

No 6
ACCOUNTS
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**ANNUAL REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31ST MARCH 2006**

**POTTERS HOUSE
CHRISTIAN CENTRE
NORWICH**

CHARITY REGISTRATION No: 1054961

Independent Examiners Ltd
Revelation Centre
Spur Road
Chichester
W. Sussex
PO19 8PR

POTTERS HOUSE CHRISTIAN CENTRE NORWICH

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POTTERS HOUSE CHRISTIAN CENTRE NORWICH

LEGAL AND ADMINISTRATIVE INFORMATION

CHARITY NUMBER 1054961

START OF FINANCIAL YEAR 1st April 2005

END OF FINANCIAL YEAR 31st March 2006

TRUSTEES AT 31ST MARCH 2006 John Galt
Allen Jenkins (Chairman)
Rob Langley
Sean Woolmer

The existing trustees appoint any new trustees following the provisions laid out in the organisation's governing instrument.

LEGAL STATUS Unincorporated Charity

Constitution adopted 18th February 1996

OBJECTS

i) The advancement of the Christian religion in accordance with the statement of beliefs set out in the first schedule and in particular in the county of Norfolk and at the discretion of the church council elsewhere in the United Kingdom or the World. ii) The relief of poverty and sickness regardless of nationality, religious, political or other opinion in the said county and at the discretion of the church council elsewhere in the United Kingdom or the World.

CORRESPONDENCE ADDRESS 114 Blithewood Gardens
Norwich
NR7 8PW

PRIMARY BANKERS Barclays Bank plc.

INDEPENDENT EXAMINER K.M. Thrift FCIE
Independent Examiners Ltd
Revelation Centre
Spur Road
Chichester
W. Sussex
PO19 8PR

INDEPENDENT EXAMINER'S REPORT ON THE ACCOUNTS

Report to the trustees/ members of Potters House Christian Centre Norwich on the accounts for the year ended 31st March 2006 set out on pages 6 to 12.

This report is made solely to the trustees in accordance with section 44 of the Charities Act 1993. My work has been undertaken so that I might state to the charity's trustees those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's trustees for my examination work, for this report, or for the opinions I have formed.

Respective responsibilities of trustees and examiner

The organisation's trustees are responsible for the preparation of the accounts. The organisation's trustees consider that an audit is not required for this year (under section 43(2) of the Charities Act 1993 (the Act)) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts (under section 43(3)(a) of the Act);
- follow the procedures laid down in the General Directions given by the Charity Commissioners (under section 43(7)(b) of the Act); and
- state whether particular matters have come to my attention.

Basis of independent examiner's statement

My examination was carried out in accordance with General Directions given by the Charity Commissioners. An examination includes a review of the accounting records kept by the organisation and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the accounts.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that in any material respect the requirements:
 - to keep accounting records in accordance with section 41 of the 1993 Act; and
 - to prepare accounts which accord with the accounting records and comply with the accounting requirements of the Acthave not been met; or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

K.M. Thrift FCIE
Independent Examiners Ltd
Revelation Centre
Spur Road
Chichester
W. Sussex
PO19 8PR

Dated:


15.08.06

POTTERS HOUSE CHRISTIAN CENTRE NORWICH

**TRUSTEES ANNUAL REPORT
FOR THE YEAR ENDED 31ST MARCH 2006**

The Trustees present their report along with the financial statements of the charity for the year to 31 March, 2006. The financial statements have been prepared in accordance with the accounting policies set out on page 4 and comply with the Charity's trust deed and applicable law.

Trustees

The trustees named in the Notes to the Accounts have served throughout the year. Appointment of trustees is governed by the Constitution of the Charity. The Board of Trustees is authorised to appoint new trustees to fill vacancies through resignation or death of an existing trustee.

Investment Powers

The Constitution authorizes the trustees to make and hold investments using general funds of the charity. No such investments are presently held.

Constitution, Objects and Policies

The Charitable Trust is constituted by Constitution, and its objects are to promote the Christian faith through worship. In order to do this regular activities are carried out and invitations given out to the public.

