# MERLAND RISE CHURCH

England & Wales · Charity number 1187784

## Details

| | |
|---|---|
| **Other names** | FORMERLY KNOWN AS TATTENHAM CORNER EVANGELICAL FREE CHURCH |
| **Status** | Registered |
| **Legal form** | CIO |
| **Registered** | 2020-02-06 |
| **Register** | View on the Charity Commission register |

## Contact

| | |
|---|---|
| **Address** | Merland Rise Church<br>Merland Rise<br>Tadworth<br>KT20 5JQ |
| **Phone** | 01737362440 |
| **Email** | admin@merlandrisechurch.org.uk |
| **Website** | www.merlandrisechurch.org.uk |

## Activities

**Objects:** THE OBJECTS OF THE CHURCH ARE, FOR THE PUBLIC BENEFIT:4.1 TO ADVANCE THE CHRISTIAN FAITH IN ACCORDANCE WITH THE CHURCH DOCTRINAL BASIS PRIMARILY BUT NOT EXCLUSIVELY WITHIN TADWORTH, TATTENHAM CORNER AND THE SURROUNDING AREAS; AND4.2 TO ADVANCE SUCH OTHER CHARITABLE PURPOSES AS SHALL, IN THE OPINION OF THE CHARITY TRUSTEES, FURTHER THE WORK OF THE CHURCH.

**Activities:** To promote the Christian faith within the local community and in the wider world

## Classification

- **How:** Provides Services
- **What:** General Charitable Purposes, Religious Activities
- **Who:** Children/young People, Elderly/old People, The General Public/mankind

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## Geography

- Surrey

## Finances

| Period end | Income | Expenditure | Assets | Employees |
|---|---|---|---|---|
| 2024-12-31 | £203,631 | £205,274 | - | - |
| 2023-12-31 | £220,205 | £260,015 | - | - |
| 2022-12-31 | £165,732 | £174,936 | - | - |
| 2021-12-31 | £178,251 | £178,076 | - | - |
| 2020-12-31 | £133,464 | £110,021 | - | - |

## Trustees

| Name | Role | Appointed |
|---|---|---|
| **Richard James Powell** | Chair | 2017-10-01 |
| David Thomas | | 2023-01-01 |
| Kristian Mark Peter Lane | | 2025-01-01 |
| Pradeep Oliver | | 2022-01-01 |
| Simon Edward Pain | | 2024-01-01 |

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**MERLAND RISE CHURCH**

England & Wales - Charity number 1187784

# Accounts

REGISTERED CHARITY NUMBER: 1187784

# Merland Rise Church

# (Charitable Incorporated Organisation)

# Report of the Trustees and

# Unaudited Financial Statements for the Year Ended 31 December 2024

# Merland Rise Church

## Contents of the Financial Statements
## for the year ended 31 December 2024


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# Merland Rise Church

## Report of the Trustees
## for the year ended 31 December 2024

The Trustees present their annual report with the financial statements of the Church for the year ended 31 December 2024. The Trustees confirm that the annual report and financial statements of the Church comply with the current statutory requirements, the requirements of the Church's governing document and the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) ("SORP (FRS 102)"), FRS 102 and the Charities Act 2011.

**OBJECTIVES AND ACTIVITIES**

**Objectives and aims**

The principal purposes of Merland Rise Church are the advancement of the Christian faith and the provision of service and support to all sections of the community, including people of other faiths and none, with a particular focus on the socially and economically disadvantaged living within the Preston and Tadworth area and the surrounding neighbourhood. The Church also carries out such other charitable purposes in the United Kingdom and other parts of the world that, in the opinion of the members of the Church in General Meeting and the Trustees, shall further the work of the Church and serve disadvantaged people groups.

**Significant activities**

In fulfilling its purposes, the Church will engage in a range of activities either independently or in collaboration with other Churches, public and third sector and voluntary organisations which share the social justice priorities, and with whom it can work in partnership to improve the life chances and opportunities of those it seeks to serve.

The Church's activities include, but are not restricted to:

- regular public worship, prayer, Bible study, preaching and teaching and Believers baptism;
- the Communion of the Lord's Supper, which shall normally be observed at least once a month;
- evangelism and mission, whether locally, regionally, nationally or internationally;
- promotion of family life, diversity, strong and supportive personal and community relationships;
- the nurture and growth of Christian disciples, including the imperative of serving others selflessly, giving of their time and financial resources;
- encouraging pastoral care, with a particular focus on the elderly and vulnerable, supporting and encouraging charitable and community causes both locally and abroad;
- supporting provision and access to those with disabilities, with a particular focus on the deaf and deaf/blind community;
- counselling and support to those experiencing relationship difficulties, financial support to the economically disadvantaged including a Food Bank and debt counselling service, employment advice including resolving conflicts and enhancing the employability of those seeking work;
- practical support, including the provision of furniture, white goods and emergency cash to those experiencing financial hardship as a result of their immigration status, long-term ill health, unemployment or similar;
- services to children and young people including life skills, training and social and recreational facilities;
- maintaining our long established collaborative working with Epsom Downs Primary School;
- use of our premises by various charities, community groups and public bodies which share our priorities.

**Public benefit**

In planning the activities of the Church, the Trustees have considered the Charity Commission's guidance on public benefit and, in particular, the specific guidance on charities for the advancement of religion.

**ACHIEVEMENT AND PERFORMANCE**

**Charitable activities**

During the year the Church has continued to serve its' members and the local community. The Church offers weekly Sunday morning and Sunday evening services together with multiple prayer meetings/bible study and home group meetings.

The Church also offers pastoral care to its' members and supports the local community in various community activities such as running a food bank.

**Fundraising activities**

The Church does not engage in public fund raising activities.

**FINANCIAL REVIEW**

**Financial position**

The financial position of the Church is set out in the Statement of Financial Activities and Balance Sheet and the related notes and have been prepared in accordance with statutory requirements of the Charities Act 2011 and SORP (FRS 102).

**Principal funding sources**

The principal funding sources of the Church are the voluntary donations and giving by members of the Church's congregation together with allied income tax rebates under the gift aid scheme.

**Investment policy and objectives**

Any money not required for day to day use is placed on deposit with the Church's bankers, CAF Bank Limited. At the balance sheet date, the Church part-owned one freehold residential property which is used to provide accommodation to the Pastor.

**Reserves policy**

The Church has a General Reserve Fund of £15,000 that represents approximately 10% of the Church's annual revenue expenditure including legal commitments under contracts of employment to cover unforeseen increases and decreases in revenue and expenditure. The Church also has a General Repairs and Maintenance Fund to cover major uninsured repairs and maintenance expenditure on the Church premises and equipment. At the end of the financial year the Church's reserves met these targets.

**Going concern**

The financial statements are drawn up on the going concern basis, which assumes Merland Rise Church will continue in operational existence for the foreseeable future. The Trustees consider the current and forecast cash resources to be sufficient to cover the working capital requirements of the Church for at least 12 months.

## STRUCTURE, GOVERNANCE AND MANAGEMENT

### Governing document

The Church members approved and adopted a Constitution at a Special Church Members Meeting held on the 15th December 2019.

### Recruitment and appointment of new trustees

The running of the Church is under the control of an "Eldership" comprising the Senior Pastor and Elders. The Pastor was appointed by the Church at a Special Meeting and is employed under a contract of service, effective 1st September 2017. The other Trustees are appointed in accordance with the Constitution and they meet regularly, administering the Church by majority decision.

### Organisational structure

The Church appoints a Pastor and other paid staff as circumstances require. The Pastor and Elders lead the Church in terms of both spiritual matters and governance of the Church. The day to day co-ordination of the Church's programme and various practical matters are then managed by the Leadership Team, members of which are similarly elected by the members of the Church at a Church Meeting. In addition to this management structure the Church employs a part-time Administrator, Cleaner and Caretaker Hosts.

### Governance code

The trustees are aware of the Charity Governance Code and are considering how the relevant matters can be applied to and implemented by the Church.

### Wider network

The Church is a member organisation of the Fellowship of Independent Evangelical Churches (FIEC) and FIEC Ltd, charity number 251395.

### Risk management

The Trustees have a duty to identify and review the risks to which the Church is exposed and ensure that appropriate controls are in place to mitigate or eliminate those risks.

The Trustees regularly review the major risks to which the Church is exposed and have established systems and procedures to mitigate those risks, particularly in such areas as financial management, child and vulnerable adult protection.

**REFERENCE AND ADMINISTRATIVE DETAILS**

**Registered Charity number**
1187784

**Principal address**
Merland Rise
Tadworth
Surrey
KT20 5JQ

**Trustees**
P Oliver Elder
Rev R Powell Pastor and Elder
D Thomas Elder
S Paine Elder
K Lane Elder

**Independent Examiner**
Leanne Humphreys
FCCA
Shaw Gibbs Limited
19 Cedar Road
Sutton
SM2 5DA

**Solicitors**
Anthony Collins Solicitors LLP
134 Edmund Street
Birmingham B3 2ES

**Bankers**
CAF Bank Limited
25 Kings Hill Avenue
Kings Hill
West Malling
Kent ME19 4JQ
CAF Bank Limited is a subsidiary of the Charities Aid Foundation (CAF)

**FUNDS HELD AS CUSTODIAN FOR OTHERS**
There were no funds held as a custodian for any other charities.

Approved by order of the board of trustees on 4 February 2026 and signed on its behalf by:

.....
P Oliver - Trustee

## Independent Examiner's Report to the Trustees of Merland Rise Church

I report to the Church trustees on my examination of the accounts of Merland Rise Church (CIO), charity number 1187784, for the year ended 31 December 2024, which are set out on pages 6 to 22.

**Respective responsibilities of Trustees and Examiner**
The Church's Trustees are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

The Church's Trustees consider that an audit is not required for this year under section 144(2) of the Act and that independent examination is needed.

It is my responsibility to:
1. examine the accounts under section 145 of the Charity Act;
2. to follow all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act, and;
3. to state whether particular matters have come to my attention.

**Basis of Independent examiner's statement**
My examination was carried out in accordance with general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the Church and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair' view and the report is limited to those matters set out in the statement below.

**Independent examiner's statement**
In connection with my examination, no material matters have come to my attention which gives me cause to believe that in, any material respect:

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

LHumphreys

Leanne Humphreys
FCCA
Shaw Gibbs Limited
19 Cedar Road
Sutton
SM2 5DA

Date: 4 February 2026

# Merland Rise Church

## Statement of Financial Activities
## for the year ended 31 December 2024

| | Notes | Unrestricted funds | Restricted funds | **Year ended 31/12/24 Total funds** | Year ended 31/12/23 Total funds |
|---|---|---|---|---|---|
| | | £ | £ | **£** | £ |
| **INCOME AND ENDOWMENTS FROM** | | | | | |
| Donations and legacies | 2 | **180,493** | **18,674** | **199,167** | 194,917 |
| **Charitable activities** | | | | | |
| Use of halls | 3 | **14,926** | **-** | **14,496** | 14,600 |
| Investment income | 4 | **1,905** | **-** | **1,905** | 1,511 |
| Other income | 5 | **6,307** | **500** | **6,807** | 9,177 |
| **Total** | | **203,631** | **19,174** | **222,805** | 220,205 |
| **EXPENDITURE ON** | | | | | |
| **Charitable activities** | 6 | | | | |
| Staff costs and related expenditure | | **103,839** | **-** | **103,839** | 100,700 |
| Housing expenses | | **2,369** | **-** | **2,369** | 1,373 |
| Church expenses | | **45,921** | **-** | **45,921** | 42,921 |
| Printing, publicity and outreach | | **-** | **-** | **-** | 1,398 |
| Departments | | **8,078** | **-** | **8,078** | 8,376 |
| Donations and giving | | **26,152** | **19,372** | **45,524** | 48,874 |
| Administration and other expenses | | **18,915** | **41,164** | **60,079** | 56,303 |
| **Total** | | **205,274** | **60,536** | **265,810** | 260,015 |
| **NET INCOME/(EXPENDITURE)** | | **(1,643)** | **(41,362)** | **(43,005)** | (39,810) |
| **Transfers between funds** | 17 | **-** | **-** | **-** | - |
| **Net movement in funds** | | **(1,643)** | **(41,362)** | **(43,005)** | (39,810) |
| **RECONCILIATION OF FUNDS** | | | | | |
| **Total funds brought forward** | | **294,414** | **1,758,640** | **2,053,054** | 2,092,864 |
| **TOTAL FUNDS CARRIED FORWARD** | | **292,771** | **1,717,278** | **2,010,049** | 2,053,054 |

The notes form part of these financial statements

# Merland Rise Church

## Balance Sheet
## 31 December 2024

| | Notes | Unrestricted funds | Restricted funds | **Year ended 31/12/24 Total funds** | Year ended 31/12/23 Total funds |
|---|---|---|---|---|---|
| | | £ | £ | **£** | £ |
| **FIXED ASSETS** | | | | | |
| Tangible assets | 11 | **422,826** | **1,689,534** | **2,112,360** | **2,156,123** |
| Investment | 12 | **100** | **-** | **100** | **100** |
| | | **422,926** | **1,689,534** | **2,112,460** | **2,156,223** |
| **CURRENT ASSETS** | | | | | |
| Debtors: amounts falling due within one year | 13 | **49,667** | **-** | **49,667** | **34,999** |
| Cash at bank and in hand | | **52,327** | **27,744** | **80,071** | **85,880** |
| | | **101,994** | **27,744** | **129,738** | **120,879** |
| **CREDITORS** | | | | | |
| Amounts falling due within one year | 14 | **(32,149)** | **-** | **(32,149)** | **(24,048)** |
| **NET CURRENT ASSETS** | | **69,845** | **27,744** | **97,589** | **96,831** |
| **TOTAL ASSETS LESS CURRENT LIABILITIES** | | **492,771** | **1,717,278** | **2,210,049** | **2,253,054** |
| **CREDITORS** | | | | | |
| Amounts falling due after more than one year | 15 | **(200,000)** | **-** | **(200,000)** | **(200,000)** |
| **NET ASSETS** | | **292,771** | **1,717,278** | **2,010,049** | **2,053,054** |

The notes form part of these financial statements



continued...

## Balance Sheet - continued
## 31 December 2024

| | Notes | | |
|---|---|---|---|
| **FUNDS** | | | |
| Unrestricted funds: | | | |
| General fund | 17 | **22,211** | **38,710** |
| Manse fund | 17 | **220,934** | 220,934 |
| General Reserve Fund | 17 | **15,000** | 15,000 |
| General Repairs and Maintenance Fund | 17 | **34,626** | **19,770** |
| | | **292,771** | **294,414** |
| Restricted funds: | | | |
| Building Fund | 17 | **1,689,538** | **1,730,702** |
| Emergency Fund | 17 | **5,221** | **7,502** |
| Men's Ministry Fund | 17 | **6,153** | **7,761** |
| Women's Ministry Fund | 17 | **4,862** | **5,476** |
| Youth Ministry Fund | 17 | **4,198** | **2,974** |
| Other fund | 17 | **7,306** | **4,225** |
| | | **1,717,278** | **1,758,640** |
| **TOTAL FUNDS** | | **2,010,049** | **2,053,054** |

The financial statements were approved by the Board of Trustees and authorised for issue on 4 February 2026 and were signed on its behalf by:

.....
P Oliver - Trustee

The notes form part of these financial statements

## 1. ACCOUNTING POLICIES

**Basis of preparation**
The financial statements of the Church, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value.

The financial statements include all transactions, assets and liabilities for which the Trustees can be held responsible in law. They do not include the financial statements of the church groups that owe affiliation to another body nor those that are informal gatherings of church members.

**Going concern**
The financial statements are drawn up on the going concern basis, which assumes Merland Rise Church (CIO) will continue in operational existence for the foreseeable future. The Trustees consider the current and forecast cash resources to be sufficient to cover the working capital requirements of the Church for at least 12 months.

**Financial reporting standard 102 - reduced disclosure exemptions**
The Church has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland':

- the requirements of Section 7 Statement of Cash Flows.

**Income**
All income is recognised in the Statement of Financial Activities once the Church has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

**Expenditure**
Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Church to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

**Allocation and apportionment of costs**
Cost are allocated to the principal activities of the Church on the following basis:

- Salaries and related costs : time spent
- Other costs : in accordance with purpose and nature of expenditure


continued...

**1. ACCOUNTING POLICIES - continued**

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

| | | |
|---|---|---|
| Freehold Church premises | - | 2% on cost |
| Freehold Residential property (Manse) | - | nil |
| Fixtures and fittings | - | 25% on cost and 20% on cost |

The Church has in place an accounting policy of carrying out regular maintenance and repairs on its freehold residential property (the cost of which are charged in full to the SOFA). No depreciation arises in the year on the freehold residential property used as tied accommodation as in the opinion of the trustees the residual value of the property is not materially less than its carrying amount in the financial statements. An impairment review of such fixed assets in accordance with FRS 102 section 27 is carried out as at the end of each financial period.

**Taxation**

The Church is exempt from tax on its charitable activities.

All the Church's expenditure is shown inclusive of irrecoverable VAT.

**Fund accounting**

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the Church. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Endowment funds are resources received by the Church that represent capital and the trustees are required by charity law to retain and use the endowment for the Church's purposes.

Investment income, gains and losses are allocated to the appropriate fund.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

**Hire purchase and leasing commitments**

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

**Pension costs and other post-retirement benefits**

The Church operates a defined contribution pension scheme. Contributions payable to the Church's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

**Investments**

Investments are categorised as current assets where the intention is to realise the investment without reinvestment of the sale proceeds. All other investments are classified as fixed assets. All investment assets are stated in the balance sheet at fair value and both realised and unrealised gains or losses are recognised in the statement of financial activities. The fair value of listed investments is taken at the market price of the asset as at the year end date.


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**1. ACCOUNTING POLICIES - continued**

**Financial instruments**
Apart from certain investments, the Church only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

**Currency**
The Church's functional and presentational currency is pounds Sterling (GBP).

**Preparation of consolidated financial statements**
The financial statements contain information about the Church as an individual entity and do not contain consolidated financial information as the parent of a group. The Church is exempt under the Charities Act 2011 from the requirement to prepare consolidated financial statements.

**2. DONATIONS AND LEGACIES**

| | | | Year ended 31/12/24 |
|---|---|---|---|
| | Unrestricted funds | Restricted funds | Total funds |
| | £ | £ | £ |
| Freewill offerings | 142,774 | - | 142,774 |
| Donations | 6,963 | 16,948 | 23,911 |
| Gift aid | 30,756 | 1,726 | 32,482 |
| Commission receivable | - | - | - |
| | 180,493 | 18,674 | 199,167 |

The prior year total is allocated between fund categories as follows:

| | | | Year ended 31/12/23 |
|---|---|---|---|
| | Unrestricted funds | Restricted funds | Total funds |
| | £ | £ | £ |
| Freewill offerings | 135,729 | - | 135,729 |
| Donations | 8,464 | 21,880 | 30,344 |
| Gift aid | 28,179 | 622 | 28,801 |
| Commission receivable | 43 | - | 43 |
| | 172,415 | 22,502 | 194,917 |


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## 3. INCOME FROM CHARITABLE ACTIVITIES

| | Unrestricted funds | Restricted funds | Year ended 31/12/24 Total funds |
|---|---|---|---|
| | £ | £ | £ |
| Use of halls and meeting rooms | 14,926 | - | 14,926 |

The prior year total is allocated between fund categories as follows:

| | Unrestricted funds | Restricted funds | Year ended 31/12/23 Total funds |
|---|---|---|---|
| | £ | £ | £ |
| Use of halls and meeting rooms | 14,600 | - | 14,600 |

## 4. INVESTMENT INCOME

| | Unrestricted funds | Restricted funds | Year ended 31/12/24 Total funds |
|---|---|---|---|
| | £ | £ | £ |
| Deposit account interest | 1,905 | - | 1,905 |

The prior year total is allocated between fund categories as follows:

| | Unrestricted funds | Restricted funds | Year ended 31/12/23 Total funds |
|---|---|---|---|
| | £ | £ | £ |
| Deposit account interest | 1,511 | - | 1,511 |



continued...

## 5. OTHER INCOME

| | Unrestricted funds | Restricted funds | Year ended 31/12/24 Total funds |
|---|---|---|---|
| | £ | £ | £ |
| Other income | 6,307 | 500 | **6,807** |
| Government grants | - | - | **-** |
| | 6,307 | 500 | **6,807** |

The prior year total is allocated between fund categories as follows:

| | Unrestricted funds | Restricted funds | Year ended 31/12/23 Total funds |
|---|---|---|---|
| | £ | £ | £ |
| Other income | 5,477 | - | **5,477** |
| Government grants | 3,700 | - | **3,700** |
| | 9,177 | - | **9,177** |

## 6. CHARITABLE ACTIVITIES COSTS

| | Direct Costs | Grant funding of activities (see note 7) | Support costs (see note 8) | Year ended 31/12/24 Totals |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| Staff costs and related expenditure | 103,839 | - | **-** | **103,839** |
| Housing expenses | 2,369 | - | **-** | **2,369** |
| Church expenses | 45,921 | - | **-** | **45,921** |
| Printing, publicity and outreach | - | - | **-** | **-** |
| Departments | 8,078 | - | **-** | **8,078** |
| Donations and giving | 26,152 | 19,372 | **-** | **45,524** |
| Administration and other expenses | 15,640 | 41,164 | 3,275 | **60,079** |
| | 201,999 | 60,536 | 3,275 | **265,810** |



continued...

