

River Church Sutton

Trustees' Annual Report

1 January 2023 to 31st December 2023

Contents	Page
Charity Information	2
Trustees' Annual Report	3 - 6
Statement of Financial Activities	7-10
Independent Examiner's Report	11

Independent Examiner's Report

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

2023 was a year of numerical growth as new people decided to call River Church home. As with the previous year we wanted to focus on building community and unity in our increasing cultural diversity. We also opened our new coffee shop to offer our local community a safe welcoming space.

- **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 continued to livestream our services 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 started the year focussing on the subject of identity and who we are in Christ before then going on later in the year to look at how we are called to live out that new identity in Christ. 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:** Our kids work continues to offer a full curriculum on Sunday mornings. We are looking to increase the number of groups to facilitate more targeted
- **Youth:** Several of the older kids moved up to youth this year. This has increased the age range of the group but there is a great sense of unity with the older youth welcoming the younger. Once again, their summer camp “NewDay” was a hugely significant time with the ticket price covered by generous donations from the congregation.
- **Mid-Week Groups** continued to meet in person and on Zoom. We are looking to expand the number of groups as some have become quite large. 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 with different members of the congregation recording daily devotionals. We also ran a prayer course over the summer.
- **The Alpha Course** offers people an opportunity to explore faith and spirituality in a safe and relaxed environment. We once again ran two well attended courses this year.
- **International:** This year we developed links with a church in Sao Paulo, Brazil, financially supporting some of their leaders to attend a UK New Ground conference. We continue to support IGC church in the Philippines. We continue to give financially to Newfrontiers family of churches to support international church planting and aid projects.

Review of activities (cont.)

- **Highfield Hall:** This year we were able to employ an operations manager to help look after general logistics and maintenance of Highfield Hall. Our building 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 – we even held our first wedding ceremony! 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 used our coffee shop as a winter "Warm Space" to help those struggling with the cost-of-living crisis. As with the previous year, we ran a 'Winter Hug' event donating household items and warm clothes for those in temporary accommodation. 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 cost.
- **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. This year we paid for four people to attend the New Ground Leadership Academy.
- **Men's and women's ministries:** Regular men's and women's events were held throughout the year. These included Pizza Nights, walks and afternoon teas to build friendship. The women's book club continues to grow and a good number went to the "Courage" women's conference.
- **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. We plan next year to offer time and space in our coffee shop as a wellbeing venue.
- **Seasonal:** All our easter services were well attended with a very moving Good Friday reflective service. Christmas was a real highlight with our best ever attended family carol service. We were able to bless many local families through a present donation initiative based in the coffee shop. We finished the year off with a New Year's Day brunch.

Future plans

Looking ahead to 2024 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 develop our coffee shop further increasing its community impact.
- 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 6 months of essential operating expenditure, which would be approximately £65,000.

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.

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 £288,967, an increase of 56% on 2022 (£185,321). This was driven by a small number of large donations received by the Church during the period, as well as a 6% increase in income from charitable activities with strong hall rent income and the introduction of a coffee shop as the Church looks to diversify its income streams.

Expenses for the year totalled £191,555, an increase of 25% on 2022 (£152,618). This was driven by the introduction of another staff member, repairs to the Church, and increased borrowing costs on the loan due to the economic climate. This was partially offset by a decrease in gifts and donations during the year as the Church looked to manage its costs.

The result was a surplus of £97,412 for the year, a significant improvement over 2022 by +300%, driven again by the large donations received. Total accumulated reserves stood at £364,048, of which net current assets account for £116,265 (2022: £82,747), demonstrating that the Charity has the liquidity to cover its reserves policy and debt obligations referred to below.

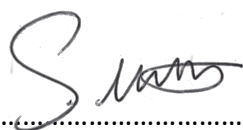
At the time of signing the report, the BOE interest rate had started to decrease to 5% after one year at 5.25%. Although there is unlikely to be any immediate impact, the Church may see a reduction in its borrowing rates later in the year and into 2025 should more rate decreases be announced.

