

Annual Report and Financial Statements
for the Year Ended 31 December 2020

The Potter's House Christian Centre

Charity registration number: 1055728

Independent Examiners Ltd
2 Broadbridge Business Centre
Delling Lane
Bosham
Chichester
West Sussex
PO18 8NF

THE POTTER'S HOUSE CHRISTIAN CENTRE

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THE POTTER'S HOUSE CHRISTIAN CENTRE

Reference and Administrative Details

Trustees	Dimitri Scarlett Adrian Kerr Leon Watson Godwin Chukwudinma
Principal Office	14 Mayville Road London E11 4PJ
Charity Registration Number	1055728
Independent Examiner	G W Schulz ACMA Independent Examiners Ltd 2 Broadbridge Business Centre Delling Lane Bosham Chichester West Sussex PO18 8NF
Bankers	Lloyds TSB 20 Lewisham High Street Lewisham London SE13 6JG

THE POTTER'S HOUSE CHRISTIAN CENTRE

Trustees' Report

The Trustees present the annual report together with the financial statements of the charity for the year ended 31 December 2020.

Structure, governance and management

Nature of governing document

The Potter's House Christian Centre is a registered charity, number 1055728, and is constituted under a Trust deed.

Recruitment and appointment of Trustees

The management of the charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Trust deed.

Organisational structure

The day to day running of the Church is delegated by the Trustees to the pastor and his assistant.

Risk Management

The trustees have assessed the major risks to which the Charity is exposed, in particular those related to the operations and finances of the Charity, and are satisfied that systems and procedures are in place to mitigate exposure to the major risks.

Objectives and activities

Objects and aims

The charity promotes the Christian faith through worship and through its regular activities for the community to which invitations are given out to the public.

Public benefit

The Trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Grant making policies

The church provides financial support for fellowship churches nationally and internationally.

Achievements and performance

Review of activities

The 2020 year, was a year where due to Covid19, we had to think outside the box, stay relevant and find ways to stay in contact with the congregation. We started off by identifying all the members that were elderly and possibly living on their own. We were also able to provide food for many of our families who were finding it difficult during this season. We thank God that we were able to remain active as a church and did not lose any of our members to Covid19.

THE POTTER'S HOUSE CHRISTIAN CENTRE

Trustees' Report

Shortly after COVID-19 forced the city along with the rest of the country into a national lockdown. That meant we had to quickly adapt and reposition ourselves as follows:

Church Services were operated online via the church **YouTube** channel initially on Sundays only and at a later date both Sunday and Wednesday services were being live streamed.

10 Bible Studies groups via **Zoom** had temporarily replaced our midweek service and was eventually returned to the normal Friday evenings. This was very beneficial as we were all able to see and interact with each other and it was a great time for Q & A and discussions.

Trying to capitalize on the adjustments, meant that our social channels featured more prominently in our activity. Via our **Instagram** page we started our '**Testimony Tuesday's**' series, hosted by Pastor Nathan James, where members of the congregation shared their stories of encouragement and victory. Furthermore, we had **Live Concerts** on the platform hosted by Nathan Taylor-Billings featuring artists from not only our own congregation but with ministers from our churches in Brixton, Wandsworth, Tucson & Toronto.

Worship sessions were by hosted by our praise and worship leader who was concerned about the team losing sight of worship during the pandemic. The purpose of these sessions was to keep the team in touch and communicating with each other. Popular worship songs throughout the ages were selected, researched by each member on a fortnightly basis and discussions took place on what the song meant to each individual and the impact it had.

Next Generation Children's Ministry had to adjust to delivering NGM online. This had been a challenging period as they had to transition onto using YouTube as opposed to the traditional method of delivering a live session to the children. They had to adjust to recording and editing weekly videos to make it suitable and appropriate for the children. The toughest part was not knowing how long this would be going on and how things would develop. During this second wave it was calmer and staff knew what to expect. The children were enjoying the videos and have been able to engage virtually.

Zoom Morning Prayer was initiated by our associate Pastor and what started off as being for a short period of time remains in action to date.

We realised as a church the importance of keeping members together and many more was birthed during this season such as **online games nights, virtual book clubs, lady's prayer bubbles and The Father's Club.**

As the lockdown restrictions started to ease later in the year, we organized a park meet up with preaching for local park visitors. This was a refreshing time for our members as we had not seen each other in months.

Church Planting

We were delighted to note that despite the pandemic the gospel must continue to be preached and a new work was planted internationally in Hamburg Germany and Manchester UK.

THE POTTER'S HOUSE CHRISTIAN CENTRE

Trustees' Report

Financial review

The income for the year amounted to £501,565 (2019 - £593,672) with expenditure being £368,839 (2019 - £565,698). The resulting surplus of £132,726 (2019 - £27,974) increased funds to £290,245 from £157,519 in 2019.

