	421,227	-	-	421,227	290,610	103,028	-	393,638
Total funds carried forward	320,074	-	-	320,074	421,227	-	-	421,227

REALITY CHURCH LONDON

England & Wales - Charity number 1167535

Accounts

Reality Church London

Report and Accounts
Year ended 31 August 2022

Stewardship 
Active generosity

1 Lamb's Passage, London EC1Y 8AB
www.stewardship.org.uk

REALITY CHURCH LONDON
CHARITY INFORMATION
FOR THE YEAR ENDED 31 AUGUST 2022

Trustees Timothy Chaddick (resigned 29 September 2022)
Jonathan Hughes (resigned 12 May 2022)
Matt Kottman (resigned 30 September 2021)
Sarah Yardley
Bijan Mirtolooi
Joel MacMillan
Jihan Watkins (appointed 12 May 2022)
Tyler Morgan (resigned 13 March 2022)

Governing Document CIO Constitution dated 7 June 2016

Charity Registration Number 1167535

Principal Address Reality Church London
86 - 90 Paul Street
London EC2A 4NE

Independent Examiner Lisa Darby FCA
Stewardship
1 Lamb's Passage
London
EC1Y 8AB

Bankers Metro Bank
One Southampton Row
London WC1B 5HA

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REALITY CHURCH LONDON
TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31 AUGUST 2022

The trustees have pleasure in submitting the Report and Accounts for the year.

OBJECTS

The Object of the CIO is, for the public benefit, to persuade men and women to faith in Jesus Christ as Lord and Saviour by proclaiming and demonstrating the gospel; to increase Christian faithfulness “as good stewards of the manifold grace of God” (1 Pet. 4:10); to encourage individual Christians towards attaining “the measure of the stature of the fullness of Christ” (Eph. 4:23); to fulfil the great commission by sending missionaries, church planters, ministers and Christian influence throughout the world through giving gifts and praying for missionary ventures (Matt. 28:19).

THE CHURCH: ITS AIMS AND OBJECTIVES

We are a church plant in central London. We seek to love God, love each other, and love our city. It is our desire to communicate the unchanging truth of the person and work of Jesus Christ in a way that everyone in our city and culture can comprehend. We gather on Sundays for public worship in Old Street and scatter throughout London in small communities committed to living the Christian life together as a family.

We are so thankful for all that God is doing through churches old and new in London and consider it a joy and a privilege to learn from and come alongside them in God's mission. We believe in a message of good news – that God entered our world in the person of Jesus Christ and did for us what we could never do for ourselves: rescue, redeem and renew us from evil, brokenness and death. We seek to build a community on and around the reality of this message.

- **We desire to be a theological church**, seeking to be biblically faithful
- **We desire to be a missional church**, actively seeking God's purposes for our whole lives
- **We desire to be a communal church**, seeking to be relationally committed
- **We desire to be a contextual church**, seeking to be culturally thoughtful
- **We desire to be a spiritual church**, seeking to be supernaturally empowered by God's Spirit

GOVERNMENT

The spiritual government and leadership of the church is primarily responsible for carrying out the purposes and goals of the church. The duty of the Charity Trustees is confined to the proper management and administration of the CIO in accordance with the provisions of the constitution. The trustees have full and proper regard to the Spiritual Leadership as long as they do not act outside their powers given in the constitution and by general law.

In selecting individuals for appointment as Charity Trustees, the Spiritual Leadership has regard to the skills, knowledge and experience needed for the effective administration of the CIO. All Charity Trustees subscribe and adhere to, in belief and lifestyle, the Statement of Faith. The primary method of recruiting new trustees is a personal recommendation or word of mouth. This recommendation can come from any existing trustee or the spiritual leadership of the church. Once a potential trustee has been recommended, they will first be vetted by the spiritual leadership of the church to determine if they agree with the beliefs and aims of the church. After this, they will be vetted by the trustees to make sure that they are indeed a suitable candidate and that by appointing them that we would be acting within the law, in accordance to our governing document. Once the potential trustee has been recommended and vetted, the trustees will appoint the candidate by a vote.

REALITY CHURCH LONDON
TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31 AUGUST 2022

GOVERNMENT (continued)

Reality Church London "RCL" has a strong working partnership with both Reality Carpinteria and Reality Ventura, both based in California, USA. The administrative staff of both churches have worked with the staff of RCL to support the ministry while it is getting off the ground. This assistance is continual but is shifting to move operations and admin activity to be held locally in London. RCL has a collection of US based donors who add to the support committed from the general funds from the church planting budget of the sending church. The total funding received from the US amounted to approximately £40,871.01 as detailed in the accounts.

Between September 2021 and August 2022 the church employed between four and six staff members who manage and oversee the day to day operations of the church. The mission of the church, by design, is carried out with the help of volunteers. We are continuing to build ministry teams made up of men and women who are keen to use their gifts to serve others. We believe serving together is one of the best ways to be connected to the church.

THE YEAR: ITS OBJECTIVES AND ACHIEVEMENTS

During the year ended 31 August 2022 the main ways the church sought to achieve its mission and charitable purposes for the public benefit have been as follows:

◦ **Serve The City:**

Across the year, our Sunday attendance grew to an average of 230, which includes both in person and online streaming via YouTube. A strategic goal for the year was to provide the forum and opportunity for each of these individuals to serve the city mid week in the local area. Having relaunched the Serve The City ministry with three partners, this has taken place and involves a partnership with Webber Street, The Salvation Army Chalk Farm and The Gratitude Initiative. Engagement has been high and we plan for this Ministry to develop through building new partnerships across the next financial year.

◦ **Moving from establishing to developing Classes & Cohorts:**

Having launched a number of new classes, cohorts and wider church rhythms in the previous financial year, this past year has been one of developing those elements, rather than launching a wealth of new activity. We've seen increased uptake for membership, mid week classes on zoom and community group participation, All that we established in the previous financial year is now rooted as normal rhythms in the church calendar. There has still been elements of innovation around the practicalities of these events, such as joining with other churches in partnership with guest speakers and playing around with the format of various conversations. Across the past financial year, the programme of activity accessible to the church has deepened the teaching space and pastoral capacity of all church activity.

◦ **Overall Growth:**

Over the course of the year, we have seen new people join the church and original members grow in applying the weekly teaching to their lives and commit to serving weekly in the church. These signs of growth are at the very heart of our purpose as a church and we hope will continue to be seen.

In planning the activities the Trustees have applied the guidance on public benefit issued by the Charity Commission.

REALITY CHURCH LONDON
TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31 AUGUST 2022

PLANS FOR THE NEW YEAR

Our overall goal and strategy as a church remains the same. Although we do not have specific numbers in mind, we desire to see the church community grow in depth and breadth. We have planned to communicate this to the church by using the language of maturity and mission. We want our church to grow in their understanding of the Bible and put it into practice. In addition, we want people to mature in relationships, especially in community. Many of our events and training sessions will continue to focus on these themes going into the next financial year.

