

Charity registration number 200027

Company registration number 00688281 (England and Wales)

RURAL MINISTRIES
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

RURAL MINISTRIES

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mrs E Fisher Mr C Hughes Mr T Lea Mr P Susans Mrs H Taylor Rev Y Dubreuil Mr K Gladwell Mr S Spurgeon
Secretary	Mr N Jones
Charity number	200027
Company number	00688281
Registered office	4 Marigold Drive Bisley Woking Surrey GU24 9SF
Independent examiner	F J Wilde FCCA MBA DChA Warner Wilde 4 Marigold Drive Bisley Surrey GU24 9SF
Bankers	CAF Bank Ltd 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4JQ
Investment advisors	Investec Wealth & Investment Limited 2 Gresham Street London EC2V 7QP
Solicitors	Anthony Collins LLP 134 Edmund Street Birmingham B3 2ES

RURAL MINISTRIES

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RURAL MINISTRIES

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2024

The trustees present their annual report and financial statements for the year ended 31 March 2024.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006 and "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).

Objectives and activities

Rural Ministries exists to promote Christian mission and discipleship in the countryside throughout the United Kingdom by assisting those seeking to pioneer new forms of church and mission, as well as resourcing existing rural churches and leaders in terms of growth, development, and missional engagement with their local context. Rural Ministries seeks to serve as a network for both rural pioneers and rural churches, enabling them to share ideas and best practices, identify potential resources and practical assistance, and encourage prayer support, either directly or through existing denominational links. A secondary but equally important goal is to inspire, educate, and encourage those already in the rural context to be more missionally effective by utilising their existing resources. Rural Ministries will continue developing meaningful working relationships with other mission agencies, denominations, and organisations that share our faith and vision to achieve these goals and objectives. The Chief Executive, regional staff, and trustees review such relationships regularly.

Each year, the trustees review the charity's objectives and activities to ensure they continue to reflect the organisation's aims. In this review, they have considered the Charity Commission's general guidance on public benefit and continue to adopt the guiding principles.

Public benefit

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Overview of charity's operations

While secular culture is recovering from the 'plague', the rural church has failed to follow suit. Unfortunately, many prior attendees have not returned, reducing volunteer numbers and financial reserves in many rural congregations; this has highlighted the vulnerability of many rural churches, which will find it difficult to continue in the pattern of meetings they have previously used to. Juxtaposed to this challenge is a growing opportunity for the more entrepreneurial to rethink church and community engagement. Frustratingly, institutions, restructuring to offset the decline in income, have reduced support for pioneers, cutting some of the roles completely. The staff team have been building on the regional mission hub model launched two years ago, which has enabled RM to support, encourage and enable primarily those seeking to pioneer in their rural context, but also churches who are wrestling with change. We continue to emphasise the significance of listening to the context, God, and one another in order to facilitate a rethinking of mission and a re-establishing of church in rural communities.

As many rural pubs, shops and post offices adjust to the changing economic landscape, closure has become inevitable. The rural church is often one of the last remaining community assets, and with guidance and planning, is frequently able to provide critical services that would not be able to function in their communities otherwise. Youth clubs, food banks, community groceries, pastoral and practical support for the elderly, cafés, substance abuse recovery, parenting classes, and debt management are examples of such services. Several of these would not be sustainable without the resources and support of Rural Ministries, nor would the churches that support them.

Many mainstream denominations' focus and resources still have a strong urban tilt, which means that rural communities are rarely the benefactors of any forward planning or strategising. As a result, the rural environment may feel as if it has few defenders and advocates for church innovation and purpose. Rural Ministries is always working to address this vacuum by investing in, supporting, and sustaining our increasing network through a combination of retreats and mission hubs, as well as the continuous distribution of the triannual journal 'MOSAIC.' Our weekly email meditations continue to spark conversation and sharing on social media with a larger audience, frequently serving as a topic for the morning service.

RURAL MINISTRIES

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) *FOR THE YEAR ENDED 31 MARCH 2024*

We are not seeking to become a brand nor the single dominant voice for the rural context; we are simply seeking to respond to and join in with what God is already doing. This means we link with like-minded mission agencies, church funding organisations, and denominations, helping them in what they are called to do. Our network structure gives us more freedom to operate and inspire a large number of people and congregations all over the UK. It is clear that a well-connected network of pioneers, practitioners, and permission-givers offers a longer-term benefit for the rural church. Our tagline of 'Rethinking mission. Reimagining church.' emphasises our desire for change to impact a disciple-making process and help the church become more effective.