**6. CHARITABLE ACTIVITIES COSTS (continued)**

The prior year total is allocated between fund categories as follows:

| | Direct Costs | Grant funding of activities (see note 7) | Support costs (see note 8) | **Year ended 31/12/23 Totals** |
|---|---|---|---|---|
| Staff costs and related expenditure | 100,770 | - | - | **100,770** |
| Housing expenses | 1,373 | - | - | **1,373** |
| Church expenses | 42,921 | - | - | **42,921** |
| Printing, publicity and outreach | 1,398 | - | - | **1,398** |
| Departments | 8,376 | - | - | **8,376** |
| Donations and giving | 23,491 | 25,383 | - | **48,874** |
| Administration and other expenses | 30,599 | 23,491 | 2,213 | **56,303** |
| | 208,928 | 48,874 | 2,213 | **260,015** |

**7. GRANTS PAYABLE**

| | **Unrestricted funds** | **Restricted funds** | **Year ended 31/12/24 Total funds** |
|---|---|---|---|
| | £ | £ | £ |
| Evangelical Alliance | 120 | - | 120 |
| FIEC | 3,544 | - | 3,544 |
| Tithes | 22,388 | - | 22,388 |
| Energy Grant | 100 | - | 100 |
| Other charitable giving | - | 19,372 | 19,372 |
| | 26,152 | 19,372 | 45,524 |

The prior year total is allocated between fund categories as follows:

| | **Unrestricted funds** | **Restricted funds** | **Year ended 31/12/23 Total funds** |
|---|---|---|---|
| | £ | £ | £ |
| Evangelical Alliance | 250 | - | 250 |
| FIEC | 3,596 | - | 3,596 |
| Tithes | 17,177 | - | 17,177 |
| Energy Grant | 2,469 | - | 2,469 |
| Other charitable giving | - | 25,383 | 25,383 |
| | 23,491 | 25,383 | 48,874 |



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## 8. SUPPORT COSTS

**Governance costs**

| | Year ended 31/12/24 | Year ended 31/12/23 |
|---|---|---|
| | £ | £ |
| Independent Examiner's fees | 600 | 600 |
| Legal and professional fees | 2,675 | 1,613 |
| | 3,275 | 2,213 |

## 9. TRUSTEES' REMUNERATION AND BENEFITS

| | Year ended 31/12/24 | Year ended 31/12/23 |
|---|---|---|
| | £ | £ |
| Trustees' salaries | 50,767 | 47,798 |
| Trustees' social security | 2,354 | 2,043 |
| Trustees' pension contributions to money purchase schemes | 2,531 | 2,388 |
| | 55,652 | 52,229 |

**Trustees' expenses**

| | Year ended 31/12/24 | Year ended 31/12/23 |
|---|---|---|
| | £ | £ |
| Trustees' expenses | - | 361 |

In the current period the trustees' expenses totalled £- (2023 - £361). The expenses related to the Pastor's expenses in connection with their duties.



continued...

## 10. STAFF COSTS

| | Year ended 31/12/24 | Year ended to 31/12/23 |
|---|---|---|
| | £ | £ |
| Wages and salaries | **45,720** | 46,987 |
| Social security costs | **-** | - |
| Other pension costs | **1,796** | 1,555 |
| | **47,516** | 48,542 |

The average monthly number of employees during the period was as follows:

| | Year ended 31/12/24 | Period 1/4/23 to 31/12/23 |
|---|---|---|
| Pastoral | **1** | 1 |
| Administration and support | **6** | 6 |
| | **7** | 7 |

No employees received emoluments in excess of £60,000.

## 11. TANGIBLE FIXED ASSETS

| | Freehold properties | Fixtures and fittings | Totals |
|---|---|---|---|
| | £ | £ | £ |
| **COST** | | | |
| At 1 January 2024 | **2,479,122** | **54,142** | **2,533,264** |
| Additions | **-** | **-** | **-** |
| At 31 December 2024 | **2,479,122** | **54,142** | **2,533,264** |
| **DEPRECIATION** | | | |
| At 1 January 2024 | **327,486** | **49,655** | **377,141** |
| Charge for period | **41,164** | **2,599** | **43,763** |
| At 31 December 2024 | **368,649** | **52,254** | **420,903** |
| **NET BOOK VALUE** | | | |
| At 31 December 2024 | **2,110472** | **1,888** | **2,112,360** |
| At 31 December 2023 | 2,151,636 | 4,487 | 2,156,123 |



continued...

**11. TANGIBLE FIXED ASSETS - continued**

The freehold properties comprises the Church's premises and a freehold residential property. The Church's premises are stated at its capitalised value of £2,058,187 relating to the new building. The residential property comprises a freehold property which is used as tied accommodation by the Pastor which is stated at cost of £420,934 at the beginning of the period.

**12. FIXED ASSET INVESTMENT**

| | Shares in group undertakings £ |
|---|---|
| **COST** | |
| At 1 January 2024 | **100** |
| At 31 December 2024 | **100** |
| **NET BOOK VALUE** | |
| At 31 December 2024 | **100** |
| At 31 December 2023 | 100 |

There were no investment assets outside the UK.

The Church holds 100% of the issued share capital of Merland Rise Church Trading Limited, a company registered in England and Wales.

**13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

| | **Year ended 31/12/24 £** | Year ended 31/12/23 £ |
|---|---|---|
| Other debtors | **295** | 1,817 |
| Amount due to subsidiary undertaking | **9,758** | 11,966 |
| Tax recoverable | **32,482** | 14,870 |
| Prepayments and accrued income | **7,132** | 6,346 |
| | **49,667** | 34,999 |



continued...

## 14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | Year ended 31/12/24 | Year ended 31/12/23 |
|---|---|---|
| | **£** | £ |
| Trade creditors | **1,643** | 6,113 |
| Social security and other taxes | **2,041** | 1,288 |
| Other creditors | **25,428** | 9,482 |
| Accrued expenses and deferred income | **3,037** | 7,164 |
| | **32,149** | 24,048 |

## 15. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

| | Year ended 31/12/24 | Year ended 31/12/23 |
|---|---|---|
| | **£** | £ |
| Other loans (see note 16) | **200,000** | 200,000 |

## 16. LOANS

An analysis of the maturity of loans is given below:

Amounts falling due in more than one year:

Repayable otherwise than by instalments:

| | | |
|---|---|---|
| Unsecured loans | **200,000** | 200,000 |

See further details in note 18.



continued...

**17. MOVEMENT IN FUNDS**

| | At 1/1/24 £ | Net movement in funds £ | Transfers between funds £ | At 31/12/24 £ |
|---|---|---|---|---|
| **Unrestricted funds** | | | | |
| General fund | 38,710 | (1,499) | (15,000) | 22,211 |
| Manse fund | 220,934 | - | - | 220,934 |
| General Reserve Fund | 15,000 | - | - | 15,000 |
| General Repairs and Maintenance Fund | 19,770 | (144) | 15,000 | 34,626 |
| | 294,414 | (1,643) | | 292,771 |
| **Restricted funds** | | | | |
| Building Fund | 1,730,702 | (41,164) | - | 1,730,702 |
| Emergency Fund | 7,502 | (2,281) | - | 5,221 |
| Men's Ministry Fund | 7,761 | (1,609) | - | 6,152 |
| Women's Ministry Fund | 5,476 | (614) | - | 4,862 |
| Youth Ministry Fund | 2,974 | 1,224 | - | 4,198 |
| Other Fund (destined giving) | 4,224 | 3,082 | - | 7,306 |
| | **1,758,639** | **(41,362)** | **-** | **1,717,278** |
| **TOTAL FUNDS** | **2,053,054** | **(43,005)** | - | **2,010,049** |

Net movement in funds, included in the above are as follows:

| | Incoming resources £ | Resources expended £ | Movement in funds £ |
|---|---|---|---|
| **Unrestricted funds** | | | |
| General fund | **203,631** | **(205,130)** | **(1,499)** |
| General Repairs and Maintenance Fund | | **(144)** | **(144)** |
| | **203,631** | **(205,274)** | **(1,643)** |
| **Restricted funds** | | | |
| Building Fund | **-** | **(41,164)** | **(41,164)** |
| Emergency Fund | **500** | **(2,781)** | **(2,281)** |
| Men's Ministry Fund | **745** | **(2,354)** | **(1,609)** |
| Women's Ministry Fund | **2,923** | **(3,537)** | **(614)** |
| Youth Ministry Fund | **1,538** | **(313)** | **1,225** |
| Other Charitable Giving Fund | **13,469** | **(10,387)** | **3,082** |
| | **19,175** | **(60,536)** | **(41,361)** |
| **TOTAL FUNDS** | **222,806** | **(265,810)** | **(43,004)** |



continued...

**17. MOVEMENT IN FUNDS - continued**

| | At 1/1/23 £ | Net movement in funds £ | Transfers between funds £ | At 31/12/23 £ |
|---|---|---|---|---|
| **Unrestricted funds** | | | | |
| General fund | 21,117 | 17,593 | - | 38,710 |
| Manse fund | 220,934 | - | - | 220,934 |
| General Reserve Fund | 15,000 | - | - | 15,000 |
| General Repairs and Maintenance Fund | 33,128 | (13,358) | | 19,770 |
| | 290,179 | 4,235 | | 294,414 |
| **Restricted funds** | | | | |
| Building Fund | 1,771,865 | (41,164) | - | 1,730,702 |
| Emergency Fund | 9,101 | (1,599) | - | 7,502 |
| Men's Ministry Fund | 6,840 | 921 | - | 7,761 |
| Women's Ministry Fund | 6,232 | (755) | - | 5,476 |
| Youth Ministry Fund | 2,213 | 761 | - | 2,974 |
| Other Fund (destined giving) | 6,434 | (2,209) | - | 4,224 |
| | **1,802,685** | **(44,045)** | **-** | **1,758,640** |
| **TOTAL FUNDS** | **2,092,864** | **(39,810)** | **-** | **2,053,054** |

Net movement in funds, included in the above are as follows:

| | Incoming resources £ | Resources expended £ | Movement in funds £ |
|---|---|---|---|
| **Unrestricted funds** | | | |
| General fund | **197,703** | **(180,110)** | **17,593** |
| General Repairs and Maintenance Fund | | **(13,358)** | **(13,358)** |
| | **197,703** | **(193,468)** | **4,235** |
| **Restricted funds** | | | |
| Building Fund | **-** | **(41,164)** | **(41,164)** |
| Emergency Fund | **-** | **(1,599)** | **(1,599)** |
| Men's Ministry Fund | **2,350** | **(1,429)** | **(921)** |
| Women's Ministry Fund | **1,295** | **(2,050)** | **(755)** |
| Youth Ministry Fund | **1,431** | **(670)** | **761** |
| Other Charitable Giving Fund | **17,426** | **(19,635)** | **(2,209)** |
| | **22,502** | **(66,547)** | **(44,045)** |
| **TOTAL FUNDS** | **220,205** | **(260,015)** | **(39,810)** |



continued...

## 18. RELATED PARTY DISCLOSURES

Details of the remuneration and expenses paid to trustees is shown within the Notes to the accounts.

The total amount of donations without conditions received by the Church from the trustees during the period was £24,061 (period to 31.12.2023 - £15,107).

At 31 December 2024, the Church owed trustees £200,000 (31.12.2023 - £200,000). This loan is unsecured, interest free and repayable after more than one year.

Apart from the above, there were no related party transactions between the trustees and the Church.

**Merland Rise Church Trading Limited**
Merland Rise Church Trading Limited (MRCTL) is a wholly owned subsidiary of Merland Rise Church (CIO). Any profits made by the company will be donated to the Church under gift aid. No charitable donations were made to the Church during the current period nor prior year. At the year end, the Church was owed £9,758 (31.12.2023 - £11,966) by that company.

## 19. PENSION SCHEME

The Church operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the Church to the scheme and amounted to £5,330 (31.12.2023 - £3,943).

Contributions totalling £nil (31.12.2023 - £nil) were payable to the scheme at the end of the year and are included in creditors.

## 20. ULTIMATE CONTROLLING PARTY

The Church is controlled by the trustees under the general guidance of the Church Meeting in accordance with the Church's constitution.

## 21. UNRESTRICTED DESIGNATED FUNDS

The nature and purpose of the Church's unrestricted designated funds are as follows:

**Manse**
This fund comprises the interest in freehold Manse owned by the Church. The Church sold its Manse and purchased another Manse in 2017 and granted the Pastor an option to purchase a part interest in this Manse. This option was exercised in January 2019.

**General Reserve Fund**
This fund has been established to allow the Church to cover unforeseen and unbudgeted increases and decreases in revenue and expenditure.

**General Repairs and Maintenance Fund**
This fund has been established to cover major uninsured repairs and maintenance costs of the new Church building.


continued...

## 22. RESTRICTED FUNDS

The nature and purpose of the Church's restricted funds are as follows:

**Building Fund**
This fund comprises the Church's premises whose redevelopment was completed in 2017.

**Emergency Fund**
This fund is available to the Pastor to use on a discretionary basis for particular needs and situations he identifies among the Church fellowship and the local community.

**Other Charitable Giving Fund**
This fund receives offerings from members of the Church which are for specified third party charities.

**Men's, Women's and Youth's Ministry Fund**
This relates to donations received from members to support the activities carried out by the respective ministries.


continued...

# Merland Rise Church

## Detailed Statement of Financial Activities
## for the year ended 31 December 2024

| | Year ended 31/12/24 | Year ended 31/12/23 |
|---|---|---|
| | £ | £ |
| **INCOME AND ENDOWMENTS** | | |
| **Donations and legacies** | | |
| Freewill offerings | **142,774** | 135,729 |
| Donations | **23,911** | 30,344 |
| Legacies | **-** | - |
| Gift aid | **32,482** | 28,801 |
| Commission receivable | **-** | 43 |
| | **199,167** | 194,917 |
| **Investment income** | | |
| Deposit account interest | **1,905** | 1,511 |
| **Charitable activities** | | |
| Use of meeting rooms | **14,926** | 14,600 |
| **Other income** | | |
| Other income | **6,807** | 9,177 |
| **Total incoming resources** | **222,805** | 220,205 |
| **EXPENDITURE** | | |
| **Charitable activities** | | |
| Trustees' salaries | **50,767** | 47,798 |
| Trustees' social security | **2,354** | 2,043 |
| Trustees' pension contributions | **2,531** | 2,388 |
| Trustees' expenses | **-** | 361 |
| Wages | **45,720** | 46,987 |
| Social security | **-** | - |
| Pensions | **1,796** | 1,555 |
| Other operating leases | **-** | - |
| Rent and rates | **360** | 28 |
| Insurance | **8,107** | 6,726 |
| Light and heat | **14,754** | 10,636 |
| Telephone | **944** | 994 |
| Postage | **7** | 24 |
| Sundries | **3,283** | 1,429 |
| Carried forward | **130,623** | 120,969 |

# Merland Rise Church

## Detailed Statement of Financial Activities
## for the year ended 31 December 2024

| | Year ended 31/12/24 | Year ended 31/12/23 |
|---|---|---|
| | £ | £ |
| **Charitable activities** | | |
| Brought forward | **130,623** | 120,969 |
| Training | **3,660** | 1,964 |
| Repairs and maintenance | **5,386** | 12,183 |
| Cleaning and gardening | **7,726** | 7,567 |
| Licences | **1,316** | 1,348 |
| Office supplies | **856** | 1,494 |
| Photocopying | **592** | 595 |
| Other staff costs | **667** | 944 |
| Speaker and signer fees | **360** | 150 |
| Bank charges | **1,217** | 862 |
| Candles & decorations | **284** | 105 |
| Church Service | **2,890** | 1,095 |
| Church expenses | | 5,319 |
| Computer software | **2,650** | 2,559 |
| Website | **6,114** | - |
| Youth/children ministry expenses | **8,902** | 7,633 |
| Other expenses | | |
| Freehold property | **41,164** | 41,164 |
| Fixtures and fittings | **2,599** | 2,977 |
| Donations & Giving | **45,524** | 48,874 |
| Trustees Discretionary Fund | **-** | - |
| | **262,534** | **257,802** |
| **Support costs** | | |
| **Governance costs** | | |
| Independent Examiner's fees | **600** | **600** |
| Legal and professional fees | **2,676** | **1,613** |
| | **3,276** | **2,213** |
| Total resources expended | **265,810** | **260,015** |
| **Net expenditure** | **(43,005)** | **(39,810)** |

This page does not form part of the statutory financial statements

**MERLAND RISE CHURCH**

England & Wales - Charity number 1187784

# Accounts

REGISTERED CHARITY NUMBER: 1187784

# Merland Rise Church

## (Charitable Incorporated Organisation)

## Report of the Trustees and

## Unaudited Financial Statements for the Year Ended 31 December 2023

# Merland Rise Church

## Contents of the Financial Statements for the year ended 31 December 2023


| | Page |
|---|---|
| **Report of the Trustees** | 1 to 4 |
| **Independent Examiner's Report** | 5 |
| **Statement of Financial Activities** | 6 |
| **Balance Sheet** | 7 to 8 |
| **Notes to the Financial Statements** | 9 to 22 |
| **Detailed Statement of Financial Activities** | 23 to 24 |

# Merland Rise Church

## Report of the Trustees
## for the year ended 31 December 2023

The Trustees present their annual report with the financial statements of the Church for the year ended 31 December 2023. The Trustees confirm that the annual report and financial statements of the Church comply with the current statutory requirements, the requirements of the Church's governing document and the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) ("SORP (FRS 102)").

**OBJECTIVES AND ACTIVITIES**

**Objectives and aims**

The principal purposes of Merland Rise Church are the advancement of the Christian faith and the provision of service and support to all sections of the community, including people of other faiths and none, with a particular focus on the socially and economically disadvantaged living within the Preston and Tadworth area and the surrounding neighbourhood. The Church also carries out such other charitable purposes in the United Kingdom and other parts of the world that, in the opinion of the members of the Church in General Meeting and the Trustees, shall further the work of the Church and serve disadvantaged people groups.

**Significant activities**

In fulfilling its purposes, the Church will engage in a range of activities either independently or in collaboration with other Churches, public and third sector and voluntary organisations which share the social justice priorities, and with whom it can work in partnership to improve the life chances and opportunities of those it seeks to serve.

The Church's activities include, but are not restricted to:

- regular public worship, prayer, Bible study, preaching and teaching and Believers baptism;
- the Communion of the Lord's Supper, which shall normally be observed at least once a month;
- evangelism and mission, whether locally, regionally, nationally or internationally;
- promotion of family life, diversity, strong and supportive personal and community relationships;
- the nurture and growth of Christian disciples, including the imperative of serving others selflessly, giving of their time and financial resources;
- encouraging pastoral care, with a particular focus on the elderly and vulnerable, supporting and encouraging charitable and community causes both locally and abroad;
- supporting provision and access to those with disabilities, with a particular focus on the deaf and deaf/blind community;
- counselling and support to those experiencing relationship difficulties, financial support to the economically disadvantaged including a Food Bank and debt counselling service, employment advice including resolving conflicts and enhancing the employability of those seeking work;
- practical support, including the provision of furniture, white goods and emergency cash to those experiencing financial hardship as a result of their immigration status, long-term ill health, unemployment or similar;
- services to children and young people including life skills, training and social and recreational facilities;
- maintaining our long established collaborative working with Epsom Downs Primary School;
- use of our premises by various charities, community groups and public bodies which share our priorities.

**Public benefit**

In planning the activities of the Church, the Trustees have considered the Charity Commission's guidance on public benefit and, in particular, the specific guidance on charities for the advancement of religion.

## ACHIEVEMENT AND PERFORMANCE

### Charitable activities

During the year the Church has continued to serve its' members and the local community. The Church offers weekly Sunday morning and Sunday evening services together with multiple prayer meetings/bible study and home group meetings.

The Church also offers pastoral care to its' members and supports the local community in various community activities such as running a food bank.

### Fundraising activities

The Church does not engage in public fund raising activities.

## FINANCIAL REVIEW

### Financial position

The financial position of the Church is set out in the Statement of Financial Activities and Balance Sheet and the related notes and have been prepared in accordance with statutory requirements of the Charities Act 2011 and SORP (FRS 102).

### Principal funding sources

The principal funding sources of the Church are the voluntary donations and giving by members of the Church's congregation together with allied income tax rebates under the gift aid scheme.

In addition, the Church received the following grants:

- £3,000 on 26 January 2023 for energy top ups for distribution to various individuals in the community
- £700 on 06 November 2023 for energy top ups for distribution to various individuals in the community
- £840.90 on 20 November 2023 for equipment for Kick, expenditure deferred until January 2024.

### Investment policy and objectives

Any money not required for day to day use is placed on deposit with the Church's bankers, CAF Bank Limited. At the balance sheet date, the Church part-owned one freehold residential property which is used to provide accommodation to the Pastor.

### Reserves policy

The Church has a General Reserve Fund of £15,000 that represents approximately 10% of the Church's annual revenue expenditure including legal commitments under contracts of employment to cover unforeseen increases and decreases in revenue and expenditure. The Church also has a General Repairs and Maintenance Fund to cover major uninsured repairs and maintenance expenditure on the Church premises and equipment. At the end of the financial year the Church's reserves met these targets.

### Going concern

The financial statements are drawn up on the going concern basis, which assumes Merland Rise Church will continue in operational existence for the foreseeable future. The Trustees consider the current and forecast cash resources to be sufficient to cover the working capital requirements of the Church for at least 12 months.

## STRUCTURE, GOVERNANCE AND MANAGEMENT

### Governing document

The Church members approved and adopted a Constitution at a Special Church Members Meeting held on the 15th December 2019.

### Recruitment and appointment of new trustees

The running of the Church is under the control of an "Eldership" comprising the Senior Pastor and Elders. The Pastor was appointed by the Church at a Special Meeting and is employed under a contract of service, effective 1st September 2017. The other Trustees are appointed in accordance with the Constitution and they meet regularly, administering the Church by majority decision.

### Organisational structure

The Church appoints a Pastor and other paid staff as circumstances require. The Pastor and Elders lead the Church in terms of both spiritual matters and governance of the Church. The day to day co-ordination of the Church's programme and various practical matters are then managed by the Leadership Team, members of which are similarly elected by the members of the Church at a Church Meeting. In addition to this management structure the Church employs a part-time Administrator, Cleaner and Caretaker Hosts.

### Governance code

The trustees are aware of the Charity Governance Code and are considering how the relevant matters can be applied to and implemented by the Church.

### Wider network

The Church is a member organisation of the Fellowship of Independent Evangelical Churches (FIEC) and FIEC Ltd, charity number 251395.

### Risk management

The Trustees have a duty to identify and review the risks to which the Church is exposed and ensure that appropriate controls are in place to mitigate or eliminate those risks.

The Trustees regularly review the major risks to which the Church is exposed and have established systems and procedures to mitigate those risks, particularly in such areas as financial management, child and vulnerable adult protection.

**REFERENCE AND ADMINISTRATIVE DETAILS**
**Registered Charity number**
1187784

**Principal address**
Merland Rise
Tadworth
Surrey
KT20 5JQ

**Trustees**
G J Mann Elder
P Oliver Elder
Rev R Powell Pastor and Elder
D Thomas Elder
S Paine Elder

**Independent Examiner**
Tim Slater
ACA CTA
Shaw Gibbs Limited
19 Cedar Road
Sutton
SM2 5DA

**Solicitors**
Anthony Collins Solicitors LLP
134 Edmund Street
Birmingham B3 2ES

**Bankers**
CAF Bank Limited
25 Kings Hill Avenue
Kings Hill
West Malling
Kent ME19 4JQ
CAF Bank Limited is a subsidiary of the Charities Aid Foundation (CAF)

**FUNDS HELD AS CUSTODIAN FOR OTHERS**
There were no funds held as a custodian for any other charities.

Approved by order of the board of trustees on 31st October 2024 and signed on its behalf by:

.....
P Oliver - Trustee

## Independent Examiner's Report to the Trustees of Merland Rise Church

I report to the Church trustees on my examination of the accounts of Merland Rise Church (CIO), charity number 1187784, for the year ended 31 December 2023, which are set out on pages 6 to 22.

