

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

Contents	Page
Charity Information	1
Trustees' Annual Report	2-6
Independent Examiner's Report	7
Statement of Financial Activities	8
Balance Sheet	9
Notes to the Accounts	10-17
Detailed Statement of Financial Activities with Comparatives	18

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
		<u>326,092</u>	<u>-</u>	<u>326,092</u>	<u>432,228</u>
CREDITORS: Amounts falling due within one year	11	(8,484)	-	(8,484)	(11,001)
		<u>(8,484)</u>	<u>-</u>	<u>(8,484)</u>	<u>(11,001)</u>
Net current assets / (liabilities)		<u>317,608</u>	<u>-</u>	<u>317,608</u>	<u>421,227</u>
		<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>
		<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>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
		<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
	<u>434,700</u>	<u>437,179</u>

a Donations in kind comprise:

	2023	2022
	£	£
Donated services	-	955
	<u>-</u>	<u>955</u>

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	-	-
	<u>10,075</u>	<u>8,468</u>

5 Investment income

	2023	2022
	£	£
Bank interest	123	13
	<u>123</u>	<u>13</u>

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	-
	<u>296,053</u>	<u>221,275</u>

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.

Total employee's benefits exceeding £60,000 (excluding Employers Pension contributions):	2023	2022
£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
					<u>200,686</u>

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	284,624	394,130
	<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	3,660	3,480
	<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>						
Missionsal 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:

	<u>Unrestricted Funds</u>		Restricted funds	2023
	General funds	Designated funds	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>						
Missionsal 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>		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)
	<hr/>	<hr/>	<hr/>	<hr/>
	421,227	-	-	421,227
	<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. 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 2023 £	Designated 2023 £	Restricted 2023 £	Total 2023 £	General 2022 £	Designated 2022 £	Restricted 2022 £	Total 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