Our connections with theological colleges have somewhat lessened over the past year as they adjust to the challenge of fewer candidates going forward for ordination and training. Connectivity continues to be essential for us, whether in person or virtually over Zoom. Together, we can learn, share, support, pray and grow as a network. We have begun an online prayer meeting and are looking to take on an editor for MOSAIC. In addition to working within our network, Rural Ministries works closely with a range of complementary organisations to the mutual benefit of those in our network. These strategic alliances allow us to offer resources and skills to more rural churches than we could provide on our own. Over the past year, we have worked hard to bring together some of these organisations under the banner of 'Rural Hope.' This group includes Fresh Expressions, Arthur Rank, Rural Missions, New Wine Rural, and the Methodists. One of the positive outputs is forming a joint calendar to ensure we do not overlap with events wherever possible.

We have intentionally continued our strategy of identifying, investing in and resourcing rural pioneers and further developing the 'Missional Listening' project beyond individual workers to embracing a geographic region. One of the newer projects developed during the past year and launched in May 2024, is the support of an outdoor chaplain in Llanberis, working closely with the Church in Wales.

The Trust Board of Rural Ministries consists of experienced people intentionally selected from a wide range of church backgrounds and practices. We are constantly vigilant for any who could serve as an additional trustee to ensure that the breadth of expertise is maintained and that the trust board accurately represents the diversity of churches and mission initiatives we support and resource. Together with the staff, Chief Executive and Operations Manager, the Trust Board seeks to provide effective governance, determine policy, and support the ongoing work of Rural Ministries. The Trust Board has undertaken a full review of existing and future commitments at the end of the financial year, recognising the continuing gap between income and expenditure, and remains committed to Rural Ministries' charitable purposes of encouraging mission, enabling pioneers, and equipping the rural church. To this end, we continue to work hard to ensure that all partners are moving towards sustainability, exploring strategic alliances with other like-minded organisations, and raising visibility and financial support for partner organisations and others outside our existing partnership base.

RURAL MINISTRIES

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

Achievements and performance

Expenditure grew by 42% year in year, with a 54% increase in ministry support and a 21% increase in staff costs as we recruited two team members after Alison Griffiths' and Ali Birkett's departures. Some of the increase in ministry support was due the start of several new projects at the beginning of the year. Although working practises have evolved since the pandemic, the staff team is the primary way we show our support and commitment to our growing network with the team mobilised in supporting six rural mission hubs across the UK, with more due to be launched in the coming year.

We continue to maintain the remaining properties held by Rural Ministries. In particular, significant work was carried out on our property in Bootle, Cumbria, due to substantial dampness and wood rot. This resulted in a considerable increase in property maintenance costs and a reduced rental income. Ongoing budgets continue to allow for the repair and servicing of properties.

The Trustees continue to uphold the policy of ensuring the sustainability and self-sufficiency of pioneer-founded churches and projects. Our grant application process has been modified to reflect the significance of such considerations, and we regularly assist churches with resource management planning.

Two very generous legacies totalling more than £700,000 means that Rural Ministries operated at a profit of £461,490 for the year, an increase of 240% over the previous year (which also saw a generous legacy). The trustees of Rural Ministries are aware that such gifts cannot be relied on and that the charity normally runs at a greater annual loss. Regular reviews of assets, suitability and budgets occur, with quarterly updates and variance reports provided for Trust Board members. The trustees have reviewed the resources to hand and concluded that while they are adequate for the current work of Rural Ministries in meeting its aims and objectives, they will eventually lead to closure unless these funds are replenished.

Financial review

The trustees have reviewed the charity's reserve requirements, considering the company's main risks, and have set appropriate budgets to maintain sufficient funds in the future. They discuss the level of reserves at their meetings, which continue to be mostly video conferencing, based on reports produced by the Operations Manager and Chief Executive. This allows them to monitor and manage the budgets closely, considering commitments already made and any future decisions of financial support.

The primary sources of income for Rural Ministries in the year came from donations and legacies, representing 91% of total income compared to 66% in 22/23. However, this increase is largely explained by the legacy income and, as such, is not expected to continue at such a rate. Investment income barely changed in absolute terms and made up 9% of all income (2023: 33%) and comprised of managed investment income (58%, 2023: 53%) and rental income (32%, 2023: 40%). In 2017/18, we invested in a fund managed by EdenTree; however, during the year, EdenTree closed the fund, and the monies were added to our Investec portfolio.

