

# 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](http://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*

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

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 £
<b>CURRENT ASSETS</b>					
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>
<b>CREDITORS: Amounts falling due within one year</b>					
	9	(11,001)	-	(11,001)	(8,508)
		<u>421,227</u>	<u>-</u>	<u>421,227</u>	<u>393,639</u>
<b>Net current assets / (liabilities)</b>					
		<u>421,227</u>	<u>-</u>	<u>421,227</u>	<u>393,639</u>
<b>Total assets less current liabilities</b>					
		<u>421,227</u>	<u>-</u>	<u>421,227</u>	<u>393,639</u>
<b>TOTAL NET ASSETS</b>					
		<u>421,227</u>	<u>-</u>	<u>421,227</u>	<u>393,639</u>
<b>FUND BALANCES</b>					
Unrestricted Funds	11				
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*

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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 £
<b>Cash flows from operating activities:</b>			
<i>Net cash provided by/(used in) operating activities</i>	a	<u>51,419</u>	<u>206,307</u>
<b>Cash flows from investing activities:</b>			
Dividends, interest and rents from investments		<u>13</u>	<u>52</u>
<i>Net cash provided by/(used in) investing activities</i>		<u>13</u>	<u>52</u>
<b>Change in cash and equivalents in the reporting period</b>		51,432	206,359
<b>Cash and equivalents at the beginning of the year</b>	b	<u>342,699</u>	<u>136,340</u>
<b>Cash and cash equivalents at the end of the year</b>	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 £
<b><i>Net income/(expenditure) for the reporting period (as per the statement of financial activities)</i></b>	27,589	233,604
<b>Adjustments for:</b>		
Dividends, interest and rents from investments	(13)	(52)
(Increase)/decrease in debtors	21,350	(7,513)
Increase/(decrease) in creditors	2,493	(19,732)
<b><i>Net cash provided by (used in) operating activities</i></b>	<u>51,419</u>	<u>206,307</u>

**Note b: Analysis of cash and cash equivalents**

	2022 £	2021 £
Cash at bank with immediate access	394,130	342,698
<b>Total cash and cash equivalents</b>	<u>394,130</u>	<u>342,699</u>

**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	-
	<u>8,468</u>	<u>-</u>

**5 Charitable activity**

	2022	2021
	£	£
<b>a Direct Charitable Costs</b>		
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	-
	<u>392,182</u>	<u>234,627</u>
<b>b Support &amp; Administration</b>		
General Administration	20,145	16,283
Legal and professional services	2,263	15,982
Accounts preparation and examination	3,480	3,120
	<u>25,888</u>	<u>35,385</u>
<b>Total expenditure</b>	<u>418,071</u>	<u>270,012</u>

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
	<u>10,689</u>	<u>-</u>	<u>10,689</u>

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
	<u>10,080</u>	<u>300</u>	<u>10,380</u>

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
	<u>10,689</u>	<u>10,080</u>

**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 £
<b>Falling due within one year:</b>		
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
<b>Total Unrestricted Funds</b>	<b>393,639</b>	<b>445,660</b>	<b>(418,071)</b>	<b>-</b>	<b>-</b>	<b>421,227</b>

**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)
	<b>421,227</b>	<b>-</b>	<b>-</b>	<b>421,227</b>

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
<b>Total Unrestricted Funds</b>	<b>160,035</b>	<b>503,616</b>	<b>(270,012)</b>	<b>-</b>	<b>-</b>	<b>393,639</b>



**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>		Restricted	
	General	Designated	funds	2021
	funds	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/>	<hr/>
	290,611	103,028	-	393,639
	<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 2022 £	Designated 2022 £	Restricted 2022 £	Total 2022 £	General 2021 £	Designated 2021 £	Restricted 2021 £	Total 2021 £
<b>INCOME AND ENDOWMENTS FROM:</b>								
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
<b>Total income and endowments</b>		445,660	-	445,660	452,978	50,638	-	503,616
<b>EXPENDITURE ON:</b>								
Charitable activities:	5	407,382	10,689	418,071	259,933	10,080		270,012
<b>Total Expenditure</b>		407,382	10,689	418,071	259,933	10,080	-	270,012
<b>Net gains/(losses) on investments</b>		-		-	-			-
<b>Net income/(expenditure)</b>		38,278	(10,689)	27,589	193,045	40,558	-	233,603
<b>Transfers between funds</b>	11	92,339	(92,339)	-	-	-	-	-
<b>Net movement in funds</b>		130,617	(103,028)	27,589	193,045	40,558	-	233,603
<b>Reconciliation of funds:</b>								
Total funds brought forward		290,610	103,028	393,638	97,565	62,470	-	160,035
<b>Total funds carried forward</b>	11	421,227	-	421,227	290,610	103,028	-	393,638

Differences of £1 may appear due to rounding