**Respective responsibilities of Trustees and Examiner**
The Church's Trustees are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

The Church's Trustees consider that an audit is not required for this year under section 144(2) of the Act and that independent examination is needed.

It is my responsibility to:
1. examine the accounts under section 145 of the Charity Act;
2. to follow all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act, and;
3. to state whether particular matters have come to my attention.

**Basis of Independent examiner's statement**
My examination was carried out in accordance with general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the Church and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair' view and the report is limited to those matters set out in the statement below.

**Independent examiner's statement**
In connection with my examination, no material matters have come to my attention which gives me cause to believe that in, any material respect:

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

Tim Slater
ACA CTA
Shaw Gibbs Limited
19 Cedar Road
Sutton
SM2 5DA

Date: 31st October 2024

# Merland Rise Church

## Statement of Financial Activities
## for the year ended 31 December 2023

| | Notes | Unrestricted funds | Restricted funds | Year ended 31/12/23 Total funds | Year ended 31/12/22 Total funds |
|---|---|---|---|---|---|
| | | £ | £ | £ | £ |
| **INCOME AND ENDOWMENTS FROM** | | | | | |
| Donations and legacies | 2 | **172,415** | **22,502** | **194,917** | 172,948 |
| **Charitable activities** | | | | | |
| Use of halls | 3 | **14,600** | **-** | **14,600** | 15,896 |
| Investment income | 4 | **1,511** | **-** | **1,511** | 412 |
| Other income | 5 | **9,177** | **-** | **9,177** | 5,417 |
| **Total** | | **197,903** | **22,502** | **220,205** | 194,673 |
| **EXPENDITURE ON** | | | | | |
| **Charitable activities** | 6 | | | | |
| Staff costs and related expenditure | | **100,700** | **-** | **100,700** | 93,895 |
| Housing expenses | | **1,373** | **-** | **1,373** | 259 |
| Church expenses | | **42,921** | **-** | **42,921** | 41,381 |
| Printing, publicity and outreach | | **1,398** | **-** | **1,398** | 4,171 |
| Departments | | **8,376** | **-** | **8,376** | 1,061 |
| Donations and giving | | **23,491** | **25,383** | **48,874** | 46,509 |
| Administration and other expenses | | **15,139** | **41,164** | **56,303** | 55,879 |
| **Total** | | **193,468** | **66,547** | **260,015** | 243,155 |
| **NET INCOME/(EXPENDITURE)** | | **4,235** | **(44,045)** | **(39,810)** | (48,482) |
| **Transfers between funds** | 17 | **-** | | **-** | - |
| **Net movement in funds** | | **4,235** | **(44,045)** | **(39,810)** | (48,482) |
| **RECONCILIATION OF FUNDS** | | | | | |
| **Total funds brought forward** | | **290,179** | **1,802,685** | **2,092,864** | 2,141,346 |
| **TOTAL FUNDS CARRIED FORWARD** | | **294,414** | **1,758,640** | **2,053,054** | 2,092,864 |

The notes form part of these financial statements

# Merland Rise Church

## Balance Sheet
## 31 December 2023

| | Notes | Unrestricted funds | Restricted funds | Year ended 31/12/23 Total funds | Year ended 31/12/22 Total funds |
|---|---|---|---|---|---|
| | | £ | £ | £ | £ |
| **FIXED ASSETS** | | | | | |
| Tangible assets | 11 | **425,422** | **1,730,701** | **2,156,123** | 2,197,513 |
| Investment | 12 | **100** | - | **100** | 100 |
| | | **425,522** | **1,730,701** | **2,156,223** | 2,197,613 |
| **CURRENT ASSETS** | | | | | |
| Debtors: amounts falling due within one year | 13 | **34,999** | - | **34,999** | 27,485 |
| Cash at bank and in hand | | **57,941** | **27,939** | **85,880** | 96,151 |
| | | **92,940** | **27,939** | **120,879** | 123,636 |
| **CREDITORS** | | | | | |
| Amounts falling due within one year | 14 | **(24,048)** | - | **(24,048)** | (28,385) |
| **NET CURRENT ASSETS** | | **68,892** | **27,938** | **96,831** | 95,251 |
| **TOTAL ASSETS LESS CURRENT LIABILITIES** | | **494,414** | **1,758,640** | **2,253,054** | 2,292,864 |
| **CREDITORS** | | | | | |
| Amounts falling due after more than one year | 15 | **(200,000)** | - | **(200,000)** | (200,000) |
| **NET ASSETS** | | **294,414** | **1,758,640** | **2,053,054** | 2,092,864 |

The notes form part of these financial statements

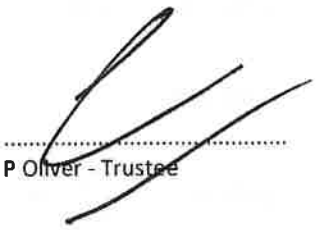


continued...

## Balance Sheet - continued
## 31 December 2023

| | Notes | | |
|---|---|---|---|
| **FUNDS** | | | |
| Unrestricted funds: | | | |
| General fund | 17 | **38,710** | 21,117 |
| Manse fund | 17 | **220,934** | 220,934 |
| General Reserve Fund | 17 | **15,000** | 15,000 |
| General Repairs and Maintenance Fund | 17 | **19,770** | 33,128 |
| | | **294,414** | 290,179 |
| Restricted funds: | | | |
| Building Fund | 17 | **1,730,702** | 1,771,865 |
| Emergency Fund | 17 | **7,502** | 9,101 |
| Men's Ministry Fund | 17 | **7,761** | 6,840 |
| Women's Ministry Fund | 17 | **5,476** | 6,232 |
| Youth Ministry Fund | 17 | **2,974** | 2,213 |
| Other fund | 17 | **4,225** | 6,434 |
| | | **1,758,640** | 1,802,685 |
| **TOTAL FUNDS** | | **2,053,054** | 2,092,864 |

The financial statements were approved by the Board of Trustees and authorised for issue on 31 October2024 and were signed on its behalf by:



P Oliver - Trustee

The notes form part of these financial statements

## 1. ACCOUNTING POLICIES

**Basis of preparation**
The financial statements of the Church, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value.

The financial statements include all transactions, assets and liabilities for which the Trustees can be held responsible in law. They do not include the financial statements of the church groups that owe affiliation to another body nor those that are informal gatherings of church members.

**Going concern**
The financial statements are drawn up on the going concern basis, which assumes Merland Rise Church (CIO) will continue in operational existence for the foreseeable future. The Trustees consider the current and forecast cash resources to be sufficient to cover the working capital requirements of the Church for at least 12 months.

**Financial reporting standard 102 - reduced disclosure exemptions**
The Church has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland':

- the requirements of Section 7 Statement of Cash Flows.

**Income**
All income is recognised in the Statement of Financial Activities once the Church has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

**Expenditure**
Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Church to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

**Allocation and apportionment of costs**
Cost are allocated to the principal activities of the Church on the following basis:

- Salaries and related costs : time spent
- Other costs : in accordance with purpose and nature of expenditure


continued...

1. **ACCOUNTING POLICIES - continued**

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

| | | |
|---|---|---|
| Freehold Church premises | - | 2% on cost |
| Freehold Residential property (Manse) | - | nil |
| Fixtures and fittings | - | 25% on cost and 20% on cost |

The Church has in place an accounting policy of carrying out regular maintenance and repairs on its freehold residential property (the cost of which are charged in full to the SOFA). No depreciation arises in the year on the freehold residential property used as tied accommodation as in the opinion of the trustees the residual value of the property is not materially less than its carrying amount in the financial statements. An impairment review of such fixed assets in accordance with FRS 102 section 27 is carried out as at the end of each financial period.

**Taxation**

The Church is exempt from tax on its charitable activities.

All the Church's expenditure is shown inclusive of irrecoverable VAT.

**Fund accounting**

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the Church. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Endowment funds are resources received by the Church that represent capital and the trustees are required by charity law to retain and use the endowment for the Church's purposes.

Investment income, gains and losses are allocated to the appropriate fund.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

**Hire purchase and leasing commitments**

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

**Pension costs and other post-retirement benefits**

The Church operates a defined contribution pension scheme. Contributions payable to the Church's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

**Investments**

Investments are categorised as current assets where the intention is to realise the investment without reinvestment of the sale proceeds. All other investments are classified as fixed assets. All investment assets are stated in the balance sheet at fair value and both realised and unrealised gains or losses are recognised in the statement of financial activities. The fair value of listed investments is taken at the market price of the asset as at the year end date.



continued...

## 1. ACCOUNTING POLICIES - continued

**Financial instruments**
Apart from certain investments, the Church only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

**Currency**
The Church's functional and presentational currency is pounds Sterling (GBP).

**Preparation of consolidated financial statements**
The financial statements contain information about the Church as an individual entity and do not contain consolidated financial information as the parent of a group. The Church is exempt under the Charities Act 2011 from the requirement to prepare consolidated financial statements.

## 2. DONATIONS AND LEGACIES

| | | | Year ended 31/12/23 |
|---|---|---|---|
| | Unrestricted funds | Restricted funds | Total funds |
| | £ | £ | £ |
| Freewill offerings | 135,729 | - | 135,729 |
| Donations | 8,464 | 21,880 | 30,344 |
| Gift aid | 28,179 | 622 | 28,801 |
| Commission receivable | 43 | - | 43 |
| | 172,415 | 22,502 | 194,917 |

The prior year total is allocated between fund categories as follows:

| | | | Year ended 31/12/22 |
|---|---|---|---|
| | Unrestricted funds | Restricted funds | Total funds |
| | £ | £ | £ |
| Freewill offerings | 113,506 | - | 113,506 |
| Donations | 6,281 | 25,393 | 31,674 |
| Gift aid | 24,085 | 3,548 | 27,633 |
| Commission receivable | 135 | - | 135 |
| | 144,007 | 28,941 | 172,948 |



continued...

## 3. INCOME FROM CHARITABLE ACTIVITIES

| | Unrestricted funds £ | Restricted funds £ | Year ended 31/12/23 Total funds £ |
|---|---|---|---|
| Use of halls and meeting rooms | 14,600 | - | 14,600 |

The prior year total is allocated between fund categories as follows:

| | Unrestricted funds £ | Restricted funds £ | Year ended 31/12/22 Total funds £ |
|---|---|---|---|
| Use of halls and meeting rooms | 15,896 | - | 15,896 |

## 4. INVESTMENT INCOME

| | Unrestricted funds £ | Restricted funds £ | Year ended 31/12/23 Total funds £ |
|---|---|---|---|
| Deposit account interest | 1,511 | - | 1,511 |

The prior year total is allocated between fund categories as follows:

| | Unrestricted funds £ | Restricted funds £ | Year ended 31/12/22 Total funds £ |
|---|---|---|---|
| Deposit account interest | 412 | - | 412 |



continued...

## 5. OTHER INCOME

| | Unrestricted funds £ | Restricted funds £ | Year ended 31/12/23 Total funds £ |
|---|---|---|---|
| Other income | 5,477 | - | 5,477 |
| Government grants | 3,700 | - | 3,700 |
| | 9,177 | - | 9,177 |

The prior year total is allocated between fund categories as follows:

| | Unrestricted funds £ | Restricted funds £ | Year ended 31/12/22 Total funds £ |
|---|---|---|---|
| Other income | 3,117 | - | 3,117 |
| Government grants | 2,300 | - | 2,300 |
| | 5,417 | - | 5,417 |

## 6. CHARITABLE ACTIVITIES COSTS

| | Direct Costs £ | Grant funding of activities (see note 7) £ | Support costs (see note 8) £ | Year ended 31/12/23 Totals £ |
|---|---|---|---|---|
| Staff costs and related expenditure | 100,770 | - | - | 100,770 |
| Housing expenses | 1,373 | - | - | 1,373 |
| Church expenses | 42,921 | - | - | 42,921 |
| Printing, publicity and outreach | 1,398 | - | - | 1,398 |
| Departments | 8,376 | - | - | 8,376 |
| Donations and giving | 23,491 | 25,383 | - | 48,874 |
| Administration and other expenses | 30,599 | 23,491 | 2,213 | 56,303 |
| | 208,928 | 48,874 | 2,213 | 260,015 |



continued...

## 6. CHARITABLE ACTIVITIES COSTS (continued)

The prior year total is allocated between fund categories as follows:

| | Direct Costs | Grant funding of activities (see note 7) | Support costs (see note 8) | Year ended 31/12/22 Totals |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| Staff costs and related expenditure | **93,895** | - | - | **93,895** |
| Housing expenses | **259** | - | - | **259** |
| Church expenses | **41,381** | - | - | **41,381** |
| Printing, publicity and outreach | **4,171** | - | - | **4,171** |
| Departments | **1,061** | - | - | **1,061** |
| Donations and giving | **20,979** | **25,530** | - | **46,509** |
| Administration and other expenses | **29,847** | **20,979** | **5,053** | **55,879** |
| | **191,593** | **46,509** | **5,053** | **243,155** |

## 7. GRANTS PAYABLE

| | Unrestricted funds | Restricted funds | Year ended 31/12/23 Total funds |
|---|---|---|---|
| | £ | £ | £ |
| Evangelical Alliance | 250 | - | 250 |
| FIEC | 3,596 | - | 3,596 |
| Tithes | 17,177 | - | 17,177 |
| Energy Grant | 2,469 | - | 2,469 |
| Other charitable giving | - | 25,383 | 25,383 |
| | 23,491 | 25,383 | 48,874 |

The prior year total is allocated between fund categories as follows:

| | Unrestricted funds | Restricted funds | Year ended 31/12/22 Total funds |
|---|---|---|---|
| | £ | £ | £ |
| Evangelical Alliance | 120 | - | 120 |
| FIEC | 3,328 | - | 3,328 |
| Tithes | 16,031 | - | 16,031 |
| Other charitable giving | 1,500 | 25,530 | 27,030 |
| | 20,979 | 25,530 | 46,509 |



continued...

## 8. SUPPORT COSTS

**Governance costs**

| | Year ended 31/12/23 | Year ended 31/12/22 |
|---|---|---|
| | £ | £ |
| Independent Examiner's fees | 600 | 460 |
| Legal and professional fees | 1,613 | 4,593 |
| | 2,213 | 5,053 |

## 9. TRUSTEES' REMUNERATION AND BENEFITS

| | Year ended 31/12/23 | Year ended 31/12/22 |
|---|---|---|
| | £ | £ |
| Trustees' salaries | 47,798 | 44,415 |
| Trustees' social security | 2,043 | 1,573 |
| Trustees' pension contributions to money purchase schemes | 2,388 | 2,221 |
| | 52,229 | 48,209 |

**Trustees' expenses**

| | Year ended 31/12/23 | Year ended 31/12/22 |
|---|---|---|
| | £ | £ |
| Trustees' expenses | 361 | 493 |

In the current period the trustees' expenses totalled £361 (2022 - £493). The expenses related to the Pastor's expenses in connection with their duties.



continued...

## 10. STAFF COSTS

| | Year ended 31/12/23 | Year ended to 31/12/22 |
|---|---|---|
| | £ | £ |
| Wages and salaries | 46,987 | 43,515 |
| Social security costs | - | (213) |
| Other pension costs | 1,555 | 1,471 |
| | 48,542 | 44,773 |

The average monthly number of employees during the period was as follows:

| | Year ended 31/12/23 | Period 1/4/22 to 31/12/22 |
|---|---|---|
| Pastoral | 1 | 1 |
| Administration and support | 6 | 6 |
| | 7 | 7 |

No employees received emoluments in excess of £60,000.

## 11. TANGIBLE FIXED ASSETS

| | Freehold properties | Fixtures and fittings | Totals |
|---|---|---|---|
| | £ | £ | £ |
| **COST** | | | |
| At 1 January 2023 | 2,479,122 | 51,392 | 2,530,514 |
| Additions | - | 2,750 | 2,750 |
| At 31 December 2023 | 2,479,122 | 54,142 | 2,533,264 |
| **DEPRECIATION** | | | |
| At 1 January 2023 | 286,322 | 46,678 | 333,000 |
| Charge for period | 41,164 | 2,977 | 44,141 |
| At 31 December 2023 | 327,486 | 49,655 | 377,141 |
| **NET BOOK VALUE** | | | |
| At 31 December 2023 | 2,151,636 | 4,487 | 2,156,123 |
| At 31 December 2022 | 2,192,799 | 4,714 | 2,197,513 |



continued...

## 11. TANGIBLE FIXED ASSETS - continued

The freehold properties comprises the Church's premises and a freehold residential property. The Church's premises are stated at its capitalised value of £2,058,187 relating to the new building. The residential property comprises a freehold property which is used as tied accommodation by the Pastor which is stated at cost of £420,934 at the beginning of the period.

## 12. FIXED ASSET INVESTMENT

| | Shares in group undertakings £ |
|---|---|
| **COST** | |
| At 1 January 2023 | **100** |
| At 31 December 2023 | **100** |
| **NET BOOK VALUE** | |
| At 31 December 2023 | **100** |
| At 31 December 2022 | 100 |

There were no investment assets outside the UK.

The Church holds 100% of the issued share capital of Merland Rise Church Trading Limited, a company registered in England and Wales.

## 13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | Year ended 31/12/23 £ | Year ended 31/12/22 £ |
|---|---|---|
| Other debtors | **1,817** | 4,559 |
| Merland Rise Church Trading Limited | **11,966** | 9,258 |
| Tax | **14,870** | 6,830 |
| Prepayments and accrued income | **6,346** | 6,838 |
| | **34,999** | 27,485 |



continued...

## 14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | Year ended 31/12/23 | Year ended 31/12/22 |
|---|---|---|
| | £ | £ |
| Trade creditors | 6,113 | 3,135 |
| Social security and other taxes | 1,288 | 1,753 |
| Other creditors | 9,482 | 8,654 |
| Accrued expenses and deferred income | 7,164 | 14,843 |
| | 24,048 | 28,385 |

## 15. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

| | Year ended 31/12/23 | Year ended 31/12/22 |
|---|---|---|
| | £ | £ |
| Other loans (see note 16) | 200,000 | 200,000 |

## 16. LOANS

An analysis of the maturity of loans is given below:

| | | |
|---|---|---|
| Amounts falling due in more than one year: | | |
| Repayable otherwise than by instalments: | | |
| Unsecured loans | 200,000 | 200,000 |

See further details in note 18.



continued...

## 17. MOVEMENT IN FUNDS

| | At 1/1/23 £ | Net movement in funds £ | Transfers between funds £ | At 31/12/23 £ |
|---|---|---|---|---|
| **Unrestricted funds** | | | | |
| General fund | 21,117 | 17,593 | - | 38,710 |
| Manse fund | 220,934 | - | - | 220,934 |
| General Reserve Fund | 15,000 | - | - | 15,000 |
| General Repairs and Maintenance Fund | 33,128 | (13,358) | | 19,770 |
| | 290,179 | 4,235 | | 294,414 |
| **Restricted funds** | | | | |
| Building Fund | 1,771,865 | (41,164) | - | 1,730,702 |
| Emergency Fund | 9,101 | (1,599) | - | 7,502 |
| Men's Ministry Fund | 6,840 | 921 | - | 7,761 |
| Women's Ministry Fund | 6,232 | (755) | - | 5,476 |
| Youth Ministry Fund | 2,213 | 761 | - | 2,974 |
| Other Fund (destined giving) | 6,434 | (2,209) | - | 4,224 |
| | **1,802,685** | **(44,045)** | **-** | **1,758,640** |
| **TOTAL FUNDS** | **2,092,864** | **(39,810)** | **-** | **2,053,054** |

Net movement in funds, included in the above are as follows:

| | Incoming resources £ | Resources expended £ | Movement in funds £ |
|---|---|---|---|
| **Unrestricted funds** | | | |
| General fund | **197,703** | **(180,110)** | **17,593** |
| General Repairs and Maintenance Fund | | **(13,358)** | **(13,358)** |
| | **197,703** | **(193,468)** | **4,235** |
| **Restricted funds** | | | |
| Building Fund | - | **(41,164)** | **(41,164)** |
| Emergency Fund | - | **(1,599)** | **(1,599)** |
| Men's Ministry Fund | **2,350** | **(1,429)** | **(921)** |
| Women's Ministry Fund | **1,295** | **(2,050)** | **(755)** |
| Youth Ministry Fund | **1,431** | **(670)** | **761** |
| Other Charitable Giving Fund | **17,426** | **(19,635)** | **(2,209)** |
| | **22,502** | **(66,547)** | **(44,045)** |
| **TOTAL FUNDS** | **220,205** | **(260,015)** | **(39,810)** |



continued...

17. MOVEMENT IN FUNDS - continued

**Comparatives for movement in funds**

| | At 1/1/22 £ | Net movement in funds £ | Transfers between funds £ | At 31/12/22 £ |
|---|---|---|---|---|
| **Unrestricted funds** | | | | |
| General fund | 33,013 | 4,154 | (16,050) | 21,117 |
| Manse fund | 220,934 | - | - | 220,934 |
| General Reserve Fund | 15,000 | - | - | 15,000 |
| General Repairs and Maintenance Fund | 34,486 | (13,358) | 12,000 | 33,128 |
| | 303,433 | (9,204) | (4,050) | 290,179 |
| **Restricted funds** | | | | |
| Building Fund | 1,813,029 | (41,164) | - | 1,771,865 |
| Emergency Fund | 11,617 | (2,516) | - | 9,101 |
| Men's Ministry Fund | 5,090 | 1,750 | - | 6,840 |
| Women's Ministry Fund | 5,376 | (869) | 1,725 | 6,232 |
| Youth Ministry Fund | 1,228 | 922 | 63 | 2,213 |
| Other Fund (destined giving) | 1,573 | 2,599 | 2,262 | 6,434 |
| | 1,837,913 | (39,278) | 4,050 | 1,802,685 |
| **TOTAL FUNDS** | 2,141,346 | (48,482) | - | 2,092,864 |

Comparative net movement in funds, included in the above are as follows:

| | Incoming resources £ | Resources expended £ | Movement in funds £ |
|---|---|---|---|
| **Unrestricted funds** | | | |
| General Fund | 165,732 | (161,578) | 4,154 |
| General Repairs and Maintenance Fund | | (13,358) | (13,358) |
| | 165,732 | (174,936) | (9,204) |
| **Restricted funds** | | | |
| Building Fund | - | (41,164) | (41,164) |
| Emergency Fund | - | (2,516) | (2,516) |
| Men's Ministry Fund | 1,750 | - | 1,750 |
| Women's Ministry Fund | - | (869) | (869) |
| Youth Ministry Fund | 1,537 | (615) | 922 |
| Other Charitable Giving Fund | 25,654 | (23,055) | 2,599 |
| | 28,941 | (68,219) | **(39,278)** |
| **TOTAL FUNDS** | 194,673 | (243,155) | (48,482) |



continued...