We continue to try and recover the losses incurred from the default on our investment in Christian Property Development company B&R. Upon receipt of the final payment from a former director of B&R (due October 2023), 91% of the original investment capital would have been recovered. The former director defaulted on the final payment of £35,000 due under an agreement and immediately became liable for the full original debt, including interest accruing on the original investment. The trustees have successfully petitioned the former director for bankruptcy and continue to seek to recover assets through the bankruptcy process. At the date of the statutory demand, the debt, including the £35,000 unpaid under the agreement, was £212,520.27. Due to the risk of this debt not being recovered, it has not been included in the debtor's total in the accounts.

Gifts from our network continued at their underlying levels from the past two years after allowing for two large donations from closing churches the previous year. However, non-Gift Aid giving declined by over 50% year over year, reflecting the increase in the cost of living and the financially cautious position of many of our supporters.

A revaluation of our investment properties revealed an increase of £145,000, which was the main element in the revaluation of investments (£126,617).

RURAL MINISTRIES

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

Reserves policy

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

Major risks

The trustees have assessed the significant risks to which the charity is exposed and are satisfied that systems are in place to mitigate exposure to the major risks.

Plans for future periods

At the end of each financial year, the trustees of Rural Ministries and the staff review our activities. In 2023, we reviewed, as a trust board and staff team, areas of expenditure and investment and agreed upon the following priorities:

1. Prayer, Rural Mission Hubs across the UK, improving the quality and reach of MOSAIC and our weekly reflections.
2. Strengthening the staff team in their ability to share what God is saying about the wider state of the church and Mission. Further utilising consultants for specific projects and regional expertise.
3. To offer, through the staff team, learning and training opportunities across the network.
4. To actively collaborate with other mission agencies and denominational bodies around the areas of mission, utilise fixed assets, and proactively signpost to one another.
5. One of our key roles, which we want to continue to develop, is being a 'permission-giving body', who, through grants and encouragement, enables others to follow the call of God.

Promotion

Through our website, weekly reflections, and printed material, we continue to promote the work of Rural Ministries. Our triannual magazine serves our supporters with prayer news and stories of mission, and articles to inspire. In compliance with GDPR legislation, we maintain strict control over the data we hold to ensure that it is relevant for us to use for promotion. Our website is regularly reviewed and updated to ensure it reflects who we are and what we do. This is managed in-house.

Resources and Expenditure

The Trust Board and staff team are aware that fulfilling our objectives throughout the United Kingdom continues to be costly, and the effective use of all resources is a priority. We have sought ways to reduce our expenditure internally and externally and are continually mindful of costs. We continue to explore strategic alliances and partnerships with other organisations both in the UK and abroad that share our values and vision and leverage the input of RM. Our aim is to enable the continued support, encouragement and resourcing of rural churches that are working towards pioneering methods of mission and community engagement. Requests to help assess independent rural churches' current and future needs continue to receive attention; however, there is a conscious move away from Rural Ministries being the sole financial provider. The Trustees and CEO have reviewed the grant request process, making it much more robust and placing a higher expectation of match funding, and also a requirement for qualitative research and assessment of results where appropriate.

Staffing

During the year one member of staff was appointed as Director (South West) and another appointed as Director (Scotland and Northern England) to replace the previous incumbent who resigned during the year. This left RM with a team of four at the year end. Using technology, we can meet up every other week via Zoom, although we also meet physically once a quarter to plan, pray and strategize.

Structure, governance and management

Governing document

The charity is controlled by its governing document, the Articles of Association, which were comprehensively reviewed and updated during the year and adopted on the 18th November 2023. Rural Ministries constitutes a limited company (Reg. No. 00688281), limited by guarantee and not having a share capital, as defined by the Companies Act 2006. The charity is registered with the Charities Commission (Reg. No. 200027).

RURAL MINISTRIES

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mrs E Fisher

Mr C Hughes

Mr T Lea

Mr P Susans

Mrs H Taylor

Rev Y Dubreuil

Mr K Gladwell

Mr S Spurgeon

Recruitment and appointment of trustees

The sole right of admission as a trustee is vested in the Trust Board. Trustees may, from time to time, elect individuals to the Trust Board (as per the criteria set out in the Articles of Association. Nominations for election follow an initial meeting with the Chairman or Chief Executive for orientation and briefing on their legal obligations, the content of the memorandum and articles of association, the decision-making process, and the recent performance of the charity.

