

Charity registration number: 1127462

The Potters House Methodist Church

known as

Potters Church

Annual Report and Financial Statements

for the Year Ended 31 August 2023

The Potters House Methodist Church

known as Potters Church

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The Potters House Methodist Church

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Reference and Administrative Details

Trustees	Mr L Cooke, Chair of Church Council
	Mr PA Butterworth AIB, Treasurer
	Mrs A Price, Lead Pastor
	Rev P Hancock, Pastor
	Mrs H Brindley Safeguarding Officer (resigned August 2023)
	Mr PE Graham, Finance Chair
	Mrs Willoughby Lead for Pastoral Care (deceased March 2023)
	Mrs P Drew
	Mrs C Eyre
	Mr G Hesbrook
	Mrs C James
	Mr D Phillips BA
	Mrs A Kowarln
	Mr A Williamson (resigned August 2023)
Senior Management / Leadership Team	Mrs A Price
	Rev P Hancock
Charity Registration Number	1127462
Principal Office	Potters Church
	The Bridge Centre
	Birches Head
	Stoke on Trent
	ST2 8QD
Independent Examiner	Daryl Denson ACMA
	VAST
	The Dudson Centre
	Hope Street
	Stoke on Trent ST1 5DD

The Potters House Methodist Church

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Trustees' Report

The trustees present the annual report together with the financial statements of the charity for the year ended 31 August 2023.

Structure, governance and management

Nature of governing document

The Potters House Methodist Church was established as a charity in England and Wales (Number 1127462) on 9th January 2009 under the Deed of Union (1932) and Methodist Church Act (1976).

Recruitment and appointment of trustees

Appointment of trustees is governed by the constitution of the charity. Trustees are nominated by church members and must be committed members of the church. The trustees will conduct an interview with the prospective new trustee at which the responsibilities of trustees will be discussed and a schedule of expected duties is provided. The trustees will then review the position and ensure that the prospective trustee meets the charity's 'Trustee person specification' guidance and then a final decision will be taken. They are elected at the annual general meeting.

Induction and training of trustees

The induction process for a new trustee involves an initial meeting with the current trustees to discuss in detail the responsibilities of the position, the governing trust deed and the objectives of the charity. The new trustee will be provided with a copy of the Charity Commissions Guidance 'The Essential Trustee: What you Need to Know'.

Arrangements for setting key management personnel remuneration

The pay scales for key management personnel are set by the trustees and are benchmarked against other similar size organisations operating in the area. Pay of individual members of the management team are reviewed annually and this review takes into account performance and any additional responsibilities as well as increases in average earnings.

Organisational structure

The Church is governed according to the constitution and practice of the Methodist Church. Church Council meetings are held four times each year and a Congregational meeting is held annually. In addition the Church Council have delegated most of the day to day running of the Church to the Church Leadership Team, four of whom are trustees.

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Trustees' Report (continued)

Objectives and activities

Objects and aims

The purposes of the Methodist Church are and shall be deemed to have been since the date of union the advancement of:

- (a) the Christian faith in accordance with the doctrinal standards and the discipline of the Methodist Church;
- (b) any charitable purpose for the time being of any Connexional, district, circuit, local or other organisation of the Methodist Church;
- (c) any charitable purpose for the time being of any society or institution subsidiary or ancillary to the Methodist Church;
- (d) any purpose for the time being of any charity being a charity subsidiary or ancillary to the Methodist Church.

Public benefit

We are a Christian Church. We offer regular worship and activities for all ages.

Potters Church organises Christian acts of worship for a combined congregation of approximately 220 weekly worshippers. We hold weekly services in Birches Head, based at the Bridge Centre. These are identical and take place at 9.30am and 11.15am.

Potters Church provides a wide variety of weekday activities for the benefit of the public within the Stoke-on-Trent community. Such activities include: youth work, a parents and toddlers group, a weekly meeting for retired and elderly individuals, a craft club and a sports group.

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.

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Trustees' Report (continued)

Achievements and performance

In Stoke-on-Trent, we have financially supported projects which challenged issues of modern day slavery, supported the local Foodbank, provided opportunities for ex-offenders and responded to the issues faced by refugees and asylum seekers who have been housed in the local area.

We supported work with the homeless in our city, focusing on support and rehabilitation.

As a local church we successfully hosted a weekly community group for older people, providing friendship, support and a range of social events. We also run a weekly group aimed at providing a safe space to play for and parents, carers, babies and toddlers.

As a multigenerational church we continued during this period to provide faith based activities for all ages and have developed our youth work programme to include a greater emphasis on discipleship and inclusion.

We have begun a new weekly group focusing on sporting activities and friendship for older people.

We have supported a wide variety of local families through links with local schools. We have provided a number of shopping vouchers to support local people in need, as well as new white goods, bedding and other household items.