Upon feedback and conversation with various RCL leaders and members, the overwhelming majority expressed excitement of moving various church rhythms and events to Sundays. This move expresses an ongoing desire to act on the feedback and suggestion of church members alongside a continual approach to ministry that is healthy, relevant, and productive for our churches mission of seeking the renewal of London. This way forward will enable all activity to be accessible to many of the church, especially those who have previously been unable to attend mid-week activity due to home location, work schedules and/or childcare needs. Through various conversations it's been identified that as well as those groups, individuals new to faith and new to RCL will also be more likely to attend Sunday activity rather than something mid-week. It's the hope that this shift will see higher attendance to all church activity, alongside a greater attendance to two mid-week ministry elements which will continue, Community Groups and the Serve The City ministry.

GRANT MAKING POLICY

Gifts to external organisations and individuals are considered by the Trustees on the basis of need and fulfilment of the charitable objectives. There are no upper or lower limits of support.

FINANCIAL REVIEW

During the year, Reality Church London received donations and other income of £445,660 (2021: £503,617). £41,826 was donated via the sending church Reality Ventura (2021: £64,641). Expenditure was £418,071 (2021: £270,012) resulting in an increase to the Charity's net assets of £27,588 over the financial year to £421,227, all of which is unrestricted.

RESERVES POLICY

The reserves policy of Reality Church London is to hold three months of all operational expenditures on reserve. The trustees currently believe this amount to be £123,720, compared to £394,130 in unrestricted cash held at the year-end. This is more than required by the policy and the planting church have informed the trustees that they are committed to continuing to make regular donations to Reality Church London and that they currently have paid all funds due.

Where there are specific capital expenditures foreseen, amounts are set aside into designated funds so the free cash reserves are available to meet the costs of normal operating expenditures and to ensure the Church can meet the commitments that have been entered into. At the year-end there were no material designated funds held on reserve. This reserve policy will be reviewed annually.

REALITY CHURCH LONDON
TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31 AUGUST 2022

RISK STATEMENT

All major insurable risks are subject to normal Churches and employers' insurance. Contractual risks are reviewed before being entered into to assess that they could not significantly impact the Churches ability to fulfil its objectives. An annual review of areas of risk is undertaken by the Trustees in conjunction with staff and volunteers responsible for the area of activity.

TRUSTEES RESPONSIBILITIES

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

Charity law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charity as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure, for the financial year. In preparing these financial statements, the trustees are required to:

1. select suitable accounting policies and apply them consistently;
2. observe the methods and principles in the Charities SORP;
3. make judgements and estimates that are reasonable and prudent;
4. state whether the applicable accounting standards have been followed, subject to any material
5. prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity 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 charity and enable them to ensure that the financial statements comply with the Charities Act 2011 and the Charity (Accounts and Reports) Regulations 2008. 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.

Approval

This report was approved by the trustees and signed on their behalf by:

BIJAN MIRTOLLOO

BIJAN MIRTOLLOO

Date: 13 April 2023

INDEPENDENT EXAMINER'S REPORT
TO THE TRUSTEES OF
REALITY CHURCH LONDON
('the Charity')

I report to the charity trustees on my examination of the accounts of the Charity for the year ended 31 August 2022 on pages 7 to 17 following, which have been prepared on the basis of the accounting policies set out on pages 11 to 12.

Responsibilities and basis of report

As the charity's trustees of the Charitable Incorporated Organisation 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 Charity's accounts carried out under section 145 of the 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

Since the Charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants of England and Wales, which is one of the listed

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

1. accounting records were not kept in respect of the Charity 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.

Lisa Darby

Lisa Darby FCA
Institute of Chartered Accountants of England and Wales
Stewardship
1 Lamb's Passage
London
EC1Y 8AB

Date: 17 April 2023

REALITY CHURCH LONDON
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2022

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £	Total Funds 2021 £
INCOME AND ENDOWMENTS FROM:					
Voluntary income	3	437,179	-	437,179	503,564
Charitable activities	4	8,468	-	8,468	-
Investments		13	-	13	52
Total income and endowments		445,660	-	445,660	503,616
EXPENDITURE ON:					
Charitable activities	5	418,071	-	418,071	270,012
Total expenditure		418,071	-	418,071	270,012
Net income/(expenditure)		27,589	-	27,589	233,604
Transfers between funds	11	-	-	-	-
Net movement in funds		27,589	-	27,589	233,604
Reconciliation of funds:					
Total funds brought forward		393,638	-	393,638	160,035
Total funds carried forward	11	421,227	-	421,227	393,639

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

All income and expenditure derive from continuing operations.

The notes on pages 11-16 form part of these accounts.

REALITY CHURCH LONDON

BALANCE SHEET

AS AT 31 AUGUST 2022

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £	Total Funds 2021 £
CURRENT ASSETS					
Debtors	7	38,098	-	38,098	59,449
Cash at bank and in hand	8	394,130	-	394,130	342,698
		<u>432,228</u>	<u>-</u>	<u>432,228</u>	<u>402,147</u>
CREDITORS: Amounts falling due within one year					
	9	(11,001)	-	(11,001)	(8,508)
		<u>421,227</u>	<u>-</u>	<u>421,227</u>	<u>393,639</u>
Net current assets / (liabilities)					
		<u>421,227</u>	<u>-</u>	<u>421,227</u>	<u>393,639</u>
Total assets less current liabilities					
		<u>421,227</u>	<u>-</u>	<u>421,227</u>	<u>393,639</u>
TOTAL NET ASSETS					
		<u>421,227</u>	<u>-</u>	<u>421,227</u>	<u>393,639</u>
FUND BALANCES					
	11				
Unrestricted Funds					
General funds		421,227	-	421,227	290,611
Designated funds		-	-	-	103,028
		<u>421,227</u>	<u>-</u>	<u>421,227</u>	<u>393,639</u>

The financial statements were approved by the Board of Trustees and were signed on its behalf by:

BIJAN MIRTOLOOI

BIJAN MIRTOLOOI

Date: 13 April 2023

Charity number: 1167535

The notes on pages 11-16 form part of these accounts.

REALITY CHURCH LONDON
FOR THE YEAR ENDED 31 AUGUST 2022
CASH FLOW STATEMENT

	Note	2022 £	2021 £
Cash flows from operating activities:			
Net cash provided by/(used in) operating activities	a	<u>51,419</u>	<u>206,307</u>
Cash flows from investing activities:			
Dividends, interest and rents from investments		<u>13</u>	<u>52</u>
Net cash provided by/(used in) investing activities		<u>13</u>	<u>52</u>
Change in cash and equivalents in the reporting period			
Cash and equivalents at the beginning of the year	b	<u>51,432</u> <u>342,699</u>	<u>206,359</u> <u>136,340</u>
Cash and cash equivalents at the end of the year	b	<u>394,130</u>	<u>342,699</u>

Analysis of changes in net debt:

	At start of year £	Cash-flows £	At end of year £
Cash	342,699	51,432	394,131
Total net funds / (debt)	<u>342,699</u>	<u>51,432</u>	<u>394,131</u>

REALITY CHURCH LONDON
FOR THE YEAR ENDED 31 AUGUST 2022
NOTES TO THE CASH FLOW STATEMENT

Note a: Reconciliation of net income/(expenditure) to net cash flow from operating activities

	2022	2021
	£	£
<i>Net income/(expenditure) for the reporting period (as per the statement of financial activities)</i>	27,589	233,604
Adjustments for:		
Dividends, interest and rents from investments	(13)	(52)
(Increase)/decrease in debtors	21,350	(7,513)
Increase/(decrease) in creditors	2,493	(19,732)
<i>Net cash provided by (used in) operating activities</i>	51,419	206,307

Note b: Analysis of cash and cash equivalents

	2022	2021
	£	£
Cash at bank with immediate access	394,130	342,698
Total cash and cash equivalents	394,130	342,699

REALITY CHURCH LONDON
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2022

1 Statutory Information

The charity is a charitable incorporated organisation registered with the Charity Commission in England & Wales. The charity's registered number and principal address can be found on the Charity Information page.

