

Reality Church London

Report and Accounts

year ended 31 August 2020

stewardship[®]

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REALITY CHURCH LONDON
FOR THE YEAR ENDED 31 AUGUST 2020
CHARITY INFORMATION

| | |
|-----------------------------|---|
| Trustees | T Chaddick J Hughes M Kottman T Morgan (Chair) S Yardley (10 September 2020) B Mirtolooi (10 September 2020) |
| Pastor | T Chaddick (until 31 July 2020) B Mirtolooi (From 01 January 2021) |
| Governing Document | CIO Constitution dated 7 June 2016 |
| Charity Registration Number | 1167535 |
| Registered Office | Spaces City Road 25 City Road London, EC1Y 1AA |
| Independent Examiner | Lisa Darby ACA Stewardship 1 Lamb's Passage London, EC1Y 8AB |
| Bankers | Metro Bank One Southampton Row London WC1B 5HA |

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REALITY CHURCH LONDON
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2020

The Trustees have pleasure in submitting the Report and Accounts for the year ended 31 August 2020.

Objects of the charity

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

The Church: Its Aims and Objectives

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

We are so thankful for all that God is doing through churches old and new in London and consider it a joy and a privilege to learn from and come alongside them in God's mission.

We believe in a message of good news – that God entered our world in the person of Jesus Christ and did for us what we could never do for ourselves: rescue, redeem and renew us from evil, brokenness and death. We seek to build a community on and around the reality of this message.

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

Government

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

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

Reality Church London "RCL" has a strong working partnership with Reality Carpinteria, California, USA which was the church 'sending' workers and resources to initiate the church in London. The administrative staff at the sending church have worked with the staff of RCL to support the ministry while it is getting off the ground. This assistance is continual but is shifting to move operations and admin activity to be held locally in London. RCL has many US based donors who add to the support committed from the general funds from the church planting budget of the sending church. The total funding received from the US amounted to £89,655 as detailed in note 3 to the accounts

Between September 2019 and August 2020 the church employed between three and four staff members who manage and oversee the day to day operations of the church. The mission of the church, by design, is carried out with the help of volunteers. As a new church, we are continuing to build ministry teams made up of men and women who are keen to use their gifts to serve others. We believe serving together is one of the best ways to be connected to the church.

The Year: Its Objectives and Achievements

During the year ended 31 August 2020 the main ways the church sought to achieve its mission and charitable purposes for the public benefit as guided by the Charity Commission have been as follows:

- **Sunday Services:** From September 2019 to March 2020, our Sunday attendance maintained an average of 190. Within this initial period of the financial year we made the move into a new Sunday Service space alongside a new office space, reducing costs but also enabling us to better outwork our mission. From March 2020, due to COVID-19 we navigated our services online for the remainder of the financial year. At first making use of homes to film and then when able filming central at our ministry hub with a small socially distanced team. We are encouraged that despite this huge change in approach for Sunday Services, engagement remained high and we estimate the Sunday attendance stayed the same.
- **Community Groups:** One of our main objectives was to multiply the amount of Community Groups we ran as a church. Community Groups are central to our purposes as a church and therefore the planning, organising and leading of these groups is vital. Thankfully, over the course of the year, we were able to continue with 7 groups around the city, with each group averaging 10-20 people. This is a great sign of health for us. Our staff team and volunteers have spent a lot of time working on both the material and planning of these groups along with training and development for current and future leaders. Since March 2020 these groups have taken place online via ZOOM.

- **Staff:** In addition to our staff team which fluctuated over the 2019-2020 period between three and four, we also had three volunteers who serve the church in free capacity. The second half of the financial year saw us gearing up for the Lead Pastor transition with Tim Chaddick moving back to America at the start of September 2020. The planning and outworking of this transition has taken up a large amount of both time and finances - but we feel the transition has been a healthy one with the new Lead Pastor, Bijan Mirtolooi, arriving at the start of 2021.
- **Overall Growth:** Over the course of the year, we have seen new people join the church and original members grow in applying the weekly teaching to their lives and commit to serving weekly in the church. These signs of growth are at the very heart of our purpose as a church.

Plans for the New Year

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

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

At the start of quarter two in the next financial year the new lead pastor, Bijan Mirtolooi, arrives into London with his family to fully take on the role in a full-time capacity. This will mark the end of the transition season which has seen us without a lead pastor on the ground for the first quarter of the financial year. Over financial year 20/21 we will continue to recast vision with this change in leadership but also continue to react prayerfully in response to the global pandemic.

Over the coming year we look to continually invest time into evangelistic ministry, to lay a foundation of sound doctrine and godly living through sharing the essentials of the Christian faith specifically to those curious about the Christian message. We hope to run an evangelistic course three times a year as we progress into 2021. We believe this will help us achieve our goal of sharing the good news and meet our desire to grow in mission. This will specifically entail an increased emphasis on evangelism. Our events will focus on engaging with non-Christians, helping us to engage with and care for those outside the church while investing in those within.