Finance is raised purely from members contributions. The day to day running of the church is delegated by the Trustees to the Pastor and his assistant.

Development, Activities and Achievements

The trustees consider that the growth of the church and the finances received have been most satisfactory. Church activities have seen a year on year growth with Bible Study leaders taking initiative in local Care Teams and community outreaches. There has been a corresponding growth in membership.

Financial Review

The overall income has grown by 3.9% since last year. This is due by and large to increases in new church tithes. New members and existing members have been giving with the vision of seeing others come to Christ. Overall expenditure has increased by 28.11%. This was due to the fact that the Church moved into a much better location and has spent money on improving the new facilities. All other money was involved in furthering the charities objectives.

Future Developments

The trustees are looking to invest funds in planting further churches.

Reserves Policy

The Charity's policy is to maintain sufficient unrestricted funds to cover the next month's expenditure. This has been achieved throughout the year. Restricted funds are normally used up when raised. Exceptions to this are when the funds have been raised but the cause raised for is not yet completed. There are correct accounting policies in place to identify each restricted fund and the available balance at any point in time.

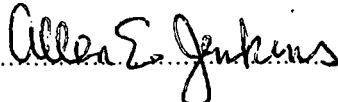
Trustees Responsibilities

The Charities Act 1993 require the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the trust and of the surplus of the trust for that period. In preparing those financial statements the trustees are required to:

- i) Select suitable accounting policies and apply them consistently
- ii) Make judgements and estimates that are reasonable and prudent
- iii) Prepare financial statements on the going concern basis unless it is inappropriate to presume that the trust will continue in existence.

The trustees are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the trust. They are also responsible for safeguarding the assets of the trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the Trustees on3rd July 2006..... and

Signed on their behalf by Trustee , Mr A.E Jenkins

POTTERS HOUSE CHRISTIAN CENTRE NORWICH

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST MARCH 2006**

| | Notes | Unrestricted Funds £ | Restricted Funds £ | TOTAL 2005/2006 £ | TOTAL 2004/2005 £ |
|--|-------|----------------------------|--------------------------|-------------------------|-------------------------|
| INCOMING RESOURCES | | | | | |
| Donations, Legacies and Similar Incoming Resources | 3a | 162,586 | 24,444 | 187,030 | 179,794 |
| Investment Income | 3b | 729 | 0 | 729 | 691 |
| TOTAL INCOMING RESOURCES | | <u>163,315</u> | <u>24,444</u> | <u>187,759</u> | <u>180,485</u> |
| RESOURCES EXPENDED | | | | | |
| Costs of Activities in Furtherance of the Charitable Objects | 4a | 109,700 | 24,444 | 134,144 | 100,304 |
| Costs of Generating Funds | 4b | 4,692 | 0 | 4,692 | 5,196 |
| Support Costs | 4c | 71,746 | 0 | 71,746 | 40,755 |
| Resources Expended on Managing and Administering the Charity | 4d | 17,829 | 0 | 17,829 | 17,949 |
| TOTAL RESOURCES EXPENDED | | <u>203,967</u> | <u>24,444</u> | <u>228,411</u> | <u>164,204</u> |
| NET INCOMING/(OUTGOING) RESOURCES | | -40,652 | 0 | -40,652 | 16,281 |
| Total Funds Brought Forward | | 57,834 | 0 | 57,834 | 41,553 |
| TOTAL FUNDS CARRIED FORWARD | | <u>17,182</u> | <u>0</u> | <u>17,182</u> | <u>57,834</u> |

Movements on all reserves and all recognised gains and losses are shown above. All of the organisation's operations are classed as continuing.

The notes on pages 8 to 12 form part of these financial statements.