Investment policy and objectives

The trust deed authorises the trustees to make and hold investments using the general funds of the charity.

Going concern

After making appropriate enquiries, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

Statement of Trustees' Responsibilities

The Trustees are responsible for preparing the Trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

The law applicable to charities requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the constitution. The Trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The annual report was approved by the Trustees of the charity on 5 September 2021 and signed on its behalf by:

.....
Dimitri Scarlett
Trustee

THE POTTER'S HOUSE CHRISTIAN CENTRE

Independent Examiner's Report to the Trustees of The Potter's House Christian Centre

I report to the charity Trustees on my examination of the accounts of the charity for the year ended 31 December 2020 which are set out on pages 6 to 18.

Respective responsibilities of Trustees and examiner

As the charity's Trustees of The Potter's House Christian Centre 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 The Potter's House Christian Centre'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

Since The Potter's House Christian Centre's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Chartered Institute of Management Accountants, which is one of the listed bodies.

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 Potter's House Christian Centre as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting 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 in order to enable a proper understanding of the accounts to be reached.

.....
G W Schulz ACMA

Independent Examiners Ltd
2 Broadbridge Business Centre
Delling Lane
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Chichester
West Sussex, PO18 8NF

5 September 2021

THE POTTER'S HOUSE CHRISTIAN CENTRE

Statement of Financial Activities for the Year Ended 31 December 2020

	Note	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
Income and Endowments from:					
Donations and legacies	2	493,134	8,381	501,515	593,626
Investment income	3	<u>50</u>	<u>-</u>	<u>50</u>	<u>46</u>
Total income		<u>493,184</u>	<u>8,381</u>	<u>501,565</u>	<u>593,672</u>
Expenditure on:					
Charitable activities	4	<u>338,298</u>	<u>30,541</u>	<u>368,839</u>	<u>565,698</u>
Total expenditure		<u>338,298</u>	<u>30,541</u>	<u>368,839</u>	<u>565,698</u>
Net income/(expenditure)		154,886	(22,160)	132,726	27,974
Gross transfers between funds		<u>(14,743)</u>	<u>14,743</u>	<u>-</u>	<u>-</u>
Net movement in funds		140,143	(7,417)	132,726	27,974
Reconciliation of funds					
Total funds brought forward		<u>146,018</u>	<u>11,501</u>	<u>157,519</u>	<u>129,545</u>
Total funds carried forward	12	<u><u>286,161</u></u>	<u><u>4,084</u></u>	<u><u>290,245</u></u>	<u><u>157,519</u></u>

The notes on pages 9 to 18 form an integral part of these financial statements.

THE POTTER'S HOUSE CHRISTIAN CENTRE

Balance Sheet as at 31 December 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	8	3,378	2,903
Current assets			
Debtors	9	27,847	24,905
Cash at bank and in hand		<u>270,344</u>	<u>145,820</u>
		298,191	170,725
Creditors: Amounts falling due within one year	10	<u>(11,324)</u>	<u>(16,109)</u>
Net current assets		<u>286,867</u>	<u>154,616</u>
Net assets		<u>290,245</u>	<u>157,519</u>
Funds of the charity:			
Restricted income funds			
Restricted funds		4,084	11,501
Unrestricted income funds			
Unrestricted funds		<u>286,161</u>	<u>146,018</u>
Total funds	12	<u>290,245</u>	<u>157,519</u>

The financial statements on pages 6 to 18 were approved by the Trustees, and authorised for issue on 5 September 2021 and signed on their behalf by:

.....
Dimitri Scarlett
Trustee

THE POTTER'S HOUSE CHRISTIAN CENTRE

Cash Flow Statement for the Year Ended 31 December 2020

	Note	2020 £	2019 £
Cash flows from operating activities			
Net cash income		132,726	27,974
Adjustments to cash flows from non-cash items			
Depreciation		1,425	1,703
Investment income	3	<u>(50)</u>	<u>(46)</u>
		134,101	29,631
Working capital adjustments			
(Increase)/decrease in debtors	9	(2,942)	10,042
(Decrease)/increase in creditors	10	<u>(4,785)</u>	<u>461</u>
Net cash flows from operating activities		<u>126,374</u>	<u>40,134</u>
Cash flows from investing activities			
Interest receivable and similar income	3	50	46
Purchase of tangible fixed assets	8	<u>(1,900)</u>	<u>-</u>
Net cash flows from investing activities		<u>(1,850)</u>	<u>46</u>
Net increase in cash and cash equivalents		124,524	40,180
Cash and cash equivalents at 1 January		<u>145,820</u>	<u>105,640</u>
Cash and cash equivalents at 31 December		<u><u>270,344</u></u>	<u><u>145,820</u></u>
Reconciliation of net cash flow to movement in net funds			
Increase in cash		124,524	40,180
Net funds at 1 January 2020		<u>145,820</u>	<u>105,640</u>
Net funds at 31 December 2020		<u><u>270,344</u></u>	<u><u>145,820</u></u>

The notes on pages 9 to 18 form an integral part of these financial statements.