## 18. RELATED PARTY DISCLOSURES

Details of the remuneration and expenses paid to trustees is shown within the Notes to the accounts.

The total amount of donations without conditions received by the Church from the trustees during the period was £15,107 (period to 31.12.2022 - £16,241).

At 31 December 2023, the Church owed trustees £200,000 (31.12.2022 - £200,000). This loan is unsecured, interest free and repayable after more than one year.

Apart from the above, there were no related party transactions between the trustees and the Church.

**Merland Rise Church Trading Limited**
Merland Rise Church Trading Limited (MRCTL) is a wholly owned subsidiary of Merland Rise Church (CIO). Any profits made by the company will be donated to the Church under gift aid. No charitable donations were made to the Church during the current period nor prior year. At the year end, the Church was owed £11,966 (31.12.2022 - £9,258) by that company.

## 19. PENSION SCHEME

The Church operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the Church to the scheme and amounted to £3,943 (31.12.2022 - £3,692).

Contributions totalling £nil (31.12.2022 - £nil) were payable to the scheme at the end of the year and are included in creditors.

## 20. ULTIMATE CONTROLLING PARTY

The Church is controlled by the trustees under the general guidance of the Church Meeting in accordance with the Church's constitution.

## 21. UNRESTRICTED DESIGNATED FUNDS

The nature and purpose of the Church's unrestricted designated funds are as follows:

**Manse**
This fund comprises the interest in freehold Manse owned by the Church. The Church sold its Manse and purchased another Manse in 2017 and granted the Pastor an option to purchase a part interest in this Manse. This option was exercised in January 2019.

**General Reserve Fund**
This fund has been established to allow the Church to cover unforeseen and unbudgeted increases and decreases in revenue and expenditure.

**General Repairs and Maintenance Fund**
This fund has been established to cover major uninsured repairs and maintenance costs of the new Church building.


continued...

## 22. RESTRICTED FUNDS

The nature and purpose of the Church's restricted funds are as follows:

**Building Fund**
This fund comprises the Church's premises whose redevelopment was completed in 2017.

**Emergency Fund**
This fund is available to the Pastor to use on a discretionary basis for particular needs and situations he identifies among the Church fellowship and the local community.

**Other Charitable Giving Fund**
This fund receives offerings from members of the Church which are for specified third party charities.

**Men's, Women's and Youth's Ministry Fund**
This relates to donations received from members to support the activities carried out by the respective ministries.



continued...

# Merland Rise Church

## Detailed Statement of Financial Activities
## for the year ended 31 December 2023

| | Year ended 31/12/23 £ | Year ended 31/12/22 £ |
|---|---|---|
| **INCOME AND ENDOWMENTS** | | |
| **Donations and legacies** | | |
| Freewill offerings | **135,729** | 113,506 |
| Donations | **30,344** | 31,674 |
| Legacies | **-** | - |
| Gift aid | **28,801** | 27,633 |
| Commission receivable | **43** | 135 |
| | **194,917** | 172,948 |
| **Investment income** | | |
| Deposit account interest | **1,511** | 412 |
| **Charitable activities** | | |
| Use of meeting rooms | **14,600** | 15,896 |
| **Other income** | | |
| Other income | **9,177** | 5,417 |
| **Total incoming resources** | **220,205** | 194,673 |
| **EXPENDITURE** | | |
| **Charitable activities** | | |
| Trustees' salaries | **47,798** | 44,415 |
| Trustees' social security | **2,043** | 1,573 |
| Trustees' pension contributions | **2,388** | 2,221 |
| Trustees' expenses | **361** | 493 |
| Wages | **46,987** | 43,515 |
| Social security | **-** | (213) |
| Pensions | **1,555** | 1,471 |
| Other operating leases | **-** | 250 |
| Rent and rates | **28** | 110 |
| Insurance | **6,726** | 4,744 |
| Light and heat | **10,636** | 9,521 |
| Telephone | **994** | 759 |
| Postage | **24** | 54 |
| Sundries | **1,429** | 1,524 |
| Carried forward | **120,969** | 110,437 |

# Merland Rise Church

## Detailed Statement of Financial Activities
## for the year ended 31 December 2023

| | Year ended 31/12/23 | Year ended 31/12/22 |
|---|---|---|
| | £ | £ |
| **Charitable activities** | | |
| Brought forward | **120,969** | 110,437 |
| Training | **1,964** | 2,290 |
| Repairs and maintenance | **12,183** | 15,784 |
| Cleaning and gardening | **7,567** | 5,241 |
| Licences | **1,348** | 1,316 |
| Office supplies | **1,494** | 1,645 |
| Photocopying | **595** | 568 |
| Outreach literature | | 3,549 |
| Other staff costs | **944** | 914 |
| Speaker and signer fees | **150** | 887 |
| Bank charges | **862** | 142 |
| Candles & decorations | **105** | 185 |
| Church Service | **1,095** | 1,445 |
| Church expenses | **5,319** | 1,472 |
| Computer software | **2,559** | 1,244 |
| Youth/children ministry expenses | **7,633** | 1,061 |
| Other expenses | | 259 |
| Freehold property | **41,164** | 41,164 |
| Fixtures and fittings | **2,977** | 1,990 |
| Donations & Giving | **48,874** | 46,509 |
| Trustees Discretionary Fund | - | - |
| | **257,802** | 238,102 |
| **Support costs** | | |
| **Governance costs** | | |
| Independent Examiner's fees | **600** | 460 |
| Legal and professional fees | **1,613** | 4,593 |
| | **2,213** | 5,053 |
| Total resources expended | **260,015** | 243,155 |
| **Net expenditure** | **(39,810)** | (48,482) |

This page does not form part of the statutory financial statements

**MERLAND RISE CHURCH**

England & Wales - Charity number 1187784

# Accounts

REGISTERED CHARITY NUMBER: 1187784

# Merland Rise Church

## (Charitable Incorporated Organisation)

## Report of the Trustees and

## Unaudited Financial Statements for the Year Ended 31 December 2022

# Merland Rise Church

## Contents of the Financial Statements for the year ended 31 December 2022


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# Merland Rise Church

## Report of the Trustees
## for the year ended 31 December 2022

The Trustees present their annual report with the financial statements of the Church for the year ended 31 December 2022. The Trustees confirm that the annual report and financial statements of the Church comply with the current statutory requirements, the requirements of the Church's governing document and the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) ("SORP (FRS 102)").

**OBJECTIVES AND ACTIVITIES**

**Objectives and aims**

The principal purposes of Merland Rise Church are the advancement of the Christian faith and the provision of service and support to all sections of the community, including people of other faiths and none, with a particular focus on the socially and economically disadvantaged living within the Preston and Tadworth area and the surrounding neighbourhood. The Church also carries out such other charitable purposes in the United Kingdom and other parts of the world that, in the opinion of the members of the Church in General Meeting and the Trustees, shall further the work of the Church and serve disadvantaged people groups.

**Significant activities**

In fulfilling its purposes, the Church will engage in a range of activities either independently or in collaboration with other Churches, public and third sector and voluntary organisations which share the social justice priorities, and with whom it can work in partnership to improve the life chances and opportunities of those it seeks to serve.

The Church's activities include, but are not restricted to:

- regular public worship, prayer, Bible study, preaching and teaching and Believers baptism;
- the Communion of the Lord's Supper, which shall normally be observed at least once a month;
- evangelism and mission, whether locally, regionally, nationally or internationally;
- promotion of family life, diversity, strong and supportive personal and community relationships;
- the nurture and growth of Christian disciples, including the imperative of serving others selflessly, giving of their time and financial resources;
- encouraging pastoral care, with a particular focus on the elderly and vulnerable, supporting and encouraging charitable and community causes both locally and abroad;
- supporting provision and access to those with disabilities, with a particular focus on the deaf and deaf/blind community;
- counselling and support to those experiencing relationship difficulties, financial support to the economically disadvantaged including a Food Bank and debt counselling service, employment advice including resolving conflicts and enhancing the employability of those seeking work;
- practical support, including the provision of furniture, white goods and emergency cash to those experiencing financial hardship as a result of their immigration status, long-term ill health, unemployment or similar;
- services to children and young people including life skills, training and social and recreational facilities;
- maintaining our long established collaborative working with Epsom Downs Primary School;
- use of our premises by various charities, community groups and public bodies which share our priorities.

**Public benefit**

In planning the activities of the Church, the Trustees have considered the Charity Commission's guidance on public benefit and, in particular, the specific guidance on charities for the advancement of religion.

# Merland Rise Church

## Report of the Trustees
## for the year ended 31 December 2022

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**ACHIEVEMENT AND PERFORMANCE**

**Charitable activities**

During the year the Church has continued to serve its' members and the local community. The Church offers weekly Sunday morning and Sunday evening services together with multiple prayer meetings/bible study and home group meetings.

The Church also offers pastoral care to its' members and supports the local community in various community activities such as running a food bank.

**Fundraising activities**

The Church does not engage in public fund raising activities.

**FINANCIAL REVIEW**

**Financial position**

The financial position of the Church is set out in the Statement of Financial Activities and Balance Sheet and the related notes and have been prepared in accordance with statutory requirements of the Charities Act 2011 and SORP (FRS 102).

**Principal funding sources**

The principal funding sources of the Church are the voluntary donations and giving by members of the Church's congregation together with allied income tax rebates under the gift aid scheme.

In addition the Church received the following grants:

- £1,500 on 11 August 2022 for energy top-ups for distribution to various individuals in the community
- £800 on 22 November 2022 used to fund a 'Warm hub' (any unspent surplus to be used for community support in 2023)

**Investment policy and objectives**

Any money not required for day to day use is placed on deposit with the Church's bankers, CAF Bank Limited. At the balance sheet date, the Church part-owned one freehold residential property which is used to provide accommodation to the Pastor.

**Reserves policy**

The Church has a General Reserve Fund of £15,000 that represents approximately 10% of the Church's annual revenue expenditure including legal commitments under contracts of employment to cover unforeseen increases and decreases in revenue and expenditure. The Church also has a General Repairs and Maintenance Fund to cover major uninsured repairs and maintenance expenditure on the Church premises and equipment. At the end of the financial year the Church's reserves met these targets.

**Going concern**

The financial statements are drawn up on the going concern basis, which assumes Merland Rise Church will continue in operational existence for the foreseeable future. The Trustees consider the current and forecast cash resources to be sufficient to cover the working capital requirements of the Church for at least 12 months.

# Merland Rise Church

## Report of the Trustees
## for the year ended 31 December 2022

---

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Governing document**

The Church members approved and adopted a Constitution at a Special Church Members Meeting held on the 15th December 2019.

**Recruitment and appointment of new trustees**

The running of the Church is under the control of an "Eldership" comprising the Senior Pastor and Elders. The Pastor was appointed by the Church at a Special Meeting and is employed under a contract of service, effective 1st September 2017. The other Trustees are appointed in accordance with the Constitution and they meet regularly, administering the Church by majority decision.

**Organisational structure**

The Church appoints a Pastor and other paid staff as circumstances require. The Pastor and Elders lead the Church in terms of both spiritual matters and governance of the Church. The day to day co-ordination of the Church's programme and various practical matters are then managed by the Leadership Team, members of which are similarly elected by the members of the Church at a Church Meeting. In addition to this management structure the Church employs a part-time Administrator, Cleaner and Caretaker Hosts.

**Governance code**

The trustees are aware of the Charity Governance Code and are considering how the relevant matters can be applied to and implemented by the Church.

**Wider network**

The Church is a member organisation of the Fellowship of Independent Evangelical Churches (FIEC) and FIEC Ltd, charity number 251395.

**Risk management**

The Trustees have a duty to identify and review the risks to which the Church is exposed and ensure that appropriate controls are in place to mitigate or eliminate those risks.

The Trustees regularly review the major risks to which the Church is exposed and have established systems and procedures to mitigate those risks, particularly in such areas as financial management, child and vulnerable adult protection.

# Merland Rise Church

## Report of the Trustees
## for the year ended 31 December 2022

**REFERENCE AND ADMINISTRATIVE DETAILS**
**Registered Charity number**
1187784

**Principal address**
Merland Rise
Tadworth
Surrey
KT20 5JQ

**Trustees**
M Childs
G J Mann Elder
K Lane Elder
P Oliver Elder
Rev R Powell Pastor and Elder
D Thomas Elder

**Independent Examiner**
Tim Slater
ACA CTA
Harmer Slater Limited
19 Cedar Road
Sutton
SM2 5DA

**Solicitors**
Anthony Collins Solicitors LLP
134 Edmund Street
Birmingham B3 2ES

**Bankers**
CAF Bank Limited
25 Kings Hill Avenue
Kings Hill
West Malling
Kent ME19 4JQ
CAF Bank Limited is a subsidiary of the Charities Aid Foundation (CAF)

**FUNDS HELD AS CUSTODIAN FOR OTHERS**
There were no funds held as a custodian for any other charities.

Approved by order of the board of trustees on 5 September 2023 and signed on its behalf by:

.....
P Oliver - Trustee

## Independent Examiner's Report to the Trustees of Merland Rise Church

I report to the Church trustees on my examination of the accounts of Merland Rise Church (CIO), charity number 1187784, for the year ended 31 December 2022, which are set out on pages 6 to 22.

**Respective responsibilities of Trustees and Examiner**

The Church's Trustees are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

The Church's Trustees consider that an audit is not required for this year under section 144(2) of the Act and that independent examination is needed.

It is my responsibility to:

1. examine the accounts under section 145 of the Charity Act;
2. to follow all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act, and;
3. to state whether particular matters have come to my attention.

**Basis of Independent examiner's statement**

My examination was carried out in accordance with general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the Church and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair' view and the report is limited to those matters set out in the statement below.

**Independent examiner's statement**

In connection with my examination, no material matters have come to my attention which gives me cause to believe that in, any material respect:

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

Tim Slater
ACA CTA
Harmer Slater Limited
19 Cedar Road
Sutton
SM2 5DA

Date: 5 September 2023

# Merland Rise Church

## Statement of Financial Activities
## for the year ended 31 December 2022

| | Notes | Unrestricted funds | Restricted funds | **Year ended 31/12/22 Total funds** | Year ended 31/12/21 Total funds |
|---|---|---|---|---|---|
| | | £ | £ | £ | £ |
| **INCOME AND ENDOWMENTS FROM** | | | | | |
| Donations and legacies | 2 | **144,007** | **28,941** | **172,948** | 169,072 |
| **Charitable activities** | | | | | |
| Use of halls | 3 | **15,896** | - | **15,896** | 5,583 |
| Investment income | 4 | **412** | - | **412** | 10 |
| Other income | 5 | **5,417** | - | **5,417** | 3,586 |
| **Total** | | **165,732** | **28,941** | **194,673** | 178,251 |
| **EXPENDITURE ON** | | | | | |
| **Charitable activities** | 6 | | | | |
| Staff costs and related expenditure | | **93,895** | - | **93,895** | 72,062 |
| Housing expenses | | **259** | - | **259** | 119 |
| Church expenses | | **41,713** | - | **41,713** | 21,827 |
| Printing, publicity and outreach | | **4,171** | - | **4,171** | 2,452 |
| Departments | | **1,061** | - | **1,061** | 726 |
| Donations and giving | | **20,979** | **25,530** | **46,509** | 31,252 |
| Administration and other expenses | | **12,858** | **42,689** | **55,547** | 49,638 |
| **Total** | | **174,936** | **68,219** | **243,155** | 178,076 |
| **NET INCOME/(EXPENDITURE)** | | **(9,204)** | **(39,278)** | **(48,482)** | 175 |
| **Transfers between funds** | 17 | **(4,050)** | **4,050** | - | - |
| **Net movement in funds** | | **(13,254)** | **(35,228)** | **(48,482)** | 175 |
| **RECONCILIATION OF FUNDS** | | | | | |
| **Total funds brought forward** | | **303,433** | **1,837,913** | **2,141,346** | 2,141,171 |
| **TOTAL FUNDS CARRIED FORWARD** | | **290,179** | **1,802,685** | **2,092,864** | 2,141,346 |

The notes form part of these financial statements

# Merland Rise Church

## Balance Sheet
## 31 December 2022

| | Notes | Unrestricted funds | Restricted funds | **Year ended 31/12/22 Total funds** | Year ended 31/12/21 Total funds |
|---|---|---|---|---|---|
| | | £ | £ | £ | £ |
| **FIXED ASSETS** | | | | | |
| Tangible assets | 11 | **425,648** | **1,771,865** | **2,197,513** | 2,239,113 |
| Investment | 12 | **100** | **-** | **100** | 100 |
| | | **425,748** | **1,771,865** | **2,197,613** | 2,239,213 |
| **CURRENT ASSETS** | | | | | |
| Debtors: amounts falling due within one year | 13 | **27,485** | **-** | **27,485** | 22,141 |
| Cash at bank and in hand | | **65,331** | **30,820** | **96,151** | 113,748 |
| | | **92,816** | **30,820** | **123,636** | 135,889 |
| **CREDITORS** | | | | | |
| Amounts falling due within one year | 14 | **(28,385)** | - | **(28,385)** | (33,756) |
| **NET CURRENT ASSETS** | | **64,431** | **30,820** | **95,251** | 102,133 |
| **TOTAL ASSETS LESS CURRENT LIABILITIES** | | **490,179** | **1,802,685** | **2,292,864** | 2,341,346 |
| **CREDITORS** | | | | | |
| Amounts falling due after more than one year | 15 | **(200,000)** | - | **(200,000)** | (200,000) |
| **NET ASSETS** | | **290,179** | **1,802,685** | **2,092,864** | 2,141,346 |

The notes form part of these financial statements

# Merland Rise Church

## Balance Sheet - continued
## 31 December 2022

| | Notes | | |
|---|---|---|---|
| **FUNDS** | | | |
| Unrestricted funds: | | | |
| General fund | 17 | **21,117** | 33,013 |
| Manse fund | 17 | **220,934** | 220,934 |
| General Reserve Fund | 17 | **15,000** | 15,000 |
| General Repairs and Maintenance Fund | 17 | **33,128** | 34,486 |
| | | **290,179** | 303,433 |
| Restricted funds: | | | |
| Building Fund | 17 | **1,771,865** | 1,813,029 |
| Emergency Fund | 17 | **9,101** | 11,617 |
| Men's Ministry Fund | 17 | **6,840** | 5,090 |
| Women's Ministry Fund | 17 | **6,232** | 5,376 |
| Youth Ministry Fund | 17 | **2,213** | 1,228 |
| Other fund | 17 | **6,434** | 1,573 |
| | | **1,802,685** | 1,837,913 |
| **TOTAL FUNDS** | | **2,092,864** | 2,141,346 |

The financial statements were approved by the Board of Trustees and authorised for issue on 5 September 2023 and were signed on its behalf by:

.....
P Oliver - Trustee

The notes form part of these financial statements

# Merland Rise Church

## Notes to the Financial Statements
## for the year ended 31 December 2022

### 1. ACCOUNTING POLICIES

**Basis of preparation**

The financial statements of the Church, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value.

The financial statements include all transactions, assets and liabilities for which the Trustees can be held responsible in law. They do not include the financial statements of the church groups that owe affiliation to another body nor those that are informal gatherings of church members.

**Going concern**

The financial statements are drawn up on the going concern basis, which assumes Merland Rise Church (CIO) will continue in operational existence for the foreseeable future. The Trustees consider the current and forecast cash resources to be sufficient to cover the working capital requirements of the Church for at least 12 months.

**Financial reporting standard 102 - reduced disclosure exemptions**

The Church has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland':

- the requirements of Section 7 Statement of Cash Flows.

**Income**

All income is recognised in the Statement of Financial Activities once the Church has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

**Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Church to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

**Allocation and apportionment of costs**

Cost are allocated to the principal activities of the Church on the following basis:

- Salaries and related costs : time spent
- Other costs : in accordance with purpose and nature of expenditure

1. **ACCOUNTING POLICIES - continued**

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

| | | |
|---|---|---|
| Freehold Church premises | - | 2% on cost |
| Freehold Residential property (Manse) | - | nil |
| Fixtures and fittings | - | 25% on cost and 20% on cost |

The Church has in place an accounting policy of carrying out regular maintenance and repairs on its freehold residential property (the cost of which are charged in full to the SOFA). No depreciation arises in the year on the freehold residential property used as tied accommodation as in the opinion of the trustees the residual value of the property is not materially less than its carrying amount in the financial statements. An impairment review of such fixed assets in accordance with FRS 102 section 27 is carried out as at the end of each financial period.

**Taxation**

The Church is exempt from tax on its charitable activities.

All the Church's expenditure is shown inclusive of irrecoverable VAT.

**Fund accounting**

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the Church. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Endowment funds are resources received by the Church that represent capital and the trustees are required by charity law to retain and use the endowment for the Church's purposes.

Investment income, gains and losses are allocated to the appropriate fund.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

**Hire purchase and leasing commitments**

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

**Pension costs and other post-retirement benefits**

The Church operates a defined contribution pension scheme. Contributions payable to the Church's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

**Investments**

Investments are categorised as current assets where the intention is to realise the investment without reinvestment of the sale proceeds. All other investments are classified as fixed assets. All investment assets are stated in the balance sheet at fair value and both realised and unrealised gains or losses are recognised in the statement of financial activities. The fair value of listed investments is taken at the market price of the asset as at the year end date.

## 1. ACCOUNTING POLICIES - continued

**Financial instruments**
Apart from certain investments, the Church only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

**Currency**
The Church's functional and presentational currency is pounds Sterling (GBP).

**Preparation of consolidated financial statements**
The financial statements contain information about the Church as an individual entity and do not contain consolidated financial information as the parent of a group. The Church is exempt under the Charities Act 2011 from the requirement to prepare consolidated financial statements.