POTTERS HOUSE CHRISTIAN CENTRE NORWICH

BALANCE SHEET
AS AT 31ST MARCH 2006

| | Notes | £ | 31-Mar-06 £ | £ | 31-Mar-05 £ |
|--|-------|--------------|----------------------|---------------|----------------------|
| Fixed Assets | | | | | |
| Tangible assets | 2 | | 15,545 | | 9,562 |
| Current Assets | | | | | |
| Debtors | 7 | 3,341 | | 2,998 | |
| Cash at bank and in hand | 6 | <u>5,208</u> | | <u>49,971</u> | |
| | | 8,549 | | 52,969 | |
| Creditors: amounts falling due within one year | 8 | | 6,912 | | 4,697 |
| NET CURRENT ASSETS | | | <u>1,637</u> | | <u>48,272</u> |
| NET ASSETS | | | <u><u>17,182</u></u> | | <u><u>57,834</u></u> |
| CAPITAL AND RESERVES | | | | | |
| Income Funds: | | | | | |
| General Funds | | | 17,182 | | 57,834 |
| Restricted Funds | | | 0 | | 0 |
| | | | <u><u>17,182</u></u> | | <u><u>57,834</u></u> |

Approved by the Trustees on3rd July 2006..... and

Signed on their behalf by Trustee

Allen E. Jenkins

....., Mr A.E Jenkins

POTTERS HOUSE CHRISTIAN CENTRE NORWICH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2006

1. ACCOUNTING POLICIES

The accounts have been prepared in accordance with applicable accounting standards and follow the recommendations in Statement of Recommended Practice : Accounting for Charities (SORP) issued in October 2000.

Voluntary income is received by way of donations and gifts. It is shown in full in the Statement of Financial Activities, when received. Gifts in kind are valued at their estimated value to the organisation and are included under the appropriate headings.

Intangible income is valued and included in income to the extent that it represents goods or services where another party is bearing the financial cost and the benefit is quantifiable. Where it is difficult or not possible to quantify the benefit, or where there is no financial cost borne by another party (e.g., volunteers), the accounts do not include the intangible income.

Grants, including grants for the purchase of fixed assets, are recognised in full in the Statement of Financial Activities in the year in which they are received.

Restricted funds are to be used for specified purposes as required by the donor. Expenditure which meets these criteria is allocated to the relevant fund. Income derived from these funds is retained within the funds concerned. Designated funds are unrestricted funds which the trustees have designated to be used for a specific purpose. Where these funds yield investment income, this is available for general purposes. Unrestricted funds are funds which are not designated or restricted.

There has been no change to the accounting policies (Valuation rules and methods of accounting) since last year.

Depreciation is calculated at a rate to write off the cost of tangible fixed assets on a reducing balance over their estimated useful lives. The rates applied per annum is 25%.

2. TANGIBLE FIXED ASSETS

| | | Church Equipment | Office Equipment | Fixtures & Fittings | Total Motor Vehicles | 2006/05 Total |
|------------------|-----------|---------------------|---------------------|------------------------|----------------------------|------------------|
| | | £ | £ | £ | £ | £ |
| EQUIPMENT | | | | | | |
| Cost | 01-Apr-05 | 23,952 | 5,971 | 4,823 | 7,006 | 41,752 |
| Additions | | 6,831 | 2,252 | 4,352 | 0 | 13,435 |
| Cost at | 31-Mar-06 | <u>30,783</u> | <u>8,223</u> | <u>9,175</u> | <u>7,006</u> | <u>55,187</u> |
| Depreciation | 01-Apr-05 | 18,898 | 4,626 | 1,659 | 7,006 | 32,190 |
| Charge | | 4,178 | 1,131 | 2,143 | 0 | 7,452 |
| Depreciation at | 31-Mar-06 | <u>23,076</u> | <u>5,757</u> | <u>3,802</u> | <u>7,006</u> | <u>39,642</u> |
| Net Book Value | 31-Mar-06 | <u>7,707</u> | <u>2,466</u> | <u>5,373</u> | <u>0</u> | <u>15,545</u> |
| Net Book Value | 31-Mar-05 | 5,054 | 1,345 | 3,163 | 0 | 9,562 |

There were no annual commitments under non-cancelling operating leases or capital commitments at the year ended (31st March 2005: None)