We have supported local school foodbanks and provided emergency support for people in need.

Our youth group fundraised to support the Stoke-on-Trent foodbank and raised over £800 to donate as part of their activities.

On Sundays we meet to worship, to celebrate and challenge people to respond with God's love to local and international needs.

We have successfully begun to rebuild our church community post-Covid 19. We have welcomed new people into our church and continue to do so. We have ceased to meet as a congregation in Longton and Newcastle-under-Lyme.

We continue to support and network with a number of Christian organisations and churches around the city of Stoke-on-Trent and beyond.

Use of volunteers

Our church and its activities are run and supported by a small staff team and a number (around 100) regular volunteers.

Financial review

The results for the year are set out in the Statement of Financial Activities.

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Trustees' Report (continued)

Policy on reserves

It is the trustees' policy to maintain a balance on unrestricted funds (if possible), which equates to three months staff wages and three months contribution to the Stoke on Trent Mission Circuit, equivalent to approximately £40,000. This should be sufficient to cover statutory payments due to staff should it be necessary to cease our activities. Unrestricted free reserves (excluding fixed assets) at the year end were £65,331 (2022: £64,431).

The annual report was approved by the trustees of the charity on 14 May 2024 and signed on its behalf by:

A handwritten signature in black ink, appearing to read 'L Cooke', is written over a horizontal dotted line.

Mr L Cooke
Trustee

The Potters House Methodist Church

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Independent Examiner's Report to the trustees of The Potters House Methodist Church

I report to the trustees on my examination of the accounts of The Potters House Methodist Church for the year ended 31 August 2023.

Responsibilities and basis of report

As the charity trustees of The Potters House Methodist Church 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 Potters House Methodist Church'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 Potters House Methodist Church 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.



.....
Daryl Denson ACMA

VAST
The Dudson Centre
Hope Street
Stoke on Trent
ST1 5DD

Date:

22/05/2024

The Potters House Methodist Church

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Statement of Financial Activities for the Year Ended 31 August 2023

	Note	Unrestricted funds £	Restricted funds £	Total 2023 £
Income and Endowments from:				
Donations and legacies	2	145,616	4,500	150,116
Charitable activities	3	2,447	5,313	7,760
Investment Income	4	318	-	318
Total Income		<u>148,381</u>	<u>9,813</u>	<u>158,194</u>
Expenditure on:				
Charitable activities	6	<u>(149,119)</u>	<u>(9,298)</u>	<u>(158,417)</u>
Total Expenditure		<u>(149,119)</u>	<u>(9,298)</u>	<u>(158,417)</u>
Net movement in funds		(738)	515	(223)
Reconciliation of funds				
Total funds brought forward		<u>68,630</u>	<u>6,044</u>	<u>74,674</u>
Total funds carried forward	16	<u>67,892</u>	<u>6,559</u>	<u>74,451</u>

The notes on pages 10 to 21 form an integral part of these financial statements.

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**Statement of Financial Activities for the Year Ended 31 August 2023
(continued)**

	Note	Unrestricted funds £	Restricted funds £	Total 2022 £
Income and Endowments from:				
Donations and legacies	2	135,659	10,500	146,159
Charitable activities		6,089	7,145	13,234
Investment income	4	20	-	20
Other income		2,300	-	2,300
Total Income		<u>144,068</u>	<u>17,645</u>	<u>161,713</u>
Expenditure on:				
Charitable activities	6	<u>(152,106)</u>	<u>(19,209)</u>	<u>(171,315)</u>
Total Expenditure		<u>(152,106)</u>	<u>(19,209)</u>	<u>(171,315)</u>
Net movement in funds		(8,038)	(1,564)	(9,602)
Reconciliation of funds				
Total funds brought forward		<u>76,668</u>	<u>7,608</u>	<u>84,276</u>
Total funds carried forward	16	<u>68,630</u>	<u>6,044</u>	<u>74,674</u>

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2022 is shown in note 16.

The Potters House Methodist Church

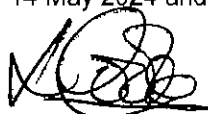
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(Registration number: 1127462)

Balance Sheet as at 31 August 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	12	2,830	4,618
Current assets			
Debtors	13	11,826	9,146
Cash at bank and in hand		<u>61,566</u>	<u>63,032</u>
		73,392	72,178
Creditors: Amounts falling due within one year	14	<u>(1,771)</u>	<u>(2,122)</u>
Net current assets		<u>71,621</u>	<u>70,056</u>
Net assets		<u>74,451</u>	<u>74,674</u>
Funds of the charity:			
Restricted income funds			
Restricted funds	16	6,559	6,044
Unrestricted income funds			
Unrestricted funds		<u>67,892</u>	<u>68,630</u>
Total funds	16	<u>74,451</u>	<u>74,674</u>

The financial statements on pages 7 to 21 were approved by the trustees, and authorised for issue on 14 May 2024 and signed on their behalf by:



.....
Mr L Cooke
Trustee

The notes on pages 10 to 21 form an integral part of these financial statements.