THE POTTER'S HOUSE CHRISTIAN CENTRE

Notes to the Financial Statements for the Year Ended 31 December 2020

1 Accounting policies

Statement of compliance

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

Basis of preparation

The Potter's House Christian Centre meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Going concern

The Trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

Income and endowments

Voluntary income including donations, gifts, legacies and grants that provide core funding or are of a general nature is recognised when the charity has entitlement to the income, it is probable that the income will be received and the amount can be measured with sufficient reliability.

Donations and legacies

Donations and legacies are recognised on a receivable basis when receipt is probable and the amount can be reliably measured.

Gift aid

Incoming resources from tax reclaims are included in the Statement of Financial Activities at the same time as the gift to which they relate.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category.

THE POTTER'S HOUSE CHRISTIAN CENTRE

Notes to the Financial Statements for the Year Ended 31 December 2020

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Grant provisions

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of grant payable.

Tangible fixed assets

Individual fixed assets costing £500 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Short-term leasehold property	Over term of lease
Furniture and equipment	20% on cost
Computer equipment	25% on cost
Fixtures and fittings	10% on cost

Trade debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade creditors

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

THE POTTER'S HOUSE CHRISTIAN CENTRE

Notes to the Financial Statements for the Year Ended 31 December 2020

Fund structure

Unrestricted income funds are general funds that are available for use at the Trustees's discretion in furtherance of the objectives of the charity.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Pensions and other post retirement obligations

The charity operates a defined contribution pension scheme which is a pension plan under which fixed contributions are paid into a pension fund and the charity has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised in the Statement of Financial Activities when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

THE POTTER'S HOUSE CHRISTIAN CENTRE

Notes to the Financial Statements for the Year Ended 31 December 2020

2 Income from donations and legacies

	Unrestricted funds General £	Restricted funds £	Total 2020 £	Total 2019 £
Donations and legacies;				
Donations	339,614	4,502	344,116	377,660
Conference and event income	-	3,879	3,879	62,126
Church tithe income	74,403	-	74,403	66,583
Gift aid reclaimed	77,640	-	77,640	86,895
Other income from donations and legacies	<u>1,477</u>	<u>-</u>	<u>1,477</u>	<u>362</u>
	<u>493,134</u>	<u>8,381</u>	<u>501,515</u>	<u>593,626</u>

3 Investment income

	Unrestricted funds General £	Total 2020 £	Total 2019 £
Interest receivable and similar income;			
Interest receivable on bank deposits	<u>50</u>	<u>50</u>	<u>46</u>

THE POTTER'S HOUSE CHRISTIAN CENTRE

Notes to the Financial Statements for the Year Ended 31 December 2020

4 Expenditure on charitable activities

		Unrestricted funds General	Restricted funds	Total 2020	Total 2019
	Note	£	£	£	£
Conference costs		305	7,736	8,041	67,324
Church rent and parsonage		80,630	15,165	95,795	118,271
Benevolence		1,840	-	1,840	4,961
Ministry meals		3,600	-	3,600	8,062
Love offerings		8,820	-	8,820	16,323
Marriage retreat		-	-	-	1,493
World evangelism		-	-	-	5,729
Revival		2,180	-	2,180	5,966
Impact teams		626	-	626	3,155
Church ministry		2,521	-	2,521	8,100
Media		12,055	-	12,055	-
Telephone and utilities		9,008	-	9,008	12,319
Professional charges		1,401	-	1,401	836
Printing, stationery and insurance		2,351	-	2,351	10,729
Equipment and maintenance		2,087	-	2,087	5,697
Vehicle expenses		5,891	-	5,891	15,015
Office and administration		7,439	-	7,439	7,171
Travel and airfares		5,251	-	5,251	7,728
Bank charges and interest		776	-	776	1,845
Independent examination		3,360	-	3,360	3,360
Depreciation		1,425	-	1,425	1,703
Grants	5	83,369	7,640	91,009	131,693
Staff costs	7	103,363	-	103,363	128,218
		<u>338,298</u>	<u>30,541</u>	<u>368,839</u>	<u>565,698</u>

THE POTTER'S HOUSE CHRISTIAN CENTRE

Notes to the Financial Statements for the Year Ended 31 December 2020

5 Grant-making

Analysis of grants

	Grants to institutions	
	2020	2019
	£	£
Tithes and support given	<u>91,009</u>	<u>131,693</u>

6 Trustees remuneration and expenses

No Trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any reimbursed expenses or any other benefits from the charity during the year (2019 - 2 Trustees £451).

