

THE NETWORK CHURCH

REPORT & ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2017

Stewardship
1 Lamb's Passage
London
EC1Y 8AB

THE NETWORK CHURCH
FOR THE YEAR ENDED 31 DECEMBER 2017
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 |
| 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 31ST DECEMBER 2017

The Trustees have pleasure in submitting the Report and Accounts for the year to 31 December 2017.

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 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.

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.

Review of Activities

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

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, Harpenden Money Advice Centre, 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. One of the trustees of Network Church, Laurence Singlehurst, is also a trustee of Cell UK.

Financial Review

We have no investments, other than cash reserves on deposit and an investment in an ethical investment fund. We have no deficits.

We gave away 27% of our income during 2017 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.

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

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. The trustees are planning to use some of the surplus for investing in the pottery and the ministry research project on church leadership.

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 10 August 2018 and signed on their behalf by:

T Withers

**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 Trust) for the year ended 31 December 2017 on pages 6 to 9 following.

Responsibilities and basis of report

As the charity trustees of the Trust 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 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.

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.

Marie-Claire Yeo ACA

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

14 August 2018

THE NETWORK CHURCH
RECEIPTS AND PAYMENTS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2017

| | Notes | Unrestricted General | Restricted Funds | 2017 £ | 2016 £ |
|---|-------|-------------------------|---------------------|----------------|----------------|
| Receipts | | | | | |
| <i>Voluntary receipts</i> | | | | | |
| Donations and gifts received | | 71,138 | 17,925 | 89,063 | 75,526 |
| Tax refunds under Gift Aid | | 10,168 | 2,549 | 12,716 | 11,411 |
| | | <u>81,305</u> | <u>20,474</u> | <u>101,779</u> | <u>86,937</u> |
| <i>Other receipts</i> | | | | | |
| Interest received | | 23 | - | 23 | 160 |
| Investment gain | | 1,491 | - | 1,491 | - |
| Weekend away | | 685 | - | 685 | 2,214 |
| Other income | | 185 | - | 185 | 402 |
| Total Receipts | | <u>83,688</u> | <u>20,474</u> | <u>104,162</u> | <u>89,713</u> |
| Payments | | | | | |
| <i>Payments in furtherance of the church's objectives</i> | | | | | |
| Direct costs | 2 | 57,997 | - | 57,997 | 56,437 |
| Donations paid | 3 | 18,860 | 18,776 | 37,636 | 25,713 |
| Total Payments | | <u>76,857</u> | <u>18,776</u> | <u>95,633</u> | <u>82,150</u> |
| Net Receipts/(Payments) before transfers | | 6,831 | 1,698 | 8,529 | 7,562 |
| Net Movement in Funds | | 6,831 | 1,698 | 8,529 | 7,562 |
| Balances at 1 January 2017 | | 103,572 | (283) | 103,139 | 95,577 |
| Balances at 31 December 2017 | | <u>110,403</u> | <u>1,415</u> | <u>111,668</u> | <u>103,139</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 2017

1. Fixed Assets

| | Cost £ | Insurance Value 2017 £ |
|------------------------------------|--------------|---------------------------------|
| The value of the assets owned are: | | |
| Equipment & fittings | 7,558 | 7,609 |
| | <u>7,558</u> | <u>7,609</u> |

2. Bank & Cash Balances

| | 2017 £ | 2016 £ |
|---------------------|----------------|----------------|
| Held at Bank | 89,287 | 103,140 |
| Held as Investments | 22,381 | - |
| | <u>111,669</u> | <u>103,140</u> |

3. Other Assets & Liabilities

Assets

| | | |
|--|--------------|--------------|
| Gift aid tax recovery not yet received | 9,370 | 8,743 |
| | <u>9,370</u> | <u>8,743</u> |

Liabilities

| | | |
|--|------------|------------|
| Accounts Preparation and Independent Examination | 780 | 720 |
| | <u>780</u> | <u>720</u> |

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

T Withers

Date: 10 August 2018

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

THE NETWORK CHURCH
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2017

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 2017 £ | Total 2016 £ |
|--|-----------------------|--------------------------|--------------------|--------------------|
| Employment costs (Note 4) | 42,524 | - | 42,524 | 41,257 |
| Property costs (Note 5) | 2,700 | - | 2,700 | 3,120 |
| Church activities and Community events | 2,084 | - | 2,084 | 1,824 |
| Gifts | 4,027 | - | 4,027 | 1,206 |
| Courses / conferences / training | 786 | - | 786 | 583 |
| Church weekend and Awayday | 813 | - | 813 | 4,201 |
| Books & magazines | 492 | - | 492 | 362 |
| Travel | 744 | - | 744 | 714 |
| Phone | 593 | - | 593 | 503 |
| Insurance | 299 | - | 299 | 293 |
| Office expenses | 834 | - | 834 | 1,076 |
| Copyright | 219 | - | 219 | 213 |
| Computer and internet | 1,162 | - | 1,162 | 359 |
| Governance | 720 | - | 720 | 726 |
| | <u>57,997</u> | <u>-</u> | <u>57,997</u> | <u>56,437</u> |

3. Donations Paid

| | | | | |
|--------------|---------------|---------------|---------------|---------------|
| Individuals | 6,200 | 600 | 6,800 | 10,833 |
| Institutions | 12,660 | 18,176 | 30,836 | 14,881 |
| | <u>18,860</u> | <u>18,776</u> | <u>37,636</u> | <u>25,713</u> |

| | | |
|---|-----------|-----------|
| | 2017 £ | 2016 £ |
| The donations to institutions amounting to more than £1,000 in the year were: | | |
| Cell UK Ministries | 3,000 | 3,000 |
| Fusion | 1,200 | 1,200 |
| Pioneer Trust | 1,440 | 1,440 |
| STEP | 2,718 | 120 |
| YWAM Tanzania | 19,238 | 4,481 |
| Salaam Parent & Toddler | 1,200 | - |

THE NETWORK CHURCH

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2017

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 £34,537 (2016: £33,554) in his capacity as a Team Leader, and not as a Trustee as permitted by the governing document.

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

5. Property costs

| | 2017 | 2016 |
|------------|--------------|--------------|
| | £ | £ |
| Venue hire | 2,700 | 3,120 |
| | <u>2,700</u> | <u>3,120</u> |

6. Movement of Restricted Funds

| | Balance at 1 Jan 2017 | Receipts | Payments | Transfers | Balance at 31 Dec 2017 |
|-----------------|--------------------------|---------------|-----------------|-----------|---------------------------|
| | £ | £ | £ | £ | £ |
| Mission support | (283) | 20,474 | (18,776) | - | 1,415 |
| | <u>(283)</u> | <u>20,474</u> | <u>(18,776)</u> | <u>-</u> | <u>1,415</u> |