2 Accounting Policies

These financial statements are prepared on a going concern basis, under the historical cost convention.

These financial statements have been prepared in accordance with the "Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) ("the Charities SORP")", with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland ("FRS 102") and with the Charities Act 2011. The charity meets the definition of a public benefit entity as set out in FRS 102.

The Charities (Accounts and Reports) Regulations 2008 (the '2008 Regulations') requires charities to prepare their accounts in accordance with 'Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005' but this accounting standard has since been withdrawn and has been replaced by the Charities SORP mentioned in the preceding paragraph. The charity has prepared these financial statements in accordance with the new Charities SORP; this departure from the 2008 Regulations is believed to be necessary for these financial statements to give a 'true and fair view'.

The principles adopted in the preparation of the financial statements are set out below.

a) Going concern

The trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charity to continue as a going concern. The trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular the trustees have considered the charity's forecasts and projections and the possible implications should projected income and / or expenditure vary unexpectedly. The trustees have concluded that there is a reasonable expectation that the charity has adequate resources to continue to operate for the foreseeable future. Reality Church Carpinteria have confirmed that they plan to continue supporting the charity, sufficiently for it to continue for the foreseeable future unless they are told this support is no longer required by the Reality Church London trustees and/or a timeline of withdrawal from support is agreed upon with the Reality Church London Trustees. The charity therefore continues to adopt the going concern basis in preparing its financial statements.

b) Income

Income including investment income is recognised in the period in which the charity becomes entitled to receipt, the amount receivable can be measured with reasonable certainty, and receipt is probable. For the most part, income is generally recognised when it is received. Income is only deferred when the charity has to fulfil conditions before becoming entitled to it or where the donor has specified that the income is to be expended in a future period.

Income from donations includes:

- i) Recoverable gift aid. This is recognised when the related donation is received. Gift aid that has not been recovered by the balance sheet date is included as a debtor.
- ii) Donated facilities and services for the charity's own use, which are recognised as income when receivable at their value to the charity.

The charity relies on volunteers to carry out many of its activities. However, in accordance with the SORP, the value of these services has not been included in these financial statements as they cannot be reliably measured.

When donated services and facilities are distributed or consumed, an expense in respect of those items is included in the Statement of Financial Activities.

The charity has taken the view that it has only one charitable activity, namely the advancement of the Christian faith, and all income from donations, legacies and charitable activities is in respect of this one activity.

c) Expenditure

Expenditure, including irrecoverable VAT, is recognised when it is incurred or, if earlier, when a legal or constructive obligation for a payment arises provided that it is probable that settlement will be required and the amount of the obligation can be measured reliably.

The charity makes grants to other institutions and individuals to further its charitable objectives. Grants payable are recognised as constructive obligations arise, which is generally when the charity expresses a commitment to the recipient that can be measured reliably and then only to the extent that any conditions associated with the grant are outside of the control of the charity.

The cost of raising funds is not significant and has not been separately disclosed.

Governance costs, which are included in expenditure on charitable activities but are identified separately in the notes to the accounts, includes costs associated with the independent examination of the financial statements, compliance with constitutional and statutory requirements and any other expenditure incurred on the strategic management of the charity.

REALITY CHURCH LONDON
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2022

d) Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity. Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. Restricted funds are donations which are to be used in accordance with specific restrictions imposed by donors; they include donations received from appeals for specific activities or projects. Endowment funds are donations that are retained as capital in accordance with the donor's wishes. The nature of the restriction determines whether the endowments represent permanent endowments or expendable endowments.

e) Tangible fixed assets

Items purchased or donated for the charity's own use are capitalised when the cost of purchased items, or the fair value of donated items, is more than £2,000 and the item is expected to benefit the charity over more than one accounting period. Depreciation is charged on a straight line basis so as to write down the value of each asset to its estimated residual value (if any) over its expected useful economic life. To achieve this objective the following rates of depreciation are charged:

Freehold land	Is not depreciated (because it is not consumed by use)
Freehold buildings	Over 50 years after taking account of the building's residual value
Leasehold improvements	Over the lease term or, if shorter, expected useful life
Equipment	Over 3 to 7 years

The carrying values of tangible fixed assets are reviewed for impairment in periods when events or changes in circumstances indicate that the carrying value may not be recoverable.

f) Pension scheme arrangements

The charity operates defined contribution pension schemes for its employees. Obligations for contributions to these schemes are recognised as an expense when the liability arises. The assets of these schemes are held separately from those of the charity in independently administered funds.

g) Taxation

The charity has taken advantage of the various reliefs from taxation available to charities and no tax is payable on the charity's income.

h) Financial instruments

The charity's financial assets and financial liabilities all qualify as basic financial instruments, as defined by FRS102. Except for loans, creditors and debtors are measured at their expected settlement value (normally the amount of cash that the charity expects to pay or receive). The charity recognises liabilities for the principal of those loans that remains outstanding at the year end (i.e. the liabilities exclude any interest chargeable on the loans in future years).

i) Foreign currency translation

These financial statements are presented in sterling, which is the charity's functional currency.

- i) Income and expenditure denominated in a foreign currency is translated into sterling at the exchange rate prevailing on the date of the transaction.
- ii) Monetary assets and liabilities denominated in a foreign currency are re-translated at the exchange rate prevailing at the balance sheet date.
- iii) Non-monetary assets are measured at historic cost at the rate of exchange prevailing on the date of the transaction and are not subsequently re-translated.

All differences arising from the application of the above policy are charged (or credited) to the Statement of Financial Activities.

j) Critical accounting estimates and areas of judgement

The trustees do not consider that there are any material sources of estimation or uncertainty at the balance sheet date that could result in a material adjustment to the carrying values of assets and liabilities in the next reporting period.

3 Voluntary income

	2022	2021
	£	£
General donations	343,227	366,120
Donations in cash from Reality Carpinteria	40,871	72,804
Donations in kind from Reality Carpinteria (see note 3a)	955	-
Income tax recoverable	52,127	64,641
	<u>437,179</u>	<u>503,564</u>

a Donations in kind comprise:

	2022	2021
	£	£
Donated services	955	-
	<u>955</u>	<u>-</u>

Donated services comprise the secondment of a book-keeper working remotely to support the church.

