

The Network Church

Report and Accounts

Year ended 31 December 2020

Stewardship 
Active generosity

1 Lamb's Passage, London EC1Y 8AB
www.stewardship.org.uk

THE NETWORK CHURCH
LEGAL AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 DECEMBER 2020

ADDRESS FOR CORRESPONDENCE	33 Mayflower Road Park Street St Albans AL2 2QP
GOVERNING DOCUMENT	Declaration of Trust dated 16 August 1999
CHARITY REGISTRATION NUMBER	1078577
TRUSTEES RESPONSIBLE FOR MANAGING THE CHARITY	L Singlehurst T Withers T Miles (resigned October 2020) J Featherby (resigned May 2020) J K Foulger C Hanbury (appointed May 2020) R Kinahan (appointed May 2020)
BANKERS	The Co-operative Bank plc National Westminster Bank plc
INDEPENDENT EXAMINER	Jaimée Young Stewardship 1 Lamb's Passage LONDON EC1Y 8AB

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THE NETWORK CHURCH
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2020

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

Objects of the charity

The charity, which is a church, is governed by a trust deed. The community of Network Church exists to commit our lives to serve the Gospel of Jesus Christ. Our primary responsibility as a church is to:-

- a) Build and nurture a Christian community
- b) Serve those outside the community in a variety of different ways
- c) Provide a forum for those who do not know God to explore the possibility of a relationship with him.

Our Mission Statement

A community of God's people working together to see God's Kingdom extended in our spheres of influence.

We are a church built around small groups which means that an important focus of the life of the church is the midweek 'cell groups'. These meet weekly and are where the group members worship together, encourage one another, and share their lives with families and friends.

The cell groups come together for larger meetings as the weekly Sunday morning meeting, where we experience God in corporate worship, and receive teaching from the Bible.

Due to the Covid-19 pandemic restrictions, during 2020 most of these meetings have taken place online using the Zoom platform. When it has been possible our cell groups and Sunday meetings have taken place outdoors.

Governance

There are five Trustees, one of whom is also the team leader of the Leadership Team, who are responsible for the day to day running of the Church.

We meet across the week in a number of small midweek groups, and we all come together as a church for Sunday services. We follow a cell church structure, in that the leadership team supports and trains several cell leaders, who support and train their cell members.

The trustees are responsible for overseeing the financial decisions that are made by the leadership team.

Network Church is part of the Pioneer group of Churches, who support our Leadership Team, and oversee our progress and decisions.

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, who discuss and agree on the capabilities and likely profile need to fill the role. This takes into account considerations such as the capabilities of the current trustees, specialist skills available and diversity considerations.

Summary of the charity's main activities and achievements

To further the above objects and mission, the charity's main activities and achievements were as follows:

We support and encourage those with a faith to deepen their relationship with God, and to increase the reach and effectiveness of their positive contribution to society.

We provide financial assistance for people linked to Network Church to attend spiritual retreats or counselling courses, and provide occasional financial support to individuals in need that are known to someone in Network Church, irrespective of their faith.

We give regular financial support to various charities and individuals, including to people in YWAM Tanzania, and support local charities either financially and/or with practical help, such as St Albans & Harpenden Education Project, Harpenden Money Advice Centre, Azalea, and The Living Room.

We have strong links with YWAM Tanzania, where several people are supported by Network Church or by individuals within the church. We regularly send a team to help with building projects there both practically and financially (e.g. schools, and nurseries), and church individuals occasionally visit as well. Various projects supported by people within Network Church have included a shoemaking workshop, a tailoring school, and the raising of chickens for sale by individuals within YWAM Tanzania. We receive regular updates, prayer requests and photographs from these people and projects.

In planning the activities the Trustees have applied the guidance on public benefit issued by the Charity Commission.

Connected organisations

Network church is part of Pioneer, and we also have close links with YWAM, Cell UK, and other St Albans & Harpenden churches. One of the trustees of Network Church, Laurence Singlehurst, is also a trustee of Cell UK.

Financial review

During the year overall income increased by £12,200, to £109,000, and expenditure decreased by £3,400, to £107,100. As a result the cash held by the charity increased by £1,800, to £62,000, of which £61,200 is unrestricted and can be used for any charitable purpose.

We gave away 20% of our income during 2020 to a variety of organisations, and to individuals in need.