Organisational structure

The Trust Board, which meets quarterly, administer the charity. The Trust Board appoints a Chief Executive to manage all charity activities. The Trust Board decide on development, strategy, policy and finance. Written reports from the Chief Executive and pastoral and administration staff are provided to Trust Board members before meetings to inform them of their activities and decisions. Regular updates are provided between meetings where appropriate.

Staff

Chief Executive Officer: Rev Simon Mattholie

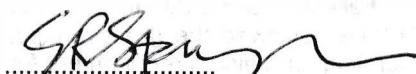
Operations Manager: Mr Nick Jones

Director (South West): Rev Joanna Allen - Appointed 1st June 2023

Director (Scotland and Northern England): Mr Alistair Birkett - Resigned 31st September 2023

Director (Scotland and Northern England): Mr Jonathan Timms – Appointed 1st December 2023

The trustees' report was approved by the Board of Trustees.



Mr S Spurgeon

Trustee

Date: 07.12.24

RURAL MINISTRIES

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF RURAL MINISTRIES

I report to the trustees on my examination of the financial statements of Rural Ministries (the charity) for the year ended 31 March 2024.

Responsibilities and basis of report

As the trustees of the charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

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

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

- 1 accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act 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; or
- 4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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 financial statements to be reached.



F J Wilde FCCA MBA DChA

Warner Wilde
4 Marigold Drive
Bisley
Surrey
GU24 9SF

Dated: 10th December 2024

RURAL MINISTRIES

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2024

	Notes	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Income and endowments from:			
Donations and legacies	3	726,210	155,477
Charitable activities	4	2,293	2,533
Investments	5	71,993	77,569
Other income	6	880	-
Total income		801,376	235,579
Expenditure on:			
Raising funds	7	7,096	4,676
Charitable activities	8	332,786	235,283
Total expenditure		339,882	239,959
Net gains/(losses) on investments	13	126,617	230,577
Net income and movement in funds		588,111	226,197
Reconciliation of funds:			
Fund balances at 1 April 2023		2,250,696	2,024,499
Fund balances at 31 March 2024		2,838,807	2,250,696

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

RURAL MINISTRIES

BALANCE SHEET

AS AT 31 MARCH 2024

	Notes	2024 £	£	2023 £	£
Fixed assets					
Tangible assets	15		110,923		113,584
Investment property	16		965,000		820,000
Investments	17		1,001,770		1,183,475
			<u>2,077,693</u>		<u>2,117,059</u>
Current assets					
Debtors	18	741,677		122,778	
Cash at bank and in hand		30,731		18,673	
		<u>772,408</u>		<u>141,451</u>	
Creditors: amounts falling due within one year	19	(11,294)		(7,814)	
		<u></u>		<u></u>	
Net current assets			761,114		133,637
Total assets less current liabilities			<u>2,838,807</u>		<u>2,250,696</u>
The funds of the charity					
Unrestricted funds	21		2,838,807		2,250,696
			<u>2,838,807</u>		<u>2,250,696</u>


The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2024.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the trustees on 7th December 2024.



Mr S Spurgeon
Trustee

Company registration number 00688281 (England and Wales)

RURAL MINISTRIES

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2024

	Notes	2024 £	£	2023 £	£
Cash flows from operating activities					
Cash absorbed by operations	23		(263,090)		(107,886)
Investing activities					
Proceeds from disposal of investment property		-		186,000	
Repayment of loans		39,833		-	
Purchase of other investments		(1,324,994)		(242,000)	
Proceeds from disposal of other investments		1,507,850		90,000	
Investment income received		52,459		77,569	
Net cash generated from investing activities			275,148		111,569
Net cash used in financing activities			-		-
Net increase in cash and cash equivalents			12,058		3,683
Cash and cash equivalents at beginning of year			18,673		14,990
Cash and cash equivalents at end of year			30,731		18,673

RURAL MINISTRIES

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

Charity information

Rural Ministries is a private company limited by guarantee incorporated in England and Wales. The registered office is 4 Marigold Drive, Bisley, Woking, Surrey, GU24 9SF.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, [modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value]. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

RURAL MINISTRIES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

(Continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	2% Straight line over 50 years
Fixtures and fittings	10% on cost

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Investment property

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in profit or loss.

