

River Church Sutton

Trustees' Annual Report

1 January 2022 to 31st December 2022

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Charity Contact information

River Church Sutton

Charity Registration Number: 1104168

Principal office

River Church Sutton
Highfield Hall
320 Carshalton Road
Sutton
SM5 3QB

Trustees

Steve Musters
Roz Ullman
Simon Waters
Ed Rodriguez

Independent Examiner

Peach Accounting

Bankers

Santander Business Banking Centre,
287-301 St. Vincent Street,
Glasgow
G2 5NT

Objectives of the charity

- i) To advance the Christian faith and express God's love through practical support and compassion for those in physical, mental and spiritual hardship, without discrimination or passing judgment.
- ii) To promote such charitable purposes as which benefit the local community and those overseas, bringing hope through the message of Jesus Christ.

Achievements and performance

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit.

Review of activities

2022 was a year of consolidation after many months of Covid disruption. The key aim was to build community and strengthen our sense of family together. We did this through:

- **Sunday Morning Services:** These are a key way we serve our community by gathering together to worship, listen to teaching from the bible and offer prayer. We made the decision to continue to livestream our services but on a private link. This helped those who could not physically attend our services to still engage, while encouraging those that could, to gather in person. We introduced a 'creative worship board' to help people to express their worship in different ways. We kicked off the year reminding people of our core values (Empowered, Engaged and Extravagant), before exploring themes of restoration and hope using the books of Ezra and Ruth. Attendance numbers steadily grew throughout the year and it has been wonderful to see an increase in diversity, with people from many different cultures and backgrounds joining us.
- **Kids:** It was great to re-establish our vibrant kids' program and have seen an increase in numbers. This has required an increase in competent helpers and relevant training.
- **Youth:** Our youth group continues to grow and this year had a wonderful time at their summer camp "NewDay". Many of the youth made commitments to Jesus and we had the joy of baptising nine of them in water in the autumn term.
- **Mid Week Groups** continued to meet back in person and on Zoom. Two new groups started this year and we look to establish another two next year. The aim of these diverse groups is to build friendship, encourage people in their faith, and equip people to serve their neighbourhood.
- **Prayer** continues to underpin all that we do as a church. We held a week of prayer along with regular monthly prayer meetings. It was also a joy to gather with other local churches for a prayer day for our borough.
- **The Alpha Course** offers people an opportunity to explore faith and spirituality in a safe and relaxed environment. We ran two courses this year along with a newly developed discipleship course which served as a great next step after Alpha.
- **International:** It has been a privilege to support IGC church in the Philippines for several years and we were able to see via Zoom their new church building that we helped to finance. This will provide a vital hub for their community. We took part in coordinating financial support for the churches in Ukraine as part of our Newfrontiers family of churches.

Review of activities (cont.)

- **Highfield Hall:** continues to be a hub for the community hosting dance classes, toddler groups, exercise classes, creative workshops as well as kids' parties at the weekends. Our free badminton club continues to encourage fitness and develop friendships. The hall also continues to be a good revenue stream for us.
- **Community:** This year we ran a 'Winter Hug' event donating household items and warm clothes for those in temporary accommodation – including the many Ukrainian families fleeing the war. We continue to support both financially and through volunteers, Sutton Community works, the charity through which several churches in the borough operate initiatives such as Sutton Foodbank, Foodshop, Street Pastors, School Pastors and homeless ministries. We also offer them office space at Highfield Hall for no church.
- **New Ground:** We continue to be part of New Ground family of churches. We give regular financial support, which goes towards church planting and equipping leaders, nationally and internationally. We also receive training, support and accountability from the New Ground team.
- **Men's and women's ministries:** This year we relaunched regular men's and women's events. These included Guy's Curry Nights to build friendships and encourage one another and several women's conferences throughout the year.
- **Mental Health Support:** The very real need to support those caring for loved ones with mental health needs continues with our monthly group called "Space to Breathe" to facilitate open and honest conversation and support.
- **Seasonal:** We were able to host a wonderful easter egg hunt and craft afternoon this year. All our easter services were well attended. We enjoyed summer picnics and a trip to the seaside, again building a sense of family. Christmas was a real highlight with a well-attended family carol service and a separate service in a local care home. We were able to bless many local families with hampers of Christmas treats. We finished the year off with a wonderful New Year's Eve party.