An annual budget is prepared by the Leadership Team, approved by the Trustees, and presented to the Church as a whole. At least twice a year, the actual figures are compared to the targets.

All of the Leadership Team and one Trustee are bank signatories. Two signatories are required on cheques and all bank documents.

Impact of Covid-19

Donated income dropped slightly during 2020, a trend which accelerated towards the end of the year as our members began to feel the pinch of reduced income themselves. This had no impact on reserves and, due to corresponding reduced expenditure during 2020, this is not of concern for year ending 31/12/20. However, it did necessitate revising the budget for 2021 to take account of an ongoing reduction in donations.

Reserves policy

The trustees have determined that the charity should aim to hold unrestricted cash of no less than £20,000 (which equates to about 3 months' of unrestricted expenditure) so that the charity could continue to operate should income and / or expenditure vary adversely. At the year end, the charity held unrestricted cash of £61,200 and the charity is holding excess funds; we continue to invest in the pottery project, and in the years 2018-2020 we have invested in research into effective ways of leading churches and mobilising members for service.

Risk statement

The Trustees have reviewed the risks to which a small charity operating with few employees is exposed. Appropriate procedures are in place to identify, monitor and review these risks on a regular basis.

Responsibilities of trustees

Charity law requires us as Trustees to prepare financial statements for each accounting year which record the receipts and payments of the charity for the year.

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.

Approval

This report was approved by the trustees and signed on their behalf by:

T. Withers

Date: 23 June 2021

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF THE NETWORK CHURCH

I report to the trustees on my examination of the accounts of The Network Church ('the charity') for the year ended 31 December 2020 on pages 6 to 9 following.

Responsibilities and basis of report

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

I report in respect of my examination of the charity'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 2011 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 giving me cause to believe that in any material respect:

1. accounting records were not kept in accordance with section 130 of the 2011 Act; or
2. the accounts do not accord with the accounting records.

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

Jaimée Young

Stewardship
1 Lamb's Passage
LONDON
EC1Y 8AB

Date: 23 June 2021

THE NETWORK CHURCH
RECEIPTS AND PAYMENTS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2020

Notes	<u>Unrestricted Funds</u>		Restricted Funds £	Total 2020 £	Total 2019 £
	General Funds £	Designated Funds £			
Income receipts					
Donations and grants	64,376	-	27,621	91,997	81,173
Gift aid receipts	15,156	-	1,438	16,594	15,107
Income from charitable activities	-	361	-	361	274
Investment	0	-	-	0	98
Other	-	-	-	-	75
Total receipts	<u>79,532</u>	<u>361</u>	<u>29,058</u>	<u>108,951</u>	<u>96,726</u>
Payments					
Payments in relation to charitable activities undertaken directly	64,378	-	10,724	75,102	74,950
Grants paid in relation to charitable activities undertaken by others	14,820	-	17,199	32,019	25,548
	<u>79,198</u>	<u>-</u>	<u>27,923</u>	<u>107,121</u>	<u>100,497</u>
Purchase of investments	-	-	-	-	10,000
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,000</u>
Total payments	<u>79,198</u>	<u>-</u>	<u>27,923</u>	<u>107,121</u>	<u>110,497</u>
Net of receipts / (payments) before transfers	334	361	1,135	1,830	(13,771)
Transfers between funds	517	-	(517)	-	-
Net movement in funds	<u>850</u>	<u>361</u>	<u>618</u>	<u>1,830</u>	<u>(13,771)</u>
Cash funds as at last year end	59,997	-	145	60,142	73,913
Cash funds at this year end	<u>60,847</u>	<u>361</u>	<u>763</u>	<u>61,971</u>	<u>60,142</u>

The notes on pages 8 - 9 form part of these accounts.