REALITY CHURCH LONDON
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2022

4 Income from charitable activities

	2022	2021
	£	£
Church retreats and events	8,468	-
	8,468	-

5 Charitable activity

	2022	2021
	£	£
a Direct Charitable Costs		
Staffing Costs	221,275	157,929
Ministry & Outreach	46,232	29,377
Venue Hire	83,068	18,135
Travel & Conferences	14,614	6,329
Equipment	7,867	6,173
Media	6,198	5,770
Other	1,284	534
Grants payable (note 5c)	10,689	10,380
Donations in kind expensed	955	-
	392,182	234,627
b Support & Administration		
General Administration	20,145	16,283
Legal and professional services	2,263	15,982
Accounts preparation and examination	3,480	3,120
	25,888	35,385
Total expenditure	418,071	270,012

The fee payable to the independent examiner for preparing and examining the accounts was £3,480 (2021: £3,120); in addition the charity paid £1,034 (2021: £835) to Stewardship for payroll bureau and consultancy services.

c Grants payable

	Institutions	Individuals	2022
	£	£	£
Grants for UK and overseas mission	10,214	-	10,214
Grants for education, including ministry training	475	-	475
	10,689	-	10,689

The comparatives for the previous year are as follows:

	Institutions	Individuals	2021
	£	£	£
Grants for UK and overseas mission	7,680	-	7,680
Grants for the relief of poverty	-	300	300
Grants for education, including ministry training	2,400	-	2,400
	10,080	300	10,380

The charity's principal grants to institutions comprised:

	2022	2021
	£	£
Reality Church Santa Barbara	2,214	-
Gratitude Institute	5,000	-
Serve The City	3,000	-
Centre for Enterprise	-	6,200
Kingham Hill Trust Oak Hill College	475	2,400
Grants to institutions for less than £1,000 each	-	1,480
	10,689	10,080

REALITY CHURCH LONDON
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2022

6 Analysis of staff costs, the cost of key management personnel and trustee remuneration

	2022	2021
	£	£
Gross wages, salaries & benefits in kind	201,381	144,211
Social security	17,019	11,411
Pension costs	2,874	2,306
	<u>221,275</u>	<u>157,929</u>

The average monthly number of employees during the year was 6.5 (2021: 3). Most of the charity's activities are carried out by volunteers.

The charity's key management comprise the trustees named on the Charity Information page. Total employment benefits payable to key management for the year were as follows:

	Wages & salaries	Other employment benefits	Employer pension contributions	2022
	£	£	£	£
Trustees:				
Bijan Mirtolooi	98,769	-	-	98,769

The following amounts were payable in the previous year:

	Wages & salaries	Directly from Carpinteria USA	Employer pension contributions	2021
	£	£	£	£
Trustees:				
Bijan Mirtolooi	63,333	9,325	-	72,659

Bijan Mirtolooi served as the church leader and received the above payments for serving in that capacity, not for serving as a trustee; these payments are permitted by the charity's governing document.

No other staff received salaries at a rate of more than £60,000 per annum.

7 Debtors

	2022	2021
	£	£
Falling due within one year:		
Tax recoverable	20,000	40,000
Other debtors	50	18,449
Prepayments and accrued income	18,048	1,000
	<u>38,098</u>	<u>59,449</u>

8 Cash at Bank and in Hand

	2022	2021
	£	£
Cash at bank with immediate access	394,130	342,698
	<u>394,130</u>	<u>342,698</u>

9 Creditors: liabilities falling due within one year

	2022	2021
	£	£
Other creditors	7,521	5,388
Accruals	3,480	3,120
	<u>11,001</u>	<u>8,508</u>

10 Pension commitments

During the year employer's pension contributions totalling £2,874 (2021: £2,306) were payable to defined contribution personal pension schemes. Pension contributions totalling £605 were owing at the balance sheet date (2021: £408).

REALITY CHURCH LONDON
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2022

11 Funds

During the year the movements in the charity's funds were as follows:

	Opening balance 2022 £	Incoming resources 2022 £	Outgoing resources 2022 £	Transfers in the year 2022 £	Gains and losses 2022 £	Closing balance 2022 £
<i>Designated Funds</i>						
Missional Fund	103,028	-	(10,689)	(92,339)		-
<i>General Unrestricted Funds</i>	290,611	445,660	(407,382)	92,339		421,227
Total Unrestricted Funds	393,639	445,660	(418,071)	-	-	421,227

Analysis of net assets by fund

The assets and liabilities of the various funds were as follows:

	<u>Unrestricted Funds</u>			Restricted funds £	2022 £
	General funds £	Designated funds £			
Debtors	38,098				38,098
Cash at bank and in hand	394,130	-		-	394,130
Creditors falling due within one year	(11,001)				(11,001)
	421,227	-	-	-	421,227

In the previous year the movements in the charity's funds were as follows:

	Opening balance 2021 £	Incoming resources 2021 £	Outgoing resources 2021 £	Transfers in the year 2021 £	Gains and losses 2021 £	Closing balance 2021 £
<i>Designated Funds</i>						
Missional Fund	62,470	50,638	(10,080)			103,028
<i>General Unrestricted Funds</i>	97,565	452,978	(259,933)	-		290,611
Total Unrestricted Funds	160,035	503,616	(270,012)	-	-	393,639

REALITY CHURCH LONDON
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2022

11 Funds (continued)

Analysis of net assets by fund

In the previous year, the assets and liabilities of the various funds were as follows:

	<u>Unrestricted Funds</u>			2021 £
	General funds £	Designated funds £	Restricted funds £	
Debtors	59,449			59,449
Cash at bank and in hand	239,670	103,028	-	342,698
Creditors falling due within one year	(8,508)			(8,508)
	<hr/>	<hr/>	<hr/>	
	290,611	103,028	-	393,639
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

The Missional Fund was an unrestricted fund designated by the Trustees for expenditure on Mission and Church Planting, sewing into individuals and charities across London that align to the mission of Reality Church London. During the financial year, the charity decided to amalgamate the Missional Fund with the General Fund to permit an increase in general activity and recategorize expenditure within this area. Accordingly, the balance was transferred to the General Fund.

12 Transactions with related parties

During the year the charity:

- a) received donations totalling £600 (2021: £1,920) from related parties (which includes trustees, any other members of key management and anyone closely connected to them).
- b) paid expenses totalling £0 (2021: £1,803) to trustees for reimbursed travel costs, which were incurred monitoring and supporting charitable activities and programmes. Reimbursements for expenses incurred when acting as agent for the charity or incurred when undertaking employment duties not connected with serving as a trustee are not included in this disclosure.

Except as disclosed in note 6 'Analysis of staff costs', there have been no other transactions with related parties during the year.

13 Guarantees and security provided

No guarantees have been made, which result in an outstanding potential liability as at the year-end date.

There are no outstanding debts at the balance sheet date which are owed and which are secured by an express charge on any of the assets of the CIO.