## 2. DONATIONS AND LEGACIES

| | | | Year ended 31/12/22 |
|---|---|---|---|
| | Unrestricted funds | Restricted funds | Total funds |
| | £ | £ | £ |
| Freewill offerings | 113,506 | - | 113,506 |
| Donations | 6,281 | 25,393 | 31,674 |
| Gift aid | 24,085 | 3,548 | 27,633 |
| Commission receivable | 135 | - | 135 |
| | 144,007 | 28,941 | 172,948 |

The prior year total is allocated between fund categories as follows:

| | | | Year ended 31/12/21 |
|---|---|---|---|
| | Unrestricted funds | Restricted funds | Total funds |
| | £ | £ | £ |
| Freewill offerings | 122,414 | - | 122,414 |
| Donations | 5,250 | 18,198 | 23,448 |
| Gift aid | 22,428 | 651 | 23,079 |
| Commission receivable | 131 | - | 131 |
| | 150,223 | 18,849 | 169,072 |

## 3. INCOME FROM CHARITABLE ACTIVITIES

| | Unrestricted funds £ | Restricted funds £ | Year ended 31/12/22 Total funds £ |
|---|---|---|---|
| Use of halls and meeting rooms | 15,896 | - | 15,896 |

The prior year total is allocated between fund categories as follows:

| | Unrestricted funds £ | Restricted funds £ | Year ended 31/12/21 Total funds £ |
|---|---|---|---|
| Use of halls and meeting rooms | 5,583 | - | 5,583 |

## 4. INVESTMENT INCOME

| | Unrestricted funds £ | Restricted funds £ | Year ended 31/12/22 Total funds £ |
|---|---|---|---|
| Deposit account interest | 412 | - | 412 |

The prior year total is allocated between fund categories as follows:

| | Unrestricted funds £ | Restricted funds £ | Year ended 31/12/21 Total funds £ |
|---|---|---|---|
| Deposit account interest | 10 | - | 10 |

## 5. OTHER INCOME

| | Unrestricted funds | Restricted funds | Year ended 31/12/22 Total funds |
|---|---|---|---|
| | £ | £ | £ |
| Other income | 3,117 | - | 3,117 |
| Government grants | 2,300 | - | 2,300 |
| | 5,417 | - | 5,417 |

The prior year total is allocated between fund categories as follows:

| | Unrestricted funds | Restricted funds | Year ended 31/12/21 Total funds |
|---|---|---|---|
| | £ | £ | £ |
| Other income | 462 | - | 462 |
| Government grants | 3,124 | - | 3,124 |
| | 3,586 | - | 3,586 |

## 6. CHARITABLE ACTIVITIES COSTS

| | Direct Costs | Grant funding of activities (see note 7) | Support costs (see note 8) | Year ended 31/12/22 Totals |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| Staff costs and related expenditure | **93,895** | - | - | **93,895** |
| Housing expenses | **259** | - | - | **259** |
| Church expenses | **41,713** | - | - | **41,713** |
| Printing, publicity and outreach | **4,171** | - | - | **4,171** |
| Departments | **1,061** | - | - | **1,061** |
| Donations and giving | **20,979** | **25,530** | - | **46,509** |
| Administration and other expenses | **7,805** | **42,689** | 5,053 | **55,547** |
| | **212,572** | **25,530** | 5,053 | **243,155** |

## 6. CHARITABLE ACTIVITIES COSTS (continued)

The prior year total is allocated between fund categories as follows:

| | Direct Costs | Grant funding of activities (see note 7) | Support costs (see note 8) | Year ended 31/12/21 Totals |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| Staff costs and related expenditure | **72,062** | - | - | **72,062** |
| Housing expenses | **119** | - | - | **119** |
| Church expenses | **21,827** | - | - | **21,827** |
| Printing, publicity and outreach | **2,452** | - | - | **2,452** |
| Departments | **726** | - | - | **726** |
| Donations and giving | **19,098** | **12,154** | - | **31,252** |
| Administration and other expenses | **47,102** | - | **2,536** | **49,638** |
| | **163,386** | **12,154** | **2,536** | **178,076** |

## 7. GRANTS PAYABLE

| | Unrestricted funds | Restricted funds | Year ended 31/12/22 Total funds |
|---|---|---|---|
| | £ | £ | £ |
| Evangelical Alliance | 120 | - | 120 |
| FIEC | 3,328 | - | 3,328 |
| Tithes | 16,031 | - | 16,031 |
| Other charitable giving | 1,500 | 25,530 | 27,030 |
| | 20,979 | 25,530 | 46,509 |

The prior year total is allocated between fund categories as follows:

| | Unrestricted funds | Restricted funds | Period 1/4/20 31/12/21 Total funds |
|---|---|---|---|
| | £ | £ | £ |
| Evangelical Alliance | 165 | - | 165 |
| FIEC | 3,252 | - | 3,252 |
| Tithes | 15,581 | - | 15,581 |
| Other charitable giving | 100 | 12,154 | 12,254 |
| | 19,098 | 12,154 | 31,252 |

## 8. SUPPORT COSTS

**Governance costs**

| | Year ended 31/12/22 | Year ended 31/12/21 |
|---|---|---|
| | £ | £ |
| Independent Examiner's fees | 460 | 300 |
| Legal and professional fees | 4,593 | 2,236 |
| | 5,053 | 2,536 |

## 9. TRUSTEES' REMUNERATION AND BENEFITS

| | Year ended 31/12/22 | Year ended 31/12/21 |
|---|---|---|
| | £ | £ |
| Trustees' salaries | 44,415 | 39,796 |
| Trustees' social security | 1,573 | 1,083 |
| Trustees' pension contributions to money purchase schemes | 2,221 | 4,218 |
| | 48,209 | 45,097 |

**Trustees' expenses**

| | Year ended 31/12/22 | Year ended 31/12/21 |
|---|---|---|
| | £ | £ |
| Trustees' expenses | 493 | 679 |

In the current period the trustees' expenses totalled £493 (2021 - £679). The expenses related to the Pastor's expenses in connection with their duties.

## 10. STAFF COSTS

| | Year ended 31/12/21 | Year ended to 31/12/21 |
|---|---|---|
| | £ | £ |
| Wages and salaries | 43,515 | 63,620 |
| Social security costs | (213) | 1,471 |
| Other pension costs | 1,471 | 6,453 |
| | 44,773 | 71,544 |

The average monthly number of employees during the period was as follows:

| | Year ended 31/12/21 | Period 1/4/20 to 31/12/20 |
|---|---|---|
| Pastoral | 1 | 1 |
| Administration and support | 6 | 6 |
| | 7 | 7 |

No employees received emoluments in excess of £60,000.

## 11. TANGIBLE FIXED ASSETS

| | Freehold properties | Fixtures and fittings | Totals |
|---|---|---|---|
| | £ | £ | £ |
| **COST** | | | |
| At 1 January 2022 | 2,479,122 | 48,963 | 2,528,085 |
| Additions | - | 2,429 | 2,429 |
| At 31 December 2022 | 2,479,122 | 51,392 | 2,530,514 |
| **DEPRECIATION** | | | |
| At 1 January 2022 | 245,159 | 43,813 | 288,972 |
| Charge for period | 41,164 | 2,865 | 44,029 |
| At 31 December 2022 | 286,323 | 46,678 | 333,001 |
| **NET BOOK VALUE** | | | |
| At 31 December 2022 | 2,192,799 | 4,714 | 2,197,513 |
| At 31 December 2021 | 2,233,963 | 5,150 | 2,239,113 |

## 11. TANGIBLE FIXED ASSETS - continued

The freehold properties comprises the Church's premises and a freehold residential property. The Church's premises are stated at its capitalised value of £2,058,187 relating to the new building. The residential property comprises a freehold property which is used as tied accommodation by the Pastor which is stated at cost of £420,934 at the beginning of the period.

## 12. FIXED ASSET INVESTMENT

| | Shares in group undertakings £ |
|---|---|
| **COST** | |
| At 1 January 2022 | **100** |
| At 31 December 2022 | **100** |
| **NET BOOK VALUE** | |
| At 31 December 2022 | **100** |
| At 31 December 2021 | 100 |

There were no investment assets outside the UK.

The Church holds 100% of the issued share capital of Merland Rise Church Trading Limited, a company registered in England and Wales.

## 13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | **Year ended 31/12/22 £** | Year ended 31/12/21 £ |
|---|---|---|
| Other debtors | **4,559** | 714 |
| Merland Rise Church Trading Limited | **9,258** | 9,442 |
| Tax | **6,830** | 5,884 |
| Prepayments and accrued income | **6,838** | 6,101 |
| | **27,485** | 22,141 |

## 14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | Year ended 31/12/22 | Year ended 31/12/21 |
|---|---|---|
| | £ | £ |
| Trade creditors | **3,135** | 3,384 |
| Social security and other taxes | **1,753** | 1,130 |
| Other creditors | **8,654** | 11,009 |
| Accrued expenses and deferred income | **14,843** | 18,233 |
| | **28,385** | 33,756 |

## 15. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

| | Year ended 31/12/22 | Year ended 31/12/21 |
|---|---|---|
| | £ | £ |
| Other loans (see note 16) | **200,000** | 200,000 |

## 16. LOANS

An analysis of the maturity of loans is given below:

Amounts falling due in more than one year:

Repayable otherwise than by instalments:

| | | |
|---|---|---|
| Unsecured loans | **200,000** | 200,000 |

See further details in note 18.

## 17. MOVEMENT IN FUNDS

| | At 1/1/22 £ | Net movement in funds £ | Transfers between funds £ | At 31/12/22 £ |
|---|---|---|---|---|
| **Unrestricted funds** | | | | |
| General fund | 33,013 | 4,154 | (16,050) | 21,117 |
| Manse fund | 220,934 | - | - | 220,934 |
| General Reserve Fund | 15,000 | - | - | 15,000 |
| General Repairs and Maintenance Fund | 34,486 | (13,358) | 12,000 | 33,128 |
| | 303,433 | (9,204) | (4,050) | 290,179 |
| **Restricted funds** | | | | |
| Building Fund | 1,813,029 | (41,164) | - | 1,771,865 |
| Emergency Fund | 11,617 | (2,516) | - | 9,101 |
| Men's Ministry Fund | 5,090 | 1,750 | - | 6,840 |
| Women's Ministry Fund | 5,376 | (869) | 1,725 | 6,232 |
| Youth Ministry Fund | 1,228 | 922 | 63 | 2,213 |
| Other Fund (destined giving) | 1,573 | 2,599 | 2,262 | 6,434 |
| | 1,837,913 | (39,278) | 4,050 | 1,802,685 |
| **TOTAL FUNDS** | 2,141,346 | (48,482) | - | 2,092,864 |

Net movement in funds, included in the above are as follows:

| | Incoming resources £ | Resources expended £ | Movement in funds £ |
|---|---|---|---|
| **Unrestricted funds** | | | |
| General fund | 165,732 | (161,578) | 4,154 |
| General Repairs and Maintenance Fund | | (13,358) | (13,358) |
| | 165,732 | (174,936) | (9,204) |
| **Restricted funds** | | | |
| Building Fund | - | (41,164) | (41,164) |
| Emergency Fund | - | (2,516) | (2,516) |
| Men's Ministry Fund | 1,750 | - | 1,750 |
| Women's Ministry Fund | - | (869) | (869) |
| Youth Ministry Fund | 1,537 | (615) | 922 |
| Other Charitable Giving Fund | 25,654 | (23,055) | 2,599 |
| | 28,941 | (68,219) | (39,278) |
| **TOTAL FUNDS** | 194,673 | (243,155) | (48,482) |

## 17. MOVEMENT IN FUNDS - continued

**Comparatives for movement in funds**

| | At 1/1/21 £ | Net movement in funds £ | Transfers between funds £ | At 31/12/21 £ |
|---|---|---|---|---|
| **Unrestricted funds** | | | | |
| General fund | 12,119 | 34,644 | (13,750) | 33,013 |
| Manse fund | 220,934 | - | - | 220,934 |
| General Reserve Fund | 15,000 | - | - | 15,000 |
| General Repairs and Maintenance Fund | 22,486 | - | 12,000 | 34,486 |
| | 270,539 | 34,644 | (1,750) | 303,433 |
| **Restricted funds** | | | | |
| Building Fund | 1,854,193 | (41,164) | - | 1,813,029 |
| Emergency Fund | 7,819 | 3,798 | - | 11,617 |
| Men's Ministry Fund | 3,507 | 1,583 | - | 5,090 |
| Women's Ministry Fund | 3,626 | - | 1,750 | 5,376 |
| Youth Ministry Fund | - | 1,228 | - | 1,228 |
| Other Fund (destined giving) | 1,487 | 86 | - | 1,573 |
| | 1,870,632 | (34,469) | 1,750 | 1,837,913 |
| **TOTAL FUNDS** | 2,141,171 | 175 | - | 2,141,346 |

Comparative net movement in funds, included in the above are as follows:

| | Incoming resources £ | Resources expended £ | Movement in funds £ |
|---|---|---|---|
| **Unrestricted funds** | | | |
| General Fund | 159,402 | (124,758) | 34,644 |
| **Restricted funds** | | | |
| Building Fund | - | (41,164) | (41,164) |
| Emergency Fund | 5,000 | (1,202) | 3,798 |
| Men's Ministry Fund | 1,825 | (242) | 1,583 |
| Youth Ministry Fund | 1,538 | (310) | 1,228 |
| Other Charitable Giving Fund | 10,486 | (10,400) | 86 |
| | 18,849 | (53,318) | (34,469) |
| **TOTAL FUNDS** | 178,251 | (178,076) | 175 |

## 18. RELATED PARTY DISCLOSURES

Details of the remuneration and expenses paid to trustees is shown within the Notes to the accounts.

The total amount of donations without conditions received by the Church from the trustees during the period was £16,241 (period to 31.12.2021 - £31,210).

At 31 December 2022, the Church owed trustees £200,000 (31.12.2021 - £200,000). This loan is unsecured, interest free and repayable after more than one year.

Apart from the above, there were no related party transactions between the trustees and the Church.

**Merland Rise Church Trading Limited**
Merland Rise Church Trading Limited (MRCTL) is a wholly owned subsidiary of Merland Rise Church (CIO). Any profits made by the company will be donated to the Church under gift aid. No charitable donations were made to the Church during the current period nor prior year. At the year end, the Church was owed £9,258 (period to 31.12.2021 - owed to MRCTL £9,442) by that company.

## 19. PENSION SCHEME

The Church operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the Church to the scheme and amounted to £9,413 (period to 31.12.2021 - £6,453).

Contributions totalling £nil (period to 31.12.2021 - £730) were payable to the scheme at the end of the year and are included in creditors.

## 20. ULTIMATE CONTROLLING PARTY

The Church is controlled by the trustees under the general guidance of the Church Meeting in accordance with the Church's constitution.

## 21. UNRESTRICTED DESIGNATED FUNDS

The nature and purpose of the Church's unrestricted designated funds are as follows:

**Manse**
This fund comprises the interest in freehold Manse owned by the Church. The Church sold its Manse and purchased another Manse in 2017 and granted the Pastor an option to purchase a part interest in this Manse. This option was exercised in January 2019.

**General Reserve Fund**
This fund has been established to allow the Church to cover unforeseen and unbudgeted increases and decreases in revenue and expenditure.

**General Repairs and Maintenance Fund**
This fund has been established to cover major uninsured repairs and maintenance costs of the new Church building.

## 22. RESTRICTED FUNDS

The nature and purpose of the Church's restricted funds are as follows:

**Building Fund**
This fund comprises the Church's premises whose redevelopment was completed in 2017.

**Emergency Fund**
This fund is available to the Pastor to use on a discretionary basis for particular needs and situations he identifies among the Church fellowship and the local community.

**Other Charitable Giving Fund**
This fund receives offerings from members of the Church which are for specified third party charities.

**Men's, Women's and Youth's Ministry Fund**
This relates to donations received from members to support the activities carried out by the respective ministries.

# Merland Rise Church

## Detailed Statement of Financial Activities
## for the year ended 31 December 2022

| | Year ended 31/12/22 £ | Year ended 31/12/21 £ |
|---|---|---|
| **INCOME AND ENDOWMENTS** | | |
| **Donations and legacies** | | |
| Freewill offerings | **113,506** | 122,414 |
| Donations | **31,674** | 23,448 |
| Legacies | **-** | - |
| Gift aid | **27,633** | 23,079 |
| Commission receivable | **135** | 131 |
| | **172,948** | 169,072 |
| **Investment income** | | |
| Deposit account interest | **412** | 10 |
| **Charitable activities** | | |
| Use of meeting rooms | **15,896** | 5,583 |
| **Other income** | | |
| Other income | **5,417** | 3,586 |
| **Total incoming resources** | **194,673** | 178,251 |
| **EXPENDITURE** | | |
| **Charitable activities** | | |
| Trustees' salaries | **44,415** | 39,796 |
| Trustees' social security | **1,573** | 1,083 |
| Trustees' pension contributions | **2,221** | 4,218 |
| Trustees' expenses | **493** | 71 |
| Wages | **43,515** | 23,824 |
| Social security | **(213)** | 388 |
| Pensions | **1,471** | 2,235 |
| Other operating leases | **250** | 250 |
| Rent and rates | **110** | 110 |
| Insurance | **4,744** | 4,513 |
| Light and heat | **9,521** | 6,425 |
| Telephone | **759** | 753 |
| Postage | **54** | 38 |
| Sundries | **1,524** | 475 |
| Carried forward | **110,437** | 84,179 |

# Merland Rise Church

## Detailed Statement of Financial Activities
## for the year ended 31 December 2022

| | Year ended 31/12/22 £ | Year ended 31/12/21 £ |
|---|---|---|
| **Charitable activities** | | |
| Brought forward | **110,437** | 84,179 |
| Training | **2,290** | 2,520 |
| Repairs and maintenance | **15,784** | 4,183 |
| Cleaning and gardening | **5,241** | 2,562 |
| Licences | **1,316** | 1,102 |
| Office supplies | **1,645** | 452 |
| Photocopying | **568** | 208 |
| Outreach literature | **3,549** | 2,206 |
| Other staff costs | **914** | 515 |
| Speaker and signer fees | **887** | 269 |
| Bank charges | **142** | 100 |
| Candles & decorations | **185** | 219 |
| Church Service | **1,445** | 946 |
| Church expenses | **1,472** | 496 |
| Computer software | **1,244** | 1,123 |
| Youth ministry expenses | **1,061** | 726 |
| Other expenses | **259** | -148 |
| Freehold property | **41,164** | 41,164 |
| Fixtures and fittings | **1,990** | 1,465 |
| Donations & Giving | **46,509** | 31,253 |
| Trustees Discretionary Fund | **-** | - |
| | **238,102** | 175,540 |
| **Support costs** | | |
| **Governance costs** | | |
| Independent Examiner's fees | **460** | 300 |
| Legal and professional fees | **4,593** | 2,236 |
| | **5,053** | 2,536 |
| Total resources expended | **243,155** | 178,076 |
| **Net expenditure** | **(48,482)** | 175 |

**MERLAND RISE CHURCH**

England & Wales - Charity number 1187784

# Accounts

REGISTERED CHARITY NUMBER: 1187784

# Merland Rise Church

## (Charitable Incorporated Organisation)

## Report of the Trustees and

## Unaudited Financial Statements for the Year Ended 31 December 2021

# Merland Rise Church

## Contents of the Financial Statements for the year ended 31 December 2021


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# Merland Rise Church

## Report of the Trustees
## for the year ended 31 December 2021

The Trustees present their annual report with the financial statements of the Church for the year ended 31 December 2021. The Trustees confirm that the annual report and financial statements of the Church comply with the current statutory requirements, the requirements of the Church's governing document and the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) ("SORP (FRS 102)").

**OBJECTIVES AND ACTIVITIES**

**Objectives and aims**

The principal purposes of Merland Rise Church are the advancement of the Christian faith and the provision of service and support to all sections of the community, including people of other faiths and none, with a particular focus on the socially and economically disadvantaged living within the Preston and Tadworth area and the surrounding neighbourhood. The Church also carries out such other charitable purposes in the United Kingdom and other parts of the world that, in the opinion of the members of the Church in General Meeting and the Trustees, shall further the work of the Church and serve disadvantaged people groups.

**Significant activities**

In fulfilling its purposes, the Church will engage in a range of activities either independently or in collaboration with other Churches, public and third sector and voluntary organisations which share the social justice priorities, and with whom it can work in partnership to improve the life chances and opportunities of those it seeks to serve.

The Church's activities include, but are not restricted to:

- regular public worship, prayer, Bible study, preaching and teaching and Believers baptism;
- the Communion of the Lord's Supper, which shall normally be observed at least once a month;
- evangelism and mission, whether locally, regionally, nationally or internationally;
- promotion of family life, diversity, strong and supportive personal and community relationships;
- the nurture and growth of Christian disciples, including the imperative of serving others selflessly, giving of their time and financial resources;
- encouraging pastoral care, with a particular focus on the elderly and vulnerable, supporting and encouraging charitable and community causes both locally and abroad;
- supporting provision and access to those with disabilities, with a particular focus on the deaf and deaf/blind community;
- counselling and support to those experiencing relationship difficulties, financial support to the economically disadvantaged including a Food Bank and debt counselling service, employment advice including resolving conflicts and enhancing the employability of those seeking work;
- practical support, including the provision of furniture, white goods and emergency cash to those experiencing financial hardship as a result of their immigration status, long-term ill health, unemployment or similar;
- services to children and young people including life skills, training and social and recreational facilities;
- maintaining our long established collaborative working with Epsom Downs Primary School and Children's Centre;
- use of our premises by various charities, community groups and public bodies which share our priorities.

**Public benefit**

In planning the activities of the Church, the Trustees have considered the Charity Commission's guidance on public benefit and, in particular, the specific guidance on charities for the advancement of religion.

## ACHIEVEMENT AND PERFORMANCE

### Charitable activities

During the year the Church has adapted to the Covid pandemic by offering both Sunday morning and Sunday evening services on-line via Zoom, in both live broadcast format and via a YouTube catch-up facility. Complying with Government guidance on places of worship throughout the pandemic, we offered in person services for up to 30 people when permitted, noting that all in person participation was on a pre-booked basis only. This enabled a small number of people to worship in person, while the majority participated via Zoom.

The pandemic limited the range of services we were able to offer but during each phase of the pandemic we have offered practical service and support to all sections of the community. Foremost, this has expressed itself in shopping or collection of prescriptions for the clinically vulnerable, disabled and isolated elderly local residents. We have also offered ongoing pastoral care, run multiple prayer meetings and weekdays Bible study and prayer groups via Zoom, either when face to face contact was not permitted or when it was considered by the trustees that such contact was imprudent.