1.8 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.9 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.10 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

RURAL MINISTRIES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

(Continued)

1.11 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.12 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

RURAL MINISTRIES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Income from donations and legacies

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Donations and gifts	17,633	38,477
Legacies	708,577	117,000
	<u>726,210</u>	<u>155,477</u>

During the year Rural Ministries were notified that they were entitled to a large legacy, which was received after the year end. It is therefore included as income in the year, and as an amount due to the charity at the year end.

4 Income from charitable activities

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Charitable activities		
Services provided under contract	2,293	1,252
Other income	-	1,281
	<u>2,293</u>	<u>2,533</u>

RURAL MINISTRIES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

5 Income from investments

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Rental income	22,997	30,832
Income from listed investments	42,100	41,293
Interest receivable	6,896	5,444
	<u>71,993</u>	<u>77,569</u>

Managed investment income represents dividends and interest earned on the company's investment portfolio of listed securities and related cash balances. At the start of the year Rural Ministries had an investment portfolio managed by Investec Wealth & Investment Ltd and a separate investment held in a fund for charities managed by EdenTree Investment Management. During the year EdenTree closed their fund for charities and the trustees reinvested the proceeds in the Investec portfolio.

6 Other income

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Other income	880	-
	<u>880</u>	<u>-</u>

7 Expenditure on raising funds

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Investment management	7,096	4,676
	<u>7,096</u>	<u>4,676</u>

RURAL MINISTRIES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

8 Expenditure on charitable activities

	Charitable activities 2024 £	Charitable activities 2023 £
Direct costs		
Staff costs	95,149	77,883
Depreciation and impairment	2,661	-
Ministry Support	106,403	68,995
Motor, travel and expenses	8,250	11,930
Publications, publicity and websites	20,152	18,692
Rental commission and fees	2,477	4,775
Property sales costs	-	4,934
Consultancy costs	4,177	4,476
Venue Costs	4,446	-
Staff development costs	365	-
	<u>244,080</u>	<u>191,685</u>
Share of support and governance costs (see note 9)		
Support	76,969	27,805
Governance	11,737	15,793
	<u>332,786</u>	<u>235,283</u>
Analysis by fund		
Unrestricted funds	<u>332,786</u>	<u>235,283</u>

9 Support costs allocated to activities

	Charitable activities 2024 £	Total 2023 £
Staff costs	17,232	15,100
Insurance	3,787	3,382
Telephone	-	732
Office and general expenses	10,293	6,785
Motor, travel and expenses	4,170	88
Property maintenance and costs	41,427	1,646
Bank charges	60	72
Governance	11,737	15,793
	<u>88,706</u>	<u>43,598</u>

RURAL MINISTRIES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

10 Net movement in funds	2024	2023
	£	£
The net movement in funds is stated after charging/(crediting):		
Fees payable for the independent examination of the charity's financial statements	1,764	5,100
Depreciation of owned tangible fixed assets	2,661	-
	<u> </u>	<u> </u>

11 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

12 Employees

The average monthly number of employees during the year was:

	2024	2023
	Number	Number
Chief Executive	1	1
Operations Manager/Administrator	1	1
Other staff (including part time)	2	2
	<u> </u>	<u> </u>
Total	4	4
	<u> </u>	<u> </u>

Employment costs	2024	2023
	£	£
Wages and salaries	102,796	82,627
Social security costs	2,767	2,064
Other pension costs	6,818	8,292
	<u> </u>	<u> </u>
	112,381	92,983
	<u> </u>	<u> </u>

There were no employees whose annual remuneration was more than £60,000.

Remuneration of key management personnel

The remuneration of key management personnel was £56,908 including all additional costs such as employer's NIC and Employer's pension contributions and before deducting employment allowance.