REALITY CHURCH LONDON
DETAILED STATEMENT OF FINANCIAL ACTIVITIES WITH COMPARATIVES
FOR THE YEAR ENDED 31 AUGUST 2022

	Note	<u>Unrestricted funds</u>				<u>Unrestricted funds</u>			
		General	Designated	Restricted	Total	General	Designated	Restricted	Total
		2022	2022	2022	2022	2021	2021	2021	2021
		£	£	£	£	£	£	£	
INCOME AND ENDOWMENTS FROM:									
Donations and legacies	3	437,179			437,179	452,926	50,638		503,564
Charitable activities	4	8,468			8,468	-			-
Investments		13			13	52			52
Total income and endowments		445,660	-	-	445,660	452,978	50,638	-	503,616
EXPENDITURE ON:									
Charitable activities:	5	407,382	10,689		418,071	259,933	10,080		270,012
Total Expenditure		407,382	10,689	-	418,071	259,933	10,080	-	270,012
Net gains/(losses) on investments		-			-	-			-
Net income/(expenditure)		38,278	(10,689)	-	27,589	193,045	40,558	-	233,603
Transfers between funds	11	92,339	(92,339)	-	-	-	-	-	-
Net movement in funds		130,617	(103,028)	-	27,589	193,045	40,558	-	233,603
Reconciliation of funds:									
Total funds brought forward		290,610	103,028	-	393,638	97,565	62,470	-	160,035
Total funds carried forward	11	421,227	-	-	421,227	290,610	103,028	-	393,638

Differences of £1 may appear due to rounding

REALITY CHURCH LONDON

England & Wales - Charity number 1167535

Accounts

Reality Church London

Report and Accounts

Year ended 31 August 2021

Stewardship 
Active generosity

1 Lamb's Passage, London EC1Y 8AB
www.stewardship.org.uk

REALITY CHURCH LONDON
FOR THE YEAR ENDED 31 AUGUST 2021
CHARITY INFORMATION

Trustees	T Chaddick J Hughes M Kottman (resigned 30 September 2021) T Morgan (Chair) (resigned 13 March 2022) S Yardley (10 September 2020) B Mirtolooi (10 September 2020) J MacMillan (1 August 2021)(Chair from 13 March 2022) J Watkins (1 April 2022)
Pastor	B Mirtolooi (From 01 January 2021)
Governing Document	CIO Constitution dated 7 June 2016
Charity Registration Number	1167535
Registered Office	Reality Church London 86 - 90 Paul Street London EC2A 4NE
Independent Examiner	Lisa Darby ACA Stewardship 1 Lamb's Passage London, EC1Y 8AB
Bankers	Metro Bank One Southampton Row London WC1B 5HA

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REALITY CHURCH LONDON
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2021

The Trustees have pleasure in submitting the Report and Accounts for the year ended 31 August 2021.

Objects of the charity

The Object of the CIO is, for the public benefit, to persuade men and women to faith in Jesus Christ as Lord and Saviour by proclaiming and demonstrating the gospel; to increase Christian faithfulness “as good stewards of the manifold grace of God” (1 Pet. 4:10); to encourage individual Christians towards attaining “the measure of the stature of the fullness of Christ” (Eph. 4:23); to fulfil the great commission by sending missionaries, church planters, ministers and Christian influence throughout the world through giving gifts and praying for missionary ventures (Matt. 28:19).

The Church: Its Aims and Objectives

We are a church in central London. We seek to love God, love each other, and love our city. It is our desire to communicate the unchanging truth of the person and work of Jesus Christ in a way that everyone in our city and culture can comprehend. We gather on Sundays for public worship in Old Street and scatter throughout London in small communities committed to living the Christian life together as a family.

We are so thankful for all that God is doing through churches old and new in London and consider it a joy and a privilege to learn from and come alongside them in God's mission. We believe in a message of good news – that God entered our world in the person of Jesus Christ and did for us what we could never do for ourselves: rescue, redeem and renew us from evil, brokenness and death. We seek to build a community on and around the reality of this message.

- **We desire to be a theological church**, seeking to be biblically faithful
- **We desire to be a missional church**, actively seeking God's purposes for our whole lives
- **We desire to be a communal church**, seeking to be relationally committed
- **We desire to be a contextual church**, seeking to be culturally thoughtful
- **We desire to be a spiritual church**, seeking to be supernaturally empowered by God's Spirit

Government

The spiritual government and leadership of the church is primarily responsible for carrying out the purposes and goals of the church. The duty of the Charity Trustees is confined to the proper management and administration of the CIO in accordance with the provisions of the constitution. The trustees have full and proper regard to the Spiritual Leadership as long as they do not act outside their powers given in the constitution and by general law.

In selecting individuals for appointment as Charity Trustees, the Spiritual Leadership has regard to the skills, knowledge and experience needed for the effective administration of the CIO. All Charity Trustees subscribe and adhere to, in belief and lifestyle, the Statement of Faith. The primary method of recruiting new trustees is a personal recommendation or word of mouth. This recommendation can come from any existing trustee or the spiritual leadership of the church. Once a potential trustee has been recommended, they will first be vetted by the spiritual leadership of the church to determine if they agree with the beliefs and aims of the church. After this, they will be vetted by the trustees to make sure that they are indeed a suitable candidate and that by appointing them that we would be acting within the law, in accordance to our governing document. Once the potential trustee has been recommended and vetted, the trustees will appoint the candidate by a vote.

Reality Church London "RCL" has a strong working partnership with Reality Carpinteria and Reality Ventura, both based in California, USA. The administrative staff at the sending church have worked with the staff of RCL to support the ministry while it is getting off the ground. This assistance is continual but is shifting to move operations and admin activity to be held locally in London. RCL has many US based donors who add to the support committed from the general funds from the church planting budget of the sending church. The total funding received from the US amounted to £72,804 as detailed in note 3 to the accounts

Between September 2020 and August 2021 the church employed between between three and six staff members who manage and oversee the day to day operations of the church. The mission of the church, by design, is carried out with the help of volunteers. We are continuing to build ministry teams made up of men and women who are keen to use their gifts to serve others. We believe serving together is one of the best ways to be connected to the church.

The Year: Its Objectives and Achievements

During the year ended 31 August 2021 the main ways the church sought to achieve its mission and charitable purposes for the public benefit **as guided by the Charity Commission** have been as follows:

- **Sunday Services:** From September 2020 to March 2021, our Sunday attendance grew to an average of 220. Despite the entire financial year taking place during the ongoing COVID-19 pandemic we navigated our services back to in person as per government guidelines. We are encouraged that despite this change in approach for Sunday Services mid pandemic, engagement remained high and we estimate the Sunday attendance stayed the same as previous years.
- **Staff:** In addition to our staff team which fluctuated over the 2020-2021 period between three and six, we also had two volunteers who serve the church significantly in a free capacity. At the start of this financial year the Lead Pastor transition took place. The planning and outworking of this transition has taken up a large amount of both time and finances - but we feel the transition has been a healthy one with the new Lead Pastor, Bijan Mirtolooi, having arrived at the start of 2021.
- **Overall Growth:** Over the course of the year, we have seen new people join the church and original members grow in applying the weekly teaching to their lives and commit to serving weekly in the church. These signs of growth are at the very heart of our purpose as a church.

