

THE NETWORK CHURCH

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REPORT & ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2016

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Stewardship  
1 Lamb's Passage  
London  
EC1Y 8AB

**THE NETWORK CHURCH**  
**FOR THE YEAR ENDED 31 DECEMBER 2016**

**LEGAL & ADMINISTRATIVE DETAILS**

ADDRESS FOR CORRESPONDENCE	33 Mayflower Road Park Street St Albans HERTFORDSHIRE AL2 2QP
GOVERNING DOCUMENT	Deed of Trust Dated 16 August 1999
CHARITY REGISTRATION NUMBER	1078577
TRUSTEES	L Singlehurst T Withers T Miles J Featherby J K Foulger      Appointed 10 September 2016
INDEPENDENT EXAMINER	Marie-Claire Yeo ACA 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 2016**

The Trustees have pleasure in submitting the Report and Accounts for the year to 31 December 2016.

**Objects of the charity**

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 is:**

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

We are a Cell Church which means that an important focus of the life of the church is the midweek 'cell groups'. A spiritual cell is similar to biological cell: the members of Network Church meet weekly in small groups to worship together, encourage one another, and share their lives with families and friends. New cell group leaders are raised up from within the group, and when the group expands and multiplies the process repeats itself.

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.

**Government**

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 are a cell church, which means that we meet across the week in a number of small groups called cell 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.

## **Review of Activities**

In planning the activities the Trustees have had regard to the guidance on public benefit issued by the Charity Commission in December 2008.

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, and support local charities either financially and/or with practical help, such as St Albans & Harpenden Education Project, Salaam Women's Fellowship, Azalea, and The Living Room.

We occasionally send a team to Tanzania, where we have links, to help with building projects (e.g. schools, and nurseries)

## **Connected Organisations**

Network church is part of Pioneer, and we also have close links with YWAM, Cell UK, and other St Albans & Harpenden churches.

## **Financial Review**

We have no investments, other than cash reserves on deposit. We have no deficits.

We gave away over 24% of our income during 2016 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. One of the Leadership Team has responsibility for monitoring the bank balance.

## **Reserves Policy**

The Board of Trustees have established a policy whereby free reserves held by the charity should be maintained to cover commitments for 3 months. Surplus is transferred to a higher interest savings account until needed.

### **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.

### **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.

### **Approval**

This report was approved by the Trustees on 15 June 2017 and signed on their behalf by:

T Withers

## **INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF**

### **THE NETWORK CHURCH**

I have examined the accounts for the year ended 31 December 2016 on pages 6 to 9 following which have been prepared on the basis of the accounting policies set out on page 8.

#### **Respective Responsibilities of Trustees and Examiner**

The trustees of the charity are responsible for the preparation of accounts; they consider that the audit requirements under section 144(2) of the Charities Act 2011 do not apply and that an independent examination is needed.

It is my responsibility to:

- (1) examine the accounts under section 145 of the Charities Act 2011;
- (2) follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the Charities Act 2011;
- (3) state whether particular matters have come to my attention.

#### **Basis of Examiner's Statement**

This report is in respect of an examination carried out under section 145 of the Charities Act 2011, and in accordance with the general directions given by the Charity Commissioners. An examination includes a review of the accounting records kept by the charity, and a comparison of the accounts presented with those records. It also includes a review of the accounts and making such enquiries as are necessary for the purpose of this report. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

#### **Examiner's Statement**

Based on my examination, no matter has come to my attention which gives me reasonable cause to believe that in any material respect, accounting records have not been kept in accordance with section 130 of the Charities Act 2011, or that the accounts presented do not accord with those records, or comply with the accounting requirement of the Charities Act 2011. No matter has come to my notice in connection with my examination to which, in my opinion, attention should be drawn to enable a proper understanding of the accounts.