### Fundraising activities

The Church does not engage in public fund raising activities.

## FINANCIAL REVIEW

### Financial position

The financial position of the Church is set out in the Statement of Financial Activities and Balance Sheet and the related notes and have been prepared in accordance with statutory requirements of the Charities Act 2011 and SORP (FRS 102).

### Principal funding sources

The principal funding sources of the Church are the voluntary donations and giving by members of the Church's congregation together with allied income tax rebates under the gift aid scheme. We have also received Covid grants from the local authority which we have used for the benefit of local residents and have also made limited use of the Government's Furlough Scheme. The latter has been fully focused on three part-time employees who clean and maintain the church premises and service external bookings and whose work was suspended when the premises fell into disuse and room hire was not permitted.

### Investment policy and objectives

Any money not required for day to day use is placed on deposit with the Church's bankers, CAF Bank Limited. At the balance sheet date, the Church part-owned one freehold residential property which is used to provide tied accommodation to the Pastor.

### Reserves policy

The Church has a General Reserve Fund of £15,000 that represents approximately 10% of the Church's annual revenue expenditure including legal commitments under contracts of employment to cover unforeseen increases and decreases in revenue and expenditure. The Church also has a General Repairs and Maintenance Fund to cover major uninsured repairs and maintenance expenditure on the Church premises and equipment. At the end of the financial year the Church's reserves met these targets.

### Going concern

The financial statements are drawn up on the going concern basis, which assumes Merland Rise Church will continue in operational existence for the foreseeable future. The Trustees consider the current and forecast cash resources to be sufficient to cover the working capital requirements of the Church for at least 12 months.

## STRUCTURE, GOVERNANCE AND MANAGEMENT

### Governing document

The Church members approved and adopted a new Constitution at a Special Church Meeting in December 2019 which formed part of our application to the Charity Commission to assume Charitable Incorporated Organisation (also referred to as CIO) status. Our new CIO status was subsequently registered with the Charity Commission effective 6th February 2020 under charity number 1187784.

### Transition to Charitable Incorporated Organisation

Merland Rise Church (registered charity number 1141447) became dormant for all operational purposes on 31st March 2020. Therefore, from 1 April 2020 onwards, all the assets, liabilities and funds reported under the unincorporated charity were migrated into the CIO (registered charity number 1187784) for operational purposes pending the formal legal transfer of assets and liabilities. The latter was expected to take up to 18 months to be ratified, as it would require the consent of our Holding Trust (FIEC) and Reigate and Banstead Borough Council (Landlord) to agree and document the transfer of leases and licenses for land and premises.

The transfer has been accounted for under 'merger accounting', in accordance with sections 27.12 and 27.13 of SORP FRS 102 and the assets, liabilities and funds were presented as though they have always been part of the same reporting charity.

### Recruitment and appointment of new trustees

The running of the Church is under the control of an "Eldership" comprising the Senior Pastor and Elders. The Pastor was appointed by the Church at a Special Meeting and is employed under a contract of service, effective 1st September 2017. The other Trustees are appointed in accordance with the Constitution formally adopted on 6th February 2020 and they meet regularly, administering the Church by majority decision.

### Organisational structure

The Church appoints a Pastor and other paid staff as circumstances require. The Pastor and Elders lead the Church in terms of both spiritual matters and governance of the Church. The day to day co-ordination of the Church's programme and various practical matters are then managed by the Leadership Team, members of which are similarly elected by the members of the Church at a Church Meeting. In addition to this management structure the Church employs a part-time Administrator, Cleaner and Caretaker Hosts. The position of Associate Pastor was also an employed role until the incumbent relocated to Germany in September 2020, with there being no intention to replace the job holder for the foreseeable future.

### Governance code

The trustees are aware of the Charity Governance Code and are considering how the relevant matters can be applied to and implemented by the Church.

### Wider network

The Church is a member organisation of the Fellowship of Independent Evangelical Churches (FIEC) and FIEC Ltd, charity number 251395 and continues to act as the holding trustee in respect of the Church premises, until such time that the formal migration of assets into the CIO is complete. To this end it is expected that FIEC will cease to operate as Holding Trustee during the second half of 2021.

### Risk management

The Trustees have a duty to identify and review the risks to which the Church is exposed and ensure that appropriate controls are in place to mitigate or eliminate those risks.

The Trustees regularly review the major risks to which the Church is exposed and have established systems and procedures to mitigate those risks, particularly in the areas of financial management, child and vulnerable adult protection and premises' health and safety.

**REFERENCE AND ADMINISTRATIVE DETAILS**
**Registered Charity number**
1187784

**Principal address**
Merland Rise
Tadworth
Surrey
KT20 5JQ

**Trustees**
M Childs
G J Mann
K Lane
P Oliver (Appointed 01/01/2022)
Rev R Powell Pastor

**Independent Examiner**
Tim Slater
ACA CTA
Harmer Slater Limited
19 Cedar Road
Sutton
SM2 5DA

**Solicitors**
Anthony Collins Solicitors LLP
134 Edmund Street
Birmingham B3 2ES

**Bankers**
CAF Bank Limited
25 Kings Hill Avenue
Kings Hill
West Malling
Kent ME19 4JQ
CAF Bank Limited is a subsidiary of the Charities Aid Foundation (CAF)

**FUNDS HELD AS CUSTODIAN FOR OTHERS**
There were no funds held as a custodian for any other charities.

Approved by order of the board of trustees on 29 September 2022 and signed on its behalf by:

.....
P Oliver - Trustee

## Independent Examiner's Report to the Trustees of Merland Rise Church

I report to the Church trustees on my examination of the accounts of Merland Rise Church (CIO), charity number 1187784, for the year ended 31 December 2021, which are set out on pages 6 to 22.

**Respective responsibilities of Trustees and Examiner**
The Church's Trustees are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

The Church's Trustees consider that an audit is not required for this year under section 144(2) of the Act and that independent examination is needed.

It is my responsibility to:
1. examine the accounts under section 145 of the Charity Act;
2. to follow all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act, and;
3. to state whether particular matters have come to my attention.

**Basis of Independent examiner's statement**
My examination was carried out in accordance with general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the Church and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair' view and the report is limited to those matters set out in the statement below.

**Independent examiner's statement**
In connection with my examination, no material matters have come to my attention which gives me cause to believe that in, any material respect:

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



Tim Slater
ACA CTA
Harmer Slater Limited
19 Cedar Road
Sutton
SM2 5DA

Date: 29 September 2022

# Merland Rise Church

## Statement of Financial Activities
## for the year ended 31 December 2021

| | Notes | Unrestricted funds | Restricted funds | Year ended 31/12/21 Total funds | Period 1/4/20 to 31/12/20 Total funds |
|---|---|---|---|---|---|
| | | £ | £ | £ | £ |
| **INCOME AND ENDOWMENTS FROM** | | | | | |
| Donations and legacies | 2 | **150,223** | **18,849** | **169,072** | 140,717 |
| **Charitable activities** | | | | | |
| Use of halls | 3 | **5,583** | - | **5,583** | 542 |
| Investment income | 4 | **10** | - | **10** | 34 |
| Other income | 5 | **3,586** | - | **3,586** | 9,726 |
| **Total** | | **159,402** | **18,849** | **178,251** | 151,019 |
| **EXPENDITURE ON** | | | | | |
| **Charitable activities** | 6 | | | | |
| Staff costs and related expenditure | | **72,062** | - | **72,062** | 70,241 |
| Housing expenses | | **119** | - | **119** | 65 |
| Church expenses | | **21,827** | - | **21,827** | 12,484 |
| Printing, publicity and outreach | | **2,452** | - | **2,452** | 782 |
| Departments | | **726** | - | **726** | 377 |
| Donations and giving | | **19,098** | **12,154** | **31,252** | 25,881 |
| Administration and other expenses | | **8,474** | **41,164** | **49,638** | 41,893 |
| **Total** | | **124,758** | **53,318** | **178,076** | 151,723 |
| **NET INCOME/(EXPENDITURE)** | | **34,644** | **(34,469)** | **175** | (704) |
| **Transfers between funds** | 17 | **(1,750)** | **1,750** | - | - |
| **Net movement in funds** | | **32,894** | **(32,719)** | **175** | (704) |
| **RECONCILIATION OF FUNDS** | | | | | |
| **Total funds brought forward** | | **270,539** | **1,870,632** | **2,141,171** | 2,141,875 |
| **TOTAL FUNDS CARRIED FORWARD** | | **303,433** | **1,837,913** | **2,141,346** | 2,141,171 |

The notes form part of these financial statements

# Merland Rise Church

## Balance Sheet
## 31 December 2021

| | Notes | Unrestricted funds | Restricted funds | **Year ended 31/12/21 Total funds** | Period 1/4/20 to 31/12/20 Total funds |
|---|---|---|---|---|---|
| | | £ | £ | **£** | £ |
| **FIXED ASSETS** | | | | | |
| Tangible assets | 11 | **426,084** | **1,813,029** | **2,239,113** | 2,277,778 |
| Investment | 12 | **100** | - | **100** | 100 |
| | | **426,184** | **1,813,029** | **2,239,213** | 2,277,878 |
| **CURRENT ASSETS** | | | | | |
| Debtors: amounts falling due within one year | 13 | **22,141** | - | **22,141** | 23,924 |
| Cash at bank and in hand | | **88,864** | **24,884** | **113,748** | 73,558 |
| | | **111,005** | **24,884** | **135,889** | 97,482 |
| **CREDITORS** | | | | | |
| Amounts falling due within one year | 14 | **(33,756)** | - | **(33,756)** | (34,189) |
| **NET CURRENT ASSETS** | | **77,249** | **24,884** | **102,133** | 63,293 |
| **TOTAL ASSETS LESS CURRENT LIABILITIES** | | **503,433** | **1,837,913** | **2,341,346** | 2,341,171 |
| **CREDITORS** | | | | | |
| Amounts falling due after more than one year | 15 | **(200,000)** | - | **(200,000)** | (200,000) |
| **NET ASSETS** | | **303,433** | **1,837,913** | **2,141,346** | 2,141,171 |

The notes form part of these financial statements



continued...

## Balance Sheet - continued
## 31 December 2021

| | | | |
|---|---|---|---|
| **FUNDS** | 17 | | |
| Unrestricted funds: | | | |
| General fund | | **33,013** | 12,119 |
| Manse fund | | **220,934** | 220,934 |
| General Reserve Fund | | **15,000** | 15,000 |
| General Repairs and Maintenance Fund | | **34,486** | 22,486 |
| | | **303,433** | 270,539 |
| Restricted funds: | | | |
| Building Fund | | **1,813,029** | 1,854,193 |
| Emergency Fund | | **11,617** | 7,819 |
| Men's Ministry Fund | | **5,090** | 3,507 |
| Women's Ministry Fund | | **5,376** | 3,626 |
| Youth Ministry Fund | | **1,228** | - |
| Other fund | | **1,573** | 1,487 |
| | | **1,837,913** | 1,870,632 |
| **TOTAL FUNDS** | | **2,141,346** | 2,141,171 |

The financial statements were approved by the Board of Trustees and authorised for issue on 29 September 2022 and were signed on its behalf by:

.....
P Oliver - Trustee

The notes form part of these financial statements

## 1. ACCOUNTING POLICIES

**Basis of preparation**
The financial statements of the Church, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value.

The financial statements include all transactions, assets and liabilities for which the Trustees can be held responsible in law. They do not include the financial statements of the church groups that owe affiliation to another body nor those that are informal gatherings of church members.

**Going concern**
The financial statements are drawn up on the going concern basis, which assumes Merland Rise Church (CIO) will continue in operational existence for the foreseeable future. The Trustees consider the current and forecast cash resources to be sufficient to cover the working capital requirements of the Church for at least 12 months.

**Financial reporting standard 102 - reduced disclosure exemptions**
The Church has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland':

- the requirements of Section 7 Statement of Cash Flows.

**Income**
All income is recognised in the Statement of Financial Activities once the Church has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

**Expenditure**
Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Church to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

**Allocation and apportionment of costs**
Cost are allocated to the principal activities of the Church on the following basis:

- Salaries and related costs : time spent
- Other costs : in accordance with purpose and nature of expenditure


continued...

1. ACCOUNTING POLICIES - continued

**Tangible fixed assets**
Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

| | | |
|---|---|---|
| Freehold Church premises | - | 2% on cost |
| Fixtures and fittings | - | 25% on cost and 20% on cost |

The Church has in place an accounting policy of carrying out regular maintenance and repairs on its freehold residential property (the cost of which are charged in full to the SOFA). No depreciation arises in the year on the freehold residential property used as tied accommodation as in the opinion of the trustees the residual value of the property is not materially less than its carrying amount in the financial statements. An impairment review of such fixed assets in accordance with FRS 102 section 27 is carried out as at the end of each financial period.

**Taxation**
The Church is exempt from tax on its charitable activities.

All the Church's expenditure is shown inclusive of irrecoverable VAT.

**Fund accounting**
Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the Church. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Endowment funds are resources received by the Church that represent capital and the trustees are required by charity law to retain and use the endowment for the Church's purposes.

Investment income, gains and losses are allocated to the appropriate fund.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

**Hire purchase and leasing commitments**
Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

**Pension costs and other post-retirement benefits**
The Church operates a defined contribution pension scheme. Contributions payable to the Church's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

**Investments**
Investments are categorised as current assets where the intention is to realise the investment without reinvestment of the sale proceeds. All other investments are classified as fixed assets. All investment assets are stated in the balance sheet at fair value and both realised and unrealised gains or losses are recognised in the statement of financial activities. The fair value of listed investments is taken at the market price of the asset as at the year end date.


continued...

## 1. ACCOUNTING POLICIES - continued

**Financial instruments**
Apart from certain investments, the Church only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

**Currency**
The Church's functional and presentational currency is pounds Sterling (GBP).

**Preparation of consolidated financial statements**
The financial statements contain information about the Church as an individual entity and do not contain consolidated financial information as the parent of a group. The Church is exempt under the Charities Act 2011 from the requirement to prepare consolidated financial statements.

## 2. DONATIONS AND LEGACIES

| | | | Year ended 31/12/21 |
|---|---|---|---|
| | Unrestricted funds | Restricted funds | Total funds |
| | £ | £ | £ |
| Freewill offerings | 122,414 | - | 122,414 |
| Donations | 5,250 | 18,198 | 23,448 |
| Gift aid | 22,428 | 651 | 23,079 |
| Commission receivable | 131 | - | 131 |
| | 150,223 | 18,849 | 169,072 |

| | | | Period 1/4/20 to 31/12/20 |
|---|---|---|---|
| | Unrestricted funds | Restricted funds | Total funds |
| | £ | £ | £ |
| Freewill offerings | 86,614 | - | 86,614 |
| Donations | 8,285 | 15,970 | 24,255 |
| Legacies | 8,229 | - | 8,229 |
| Gift aid | 19,948 | 1,585 | 21,533 |
| Commission receivable | 86 | - | 86 |
| | 123,162 | 17,555 | 140,717 |



continued...

## 3. INCOME FROM CHARITABLE ACTIVITIES

| | Unrestricted funds £ | Restricted funds £ | Year ended 31/12/21 Total funds £ |
|---|---|---|---|
| Use of halls and meeting rooms | 5,583 | - | 5,583 |

| | Unrestricted funds £ | Restricted funds £ | Period 1/4/20 to 31/12/20 Total funds £ |
|---|---|---|---|
| Use of halls and meeting rooms | 542 | - | 542 |

## 4. INVESTMENT INCOME

| | Unrestricted funds £ | Restricted funds £ | Year ended 31/12/21 Total funds £ |
|---|---|---|---|
| Deposit account interest | 10 | - | 10 |

The prior year total is allocated between fund categories as follows:

| | Unrestricted funds £ | Restricted funds £ | Period 1/4/20 to 31/12/20 Total funds £ |
|---|---|---|---|
| Deposit account interest | 34 | - | 34 |



continued...

## 5. OTHER INCOME

| | Unrestricted funds | Restricted funds | Year ended 31/12/21 Total funds |
|---|---|---|---|
| | £ | £ | £ |
| Other income | 462 | - | 462 |
| Government grants | 3,124 | - | 3,124 |
| | 3,586 | - | 3,586 |

| | Unrestricted funds | Restricted funds | Period 1/4/20 to 31/12/20 Total funds |
|---|---|---|---|
| | £ | £ | £ |
| Other income | 6 | - | 6 |
| Government grants | 9,720 | - | 9,720 |
| | 9,726 | - | 9,726 |

## 6. CHARITABLE ACTIVITIES COSTS

| | Direct Costs | Grant funding of activities (see note 7) | Support costs (see note 8) | Year ended 31/12/21 Totals |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| Staff costs and related expenditure | **72,062** | - | - | **72,062** |
| Housing expenses | **119** | - | - | **119** |
| Church expenses | **21,827** | - | - | **21,827** |
| Printing, publicity and outreach | **2,452** | - | - | **2,452** |
| Departments | **726** | - | - | **726** |
| Donations and giving | **19,098** | **12,154** | - | **31,252** |
| Administration and other expenses | **47,102** | - | **2,536** | **49,638** |
| | **163,386** | **12,154** | **2,536** | **178,076** |



continued...

## 6. CHARITABLE ACTIVITIES COSTS (continued)

| | Direct Costs | Grant funding of activities (see note 7) | Support costs (see note 8) | Period 1/4/20 to 31/12/20 Totals |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| Staff costs and related expenditure | **70,241** | - | - | **70,241** |
| Housing expenses | **65** | - | - | **65** |
| Church expenses | **12,484** | - | - | **12,484** |
| Printing, publicity and outreach | **782** | - | - | **782** |
| Departments | **377** | - | - | **377** |
| Donations and giving | - | **25,881** | - | **25,881** |
| Administration and other expenses | **35,148** | - | **6,745** | **41,893** |
| | **119,097** | **25,881** | **6,745** | **151,723** |

## 7. GRANTS PAYABLE

| | Unrestricted funds | Restricted funds | Year ended 31/12/21 Total funds |
|---|---|---|---|
| | £ | £ | £ |
| Evangelical Alliance | 165 | - | 165 |
| FIEC | 3,252 | - | 3,252 |
| Tithes | 15,581 | - | 15,582 |
| Other charitable giving | 100 | 12,154 | 12,254 |
| | 19,098 | 12,154 | 31,252 |

| | Unrestricted funds | Restricted funds | Period 1/4/20 to 31/12/20 Total funds |
|---|---|---|---|
| | £ | £ | £ |
| Evangelical Alliance | 124 | - | 124 |
| FIEC | 2,488 | - | 2,488 |
| Tithes | 12,374 | - | 12,374 |
| Other charitable giving | - | 10,895 | 10,895 |
| | 14,986 | 10,895 | 25,881 |



continued...

## 8. SUPPORT COSTS

**Governance costs**

| | Year ended 31/12/21 | Period 1/4/20 to 31/12/20 |
|---|---|---|
| | £ | £ |
| Independent Examiner's fees | 300 | 274 |
| Legal and professional fees | 2,236 | 6,471 |
| | 2,536 | 6,745 |

## 9. TRUSTEES' REMUNERATION AND BENEFITS

| | Year ended 31/12/21 | Period 1/4/20 to 31/12/20 |
|---|---|---|
| | £ | £ |
| Trustees' salaries | 39,796 | 41,993 |
| Trustees' social security | 1,083 | 951 |
| Trustees' pension contributions to money purchase schemes | 4,218 | 4,383 |
| | 45,097 | 47,327 |

**Trustees' expenses**

| | Year ended 31/12/21 | Period 1/4/20 to 31/12/20 |
|---|---|---|
| | £ | £ |
| Trustees' expenses | 679 | 397 |

In the current period the trustees' expenses totalled £679 (2020 - £397). The expenses related to the Pastor's expenses in connection with their duties.



continued...

## 10. STAFF COSTS

| | Year ended 31/12/21 | Period 1/4/20 to 31/12/20 |
|---|---|---|
| | £ | £ |
| Wages and salaries | 63,620 | 63,540 |
| Social security costs | 1,471 | 1,748 |
| Other pension costs | 6,453 | 5,271 |
| | 71,544 | 70,559 |

The average monthly number of employees during the period was as follows:

| | Year ended 31/12/21 | Period 1/4/20 to 31/12/20 |
|---|---|---|
| Pastoral | 1 | 2 |
| Administration and support | 6 | 4 |
| | 7 | 6 |

No employees received emoluments in excess of £60,000.

## 11. TANGIBLE FIXED ASSETS

| | Freehold properties | Fixtures and fittings | Totals |
|---|---|---|---|
| | £ | £ | £ |
| **COST** | | | |
| At 1 January 2021 | 2,479,122 | 44,124 | 2,523,246 |
| Additions | - | 4,839 | 4,839 |
| At 31 December 2021 | 2,479,122 | 48,963 | 2,528,085 |
| **DEPRECIATION** | | | |
| At 1 January 2021 | 203,995 | 41,473 | 245,468 |
| Charge for period | 41,164 | 2,340 | 43,504 |
| At 31 December 2021 | 245,159 | 43,813 | 288,972 |
| **NET BOOK VALUE** | | | |
| At 31 December 2021 | 2,233,963 | 5,150 | 2,239,113 |
| At 31 December 2020 | 2,275,127 | 2,651 | 2,277,778 |



continued...

## 11. TANGIBLE FIXED ASSETS - continued

The freehold properties comprises the Church's premises and a freehold residential property. The Church's premises are stated at its capitalised value of £2,058,187 relating to the new building. The residential property comprises a freehold property which is used as tied accommodation by the Pastor which is stated at cost of £420,934 at the beginning of the period.

## 12. FIXED ASSET INVESTMENT

| | Shares in group undertakings £ |
|---|---|
| **COST** | |
| At 1 January 2021 | **100** |
| At 31 December 2021 | **100** |
| **NET BOOK VALUE** | |
| At 31 December 2021 | **100** |
| At 31 December 2020 | 100 |

There were no investment assets outside the UK.

The Church holds 100% of the issued share capital of Merland Rise Church Trading Limited, a company registered in England and Wales.

## 13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | Year ended 31/12/21 £ | Period 1/4/20 to 31/12/20 £ |
|---|---|---|
| Other debtors | **714** | 984 |
| Merland Rise Church Trading Limited | **9,442** | 9,189 |
| Tax | **5,884** | 6,466 |
| Prepayments and accrued income | **6,101** | 7,285 |
| | **22,141** | 23,924 |



continued...