Future plans

Looking ahead to 2023 we plan the following:

- To continue to build community and serve our borough through acts of service.
- To continue to encourage and equip members to participate in every part of church life – gathering, serving, giving, praying and reaching out to those around them.
- To recruit a part time facilities and operations manager to look after our venue and to manage our proposed coffee shop.
- To continue to raise leaders and develop small groups

Structure, governance and management

Type of governing document

Trust Deed dated 29 October 2003 as amended on 13 June 2016
River Church Sutton is a registered charitable trust, number: 1104168.

Trustee recruitment and appointment

The policy and operating decisions of the charity rest with the trustees who meet regularly to monitor the activities of the charity. New trustees are recruited and appointed by the existing trustees and receive relevant training. We welcomed Ed Garcia to the board of trustees at the beginning of this year.

Organisational structure and decision-making policies

River Church Sutton is a charismatic evangelical Church, which has been established in Sutton since 2004. The trustees delegate responsibility for the day-to-day running of the charity's activities to the Leadership Team personnel. Trustees approve an annual budget each year, with non-regular items outside of budgeted amounts that exceed £250 requiring additional trustee approval.

Related party relationships

River Church Sutton is a separate and self-governing church, but is also part of the New Ground group in the NewFrontiers family of Churches and a member of the Evangelical Alliance.

We enjoy great working partnerships with several other local churches in the borough through which Sutton Community Works was founded.

Financial risk management

The Trustees have carried out a risk assessment regarding the Church's operations and are continually taking action to ensure that the risks are minimized as much as possible.

Reserves Policy

The Church's Reserves Policy is to retain approximately 3 months of essential operating expenditure, which would be approximately £30,000.

Principal funding

River Church Sutton receives the majority of its income as donations from members who have informally or formally committed to regular giving. On going financial support is encouraged of new and existing members, but such support is not a requirement of membership and there is no pressure to give. Most Church members have been able to continue their regular giving despite the Covid-19 pandemic.

The Church also holds 'gift days' from time to time to support specific projects or fundraising targets. A majority of church members use the HMRC 'Gift Aid' scheme where possible. Hall hire also contributes to our income. We offer competitive rates and prioritise charitable and community focused events.

Financial review

The financial statements show total incoming resources of £185,321, an increase of 5.7% on 2021 (£175,349). Giving reduced in 2021 however rental income rose by 169% as a result of demand post-covid. It is expected that rental income will continue to increase in 2023 at a lesser rate as activity returns to pre-COVID levels.

Expenses in the year totalled £152,618, a decrease of 4.5% on 2021 (£159,757). Operating costs were consistent with 2021 with the exception of giving and donations which reduced to £31,984 (2020: £56,248) which is the main driver for the decrease year-on-year.

The result was a surplus of £32,703 for the year, a significant improvement of 210% over 2021 (£15,592). The total accumulated reserves stood at £266,636 of which net current assets account for £82,747 (2021: £57,519) demonstrating the Charity has liquidity to cover its reserves policy and debt obligations referred to below.

At the time of signing the report the BOE interest rate has increased to 5.25% vs a low of 0.25% in 2021. This is expected to substantially increase the cost of debt held, however the Charity has received substantial post-balance sheet donations and has adequate reserves to cover the interest exposure in the short-term.

Note that the charity has no restricted funds which restrict assets being used to manage debt during this period of high interest.

Declaration

The Trustees declare that they have approved the trustees' report above.

Signed on behalf of the Trustees:



Chair - Steve Musters

Financial Statements for the year ended 31 December 2022

STATEMENT OF FINANCIAL ACTIVITIES

	2022	(Restated) 2021
	£	£
Income and endowments from		
Donations	122,954	138,489
Charitable activities	62,336	36,858
Investment income	31	2
Total	<u>185,321</u>	<u>175,349</u>
Expenditure on		
Charitable activities	152,618	159,757
Net income	<u>32,703</u>	<u>15,592</u>
Reconciliation of Funds		
Accumulated Funds Bfwd	233,933	218,341
Accumulated Funds Cfwd	<u>266,636</u>	<u>233,933</u>

STATEMENT OF FINANCIAL POSITION

	Note		
Fixed Asset			
Tangible Assets	2	522,909	522,593
Current Assets			
Debtors	3	17,489	14,816
Cash and cash equivalents		82,050	60,997
		<u>99,539</u>	<u>75,813</u>
Current Liabilities	4	(16,792)	(18,294)
Net Current Assets (Liabilities)		<u>82,747</u>	<u>57,519</u>
Total Assets less Current Liabilities		<u>605,656</u>	<u>580,112</u>
Non-Current Liabilities	5	(339,020)	(346,179)
Net Assets		<u>266,636</u>	<u>233,933</u>
Accumulated Funds		<u>266,636</u>	<u>233,933</u>

1 Accounting Policies

Basis of preparation

The financial statements of the charity have been prepared in accordance with the Charities SORP (FRS102). The financial statements have been prepared under the historical cost convention.