RURAL MINISTRIES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

13 Gains and losses on investments

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Gains/(losses) arising on:		
Revaluation of investments	126,617	230,577

14 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

15 Tangible fixed assets

	Freehold land and buildings £	Fixtures and fittings £	Total £
Cost			
At 1 April 2023	133,066	11,875	144,941
Disposals	-	(11,875)	(11,875)
At 31 March 2024	133,066	-	133,066
Depreciation and impairment			
At 1 April 2023	19,482	11,875	31,357
Depreciation charged in the year	2,661	-	2,661
Eliminated in respect of disposals	-	(11,875)	(11,875)
At 31 March 2024	22,143	-	22,143
Carrying amount			
At 31 March 2024	110,923	-	110,923
At 31 March 2023	113,584	-	113,584

16 Investment property

	2024 £
Fair value	
At 1 April 2023	820,000
Net gains or losses through fair value adjustments	145,000
At 31 March 2024	965,000

RURAL MINISTRIES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

16 Investment property

(Continued)

Investment property comprises:

- 1 Beck Brow, Bootle, Cumbria
- 32 Dartmouth Park Road, Camden, London,
- The Manse, Great Moulton, Norfolk
- Datchet House, Marsh Crescent, Rowhedge, Essex

The fair value of the investment property has been arrived at on the basis of a valuation carried out during the year by RICS surveyors with the exception of 1 Beck Brow which was valued by an estate agent prior to being marketed for sale. The surveyors and estate agent are not connected with the charity. The valuation was made on an open market value basis by reference to market evidence of transaction prices for similar properties.

17 Fixed asset investments

	Listed investments £	Unlisted investments £	Total £
Cost or valuation			
At 1 April 2023	1,123,475	60,000	1,183,475
Additions	1,324,994	-	1,324,994
Valuation changes	(18,323)	-	(18,323)
Movement in cash in portfolio	(1,349)	-	(1,349)
Disposals	(1,462,027)	(25,000)	(1,487,027)
At 31 March 2024	966,770	35,000	1,001,770
Carrying amount			
At 31 March 2024	966,770	35,000	1,001,770
At 31 March 2023	1,123,475	60,000	1,183,475

Unlisted Investments

Disposals and additions includes those movements resulting from EdenTree's closure of their charity fund and the subsequent reinvestment with Investec (see also note 5)

Unlisted investments relate to the outstanding capital element of the original B&R Finance Limited bond which was issued in 2017. After B&R Finance Limited defaulted on payments during 2019, the trustees put measures in place to ensure the recovery of approximately 90% of the capital of the original bond, minimising the loss to Rural Ministries. This included a repayment agreement with a former director of B&R Finance Limited. During the year the former director defaulted on the final payment of £35,000 due under the agreement and immediately became liable for the full original debt including interest accruing on the original investment. The trustees successfully petitioned the former director for bankruptcy and continue to seek to recover assets thought the bankruptcy process. At the date of the statutory demand the debt, including the £35,000 unpaid under the agreement, was £212,520.27.

RURAL MINISTRIES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

18 Debtors

	2024 £	2023 £
Amounts falling due within one year:		
Other debtors	741,677	115,662
Prepayments and accrued income	-	7,116
	<u>741,677</u>	<u>122,778</u>

19 Creditors: amounts falling due within one year

	2024 £	2023 £
Other taxation and social security	2,265	-
Other creditors	901	-
Accruals and deferred income	8,128	7,814
	<u>11,294</u>	<u>7,814</u>

20 Retirement benefit schemes

	2024 £	2023 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	6,818	8,292

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

21 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 April 2023 £	Incoming resources £	Resources expended £	Gains and losses £	At 31 March 2024 £
General funds	<u>2,250,696</u>	<u>801,376</u>	<u>(339,882)</u>	<u>126,617</u>	<u>2,838,807</u>
Previous year:	At 1 April 2022 £	Incoming resources £	Resources expended £	Gains and losses £	At 31 March 2023 £
General funds	<u>2,024,499</u>	<u>235,579</u>	<u>(239,959)</u>	<u>230,577</u>	<u>2,250,696</u>

RURAL MINISTRIES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

22 Related party transactions

There were no disclosable related party transactions during the year (2023 - none).

23 Cash generated from operations	2024 £	2023 £
Surplus for the year	588,111	226,197
Adjustments for:		
Investment income recognised in statement of financial activities	(71,993)	(77,569)
Fair value gains and losses on investments	(126,617)	(265,694)
Depreciation and impairment of tangible fixed assets	2,661	-
Movements in working capital:		
(Increase)/decrease in debtors	(658,732)	10,028
Increase/(decrease) in creditors	3,480	(848)
Cash absorbed by operations	(263,090)	(107,886)

24 Analysis of changes in net funds

The charity had no material debt during the year.