THE NETWORK CHURCH
STATEMENT OF ASSETS AND LIABILITIES
FOR THE YEAR ENDED 31 DECEMBER 2020

	<u>Unrestricted Funds</u>			Total 2020 £	Total 2019 £
	General funds £	Designated funds £	Restricted funds £		
A Cash funds					
Cash at bank with immediate access	60,847	361	763	61,971	60,142
	<u>60,847</u>	<u>361</u>	<u>763</u>	<u>61,971</u>	<u>60,142</u>
B Other monetary assets					
Gift aid due to charity	697	-	-	697	7,957
CCLA investment	44,350	-	-	44,350	40,393
	<u>45,047</u>	<u>-</u>	<u>-</u>	<u>45,047</u>	<u>48,350</u>
C Liabilities					
Falling due within one year:					
NEST [pension]	-	-	-	-	281
Fee for Independent Examination	960	-	-	960	960
	<u>960</u>	<u>-</u>	<u>-</u>	<u>960</u>	<u>1,241</u>
D Assets retained for charity's own use					
				Value 2020 £	Value 2019 £
Equipment and fittings				10,597	10,090
				<u>10,597</u>	<u>10,090</u>

The trustees have used insurance values as the trustees are unable to reliably estimate current values; insurance values may differ materially from current values.

The accounts were approved by the trustees and signed on their behalf

by T. Withers date 23 June 2021

The notes on pages 8 - 9 form part of these accounts.

THE NETWORK CHURCH
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

The accounts have been prepared on a receipts and payments basis and comprise a statement that shows the charity's receipts and payments, a statement that summarises the charity's assets and liabilities and related notes. The accountancy profession have determined that only accounts prepared in accordance with applicable accounting standards present a 'true and fair' view and, as these receipts and payments accounts have not (and cannot) be prepared in accordance with accounting standards, these accounts do not present (and are not intended to present) a 'true and fair' view of the charity's financial activities and state of affairs.

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.

	<u>Unrestricted Funds</u>		Restricted Funds	Total 2020	Total 2019
	General funds	Designated funds			
	£	£	£	£	£
2 Payments in relation to charitable activities undertaken directly					
Employment costs	56,965	-	7,000	63,965	63,704
Venue hire	805	-	-	805	2,945
Church activities and Community events	803	-	-	803	2,272
Gifts	678	-	-	678	781
Courses / conferences / training	525	-	-	525	535
Phone	440	-	-	440	670
Insurance	399	-	-	399	381
Office and administrative expenses	1,681	-	-	1,681	1,395
Computer and internet	252	-	-	252	241
Governance	960	-	-	960	739
Pottery	411	-	3,724	4,135	752
Sundry	459	-	-	459	536
	<u>64,378</u>	<u>-</u>	<u>10,724</u>	<u>75,102</u>	<u>74,950</u>

3 Grants and gifts paid to others

Organisations:					
YWAM Tanzania	1,200	-	14,759	15,959	7,552
STEP	2,700	-	60	2,760	2,726
Cell UK Ministries	3,000	-	-	3,000	3,000
Pioneer Trust	1,440	-	-	1,440	1,440
Organisations < £1,000	2,880	-	-	2,880	3,500
Individuals	3,600	-	2,380	5,980	7,330
	<u>14,820</u>	<u>-</u>	<u>17,199</u>	<u>32,019</u>	<u>25,548</u>

4 Transactions with related parties

Mr Trevor Withers, Team Leader, was paid £49,659 [2019: £48,841] for serving in that capacity, not for serving as a trustee; as permitted by the charity's governing document.

THE NETWORK CHURCH
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2020

5 Movement of funds	Balance at 31Dec2019 £	Receipts £	Payments £	Transfers £	Balance at 31Dec2020 £
General funds	59,997	79,532	(79,198)	517	60,847
Designated funds					
Pottery	-	361	-	-	361
	<u>59,997</u>	<u>79,893</u>	<u>(79,198)</u>	<u>517</u>	<u>61,208</u>
Restricted funds					
Mission support	145	16,650	(15,938)	(517)	340
Pottery grant	-	3,858	(3,724)	-	134
Hardship fund	-	1,550	(1,261)	-	289
MDP Employment	-	7,000	(7,000)	-	-
	<u>145</u>	<u>29,058</u>	<u>(27,923)</u>	<u>(517)</u>	<u>763</u>
Total funds	<u>60,142</u>	<u>108,951</u>	<u>(107,121)</u>	<u>-</u>	<u>61,971</u>

The Mission Support fund relates to donations given for the support of mission organisations and missionaries. The transfer from this fund relates to an administration fee which is taken from the recovered gift aid, with the permission of the donors.

The Pottery grant relates to a Community Fund which provides financial support for community projects in the Harpenden area with grants for specific projects designed to develop, improve or enhance their work or for facilities for their members.

The MDP Employment fund relates to a grant provided for the purpose of supporting this ministry.