Income

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

Expenditure

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs 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.

Tangible Fixed Assets

Tangible fixed assets are stated at cost.

Building and improvements are held at cost and revalued periodically at the discretion of the board of trustees.

Equipment and other assets are capitalised at cost and depreciated over their useful economic life of the asset concerned at 25% per annum on a straight line basis.

Taxation

The Company is a registered Charity and, in the opinion of the trustees, is exempt from corporation tax on its surpluses on financial activities in accordance with section 486 of the corporation tax act 2010.

2 Tangible Assets

	Buildings and improv.	Equipment and other assets	Total
Cost			
At 1 January 2022	517,298	7,323	524,621
Additions	-	1,390	1,390
At 31 December 2022	517,298	8,713	526,011
Depreciation			
At 1 January 2022	-	2,028	2,028
Charge in the year		1,074	1,074
At 31 December 2022	-	3,102	3,102
Net Book Value			
At 31 December 2022	517,298	5,611	522,909
At 31 December 2021	517,298	5,295	522,593

3 Debtors		(Restated)
	2022	2021
	£	£
Hall Rent	669	1,222
Gift Aid Receivable	16,820	13,594
	17,489	14,816

4 Current Liabilities		(Restated)
	2022	2021
	£	£
Deposits Held	2,226	1,915
Tax and Social Security	520	498
Accruals	6,886	5,488
Capital Lease Obligations	7,160	10,393
	16,792	18,294

5 Non-current Liabilities		(Restated)
	2022	2021
	£	£
Capital Lease Obligations	339,020	346,179
	339,020	346,179

6 Average Number of Employees

During the year the average number of employees was 2 (2021: 2).

DETAILED STATEMENT OF FINANCIAL ACTIVITIES

		(Restated)
	2022	2021
	£	£
Donations		
Gift Aided Giving	91,871	106,219
Non Gift Aided Giving	8,115	5,727
Tax Reclaimed	22,968	26,543
	122,954	138,489
Charitable Activities		
Rental Income	62,336	36,858
	62,336	36,858
Investment Income		
Interest Received	31	2
	185,321	175,349

DETAILED STATEMENT OF FINANCIAL ACTIVITIES (CONT)

	2022	(Restated) 2021
Wages and Salaries	£	£
Salaries, Wages and Benefits-in-Kind	60,597	57,430
Social Security Costs	1,694	1,508
Pension Costs	4,548	5,557
	<u>66,839</u>	<u>64,495</u>
Property Costs		
Rate and Utilities	862	1,337
Light and Heat	7,108	5,029
Repairs and Maintenance	6,808	5,099
	<u>14,778</u>	<u>11,465</u>
Conference Expenses		
Registrations	3,138	652
Travel and Subsistence	122	-
	<u>3,260</u>	<u>652</u>
Church Activity Costs		
Evangelism	283	153
Hospitality	871	808
Gifts and Donations	31,984	56,248
Miscellaneous Expenses	682	867
	<u>38,554</u>	<u>58,362</u>
Church Running Costs		
Telephone and Internet	1,840	1,924
Subscriptions	1,499	1,343
Insurance	2,552	3,222
Office Supplies	643	539
Audio/ Visual	3,161	3,439
Professional Fees	858	450
Depreciation	1,074	588
	<u>11,627</u>	<u>11,505</u>
Finance Costs		
Interest Payable	17,560	13,278
	<u>17,560</u>	<u>13,278</u>
Total resources expended	<u>152,618</u>	<u>159,757</u>
Surplus (Deficit) for the year	<u>32,703</u>	<u>15,592</u>



Director:
David Pestell, ACA

27 August 2023

The Members

River Church Sutton
Highfield Hall
320 Carshalton Road
SURREY
SM5 3QB

Client Ref: RIV01

Independent examiner's report to the trustees of River Church Sutton

I report to the trustees on my examination of the accounts of the above charity for the year ended 31 December 2022.

Responsibilities and basis of report

As the charity's trustees, 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

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

- the accounting records were not kept in accordance with section 130 of the Charities Act; or
- the accounts did not accord with the accounting records; or
- the accounts did 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 to enable a proper understanding of the accounts to be reached.

David Pestell

David Pestell ACA
Director