The Potters House Methodist Church

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Notes to the Financial Statements for the Year Ended 31 August 2023

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 2019) - (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 Potters House Methodist Church meets the definition of a public benefit entity under FRS 102. The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts.

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.

Grants receivable

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

Investment income

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

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Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

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. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

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.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees meetings and reimbursed expenses.

Government grants

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants relating to assets are recognised over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income.

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

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

Fixtures & fittings

Depreciation method and rate

straight line over 5 years

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Notes to the Financial Statements for the Year Ended 31 August 2023

(continued)

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business. Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

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

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees 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.

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**Notes to the Financial Statements for the Year Ended 31 August 2023
(continued)**

2 Income from donations and legacies

	Unrestricted funds General £	Restricted funds £	Total 2023 £
Donations and legacies;			
Donations from individuals	119,656	-	119,656
Gift aid reclaimed	25,960	-	25,960
Grants, including capital grants;			
Government grants	-	4,500	4,500
	<u>145,616</u>	<u>4,500</u>	<u>150,116</u>
	Unrestricted funds General £	Restricted funds £	Total 2022 £
Donations and legacies;			
Donations from individuals	110,487	-	110,487
Gift aid reclaimed	25,172	-	25,172
Grants, including capital grants;			
Government grants	-	10,000	10,000
Grants from other charities	-	500	500
	<u>135,659</u>	<u>10,500</u>	<u>146,159</u>

3 Income from charitable activities

	Unrestricted funds General £	Restricted funds £	Total 2023 £
Church Activities	<u>2,447</u>	<u>5,313</u>	<u>7,760</u>
	Unrestricted funds General £	Restricted funds £	Total 2022 £
Church Activities	<u>6,089</u>	<u>7,145</u>	<u>13,234</u>

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**Notes to the Financial Statements for the Year Ended 31 August 2023
(continued)**

4 Investment income

	Unrestricted funds General £	Total 2023 £
Interest receivable and similar income; Interest receivable on bank deposits	<u>318</u>	<u>318</u>
	<u>318</u>	<u>318</u>
	Unrestricted funds General £	Total 2022 £
Interest receivable and similar income; Interest receivable on bank deposits	<u>20</u>	<u>20</u>
	<u>20</u>	<u>20</u>

5 Other Income

	Unrestricted funds General £	Total 2022 £
Sale of charity equipment	<u>2,300</u>	<u>2,300</u>

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**Notes to the Financial Statements for the Year Ended 31 August 2023
(continued)**

6 Expenditure on charitable activities

	Unrestricted funds General £	Restricted funds £	Total 2023 £
Church Activities	148,071	9,298	157,369
Governance Costs	1,048	-	1,048
	<u>149,119</u>	<u>9,298</u>	<u>158,417</u>
	Unrestricted funds General £	Restricted funds £	Total 2022 £
Church Activities	151,110	19,209	170,319
Governance Costs	996	-	996
	<u>152,106</u>	<u>19,209</u>	<u>171,315</u>

7 Analysis of governance and support costs

Governance costs

	Unrestricted funds General £	Total 2023 £
Independent examiner fees		
Examination of the financial statements	1,048	1,048
	<u>1,048</u>	<u>1,048</u>
	Unrestricted funds General £	Total 2022 £
Independent examiner fees		
Examination of the financial statements	996	996
	<u>996</u>	<u>996</u>

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Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

8 Government grants

In the year ended 31 August 2023 £4,500 (2022: £10,000) of grant funding was given to the charity by Stoke-on-Trent City Council from the Winter Food and Essential Supplies Fund.

The amount of grants recognised in the financial statements was £4,500 (2022 - £10,000).

There were no unfulfilled conditions at the year end.

9 Trustees remuneration and expenses

During the year the charity made the following transactions with trustees:

Rev P Hancock

This remuneration was paid via the district and circuit.

Rev P Hancock is no longer remunerated and carries on as a volunteer.

Mrs A Price

Mrs A Price received remuneration of £28,530 (2022: £31,800) during the year.

Salary of £26,662 (2022: £30,000) was paid directly. £1,868 (2021: £1,800) of pension contributions were made for Mrs A Price. Any expenses reimbursed were for Mrs A Price's paid employment and not in relation to her role as a trustee.

Pension contributions have been paid to a defined contribution scheme.

No trustees have received any reimbursed expenses from the charity during the year.

Donations made by the trustees without any conditions attached totalled £20,320 for the year (2022 - £20,030).