Plans for the New Year

Our overall goal and strategy as a church remains the same. Although we do not have specific numbers in mind, we desire to see the church community grow in depth and breadth. We have planned to communicate this to the church by using the language of maturity and mission. We want our church to grow in their understanding of the Bible and put it into practice. In addition, we want people to mature in relationships, especially in community. Many of our events and training sessions will continue to focus on these themes going into the next financial year.

Considering the global pandemic, we enter into this next financial year cautiously optimistic about the mission of Reality Church London. We feel that we are still to see the true impact the pandemic has had both on our ministry but also specifically our finances. As we navigate forward into this next season we will be reviewing finances in detail more frequently and hold a number of conversations with members of our community to truly understand the impact the pandemic has had and continues to have.

We are currently planning for quarterly volunteer vision nights alongside an annual church wide Vision Sunday, to cast vision over the coming season of Reality Church London. We look to these events as significant moments in the life of the church to ensure clear communication of vision and values, and proper leadership of volunteers. This year we endeavour to create good structures which will enable the number of volunteers to increase while remaining healthy in relation to each other and the church as a whole.

Grant Making Policy

Gifts to external organisations and individuals are considered by the Trustees on the basis of need and fulfilment of the charitable objectives. There are no upper or lower limits of support.

Financial Review

Reality Church London received donations and other income of £503,616 (2020: £399,890). £72,804 (2020: £89,655) was donated via the sending church, Reality Carpinteria. Expenditure was £270,012 (2020: £322,284) resulting in a net gain of approximately £233,604 (2020: £77,606) over the financial year.

Reserves Policy

The reserves policy of Reality Church London is to hold three months of all operational expenditures on reserve. The trustees currently believe this amount to be £67,503, compared to £342,698 in free cash reserves held at the year-end so are exceeding the policy level set. In addition the planting church have informed the trustees that they are committed to continuing to make regular donations to Reality Church London and have already paid those outstanding at the year end.

Where there are specific capital expenditures foreseen, amounts are set aside into designated funds so the free cash reserves are available to meet the costs of normal operating expenditures and to ensure the Church can meet the commitments that have been entered into. At the year-end there were no material designated funds held on reserve. This reserve policy will be reviewed annually.

The Missional Fund is an unrestricted fund designated by the Trustees for expenditure on Mission and Church Planting. £103,028 of the unrestricted cash balance is held in this fund (2020:£62,470) These 'First Fruits' funds are reserved to sew into individuals and charities across London that align to the mission of Reality Church London, including the Reality Church London Serve the City Partners. As a church we want to model generosity throughout our city as we seek the renewal of London, supporting these causes via our First Fruits fund enables us to continually seek that renewal.

Covid Impact

In March 2020 Reality Church London took steps in line with government guidance to help contain the nationwide outbreak of COVID-19. All staff transitioned to remote working and Reality Church London actioned the temporary suspension of all physical gatherings and events, moving all activity online. Through purchasing needed equipment and software to navigate this change successfully, with the exception of two weeks in October 2020 activity remained online for 2020 as per government guidance. To date there has been no significant impact on net income; nonetheless the trustees are continuing to monitor income and expenditure closely and, if it becomes necessary, will take measures to mitigate any financial impact. Reality Church London has not had to make any redundancies or furlough any staff members due to the continued high workload of online activity and the already skeleton staff structure. The government guidance was continually strictly adhered to during this financial period, ensuring all Reality Church London activity remained COVID secure and in line with the most up to date government regulations. Reality Church London started meeting back in person in March 2021, whilst continuing to stream services and events online via ZOOM.

Risk Statement

All major insurable risks are subject to normal Churches and employers' insurance. Contractual risks are reviewed before being entered into to assess that they could not significantly impact the Churches ability to fulfil its objectives. An annual review of areas of risk is undertaken by the Trustees in conjunction with staff and volunteers responsible for the area of activity.

Trustees' Responsibilities

Charity law requires us as Trustees to prepare financial statements for each accounting year which give a true and fair view of the state of the charity and of its income and expenditure for the year.

We are required to:

1. Select suitable accounting policies and apply them consistently
2. Make judgements and estimates that are reasonable and prudent
3. State whether the applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts.
4. Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue in business.

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

We also have a responsibility to safeguard the assets of the charity and to take reasonable steps to prevent fraud or any other irregularities.

The Trustees have complied with the duty under the Charities Acts to have due regard to the public benefit guidance published by the Charity Commission.

Approval

This report was approved by the Trustees on 12 May 2022 and signed on their behalf by:

Bijan Mirtolooi, Trustee

INDEPENDENT EXAMINER'S REPORT
TO THE TRUSTEES OF
REALITY CHURCH LONDON

I report to the trustees on my examination of the accounts of the Reality Church London (the charity) for the period ended 31 August 2021 on pages 8 to 17 following, which have been prepared on the basis of the accounting policies set out on pages 11 to 12.

Responsibilities and basis of report

As the charity trustees of the charity 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

Since the Charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants of England and Wales, which is one of the listed bodies.

I have completed my examination. I confirm that no material matters have come to my attention in connection with the 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.

Lisa Darby ACA
Institute of Chartered Accountants of England and Wales

For and on behalf of:
Stewardship
1 Lamb's Passage
London,
EC1Y 8AB

17 May 2022

REALITY CHURCH LONDON
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2021
SUMMARY INCOME AND EXPENDITURE ACCOUNT

	Note	Unrestricted Funds £	Restricted Funds £	Total funds 2021 £	Total funds 2020 £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	3	503,564	-	503,564	397,511
Charitable activities		-	-	-	2,379
Other income and endowments		52	-	52	-
Total income and endowments		503,616	-	503,616	399,890
EXPENDITURE ON					
Charitable activities	4	270,012	-	270,012	322,284
Total expenditure		270,012	-	270,012	322,284
Net movement in funds		233,604	-	233,604	77,606
Reconciliation of funds:					
Total funds brought forward		160,035	-	160,035	82,429
Total funds carried forward		393,639	-	393,639	160,035

Movements on reserves and all recognised gains and losses are shown above.

The notes on page 11 - 16 form part of these accounts.

REALITY CHURCH LONDON
BALANCE SHEET
FOR THE YEAR ENDED 31 AUGUST 2021

	Note	Unrestricted Funds	Restricted Funds	Total 2021	Total 2020
		£		£	
CURRENT ASSETS					
Debtors	6	59,449	-	59,449	51,935
Cash at bank	7	342,698	-	342,698	136,340
		<u>402,147</u>	<u>-</u>	<u>402,147</u>	<u>188,275</u>
CURRENT LIABILITIES					
Liabilities falling due within one year	8	8,508	-	8,508	28,240
Net Current Assets		<u>393,639</u>	<u>-</u>	<u>393,639</u>	<u>160,035</u>
NET ASSETS					
		<u>393,639</u>	<u>-</u>	<u>393,639</u>	<u>160,035</u>
FUND BALANCES					
Unrestricted funds					
General Funds		290,611	-	290,611	97,565
Designated funds	9	103,028	-	103,028	62,470
		<u>393,639</u>	<u>-</u>	<u>393,639</u>	<u>160,035</u>

Approved by the Trustees and signed on their behalf on the 12 May 2022 by:

Bijan Mirtolooi, Trustee

The notes on page 11 - 16 form part of these accounts.