7 Staff costs

The aggregate payroll costs were as follows:

	2020	2019
	£	£
Staff costs during the year were:		
Wages and salaries	96,542	120,967
Social security costs	4,956	5,083
Pension costs	<u>1,865</u>	<u>2,168</u>
	<u>103,363</u>	<u>128,218</u>

The monthly average number of persons (including senior management team) employed by the charity during the year expressed as full time equivalents was as follows:

	2020	2019
	No	No
Employees	<u>6</u>	<u>7</u>

No employee received emoluments of more than £60,000 during the year

THE POTTER'S HOUSE CHRISTIAN CENTRE

Notes to the Financial Statements for the Year Ended 31 December 2020

8 Tangible fixed assets

	Short-term leasehold property £	Furniture and equipment £	Computer equipment £	Fixtures and fittings £	Total £
Cost					
At 1 January 2020	28,228	8,655	3,837	561	41,281
Additions	-	1,900	-	-	1,900
Disposals	<u>(28,228)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(28,228)</u>
At 31 December 2020	<u>-</u>	<u>10,555</u>	<u>3,837</u>	<u>561</u>	<u>14,953</u>
Depreciation					
At 1 January 2020	28,228	6,145	3,837	168	38,378
Charge for the year	-	1,369	-	56	1,425
Eliminated on disposals	<u>(28,228)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(28,228)</u>
At 31 December 2020	<u>-</u>	<u>7,514</u>	<u>3,837</u>	<u>224</u>	<u>11,575</u>
Net book value					
At 31 December 2020	<u>-</u>	<u>3,041</u>	<u>-</u>	<u>337</u>	<u>3,378</u>
At 31 December 2019	<u>-</u>	<u>2,510</u>	<u>-</u>	<u>393</u>	<u>2,903</u>

9 Debtors

	2020 £	2019 £
Prepayments	1,500	1,140
Accrued income	9,901	7,159
Other debtors	<u>16,446</u>	<u>16,606</u>
	<u>27,847</u>	<u>24,905</u>

THE POTTER'S HOUSE CHRISTIAN CENTRE

Notes to the Financial Statements for the Year Ended 31 December 2020

10 Creditors: amounts falling due within one year

	2020 £	2019 £
Other taxation and social security	2,571	3,783
Other creditors	576	5,588
Accruals	8,177	6,738
	<u>11,324</u>	<u>16,109</u>

11 Pension and other schemes

Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the charity to the scheme and amounted to £1,865 (2019 - £2,168).

THE POTTER'S HOUSE CHRISTIAN CENTRE

Notes to the Financial Statements for the Year Ended 31 December 2020

12 Funds

	Balance at 1 January 2020 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 December 2020 £
Unrestricted funds					
General					
General Funds	146,018	493,184	(338,298)	(14,743)	286,161
Restricted funds					
Building fund	4,502	-	(15,165)	10,663	-
Conference fund	7,941	3,879	(7,736)	-	4,084
Tuscan building pledge	3,560	-	(7,640)	4,080	-
	<u>16,003</u>	<u>3,879</u>	<u>(30,541)</u>	<u>14,743</u>	<u>4,084</u>
Total funds	<u>162,021</u>	<u>497,063</u>	<u>(368,839)</u>	<u>-</u>	<u>290,245</u>

	Balance at 1 January 2019 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 December 2019 £
Unrestricted funds					
General					
General Funds	117,706	524,373	(437,254)	(58,807)	146,018
Restricted funds					
Building fund	3,613	-	(62,420)	58,807	-
Conference fund	11,839	62,126	(66,024)	-	7,941
Tuscan building pledge	-	3,560	-	-	3,560
	<u>15,452</u>	<u>65,686</u>	<u>(128,444)</u>	<u>58,807</u>	<u>11,501</u>
Total funds	<u>133,158</u>	<u>590,059</u>	<u>(565,698)</u>	<u>-</u>	<u>157,519</u>

THE POTTER'S HOUSE CHRISTIAN CENTRE

Notes to the Financial Statements for the Year Ended 31 December 2020

13 Analysis of net assets between funds

	Unrestricted funds General £	Restricted funds £	Total funds at 31 December 2020 £
Tangible fixed assets	3,378	-	3,378
Current assets	294,107	4,084	298,191
Current liabilities	<u>(11,324)</u>	<u>-</u>	<u>(11,324)</u>
Total net assets	<u>286,161</u>	<u>4,084</u>	<u>290,245</u>

	Unrestricted funds General £	Restricted funds £	Total funds at 31 December 2019 £
Tangible fixed assets	2,903	-	2,903
Current assets	159,224	11,501	170,725
Current liabilities	<u>(16,109)</u>	<u>-</u>	<u>(16,109)</u>
Total net assets	<u>146,018</u>	<u>11,501</u>	<u>157,519</u>