Note that the charity has no restricted funds which restrict assets from 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 2023

STATEMENT OF FINANCIAL ACTIVITIES

	2023	2022
	£	£
Income and endowments from		
Donations	222,251	122,954
Charitable activities	66,271	62,336
Investment income	445	31
Total	<u>288,967</u>	<u>185,321</u>
Expenditure on		
Charitable activities	191,555	152,618
Net income	<u>97,412</u>	<u>32,703</u>
Reconciliation of Funds		
Accumulated Funds Bfwd	266,636	233,933
Accumulated Funds Cfwd	<u>364,048</u>	<u>266,636</u>

STATEMENT OF FINANCIAL POSITION

	Note	2023	2022
Fixed Asset			
Tangible Assets	2	521,094	522,909
Current Assets			
Debtors	3	8,034	17,489
Cash and cash equivalents		<u>126,530</u>	<u>82,050</u>
		134,564	99,539
Current Liabilities	4	(18,299)	(16,792)
Net Current Assets (Liabilities)		<u>116,265</u>	<u>82,747</u>
Total Assets less Current Liabilities		<u>637,359</u>	<u>605,656</u>
Non-Current Liabilities	5	(273,311)	(339,020)
Net Assets		<u>364,048</u>	<u>266,636</u>
Accumulated Funds		<u>364,048</u>	<u>266,636</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 2023	517,298	8,713	526,011
Additions	-	484	484
At 31 December 2023	517,298	9,197	526,495
Depreciation			
At 1 January 2023	-	3,102	3,102
Charge in the year		2,299	2,299
At 31 December 2023	-	5,401	5,401
Net Book Value			
At 31 December 2023	517,298	3,796	521,094
At 31 December 2022	517,298	5,611	522,909

3 Debtors

	2023	2022
	£	£
Hall Rent	680	669
Gift Aid Receivable	7,354	16,820
	<u>8,034</u>	<u>17,489</u>

4 Current Liabilities

	2023	2022
	£	£
Deposits Held	1,770	2,226
Tax and Social Security	2,158	520
Accruals	2,891	6,886
Capital Lease Obligations	6,924	7,160
	<u>18,299</u>	<u>16,792</u>

5 Non-current Liabilities

	2023	2022
	£	£
Capital Lease Obligations	273,311	339,020
	<u>273,311</u>	<u>339,020</u>

6 Average Number of Employees

During the year the average number of employees was 3 (2022: 2).

DETAILED STATEMENT OF FINANCIAL ACTIVITIES

	2023	2022
	£	£
Donations		
Gift Aided Giving	170,050	91,871
Non Gift Aided Giving	12,456	8,115
Tax Reclaimed	39,745	22,968
	<u>222,251</u>	<u>122,954</u>
Charitable Activities		
Rental Income	63,421	62,336
Other Income	2,850	0
	<u>66,271</u>	<u>62,336</u>
Investment Income		
Interest Received	445	31
	<u>445</u>	<u>31</u>
Total Incoming Resources	<u>288,967</u>	<u>185,321</u>

DETAILED STATEMENT OF FINANCIAL ACTIVITIES (CONT)

	2023	2022
Wages and Salaries	£	£
Salaries, Wages and Benefits-in-Kind	92,222	60,597
Social Security Costs	2,696	1,694
Pension Costs	2,299	4,548
	<u>97,217</u>	<u>66,839</u>
Property Costs		
Rate and Utilities	1,604	862
Light and Heat	10,346	7,108
Repairs and Maintenance	20,138	6,808
	<u>32,088</u>	<u>14,778</u>
Conference Expenses		
Registrations	2,129	3,138
Travel and Subsistence	15	122
	<u>2,144</u>	<u>3,260</u>
Church Activity Costs		
Evangelism	432	283
Hospitality	1,488	871
Gifts and Donations	15,900	31,984
Coffee Shop Expenses	4,600	
Miscellaneous Expenses	548	682
	<u>25,653</u>	<u>38,554</u>
Church Running Costs		
Telephone and Internet	1,511	1,840
Subscriptions	754	1,499
Insurance	2,814	2,552
Office Supplies	951	643
Audio/ Visual	3,481	3,161
Professional Fees	1,210	858
Depreciation	2,299	1,074
	<u>13,350</u>	<u>11,627</u>
Finance Costs		
Interest Payable	21,103	17,560
Total resources expended	<u>191,555</u>	<u>152,618</u>
Surplus (Deficit) for the year	<u>97,412</u>	<u>32,703</u>

Director:

David Pestell, ACA

7 August 2024

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 2023.

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