We are currently planning for a volunteer vision night in February 2021 alongside a church wide Vision Sunday within the same month, to cast vision over the coming season of Reality Church London. We look to these events as significant moments in the life of the church to ensure clear communication of vision and values, and proper leadership of volunteers. This year we endeavour to create good structures which will enable the number of volunteers to increase while remaining healthy in relation to each other and the church as a whole.

Grant Making Policy

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

Financial Review

Reality Church London received donations and other income of £399,890 (2019: £365,300). £89,655 (2019: £122,014) was donated via the sending church, Reality Carpinteria. Expenditure was £322,284 (2019: £345,615) resulting in a net gain of approximately £77,606 (2019: £19,685) over the financial year.

Reserves Policy

The reserves policy of Reality Church London is to hold three months of all operational expenditures on reserve. The trustees currently believe this amount to be in the region of £80,000, compared to £136,340 in unrestricted cash reserves held at the year-end.

The Missional Fund is an unrestricted fund designated by the Trustees for expenditure on Mission and Church Planting. £62,470 of the unrestricted cash balance is held in this fund (2019:£29,736) These 'First Fruits' funds are reserved to sew into individuals and charities across London that align to the mission of Reality Church London, including the Reality Church London Mercy Partners. As a church we want to model generosity throughout our city as we seek the renewal of London, supporting these causes via our First Fruits fund enables us to continually seek that renewal.

Covid Impact

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

Risk Statement

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

Trustees' Responsibilities

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

We are required to:

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

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

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

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

Approval

This report was approved by the Trustees on 17 May 2021 and signed on their behalf by:

Tyler Morgan, Trustee

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

I report to the trustees on my examination of the accounts of the Reality Church London (the charity) for the period ended 31 August 2020 on pages 8 to 16 following, which have been prepared on the basis of the accounting policies set out on pages 10 to 11.

Responsibilities and basis of report

As the charity trustees of the charity you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Trust's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

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

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

1. accounting records were not kept in respect of the Trust as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Lisa Darby ACA
Institute of Chartered Accountants of England and Wales

18 May 2021

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

REALITY CHURCH LONDON
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2020
SUMMARY INCOME AND EXPENDITURE ACCOUNT

| | Note | Unrestricted Funds £ | Restricted Funds £ | Total funds 2020 £ | Total funds 2019 £ |
|------------------------------------|------|----------------------------|--------------------------|--------------------------|--------------------------|
| INCOME AND ENDOWMENTS FROM | | | | | |
| Donations and legacies | 3 | 397,511 | - | 397,511 | 353,145 |
| Charitable activities | | 2,379 | - | 2,379 | 12,155 |
| Total income and endowments | | 399,890 | - | 399,890 | 365,300 |
| EXPENDITURE ON | | | | | |
| Charitable activities | 4 | 322,284 | - | 322,284 | 345,615 |
| Total expenditure | | 322,284 | - | 322,284 | 345,615 |
| Net movement in funds | | 77,606 | - | 77,606 | 19,685 |
| Reconciliation of funds: | | | | | |
| Total funds brought forward | | 82,429 | - | 82,429 | 62,744 |
| Total funds carried forward | | 160,035 | - | 160,035 | 82,429 |

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

The notes on page 10 - 15 form part of these accounts.

REALITY CHURCH LONDON
BALANCE SHEET
FOR THE YEAR ENDED 31 AUGUST 2020

| | Note | Unrestricted Funds £ | Restricted Funds | Total 2020 £ | Total 2019 |
|---|------|----------------------------|---------------------|--------------------|---------------|
| CURRENT ASSETS | | | | | |
| Debtors | 6 | 51,935 | - | 51,935 | 49,645 |
| Cash at bank | 7 | 136,340 | - | 136,340 | 41,123 |
| | | <u>188,275</u> | - | <u>188,275</u> | <u>90,768</u> |
| CURRENT LIABILITIES | | | | | |
| Liabilities falling due within one year | 8 | 28,240 | - | 28,240 | 8,340 |
| Net Current Assets | | <u>160,035</u> | - | <u>160,035</u> | <u>82,429</u> |
| NET ASSETS | | | | | |
| | | <u>160,035</u> | - | <u>160,035</u> | <u>82,429</u> |
| FUND BALANCES | | | | | |
| Unrestricted funds | | | | | |
| General Funds | | 97,565 | - | 97,565 | 52,693 |
| Designated funds | 9 | <u>62,470</u> | - | <u>62,470</u> | <u>29,736</u> |
| | | <u>160,035</u> | - | <u>160,035</u> | <u>82,429</u> |

Approved by the Trustees and signed on their behalf on the 17 May 2021 by:

Tyler Morgan, Trustee

The notes on page 10 - 15 form part of these accounts.