REALITY CHURCH LONDON
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2021

	Total funds £	Prior year funds £	Note
Cash flows from operating activities:			
<i>Net cash provided by (used in) operating activities</i>	<u>206,358</u>	<u>95,217</u>	<i>a</i>
<i>Change in cash and cash equivalents in the reporting period</i>	206,358	95,217	
Cash and cash equivalents at the beginning of the reporting period	136,340	41,123	<i>b</i>
Change in cash and cash equivalents due to exchange rate movements			
<i>Cash and cash equivalents at the end of the reporting period</i>	<u>342,698</u>	<u>136,340</u>	<i>b</i>

Note a: Reconciliation of net income/(expenditure) to net cash flow from operating activities

	Current year £	Prior year £
<i>Net income/(expenditure) for the reporting period (as per the statement of financial activities)</i>	233,604	77,606
Adjustments for:		
(Increase)/decrease in debtors	(7,513)	(2,290)
Increase/(decrease) in creditors	(19,732)	19,901
<i>Net cash provided by (used in) operating activities</i>	<u>206,358</u>	<u>95,217</u>

Note b: Analysis of cash and cash equivalents

	Current year £	Prior year £
Cash in hand	342,698	136,340
Total cash and cash equivalents	<u>342,698</u>	<u>136,340</u>

REALITY CHURCH LONDON
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2021

1 Statutory Information

The charity is a charitable incorporated organisation registered in England & Wales. The charity's registered number and principal address can be found on the Charity Information page.

2 Accounting Policies

These financial statements are prepared on a going concern basis, under the historical cost convention.

These financial statements have been prepared in accordance with the "Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) ("the Charities SORP"), with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland ("FRS 102") and with the Charities Act 2011. The charity meets the definition of a public benefit entity as set out in FRS 102.

The Charities (Accounts and Reports) Regulations 2008 (the '2008 Regulations') requires charities to prepare their accounts in accordance with 'Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005' but this accounting standard has since been withdrawn and has been replaced by the Charities SORP mentioned in the preceding paragraph. The charity has prepared these financial statements in accordance with the new Charities SORP; this departure from the 2008 Regulations is believed to be necessary for these financial statements to give a 'true and fair view'.

The principles adopted in the preparation of the financial statements are set out below.

a) Going concern

The trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charity to continue as a going concern including the COVID pandemic. The trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular the trustees have considered the charity's forecasts and projections and the possible implications should projected income and/or expenditure vary unexpectedly. Reality Church Carpinteria have confirmed that they plan to continue supporting the charity, sufficiently for it to continue for the foreseeable future unless they are told this support is no longer required by the Reality Church London trustees and/or a timeline of withdrawal from support is agreed upon with the Reality Church London Trustees.

The following are the accounting policies which have been applied in dealing with material items:-

b) Donated and grant income:

Donated income and grants receivable are taken into account when received by the charity. Income received in circumstances where a claim for repayment of tax has been or will be made to HM Revenue & Customs is grossed up for the tax recoverable. Any amount of tax reclaimed from HM Revenue & Customs but not yet received is shown within the charity's debtors.

The charity relies on volunteers to carry out many of its activities. However, in accordance with the SORP, the value of these services has not been included in these financial statements as they cannot be reliably measured.

c) Expenditure

Expenditure, including irrecoverable VAT, is recognised when it is incurred or, if earlier, when a legal or constructive obligation for a payment arises provided that it is probable that settlement will be required and the amount of the obligation can be measured reliably.

The charity makes grants to other institutions and individuals to further its charitable objectives. Grants payable are recognised as constructive obligations arise, which is generally when the charity expresses a commitment to the recipient that can be measured reliably and then only to the extent that any conditions associated with the grant are outside of the control of the charity.

The cost of raising funds is not significant and has not been separately disclosed.

Governance costs, which are included in expenditure on charitable activities but are identified separately in the notes to the accounts, includes costs associated with the independent examination of the financial statements, compliance with constitutional and statutory requirements and any other expenditure incurred on the strategic management of the charity.

REALITY CHURCH LONDON
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2021

d) Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity. Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. Restricted funds are donations which are to be used in accordance with specific restrictions imposed by donors; they include donations received from appeals for specific activities or projects.

e) Tangible fixed assets

Items purchased or donated for the charity's own use are capitalised when the cost of purchased items, or the fair value of donated items, is more than £2,000 and the item is expected to benefit the charity over more than one accounting period. Depreciation is charged on a straight line basis so as to write down the value of each asset to its estimated residual value (if any) over its expected useful economic life. To achieve this objective the following rates of depreciation are charged:

Freehold land	Is not depreciated (because it is not consumed by use)
Freehold buildings	Over 50 years after taking account of the building's residual value
Leasehold improvements	Over the lease term or, if shorter, expected useful life
Equipment	Over 3 to 7 years

f) Pension scheme arrangements

The charity operates defined contribution pension schemes for its employees. Obligations for contributions to these schemes are recognised as an expense when the liability arises. The assets of these schemes are held separately from those of the charity in independently administered funds.

g) Taxation

The charity has taken advantage of the various reliefs from taxation available to charities and no tax is payable on the charity's income.

h) Financial instruments

The charity's financial assets and financial liabilities all qualify as basic financial instruments, as defined by FRS102. Except for loans, creditors and debtors are measured at their expected settlement value (normally the amount of cash that the charity expects to pay or receive). The charity recognises liabilities for the principal of those loans that remains outstanding at the year end (i.e. the liabilities exclude any interest chargeable on the loans in future years).

REALITY CHURCH LONDON
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2021

3 Voluntary income	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
General donations	366,120	-	366,120	256,382
Donations from Reality Carpinteria	72,804	-	72,804	89,655
Other Income			-	538
Tax recoverable	64,641	-	64,641	50,935
	<u>503,564</u>	<u>-</u>	<u>503,564</u>	<u>397,511</u>

4 Charitable activity	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
a Direct Charitable Costs				
Staffing Costs	157,929	-	157,929	160,266
Ministry & Outreach	29,377	-	29,377	31,504
Venue Hire	18,135	-	18,135	49,058
Travel & Conferences	6,329	-	6,329	17,484
Equipment	6,173	-	6,173	12,447
Media	5,770	-	5,770	4,653
Other	534	-	534	601
Grants payable	10,380	-	10,380	7,080
	<u>234,627</u>	<u>-</u>	<u>234,627</u>	<u>283,093</u>

b Support & Administration	£	£	£	£
General Administration	16,283		16,283	18,620
Legal and professional services	15,982	-	15,982	17,451
Accounts preparation and examination	3,120	-	3,120	3,120
	<u>35,385</u>	<u>-</u>	<u>35,385</u>	<u>39,191</u>
Combined charitable activity cost	<u>270,012</u>	<u>-</u>	<u>270,012</u>	<u>322,284</u>

c Grants	Institutions £	Individuals £	2021 £	2020 £
Mission	10,080		10,080	6,080
Relief of poverty	-	300	300	1,000
Educational grants	-	-	-	-
	<u>10,080</u>	<u>300</u>	<u>10,380</u>	<u>7,080</u>