## 14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | Year ended 31/12/21 | Period 1/4/20 to 31/12/20 |
|---|---|---|
| | £ | £ |
| Trade creditors | **3,384** | 1,509 |
| Social security and other taxes | **1,130** | 1,307 |
| Other creditors | **11,009** | 6,686 |
| Accrued expenses and deferred income | **18,233** | 24,687 |
| | **33,756** | 34,189 |

## 15. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

| | Year ended 31/12/21 | Period 1/4/20 to 31/12/20 |
|---|---|---|
| | £ | £ |
| Other loans (see note 16) | **200,000** | 200,000 |

## 16. LOANS

An analysis of the maturity of loans is given below:

Amounts falling due in more than one year:

Repayable otherwise than by instalments:

| | | |
|---|---|---|
| Unsecured loans | **200,000** | 200,000 |

See further details in note 18.



continued...

## 17. MOVEMENT IN FUNDS

| | At 1/1/21 £ | Net movement in funds £ | Transfers between funds £ | At 31/12/21 £ |
|---|---|---|---|---|
| **Unrestricted funds** | | | | |
| General fund | **12,119** | **34,644** | **(13,750)** | **33,013** |
| Manse fund | **220,934** | **-** | **-** | **220,934** |
| General Reserve Fund | **15,000** | **-** | **-** | **15,000** |
| General Repairs and Maintenance Fund | **22,486** | **-** | **12,000** | **34,486** |
| | **270,539** | **34,644** | **(1,750)** | **303,433** |
| **Restricted funds** | | | | |
| Building Fund | **1,854,193** | **(41,164)** | **-** | **1,813,029** |
| Emergency Fund | **7,819** | **3,798** | **-** | **11,617** |
| Men's Ministry Fund | **3,507** | **1,583** | **-** | **5,090** |
| Women's Ministry Fund | **3,626** | **-** | **1,750** | **5,376** |
| Youth Ministry Fund | **-** | **1,228** | **-** | **1,228** |
| Other Fund (destined giving) | **1,487** | **86** | **-** | **1,573** |
| | **1,870,632** | **(34,469)** | **1,750** | **1,837,913** |
| **TOTAL FUNDS** | **2,141,171** | **175** | **-** | **2,141,346** |

Net movement in funds, included in the above are as follows:

| | Incoming resources £ | Resources expended £ | Movement in funds £ |
|---|---|---|---|
| **Unrestricted funds** | | | |
| General fund | **159,402** | **(124,758)** | **34,644** |
| **Restricted funds** | | | |
| Building Fund | **-** | **(41,164)** | **(41,164)** |
| Emergency Fund | **5,000** | **(1,202)** | **3,798** |
| Men's Ministry Fund | **1,825** | **(242)** | **1,583** |
| Youth Ministry Fund | **1,538** | **(310)** | **1,228** |
| Other Charitable Giving Fund | **10,486** | **(10,400)** | **86** |
| | **18,849** | **(53,318)** | **(34,469)** |
| **TOTAL FUNDS** | **178,251** | **(178,076)** | **175** |



continued...

## 17. MOVEMENT IN FUNDS - continued

**Comparatives for movement in funds**

| | At 1/4/20 £ | Net movement in funds £ | Transfers between funds £ | At 31/12/20 £ |
|---|---|---|---|---|
| **Unrestricted funds** | | | | |
| General fund | (10,124) | 23,993 | (1,750) | 12,119 |
| Manse fund | 220,934 | - | - | 220,934 |
| General Reserve Fund | 15,000 | - | - | 15,000 |
| General Repairs and Maintenance Fund | 23,036 | (550) | - | 22,486 |
| | 248,846 | 23,443 | (1,750) | 270,539 |
| **Restricted funds** | | | | |
| Building Fund | 1,885,000 | (30,807) | - | 1,854,193 |
| Emergency Fund | 4,396 | 3,423 | - | 7,819 |
| Men's Ministry Fund | 1,757 | 1,750 | - | 3,507 |
| Women's Ministry Fund | 1,876 | - | 1,750 | 3,626 |
| Other Fund (destined giving) | - | 1,487 | - | 1,487 |
| | 1,893,029 | (24,147) | 1,750 | 1,870,632 |
| **TOTAL FUNDS** | 2,141,875 | (704) | - | 2,141,171 |

Comparative net movement in funds, included in the above are as follows:

| | Incoming resources £ | Resources expended £ | Movement in funds £ |
|---|---|---|---|
| **Unrestricted funds** | | | |
| General Fund | 133,464 | (109,471) | 23,993 |
| Repairs and maintenance Fund | - | (550) | (550) |
| **Restricted funds** | | | |
| Building Fund | - | (30,807) | (30,807) |
| Emergency Fund | 3,750 | (327) | 3,423 |
| Other Charitable Giving Fund | 11,055 | (9,568) | 1,487 |
| Men's Ministry Fund | 1,750 | - | 1,750 |
| Trustees Discretionary Fund | 1,000 | (1,000) | - |
| | 17,555 | (41,702) | (24,146) |
| **TOTAL FUNDS** | 151,019 | (151,723) | (704) |



continued...

## 18. RELATED PARTY DISCLOSURES

Details of the remuneration and expenses paid to trustees is shown within the Notes to the accounts.

The total amount of donations without conditions received by the Church from the trustees during the period was £31,210 (period to 31.12.2020 - £19,055).

At 31 December 2021, the Church owed trustees £200,000 (31.12.2020 - £200,000). This loan is unsecured, interest free and repayable after more than one year.

Apart from the above, there were no related party transactions between the trustees and the Church.

**Merland Rise Church Trading Limited**
Merland Rise Church Trading Limited is a wholly owned subsidiary of Merland Rise Church (CIO). Any profits made by the company will be donated to the Church under gift aid. No charitable donations were made to the Church during the current period nor prior year. At the year end, the Church was owed £9,442 (period to 31.12.2020 - owed to £9,189) by that company.

## 19. PENSION SCHEME

The Church operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the Church to the scheme and amounted to £6,453 (period to 31.12.2020 - £5,271).

Contributions totalling £730 (period to 31.12.2020 - £549) were payable to the scheme at the end of the year and are included in creditors.

## 20. ULTIMATE CONTROLLING PARTY

The Church is controlled by the trustees under the general guidance of the Church Meeting in accordance with the Church's constitution.

## 21. UNRESTRICTED DESIGNATED FUNDS

The nature and purpose of the Church's unrestricted designated funds are as follows:

**Manse**
This fund comprises the interest in freehold Manse owned by the Church. The Church sold its Manse and purchased another Manse in 2017 and granted the Pastor an option to purchase a part interest in this Manse. This option was exercised in January 2019.

**General Reserve Fund**
This fund has been established to allow the Church to cover unforeseen and unbudgeted increases and decreases in revenue and expenditure.

**General Repairs and Maintenance Fund**
This fund has been established to cover major uninsured repairs and maintenance costs of the new Church building.


continued...

## 22. RESTRICTED FUNDS

The nature and purpose of the Church's restricted funds are as follows:

**Building Fund**
This fund comprises the Church's premises whose redevelopment was completed in 2017.

**Emergency Fund**
This fund is available to the Pastor to use on a discretionary basis for particular needs and situations he identifies among the Church fellowship and the local community.

**Other Charitable Giving Fund**
This fund receives offerings from members of the Church which are for specified third party charities.

**Men's, Women's and Youth's Ministry Fund**
This relates to donations received from members to support the activities carried out by the respective ministries.

## 23. Transition to Charitable Incorporated Organisation

Merland Rise Church (registered charity number 1141447) was registered as Charitable Incorporated Organisation (CIO) (registered charity number: 1187784) on 6 February 2020. On 1 April 2020 all the assets, liabilities and funds reported under the unincorporated charity as at 31 March 2020 were transferred to the new CIO. The transfer has been accounted for under 'merger accounting', in accordance with sections 27.12 and 27.13 of SORP FRS 102. Consequently, the assets, liabilities and funds were presented as though they have always been part of the same reporting charity.



continued...

# Merland Rise Church

## Detailed Statement of Financial Activities
## for the year ended 31 December 2021

| | Year ended 31/12/21 £ | Period 1/4/20 to 31/12/20 £ |
|---|---|---|
| **INCOME AND ENDOWMENTS** | | |
| **Donations and legacies** | | |
| Freewill offerings | **122,414** | 86,614 |
| Donations | **23,448** | 24,255 |
| Legacies | **-** | 8,229 |
| Gift aid | **23,079** | 21,533 |
| Sale of forex & commission receivable | **131** | 86 |
| | **169,072** | 140,717 |
| **Investment income** | | |
| Deposit account interest | **10** | 34 |
| **Charitable activities** | | |
| Use of meeting rooms | **5,583** | 542 |
| **Other income** | | |
| Other income | **3,586** | 9,726 |
| **Total incoming resources** | **178,251** | 151,019 |
| **EXPENDITURE** | | |
| **Charitable activities** | | |
| Trustees' salaries | **39,796** | 41,993 |
| Trustees' social security | **1,083** | 951 |
| Trustees' pension contributions | **4,218** | 4,383 |
| Trustees' expenses | **71** | 140 |
| Wages | **23,824** | 21,547 |
| Social security | **388** | 797 |
| Pensions | **2,235** | 888 |
| Other operating leases | **250** | 250 |
| Rent and rates | **110** | 83 |
| Insurance | **4,513** | 3,322 |
| Light and heat | **6,425** | 4,163 |
| Telephone | **753** | 564 |
| Postage | **38** | 56 |
| Sundries | **475** | 200 |
| Carried forward | **84,179** | 79,337 |

# Merland Rise Church

## Detailed Statement of Financial Activities
## for the year ended 31 December 2021

| | Year ended 31/12/21 | Period 1/4/20 to 31/12/20 |
|---|---|---|
| | £ | £ |
| **Charitable activities** | | |
| Brought forward | **84,179** | 79,337 |
| Training | **2,520** | 1,851 |
| Repairs and maintenance | **4,183** | 896 |
| Cleaning and gardening | **2,562** | 1,338 |
| Licences | **1,102** | 984 |
| Office supplies | **452** | 726 |
| Photocopying | **208** | 258 |
| Outreach literature | **2,206** | 468 |
| Other staff costs | **515** | 567 |
| Speaker and signer fees | **269** | 230 |
| Bank charges | **100** | 45 |
| Candles & decorations | **219** | 156 |
| Church Service | **946** | 304 |
| Church expenses | **496** | - |
| Computer software | **1,123** | 61 |
| Youth ministry expenses | **726** | - |
| Other expenses | **-148** | 650 |
| Freehold property | **41,164** | 30,807 |
| Fixtures and fittings | **1,465** | 747 |
| Donations & Giving | **31,253** | 24,553 |
| Trustees Discretionary Fund | - | 1,000 |
| | **175,540** | 144,978 |
| **Support costs** | | |
| **Governance costs** | | |
| Independent Examiner's fees | **300** | 274 |
| Legal and professional fees | **2,236** | 6,471 |
| | **2,536** | 6,745 |
| Total resources expended | **178,076** | 151,723 |
| **Net expenditure** | **175** | (704) |

This page does not form part of the statutory financial statements

**MERLAND RISE CHURCH**

England & Wales - Charity number 1187784

# Accounts

Registar copy

REGISTERED CHARITY NUMBER: 1187784

# Merland Rise Church

## (Charitable Incorporated Organisation)

## Report of the Trustees and

## Unaudited Financial Statements for the Period 6 February 2020 to 31 December 2020

# Merland Rise Church

## Contents of the Financial Statements
## for the period 6 February 2020 to 31 December 2020


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| **Report of the Trustees** | 1 to 4 |
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# Merland Rise Church

## Report of the Trustees
## for the period 6 February 2020 to 31 December 2020

The Trustees present their annual report with the financial statements of the charity for the period 6 February 2020 to 31 December 2020. The Trustees confirm that the annual report and financial statements of the charity comply with the current statutory requirements, the requirements of the charity's governing document and the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) ("SORP (FRS 102)").

**OBJECTIVES AND ACTIVITIES**

**Objectives and aims**

The principal purposes of Merland Rise Church are the advancement of the Christian faith and the provision of service and support to all sections of the community, including people of other faiths and none, with a particular focus on the socially and economically disadvantaged living within the Preston and Tadworth area and the surrounding neighbourhood. The Church also carries out such other charitable purposes in the United Kingdom and other parts of the world that, in the opinion of the members of the Church in General Meeting and the Trustees, shall further the work of the Church and serve disadvantaged people groups.

**Significant activities**

In fulfilling its purposes, the Church will engage in a range of activities either independently or in collaboration with other Churches, public and third sector and voluntary organisations which share the social justice priorities, and with whom it can work in partnership to improve the life chances and opportunities of those it seeks to serve.

The Church's activities include, but are not restricted to:

- regular public worship, prayer, Bible study, preaching and teaching and Believers baptism;
- the Communion of the Lord's Supper, which shall normally be observed at least once a month;
- evangelism and mission, whether locally, regionally, nationally or internationally;
- promotion of family life, diversity, strong and supportive personal and community relationships;
- the nurture and growth of Christian disciples, including the imperative of serving others selflessly, giving of their time and financial resources;
- encouraging pastoral care, with a particular focus on the elderly and vulnerable, supporting and encouraging charitable and community causes both locally and abroad;
- supporting provision and access to those with disabilities, with a particular focus on the deaf and deaf/blind community;
- counselling and support to those experiencing relationship difficulties, financial support to the economically disadvantaged including a Food Bank and debt counselling service, employment advice including resolving conflicts and enhancing the employability of those seeking work;
- practical support, including the provision of furniture, white goods and emergency cash to those experiencing financial hardship as a result of their immigration status, long-term ill health, unemployment or similar;
- services to children and young people including life skills, training and social and recreational facilities;
- maintaining our long established collaborative working with Epsom Downs Primary School and Children's Centre;
- use of our premises by various charities, community groups and public bodies which share our priorities.

**Public benefit**

In planning the activities of the Church, the Trustees have considered the Charity Commission's guidance on public benefit and, in particular, the specific guidance on charities for the advancement of religion.

## ACHIEVEMENT AND PERFORMANCE

### Charitable activities

During the year the Church has adapted to the Covid pandemic by offering both Sunday morning and Sunday evening services on-line via Zoom, in both live broadcast format and via a YouTube catch-up facility. Complying with Government guidance on places of worship throughout the pandemic, we offered in person services for up to 30 people when permitted, noting that all in person participation was on a pre-booked basis only. This enabled a small number of people to worship in person, while the majority participated via Zoom.

The pandemic limited the range of services we were able to offer but during each phase of the pandemic we have offered practical service and support to all sections of the community. Foremost, this has expressed itself in shopping or collection of prescriptions for the clinically vulnerable, disabled and isolated elderly local residents. We have also offered ongoing pastoral care, run multiple prayer meetings and weekdays Bible study and prayer groups via Zoom, either when face to face contact was not permitted or when it was considered by the trustees that such contact was imprudent.

### Fundraising activities

The Church does not engage in public fund raising activities.

## FINANCIAL REVIEW

### Financial position

The financial position of the charity is set out in the Statement of Financial Activities and Balance Sheet and the related notes and have been prepared in accordance with statutory requirements of the Charities Act 2011 and SORP (FRS 102).

### Principal funding sources

The principal funding sources of the Church are the voluntary donations and giving by members of the Church's congregation together with allied income tax rebates under the gift aid scheme. We have also has received Covid grants from the local authority which we have used for the benefit of local residents and have also made limited use of the Government's Furlough Scheme. The latter has been fully focused on three part-time employees who clean and maintain the church premises and service external bookings and whose work was suspended when the premises fell into disuse and room hire was not permitted.

### Investment policy and objectives

Any money not required for day to day use is placed on deposit with the Church's bankers, CAF Bank Limited. At the balance sheet date, the Church part-owned one freehold property which is used to provide tied accommodation to the Pastor.

### Reserves policy

The Church has a General Reserve Fund of £15,000 that represents approximately 10% of the Church's annual revenue expenditure including legal commitments under contracts of employment to cover unforeseen increases and decreases in revenue and expenditure. The Church also has a General Repairs and Maintenance Fund to cover major uninsured repairs and maintenance expenditure on the Church premises and equipment. At the end of the financial year the Church's reserves met these targets.

### Going concern

The financial statements are drawn up on the going concern basis, which assumes Merland Rise Church will continue in operational existence for the foreseeable future. The Trustees consider the current and forecast cash resources to be sufficient to cover the working capital requirements of the charity for at least 12 months.

## STRUCTURE, GOVERNANCE AND MANAGEMENT

### Governing document

The Church members approved and adopted a new Constitution at a Special Church Meeting in December 2019 which formed part of our application to the Charity Commission to assume Charitable Incorporated Organisation (also referred to as CIO) status. Our new CIO status was subsequently registered with the Charity Commission effective 6th February 2020 under charity number 1187784.

### Transition to Charitable Incorporated Organisation

Merland Rise Church (registered charity number 1141447) became dormant for all operational purposes on 31st March 2020. Therefore, from 1 April 2020 onwards, all the assets, liabilities and funds reported under the unincorporated charity were migrated into the CIO (registered charity number 1187784) for operational purposes pending the formal legal transfer of assets and liabilities. The latter was expected to take up to 18 months to be ratified, as it would require the consent of our Holding Trust (FIEC) and Reigate and Banstead Borough Council (Landlord) to agree and document the transfer of leases and licenses for land and premises.

The transfer has been accounted for under 'merger accounting', in accordance with sections 27.12 and 27.13 of SORP FRS 102 and the assets, liabilities and funds were presented as though they have always been part of the same reporting charity.

### Recruitment and appointment of new trustees

The running of the Church is under the control of an "Eldership" comprising the Senior Pastor and Elders. The Pastor was appointed by the Church at a Special Meeting and is employed under a contract of service, effective 1st September 2017. The other Trustees are appointed in accordance with the Constitution formally adopted on 6th February 2020 and they meet regularly, administering the charity by majority decision.

### Organisational structure

The Church appoints a Pastor and other paid staff as circumstances require. The Pastor and Elders lead the Church in terms of both spiritual matters and governance of the charity. The day to day co-ordination of the Church's programme and various practical matters are then managed by the Leadership Team, members of which are similarly elected by the members of the Church at a Church Meeting. In addition to this management structure the Church employs a part-time Administrator, Cleaner and Caretaker Hosts. The position of Associate Pastor was also an employed role until the incumbent relocated to Germany in September 2020, with there being no intention to replace the job holder for the foreseeable future.

### Governance code

The trustees are aware of the Charity Governance Code and are considering how the relevant matters can be applied to and implemented by the Church.

### Wider network

The Church is a member organisation of the Fellowship of Independent Evangelical Churches (FIEC) and FIEC Ltd, charity number 251395 and continues to acts as the holding trustee in respect of the Church premises, until such time that the formal migration of assets into the CIO is complete. To this end it is expected that FIEC will cease to operate as Holding Trustee during the second half of 2021.

### Risk management

The Trustees have a duty to identify and review the risks to which the charity is exposed and ensure that appropriate controls are in place to mitigate or eliminate those risks.

The Trustees regularly review the major risks to which the Church is exposed and have established systems and procedures to mitigate those risks, particularly in the areas of financial management, child and vulnerable adult protection and premises' health and safety.

**REFERENCE AND ADMINISTRATIVE DETAILS**
**Registered Charity number**
1187784

**Principal address**
Merland Rise
Tadworth
Surrey
KT20 5JQ

**Trustees**
M Childs Elder
J A Davis Elder (resigned 31st December 2020)
G J Mann Elder
K Lane Elder
A L Dowey Associate Pastor and Elder (resigned 31st August 2020)
Rev R Powell Pastor and Elder

**Independent Examiner**
Tim Slater
ACA CTA
Harmer Slater Limited
19 Cedar Road
Sutton
SM2 5DA

**Solicitors**
Anthony Collins Solicitors LLP
123 Edmund Street
Birmingham B3 2ES

**Bankers**
CAF Bank Limited
25 Kings Hill Avenue
Kings Hill
West Malling
Kent ME19 4JQ
CAF Bank Limited is a subsidiary of the Charities Aid Foundation (CAF)

**FUNDS HELD AS CUSTODIAN FOR OTHERS**
There were no funds held as a custodian for any other charities.

Approved by order of the board of trustees on 24 September 2021 and signed on its behalf by:

.....
M Childs - Trustee

## Independent Examiner's Report to the Trustees of Merland Rise Church

I report to the charity trustees on my examination of the accounts of Merland Rise Church (CIO), charity number 1187784, for the period 6 February 2020 to 31 December 2020, which are set out on pages 6 to 22.

**Respective responsibilities of Trustees and Examiner**
The charity's Trustees are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

The charity's Trustees consider that an audit is not required for this year under section 144(2) of the Act and that independent examination is needed.

It is my responsibility to:
1. examine the accounts under section 145 of the Charity Act;
2. to follow all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act, and;
3. to state whether particular matters have come to my attention.

**Basis of Independent examiner's statement**
My examination was carried out in accordance with general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair' view and the report is limited to those matters set out in the statement below.

**Independent examiner's statement**
In connection with my examination, no material matters have come to my attention which gives 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 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.