Marie-Claire Yeo ACA

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

20 June 2017

**THE NETWORK CHURCH**  
**RECEIPTS AND PAYMENTS ACCOUNT**  
**FOR THE YEAR ENDED 31 DECEMBER 2016**

	Notes	Unrestricted General	Restricted Funds	2016 £	2015 £
<b>Receipts</b>					
<i>Voluntary receipts</i>					
Donations and gifts received		69,922	5,604	75,526	76,026
Tax refunds under Gift Aid		10,635	776	11,411	21,921
		<u>80,557</u>	<u>6,380</u>	<u>86,937</u>	<u>97,947</u>
<i>Other receipts</i>					
Interest received		160	-	160	200
Weekend away		2,214	-	2,214	-
Other income		402	-	402	1,162
Total Receipts		<u>83,332</u>	<u>6,380</u>	<u>89,713</u>	<u>99,310</u>
<b>Payments</b>					
<i>Payments in furtherance of the church's objectives</i>					
Direct costs	2	56,437	-	56,437	55,133
Donations paid	3	18,900	6,813	25,713	25,105
Total Payments		<u>75,337</u>	<u>6,813</u>	<u>82,150</u>	<u>80,238</u>
Net Receipts/(Payments) before transfers		7,995	(433)	7,562	19,072
<b>Net Movement in Funds</b>		7,995	(433)	7,562	19,072
Balances at 1 January 2016		95,577	150	95,577	76,505
<b>Balances at 31 December 2016</b>		<u>103,572</u>	<u>(283)</u>	<u>103,139</u>	<u>95,577</u>

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

**THE NETWORK CHURCH**  
**STATEMENT OF ASSETS & LIABILITIES**  
**FOR THE YEAR ENDED 31 DECEMBER 2016**

**1. Fixed Assets**

	Cost £	Insurance Value 2016 £
The value of the assets owned are:		
Equipment & fittings	6,863	6,901
	6,863	6,901

**2. Bank & Cash Balances**

	2016 £	2015 £
Held at Bank	103,140	95,577
Cash float	-	-
	103,140	95,577

**3. Other Assets & Liabilities**

*Assets*

Gift aid tax recovery not yet received	8,743	9,893
Restricted mission support gift not yet received	500	
	9,243	9,893

*Liabilities*

Accounts Preparation and Independent Examination	720	720
	720	720

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

T Withers

Date: 15 June 2017

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



THE NETWORK CHURCH

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2016

**1. Accounting Policies**

The accounts have been prepared on a receipts and payments basis with a statement of assets and liabilities.

**2. Direct costs**

	General Funds £	Restricted Funds £	Total 2016 £	Total 2015 £
Employment costs (Note 4)	41,257	-	41,257	41,075
Property costs (Note 5)	3,120	-	3,120	2,930
Church activities and Community events	1,824	-	1,824	2,194
Gifts	1,206	-	1,206	1,510
Courses / conferences / training	583	-	583	46
Church weekend	4,201	-	4,201	200
Books & magazines	362	-	362	276
Travel	714	-	714	1,161
Phone	503	-	503	610
Insurance	293	-	293	262
Office expenses	1,076	-	1,076	1,631
Copyright	213	-	213	212
Computer and internet	359	-	359	2,234
Governance	726	-	726	726
Sundry	-	-	-	66
	<u>56,437</u>	<u>-</u>	<u>56,437</u>	<u>55,133</u>

**3. Donations Paid**

Individuals	7,320	3,513	10,833	12,043
Institutions	11,580	3,301	14,881	13,062
	<u>18,900</u>	<u>6,813</u>	<u>25,713</u>	<u>25,105</u>

	2016 £	2015 £
The donations to institutions amounting to more than £1,000 in the year were:		
Cell UK Ministries	3,000	3,000
Fusion	1,200	1,500
Pioneer Trust	1,440	1,600
STEP	120	2,700
YWAM Tanzania	4,481	1,200

THE NETWORK CHURCH

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2016

**4. Employees**

The charity has 0.8 full time equivalent employees, to whom the employment costs above refer.

Mr T Withers received a gross salary of £33,554 (2015: £32,896) in his capacity as a Team Leader, and not as a Trustee.

No amounts were paid or are payable to any trustee or to any person connected to them.

**5. Property costs**

	2016	2015
	£	£
Venue hire	3,120	2,685
Maintenance	-	245
	<u>3,120</u>	<u>2,930</u>

**6. Movement of Restricted Funds**

	Balance at 1 Jan 2016	Receipts	Payments	Transfers	Balance at 31 Dec 2016
	£	£	£	£	£
Mission support	150	6,380	(6,813)		(283)
	<u>150</u>	<u>6,380</u>	<u>(6,813)</u>	-	<u>(283)</u>

Payments include a gift of £612.50 paid to an individual that was not received until January 2017.