REALITY CHURCH LONDON
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2020

1 Statutory Information

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

2 Accounting Policies

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

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

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

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

a) Going concern

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

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

b) Donated and grant income:

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

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

c) Expenditure

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

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

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

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

REALITY CHURCH LONDON
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2020

d) Fund accounting

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

e) Tangible fixed assets

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

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

f) Pension scheme arrangements

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

g) Taxation

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

h) Financial instruments

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

i) Cashflow statement

The charity has taken advantage of the exemption provided by the FRS 102 SORP and has not prepared a Cash Flow Statement for the year.

3 Voluntary income

| | Unrestricted Funds £ | Restricted Funds £ | Total 2020 £ | Total 2019 £ |
|------------------------------------|----------------------------|--------------------------|--------------------|--------------------|
| General donations | 256,382 | - | 256,382 | 207,262 |
| Donations from Reality Carpinteria | 89,655 | - | 89,655 | 122,014 |
| Donations from Reality Ventura | 538 | - | 538 | - |
| Tax recoverable | 50,935 | - | 50,935 | 23,870 |
| | <u>397,511</u> | <u>-</u> | <u>397,511</u> | <u>353,145</u> |

REALITY CHURCH LONDON
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2020

| 4 | Charitable activity | Unrestricted Funds | Restricted Funds | Total 2020 | Total 2019 |
|---|--|--------------------|------------------|----------------|----------------|
| | | £ | £ | £ | £ |
| a | Direct Charitable Costs | | | | |
| | Staffing Costs | 160,266 | - | 160,266 | 166,273 |
| | Ministry & Outreach | 31,504 | - | 31,504 | 36,663 |
| | Venue Hire | 49,058 | - | 49,058 | 92,047 |
| | Travel & Conferences | 17,484 | - | 17,484 | 9,902 |
| | Equipment | 12,447 | - | 12,447 | 2,935 |
| | Media | 4,653 | - | 4,653 | 3,923 |
| | Other | 601 | - | 601 | 3,375 |
| | Grants payable | 7,080 | - | 7,080 | 10,606 |
| | | <u>283,093</u> | <u>-</u> | <u>283,093</u> | <u>325,723</u> |
| b | Support & Administration | £ | £ | £ | £ |
| | General Administration | 18,620 | - | 18,620 | 9,198 |
| | Legal and professional services | 17,451 | - | 17,451 | 7,894 |
| | Accounts preparation and examination | 3,120 | - | 3,120 | 2,800 |
| | | <u>39,191</u> | <u>-</u> | <u>39,191</u> | <u>19,892</u> |
| | Combined charitable activity cost | <u>322,284</u> | <u>-</u> | <u>322,284</u> | <u>345,615</u> |
| c | Grants | Institutions | Individuals | 2020 | 2019 |
| | | £ | £ | £ | £ |
| | Mission | 6,080 | - | 6,080 | 10,606 |
| | Relief of poverty | - | 1,000 | 1,000 | - |
| | | <u>6,080</u> | <u>1,000</u> | <u>7,080</u> | <u>10,606</u> |

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

| | | |
|---|--------|--------|
| Greater Europe Mission | £1,680 | £1,260 |
| Calvary Chapel Leatherhead | £2,200 | £2,400 |
| Trinity Church Nottingham | £2,200 | £2,400 |
| Frank Ocampo - Generate Youth Ministry Outreach | - | £3,000 |
| Reality Honolulu Support | - | £1,546 |

REALITY CHURCH LONDON
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2020

| 5 Staff & Trustees | 2020 £ | 2019 £ |
|--|----------------|----------------|
| Gross wages, salaries & benefits in kind | 158,998 | 152,547 |
| Employer's National Insurance costs | 9,357 | 9,837 |
| Pension costs | 4,118 | 3,890 |
| Total staff costs | <u>172,473</u> | <u>166,273</u> |

The average monthly number of employees during the year was 4 (2019: 5). Most of the charity's activities are carried out by volunteers.

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

| | Wages & salaries | Directly from Carpinteria, USA | Employer pension contributions | 2020 £ |
|--------------|---------------------|--------------------------------------|--------------------------------------|-----------|
| Trustees: | | | | |
| Tim Chaddick | 64,096 | 12,207 | 1,650 | 77,953 |

The following amounts were payable in the previous year:

| | Wages & salaries | Directly from Carpinteria, USA | Employer pension contributions | 2019 £ |
|--------------|---------------------|--------------------------------------|--------------------------------------|-----------|
| Trustees: | | | | |
| Tim Chaddick | 61,200 | 19,883 | 1,400 | 82,483 |

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

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

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

The trustees were reimbursed travel costs of £3,388 (2019: £6,982) which were incurred monitoring and supporting charitable activities and programmes. Otherwise no trustee received reimbursed expenses other than those incurred when purchasing supplies, equipment and consumables on behalf of the charity.