Tim Slater
ACA CTA
Harmer Slater Limited
19 Cedar Road
Sutton
SM2 5DA

Date: 24 September 2021

# Merland Rise Church

## Statement of Financial Activities
## for the period 6 February 2020 to 31 December 2020

| | Notes | Unrestricted funds | Restricted funds | **Period 1/4/20 to 31/12/20 Total funds** | Period 1/1/19 to 31/3/20 Total funds |
|---|---|---|---|---|---|
| | | £ | £ | **£** | £ |
| **INCOME AND ENDOWMENTS FROM** | | | | | |
| Donations and legacies | 2 | **123,162** | **17,555** | **140,717** | 211,285 |
| **Charitable activities** | 3 | | | | |
| Use of halls | | **542** | - | **542** | 8,572 |
| Investment income | 4 | **34** | - | **34** | 129 |
| Other income | 5 | **9,726** | - | **9,726** | 922 |
| **Total** | | **133,464** | **17,555** | **151,019** | 220,908 |
| **EXPENDITURE ON** | | | | | |
| **Charitable activities** | 6 | | | | |
| Staff costs and related expenditure | | **70,241** | - | **70,241** | 137,158 |
| Housing expenses | | **65** | - | **65** | 151 |
| Church expenses | | **12,484** | - | **12,484** | 28,651 |
| Printing, publicity and outreach | | **782** | - | **782** | 3,761 |
| Departments | | **377** | - | **377** | 728 |
| Donations and giving | | **14,986** | **10,895** | **25,881** | 38,148 |
| Administration and other expenses | | **11,086** | **30,807** | **41,893** | 82,628 |
| **Total** | | **110,021** | **41,702** | **151,723** | 291,225 |
| **NET INCOME/(EXPENDITURE)** | | **23,443** | **(24,147)** | **(704)** | (70,317) |
| **Transfers between funds** | 17 | **(1,750)** | **1,750** | **-** | - |
| **Net movement in funds** | | **21,693** | **(22,397)** | **(704)** | (70,317) |
| **RECONCILIATION OF FUNDS** | | | | | |
| **Total funds brought forward** | | **248,846** | **1,893,029** | **2,141,875** | 2,212,192 |
| **TOTAL FUNDS CARRIED FORWARD** | | **270,539** | **1,870,632** | **2,141,171** | 2,141,875 |

The notes form part of these financial statements

# Merland Rise Church

## Balance Sheet
## 31 December 2020

| | Notes | Unrestricted funds | Restricted funds | **Period 1/4/20 to 31/12/20 Total funds** | Period 1/1/19 to 31/3/20 Total funds |
|---|---|---|---|---|---|
| | | £ | £ | **£** | £ |
| **FIXED ASSETS** | | | | | |
| Tangible assets | 11 | **423,585** | **1,854,193** | **2,277,778** | 2,307,894 |
| Investment | 12 | **100** | - | **100** | 100 |
| | | **423,685** | **1,854,193** | **2,277,878** | 2,307,994 |
| **CURRENT ASSETS** | | | | | |
| Debtors: amounts falling due within one year | 13 | **23,924** | - | **23,924** | 21,837 |
| Cash at bank and in hand | | **57,119** | **16,439** | **73,558** | 79,682 |
| | | **81,043** | **16,439** | **97,482** | 101,519 |
| **CREDITORS** | | | | | |
| Amounts falling due within one year | 14 | **(34,189)** | - | **(34,189)** | (67,638) |
| **NET CURRENT ASSETS** | | **46,853** | **16,439** | **63,293** | 33,881 |
| **TOTAL ASSETS LESS CURRENT LIABILITIES** | | **470,539** | **1,870,632** | **2,341,171** | 2,341,875 |
| **CREDITORS** | | | | | |
| Amounts falling due after more than one year | 15 | **(200,000)** | - | **(200,000)** | (200,000) |
| **NET ASSETS** | | **270,539** | **1,870,632** | **2,141,171** | 2,141,875 |

The notes form part of these financial statements



continued...

## Balance Sheet - continued
## 31 December 2020

| | | | |
|---|---|---|---|
| **FUNDS** | 17 | | |
| Unrestricted funds: | | | |
| General fund | | **12,119** | (10,124) |
| Manse fund | | **220,934** | 220,934 |
| General Reserve Fund | | **15,000** | 15,000 |
| General Repairs and Maintenance Fund | | **22,486** | 23,036 |
| | | **270,539** | 248,846 |
| Restricted funds: | | | |
| Building Fund | | **1,854,193** | 1,885,000 |
| Emergency Fund | | **7,819** | 4,396 |
| Men's Ministry Fund | | **3,507** | 1,757 |
| Women's Ministry Fund | | **3,626** | 1,876 |
| Other fund | | **1,487** | |
| | | **1,870,632** | 1,893,029 |
| **TOTAL FUNDS** | | **2,141,171** | 2,141,875 |

The financial statements were approved by the Board of Trustees and authorised for issue on 24 September 2021 and were signed on its behalf by:

M Childs - Trustee

The notes form part of these financial statements

## 1. ACCOUNTING POLICIES

**Basis of preparation**
The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value.

The financial statements include all transactions, assets and liabilities for which the Trustees can be held responsible in law. They do not include the financial statements of the church groups that owe affiliation to another body nor those that are informal gatherings of church members.

**Going concern**
The financial statements are drawn up on the going concern basis, which assumes Merland Rise Church (CIO) will continue in operational existence for the foreseeable future. The Trustees consider the current and forecast cash resources to be sufficient to cover the working capital requirements of the charity for at least 12 months.

**Financial reporting standard 102 - reduced disclosure exemptions**
The charity has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland':

- the requirements of Section 7 Statement of Cash Flows.

**Income**
All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

**Expenditure**
Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

**Allocation and apportionment of costs**
Cost are allocated to the principal activities of the Church on the following basis:

- Salaries and related costs : time spent
- Other costs : in accordance with purpose and nature of expenditure


continued...

1. ACCOUNTING POLICIES - continued

**Tangible fixed assets**
Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

| | |
|---|---|
| Freehold property | - 2% on cost |
| Fixtures and fittings | - 25% on cost and 20% on cost |

The Church has in place an accounting policy of carrying out regular maintenance and repairs on its freehold properties (the cost of which are charged in full to the SOFA). No depreciation arises in the year on the freehold property used as tied accommodation as in the opinion of the trustees the residual value of the property is not materially less than its carrying amount in the financial statements. An impairment review of such fixed assets in accordance with FRS 102 section 27 is carried out as at the end of each financial period.

**Taxation**
The charity is exempt from tax on its charitable activities.

All the charity's expenditure is shown inclusive of irrecoverable VAT.

**Fund accounting**
Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Endowment funds are resources received by the charity that represent capital and the trustees are required by charity law to retain and use the endowment for the charity's purposes.

Investment income, gains and losses are allocated to the appropriate fund.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

**Hire purchase and leasing commitments**
Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

**Pension costs and other post-retirement benefits**
The charity operates a defined contribution pension scheme. Contributions payable to the charity's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

**Investments**
Investments are categorised as current assets where the intention is to realise the investment without reinvestment of the sale proceeds. All other investments are classified as fixed assets. All investment assets are stated in the balance sheet at fair value and both realised and unrealised gains or losses are recognised in the statement of financial activities. The fair value of listed investments is taken at the market price of the asset as at the year end date.


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## 1. ACCOUNTING POLICIES - continued

**Financial instruments**
Apart from certain investments, the charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

**Currency**
The Church's functional and presentational currency is pounds Sterling (GBP).

**Preparation of consolidated financial statements**
The financial statements contain information about the Church as an individual entity and do not contain consolidated financial information as the parent of a group. The Church is exempt under the Charities Act 2011 from the requirement to prepare consolidated financial statements.

## 2. DONATIONS AND LEGACIES

| | Unrestricted funds | Restricted funds | Period 1/4/20 to 31/12/20 Total funds |
|---|---|---|---|
| | £ | £ | £ |
| Freewill offerings | 86,614 | - | 86,614 |
| Donations | 8,285 | 15,970 | 24,255 |
| Legacies | 8,229 | - | 8,229 |
| Gift aid | 19,948 | 1,585 | 21,533 |
| Commission receivable | 86 | - | 86 |
| | 123,162 | 17,555 | 140,717 |

| | Unrestricted funds | Restricted funds | Period 1/1/19 to 31/03/20 Total funds |
|---|---|---|---|
| | £ | £ | £ |
| Freewill offerings | 135,314 | - | 135,314 |
| Donations | 27,771 | 12,691 | 40,462 |
| Gift aid | 32,899 | 2,366 | 35,265 |
| Sales of forex & commission receivable | 244 | - | 244 |
| | 196,228 | 15,057 | 211,285 |



continued...

## 3. INCOME FROM CHARITABLE ACTIVITIES

| | Unrestricted funds £ | Restricted funds £ | Period 1/4/20 to 31/12/20 Total funds £ |
|---|---|---|---|
| Use of halls and meeting rooms | 542 | - | 542 |

| | Unrestricted funds £ | Restricted funds £ | Period 1/1/19 to 31/3/20 Total funds £ |
|---|---|---|---|
| Use of halls and meeting rooms | 8,572 | - | 8,572 |

## 4. INVESTMENT INCOME

| | Unrestricted funds £ | Restricted funds £ | Period 1/4/20 to 31/12/20 Total funds £ |
|---|---|---|---|
| Deposit account interest | 34 | - | 34 |

The prior year total is allocated between fund categories as follows:

| | Unrestricted funds £ | Restricted funds £ | Period 1/1/19 to 31/3/20 Total funds £ |
|---|---|---|---|
| Deposit account interest | 113 | 16 | 129 |



continued...

## 5. OTHER INCOME

| | Unrestricted funds | Restricted funds | Period 1/4/20 to 31/12/20 Total funds |
|---|---|---|---|
| | £ | £ | £ |
| Other income | 6 | - | 6 |
| Government grants | 9,720 | - | 9,720 |
| | 9,726 | - | 9,726 |

| | Unrestricted funds | Restricted funds | Period 1/1/19 to 31/3/20 Total funds |
|---|---|---|---|
| | £ | £ | £ |
| Other income | 922 | - | 922 |

## 6. CHARITABLE ACTIVITIES COSTS

| | Direct Costs | Grant funding of activities (see note 7) | Support costs (see note 8) | Period 1/4/20 to 30/12/20 Totals |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| Staff costs and related expenditure | **70,241** | - | - | **70,241** |
| Housing expenses | **65** | - | - | **65** |
| Church expenses | **12,484** | - | - | **12,484** |
| Printing, publicity and outreach | **782** | - | - | **782** |
| Departments | **377** | - | - | **377** |
| Donations and giving | - | **25,881** | - | **25,881** |
| Administration and other expenses | **35,148** | - | **6,745** | **41,893** |
| | **119,097** | **25,881** | **6,745** | **151,723** |



continued...

## 6. CHARITABLE ACTIVITIES COSTS (continued)

| | Direct Costs | Grant funding of activities (see note 7) | Support costs (see note 8) | Period 1/1/19 to 30/3/20 Totals |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| Staff costs and related expenditure | **137,158** | - | - | **137,158** |
| Housing expenses | **151** | - | - | **151** |
| Church expenses | **28,651** | - | - | **28,651** |
| Printing, publicity and outreach | **3,761** | - | - | **3,761** |
| Departments | **728** | - | - | **728** |
| Donations and giving | - | **38,148** | - | **38,148** |
| Administration and other expenses | **73,400** | - | **9,228** | **82,628** |
| | **243,849** | **38,148** | **9,228** | **291,225** |

## 7. GRANTS PAYABLE

| | Unrestricted funds | Restricted funds | Period 1/4/20 to 31/3/20 Total funds |
|---|---|---|---|
| | £ | £ | £ |
| Evangelical Alliance | 124 | - | 124 |
| FIEC | 2,488 | - | 2,488 |
| Tithes | 12,374 | - | 12,374 |
| Other charitable giving | - | 10,895 | 10,895 |
| | 14,986 | 10,895 | 25,881 |

| | Unrestricted funds | Restricted funds | Period 1/1/19 to 31/3/20 Total funds |
|---|---|---|---|
| | £ | £ | £ |
| CSW | 2,732 | - | 2,732 |
| Tearfund | 2,732 | - | 2,732 |
| Evangelical Alliance | 206 | - | 206 |
| FIEC | 3,988 | - | 3,988 |
| Flynn | 2,732 | - | 2,732 |
| Taylor | 5,465 | - | 5,465 |
| Bread | 4,099 | - | 4,099 |
| Kim | 2,732 | - | 2,732 |
| Other charitable giving | - | 13,462 | 13,462 |
| | 24,686 | 13,462 | 38,148 |



continued...

## 8. SUPPORT COSTS

**Governance costs**

| | Period 1/4/20 to 31/12/20 | Period 1/1/19 to 31/3/20 |
|---|---|---|
| | £ | £ |
| Independent Examiner's fees | **274** | 718 |
| Legal and professional fees | **6,471** | 8,510 |
| | **6,745** | 9,228 |

## 9. TRUSTEES' REMUNERATION AND BENEFITS

| | Period 1/4/20 to 31/12/20 | Period 1/1/19 to 31/3/20 |
|---|---|---|
| | £ | £ |
| Trustees' salaries | **41,993** | 83,586 |
| Trustees' social security | **951** | 5,895 |
| Trustees' pension contributions to money purchase schemes | **4,383** | 8,656 |
| | **47,327** | 98,137 |

**Trustees' expenses**

| | Period 1/4/20 to 31/12/20 | Period 1/1/19 to 31/3/20 |
|---|---|---|
| | £ | £ |
| Trustees' expenses | **397** | 1,185 |

In the current period the trustees' expenses totalled £397 (2019 - £1,185). The expenses related to the Pastor's and Associate Pastor's expenses in connection with their duties.

The trustees were not reimbursed expenses during the current nor prior period.



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## 10. STAFF COSTS

| | Period 1/4/20 to 31/12/20 | Period 1/1/19 to 31/3/20 |
|---|---|---|
| | £ | £ |
| Wages and salaries | **63,540** | 117,801 |
| Social security costs | **1,748** | 6,811 |
| Other pension costs | **5,271** | 10,181 |
| | **70,559** | 134,793 |

The average monthly number of employees during the period was as follows:

| | Period 1/4/20 to 31/12/20 | Period 1/1/19 to 31/3/20 |
|---|---|---|
| Pastoral | **2** | 2 |
| Administration and support | **4** | 4 |
| | **6** | 6 |

No employees received emoluments in excess of £60,000.

## 11. TANGIBLE FIXED ASSETS

| | Freehold property | Fixtures and fittings | Totals |
|---|---|---|---|
| | £ | £ | £ |
| **COST** | | | |
| At 1 April 2020 | **2,479,122** | **42,862** | **2,521,984** |
| Additions | **-** | **1,892** | **1,892** |
| Disposals | **-** | **(630)** | **(630)** |
| At 31 December 2020 | **2,479,122** | **44,124** | **2,523,246** |
| **DEPRECIATION** | | | |
| At 1 April 2020 | **173,188** | **40,902** | **214,090** |
| Charge for period | **30,807** | **1,122** | **31,929** |
| Disposals | **-** | **(551)** | **(551)** |
| At 31 December 2020 | **203,995** | **41,473** | **245,468** |
| **NET BOOK VALUE** | | | |
| At 31 December 2020 | **2,275,128** | **2,651** | **2,277,778** |
| At 31 March 2020 | 2,305,934 | 1,960 | 2,307,894 |



continued...

## 11. TANGIBLE FIXED ASSETS - continued

The freehold property comprises the Church's premises and a freehold property. The Church's premises are stated at its capitalised value of £2,058,187 relating to the new building. The residential property comprises a freehold property which is used as tied accommodation by the Pastor which is stated at cost of £420,934 at the beginning of the period.

## 12. FIXED ASSET INVESTMENT

| | Shares in group undertakings £ |
|---|---|
| **COST** | |
| At 1 April 2020 | **100** |
| At 31 December 2020 | **100** |
| **NET BOOK VALUE** | |
| At 31 December 2020 | **100** |
| At 31 March 2020 | 100 |

There were no investment assets outside the UK.

The Church holds 100% of the issued share capital of Merland Rise Church Trading Limited, a company registered in England and Wales.

## 13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | **Period 1/4/20 To 31/12/20 £** | Period 1/1/19 to 31/3/20 £ |
|---|---|---|
| Trade debtors | **480** | 695 |
| Other debtors | **504** | - |
| Merland Rise Church Trading Limited | **9,189** | 8,896 |
| Tax | **6,466** | 9,619 |
| Prepayments and accrued income | **7,285** | 2,627 |
| | **23,924** | 21,837 |



continued...

## 14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | Period 1/4/20 to 31/12/20 | Period 1/1/19 to 31/03/20 |
|---|---|---|
| | £ | £ |
| Trade creditors | **1,509** | 682 |
| Social security and other taxes | **1,307** | - |
| Other creditors | **6,686** | 49,135 |
| Accrued expenses | **24,687** | 17,821 |
| | **34,189** | 67,638 |

## 15. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

| | Period 1/4/20 To 31/12/20 | Period 1/1/19 to 31/03/20 |
|---|---|---|
| | £ | £ |
| Other loans (see note 16) | **200,000** | 200,000 |

## 16. LOANS

An analysis of the maturity of loans is given below:

| | | |
|---|---|---|
| Amounts falling due in more than one year: | | |
| Repayable otherwise than by instalments: | | |
| Unsecured loans | **200,000** | 200,000 |



continued...

## 17. MOVEMENT IN FUNDS

| | At 1/4/20 £ | Net movement in funds £ | Transfers between funds £ | At 31/12/20 £ |
|---|---|---|---|---|
| **Unrestricted funds** | | | | |
| General fund | **(10,124)** | **23,993** | **(1,750)** | **12,119** |
| Manse fund | **220,934** | - | - | **220,934** |
| General Reserve Fund | **15,000** | - | - | **15,000** |
| General Repairs and Maintenance Fund | **23,036** | **(550)** | - | **22,486** |
| | **248,846** | **23,443** | **(1,750)** | **270,539** |
| **Restricted funds** | | | | |
| Building Fund | **1,885,000** | **(30,807)** | - | **1,854,193** |
| Emergency Fund | **4,396** | **3,423** | - | **7,819** |
| Men's Ministry Fund | **1,757** | **1,750** | - | **3,507** |
| Women's Ministry Fund | **1,876** | - | **1,750** | **3,626** |
| Other Fund (destined giving) | - | **1,487** | - | **1,487** |
| | **1,893,029** | **(24,147)** | **1,750** | **1,870,632** |
| **TOTAL FUNDS** | **2,141,875** | **(704)** | - | **2,141,171** |

Net movement in funds, included in the above are as follows:

| | Incoming resources £ | Resources expended £ | Movement in funds £ |
|---|---|---|---|
| **Unrestricted funds** | | | |
| General fund | **133,464** | **(109,471)** | **23,993** |
| Repairs and maintenance Fund | | **(550)** | **(550)** |
| **Restricted funds** | | | |
| Building Fund | - | **(30,807)** | **(30,807)** |
| Emergency Fund | **3,750** | **(327)** | **3,423** |
| Other Charitable Giving Fund | **11,055** | **(9,568)** | **1,487** |
| Men's Ministry Fund | **1,750** | - | **1,750** |
| Women's Ministry Fund | - | - | - |
| Trustees Discretionary Fund | **1,000** | **(1,000)** | - |
| | **17,555** | **(41,702)** | **(24,146)** |
| **TOTAL FUNDS** | **151,019** | **(151,723)** | **(704)** |



continued...

17. MOVEMENT IN FUNDS - continued

**Comparatives for movement in funds**

| | At 1/1/19 £ | Net movement in funds £ | Transfers between funds £ | At 31/3/20 £ |
|---|---|---|---|---|
| **Unrestricted funds** | | | | |
| General fund | 2,621 | (10,995) | (1,750) | (10,124) |
| Manse fund | 220,934 | - | - | 220,934 |
| General Reserve Fund | 15,000 | - | - | 15,000 |
| General Repairs and Maintenance Fund | 23,036 | - | - | 23,036 |
| | 261,591 | (10,995) | (1,750) | 248,846 |
| **Restricted funds** | | | | |
| Building Fund | 1,945,933 | (60,933) | - | 1,885,000 |
| Emergency Fund | 4,668 | (272) | - | 4,396 |
| Men's Ministry Fund | - | 1,757 | - | 1,757 |
| Women's Ministry Fund | - | 126 | 1,750 | 1,876 |
| | 1,950,601 | (59,322) | 1,750 | 1,893,029 |
| **TOTAL FUNDS** | 2,212,192 | (70,317) | - | 2,141,875 |

Comparative net movement in funds, included in the above are as follows:

| | Incoming resources £ | Resources expended £ | Movement in funds £ |
|---|---|---|---|
| **Unrestricted funds** | | | |
| General fund | 205,835 | (216,830) | (10,995) |
| **Restricted funds** | | | |
| Building Fund | - | (60,933) | (60,933) |
| Emergency Fund | 296 | (568) | (272) |
| Other Charitable Giving Fund | 12,894 | (12,894) | - |
| Men's Ministry Fund | 1,757 | - | 1,757 |
| Women's Ministry Fund | 126 | - | 126 |
| | 15,073 | (74,395) | (59,322) |
| **TOTAL FUNDS** | 220,908 | (291,225) | (70,317) |



continued...

## 18. RELATED PARTY DISCLOSURES

Details of the remuneration and expenses paid to trustees is shown within the Notes to the accounts.

The total amount of donations without conditions received by the Church from the trustees during the period was £19,055 (period to 31.03.2020 - £46,737).

Apart from the above, there were no related party transactions between the trustees and the Church.

**Merland Rise Church Trading Limited**
Merland Rise Church Trading Limited is a wholly owned subsidiary of Merland Rise Church (CIO). Any profits made by the company will be donated to the Church under gift aid. No charitable donations were made to the Church during the current period nor prior year. At the year end, the Church was owed £9,189 (period to 31.03.2020 - owed to £8,896) by that company.

## 19. ULTIMATE CONTROLLING PARTY

The Church is controlled by the trustees under the general guidance of the Church Meeting in accordance with the Church's constitution.

## 20. UNRESTRICTED DESIGNATED FUNDS

The nature and purpose of the Church's unrestricted designated funds are as follows:

**Manse**
This fund comprises the interest in freehold Manse owned by the Church. The Church sold its Manse and purchased another Manse in 2017 and granted the Pastor an option to purchase a part interest in this Manse. This option was exercised in January 2019.

**General Reserve Fund**
This fund has been established to allow the Church to cover unforeseen and unbudgeted increases and decreases in revenue and expenditure.

**General Repairs and Maintenance Fund**
This fund has been established to cover major uninsured repairs and maintenance costs of the new Church building.


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## 21. RESTRICTED FUNDS

The nature and purpose of the Church's restricted funds are as follows:

**Building Fund**
This fund comprises the Church's premises whose redevelopment was completed in 2017.

**Emergency Fund**
This fund is available to the Pastor to use on a discretionary basis for particular needs and situations he identifies among the Church fellowship and the local community.

**Other Charitable Giving Fund**
This fund receives offerings from members of the Church which are for specified third party charities.

**Men's and Women's Ministry Fund**
This relates to donations received from members to support the activities carried out by the respective ministries.

## 22. Transition to Charitable Incorporated Organisation

Merland Rise Church (registered charity number 1141447) was registered as Charitable Incorporated Organisation (CIO) (registered charity number: 1187784) on 6 February 2020. On 1 April 2020 all the assets, liabilities and funds reported under the unincorporated charity as at 31 March 2020 were transferred to the new CIO. The transfer has been accounted for under 'merger accounting', in accordance with sections 27.12 and 27.13 of SORP FRS 102. Consequently, the assets, liabilities and funds were presented as though they have always been part of the same reporting charity.



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