The main features of the grants to institutions over £1,000 were:

Centre for Enterprise	£6,200	-
Kingham Hill Trust Oak Hill College	£2,400	-
Greater Europe Mission	£280	£1,680
Calvary Chapel Leatherhead	£600	£2,200
Trinity Church Nottingham	£600	£2,200

REALITY CHURCH LONDON
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2021

5 Staff & Trustees		2021	2020
		£	£
Gross wages, salaries & benefits in kind		144,211	158,998
Employer's National Insurance costs		11,411	9,357
Pension costs		2,306	4,118
Total staff costs		157,929	172,473

The average monthly number of employees during the year was 3 (2020: 4). Most of the charity's activities are carried out by volunteers.

There was no remuneration payable to key management other than to the trustee as detailed below. Key management is considered to cover the church leader directly employed by the charity.

	Wages & salaries	Directly from Carpinteria, USA	Employer pension contributions	2021 £
Trustees:				
Bijan Mirtolooi	63,333	9,325	-	72,659

The following amounts were payable in the previous year:

	Wages & salaries	Directly from Carpinteria, USA	Employer pension contributions	2020 £
Trustees:				
Tim Chaddick	64,096	9,185	1,650	74,931

Bijan Mirtolooi (and previously Tim Chaddick until July 2020) served as the church leader and received the above payments for serving in that capacity, not for serving as a trustee; these payments are permitted by the charity's governing document.

During the year expenditure was incurred bringing Bijan Mirtolooi and his family to the UK to serve as church leader which included the legal costs of arranging visas, shipping costs and travel costs. These costs totalled £18,463 and were permitted by the charity's governing document and were necessary for the proper performance of his duties.

No remuneration was paid to any other trustee during the year nor to any person connected to them.

No other staff received salaries at a rate of more than £60,000 per annum.

The trustees were reimbursed travel costs of £1,803 (2020: £3,388) which were incurred monitoring and supporting charitable activities and programmes. Otherwise no trustee received reimbursed expenses other than those incurred when purchasing supplies, equipment and consumables on behalf of the charity.

REALITY CHURCH LONDON
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2021

The total amount of donations funded by trustees and connected parties, and other related parties, was £1,920 (2020: £6,703).

No other transactions have taken place with related parties during the year.

Fees payable to Stewardship (exclusive of VAT), other than for the annual accounts and independent examination of £2,600 +VAT (2020: £2,600 +VAT), for payroll bureau services and consultancy services totalled £835 (2020: £872).

6 Debtors and Prepayments	2021	2020
	£	£
Tax recoverable	40,000	50,935
Other Debtors	18,449	-
Prepayment	1,000	1,000
	<u>59,449</u>	<u>51,935</u>

7 Cash at Bank and in Hand		
Bank operating accounts	<u>342,698</u>	<u>136,340</u>
	<u>342,698</u>	<u>136,340</u>

8 Creditors: liabilities falling due within one year		
Other creditor	5,388	25,120
Accruals	<u>3,120</u>	<u>3,120</u>
	<u>8,508</u>	<u>28,240</u>

9 Funds

Designated Funds

The Missional Fund is an unrestricted fund designated by the Trustees for expenditure on Mission and Church Planting. These 'First Fruits' funds are reserved to sew into individuals and charities across London that align to the mission of Reality Church London, including the Reality Church London Mercy Partners. As a local church, we seek the renewal of London, supporting these causes via our First Fruits fund enables us to continually seek that renewal.

2021	Opening balance £	Incoming resources £	Outgoing resources £	Transfers in the year £	Closing balance £
Missional Fund	<u>62,470</u>	<u>50,638</u>	<u>10,080</u>		<u>103,028</u>
	<u>62,470</u>	<u>50,638</u>	<u>10,080</u>	-	<u>103,028</u>

The assets and liabilities represented by the various funds are as follows:

	Bank & cash balances £	Other net assets £	2021 Total £
General Funds	239,670	50,940	290,611
Designated Funds	<u>103,028</u>	-	<u>103,028</u>
	<u>342,698</u>	<u>50,940</u>	<u>393,639</u>

REALITY CHURCH LONDON
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2021

2020	Opening balance £	Incoming resources £	Outgoing resources £	Transfers in the year £	Closing balance £
Missional Fund	29,736	39,120	6,386	-	62,470
	<u>29,736</u>	<u>39,120</u>	<u>6,386</u>	<u>-</u>	<u>62,470</u>

The assets and liabilities represented by the various funds are as follows:

	Bank & cash balances £	Other net assets £	2020 Total £
General Funds	73,870	23,695	97,565
Designated Funds	62,470	-	62,470
	<u>136,340</u>	<u>23,695</u>	<u>160,035</u>

10 Acting as agent

During the previous year, the charity received money from Reality Ventura which was a direct reimbursement of moving expenses for Tim Chaddick. Income of £5,283 was received during the year to 31st August 2020 to reimburse the payments of £5,283 made to Tim Chaddick. This agency income, and the related payments, are excluded from the Statement of Financial Activities. There were no outstanding monies as at 31st August 2020 and no such transactions have occurred in the year ending 31st August 2021.

11 Guarantees and security provided

No guarantees have been made, which result in an outstanding potential liability as at the year-end date.

There are no outstanding debts at the balance sheet date which are owed and which are secured by an express charge on any of the assets of the CIO.

REALITY CHURCH LONDON
DETAILED STATEMENT OF FINANCIAL ACTIVITIES WITH COMPARATIVES
FOR THE YEAR ENDED 31 AUGUST 2021

	Note	Unrestricted Funds - General		Unrestricted Funds - Designated		Total Funds	Total Funds
		2021	2020	2021	2020	2021	2020
		£	£	£	£	£	£
INCOME AND ENDOWMENTS FROM							
Donations and legacies	3	452,926	358,391	50,638	39,120	503,564	397,511
Charitable activities			2,379	-	-	-	2,379
Other income		52	-	-	-	52	-
Total income and endowments		452,978	360,770	50,638	39,120	503,616	399,890
EXPENDITURE ON							
Charitable activities	4	259,932	315,899	10,080	6,386	270,012	322,284
Total expenditure		259,932	315,899	10,080	6,386	270,012	322,284
Net gains/(losses) on investments		-	-	-	-	-	-
Net income/(expenditure)		193,046	44,872	40,558	32,734	233,604	77,606
Transfers between funds						-	-
Net movement in funds		193,046	44,872	40,558	32,734	233,604	77,606
Reconciliation of funds:							
Total funds brought forward		97,565	52,693	62,470	29,736	160,035	82,429
Total funds carried forward		290,611	97,565	103,028	62,470	393,639	160,035

Movements on reserves and all recognised gains and losses are shown above.