The total amount of donations funded by trustees and connected parties, and other related parties, was £6,703 (2019: £8,441).

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

Fees payable to Stewardship (exclusive of VAT), other than for the annual accounts and independent examination of £2,600 +VAT (2019: £2,340 +VAT), for payroll bureau services and consultancy services totalled £872 (2019: £974).

REALITY CHURCH LONDON
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2020

| | | |
|--|----------------|---------------|
| 6 Debtors and Prepayments | 2020 | 2019 |
| | £ | £ |
| Tax recoverable | 50,935 | 43,770 |
| Other Debtors | 1,000 | 5,875 |
| | <u>51,935</u> | <u>49,645</u> |
| 7 Cash at Bank and in Hand | | |
| Bank operating accounts | 136,340 | 41,123 |
| | <u>136,340</u> | <u>41,123</u> |
| 8 Creditors: liabilities falling due within one year | | |
| Other creditor | 25,120 | 3,500 |
| Accruals | 3,120 | 4,840 |
| | <u>28,240</u> | <u>8,340</u> |

9 Funds

Designated Funds

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

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

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

| | | | |
|------------------|-------------------------|---------------------|----------------|
| | Bank & cash balances | Other net assets | 2020 Total |
| | £ | £ | £ |
| General Funds | 73,870 | 23,695 | 97,565 |
| Designated Funds | 62,470 | - | 62,470 |
| | <u>136,340</u> | <u>23,695</u> | <u>160,036</u> |

| | | | | | |
|----------------|--------------------|-----------------------|-----------------------|--------------------------|--------------------|
| 2019 | Opening balance | Incoming resources | Outgoing resources | Transfers in the year | Closing balance |
| | £ | £ | £ | £ | £ |
| Missional Fund | 11,699 | 28,642 | 10,606 | - | 29,736 |
| | <u>11,699</u> | <u>28,642</u> | <u>10,606</u> | <u>-</u> | <u>29,736</u> |

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

| | | | |
|------------------|-------------------------|---------------------|---------------|
| | Bank & cash balances | Other net assets | 2019 Total |
| | £ | £ | £ |
| General Funds | 11,387 | 41,305 | 52,693 |
| Designated Funds | 29,736 | - | 29,736 |
| | <u>41,123</u> | <u>41,305</u> | <u>82,429</u> |

REALITY CHURCH LONDON
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2020

10 Acting as agent

During the year, the charity received money from Reality Ventura which was a direct reimbursement of moving expenses for Tim Chaddick. Income of £5,283 was received during the year (2019: £NIL) to reimburse the payments of £5,283 (2019: £NIL) made to Tim Chaddick. This agency income, and the related payments, are excluded from the Statement of Financial Activities. There were no outstanding monies at the year end.

11 Guarantees and security provided

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

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

REALITY CHURCH LONDON
DETAILED STATEMENT OF FINANCIAL ACTIVITIES WITH COMPARATIVES
FOR THE YEAR ENDED 31 AUGUST 2020

| | | Unrestricted Funds - General | | Unrestricted Funds - Designated | | Total Funds | Total Funds |
|-----------------------------------|------|------------------------------|---------|---------------------------------|--------|-------------|-------------|
| | Note | 2020 | 2019 | 2020 | 2019 | 2020 | 2019 |
| | | £ | £ | £ | £ | £ | £ |
| INCOME AND ENDOWMENTS FROM | | | | | | | |
| Donations and legacies | 3 | 358,391 | 324,503 | 39,120 | 28,642 | 397,511 | 353,145 |
| Charitable activities | | 2,379 | 12,155 | - | - | 2,379 | 12,155 |
| Total income and endowments | | 360,770 | 336,658 | 39,120 | 28,642 | 399,890 | 365,300 |
| EXPENDITURE ON | | | | | | | |
| Charitable activities | 4 | 315,899 | 335,010 | 6,386 | 10,605 | 322,284 | 345,615 |
| Total expenditure | | 315,899 | 335,010 | 6,386 | 10,605 | 322,284 | 345,615 |
| Net gains/(losses) on investments | | - | - | - | - | - | - |
| Net income/(expenditure) | | 44,872 | 1,648 | 32,734 | 18,037 | 77,606 | 19,685 |
| Transfers between funds | | - | - | - | - | - | - |
| Net movement in funds | | 44,872 | 1,648 | 32,734 | 18,037 | 77,606 | 19,685 |
| Reconciliation of funds: | | | | | | | |
| Total funds brought forward | | 52,693 | 51,045 | 29,736 | 11,699 | 82,429 | 62,744 |
| Total funds carried forward | | 97,565 | 52,693 | 62,470 | 29,736 | 160,035 | 82,429 |

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