POTTERS HOUSE CHRISTIAN CENTRE NORWICH

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31ST MARCH 2006

3. INCOMING RESOURCES

| | Note | Unrestricted Funds £ | Restricted Funds £ | TOTAL 2005/2006 £ | TOTAL 2004/2005 £ |
|--|------|----------------------------|--------------------------|-------------------------|-------------------------|
| a) Donations, Legacies and Similar Incoming Resources | | | | | |
| Gifts, Tithes & Offerings | 5 | 133,646 | 24,444 | 158,090 | 150,632 |
| Gifts from Other Churches | | 4,635 | | 4,635 | 3,318 |
| Gift Aid Tax Recovered | | 24,305 | | 24,305 | 25,844 |
| | | 162,586 | 24,444 | 187,030 | 179,794 |

b) Investment Income

| | | | | | |
|---------------|--|------------|----------|------------|------------|
| Bank Interest | | 729 | | 729 | 691 |
| | | 729 | 0 | 729 | 691 |

4. RESOURCES EXPENDED

a) Costs of Activities in Furtherance of the Charitable Objects

| | | | | | |
|-----------------------------|----|----------------|---------------|----------------|----------------|
| Air Fares | | 5,542 | | 5,542 | 3,285 |
| Car Hire | | 1,523 | | 1,523 | 788 |
| Conference & Seminar | | 721 | | 721 | 3,128 |
| Evangelist | | 6,766 | | 6,766 | 0 |
| Fellowship Tithe | | 12,772 | | 12,772 | 11,347 |
| Hospitality | | 4,968 | | 4,968 | 4,464 |
| New Church Support | 5 | 15,339 | 17,085 | 32,424 | 13,233 |
| Offerings | 5 | 6,920 | 700 | 7,620 | 3,654 |
| Outreach | | 2,620 | | 2,620 | 0 |
| Revival Expenses | | 8,890 | | 8,890 | 6,903 |
| Salaries | 10 | 24,312 | | 24,312 | 29,305 |
| Travel / Impact Teams | | 10,753 | | 10,753 | 12,227 |
| Visiting Speakers | 5 | 6,531 | 6,659 | 13,190 | 10,811 |
| Youth Group & Sunday School | | 2,043 | | 2,043 | 1,159 |
| | | 109,700 | 24,444 | 134,144 | 100,304 |

b) Costs of Generating Funds

| | | | | | |
|-------------------------|--|--------------|----------|--------------|--------------|
| Advertising & Publicity | | 4,692 | | 4,692 | 5,196 |
| | | 4,692 | 0 | 4,692 | 5,196 |

POTTERS HOUSE CHRISTIAN CENTRE NORWICH

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31ST MARCH 2006**

4. RESOURCES EXPENDED

| | Unrestricted Funds £ | Restricted Funds £ | TOTAL 2005/2006 £ | TOTAL 2004/2005 £ |
|--------------------------|----------------------------|--------------------------|-------------------------|-------------------------|
| c) Support Costs | | | | |
| Accommodation | 3,824 | | 3,824 | 2,896 |
| Benevolence | 558 | | 558 | 4,021 |
| Books & Periodicals | 949 | | 949 | 1,039 |
| Building Maintenance | 10,588 | | 10,588 | 2,929 |
| Building Rent & Rates | 26,881 | | 26,881 | 14,523 |
| Car Allowance | 699 | | 699 | 0 |
| Equipment Costs | 1,174 | | 1,174 | 1,214 |
| Equipment Rent / Repairs | 365 | | 365 | 1,036 |
| Housing Allowance | 8,400 | | 8,400 | 8,400 |
| Miscellaneous | 1,670 | | 1,670 | 467 |
| Nursery / Cleaning | 6,651 | | 6,651 | 209 |
| Stationery / Postage | 1,006 | | 1,006 | 565 |
| Telephone | 2,330 | | 2,330 | 1,782 |
| Utility Costs | 6,651 | | 6,651 | 1,674 |
| | 71,746 | 0 | 71,746 | 40,755 |

**d) Resources Expended on Managing
and Administering the Charity**

| | | | | |
|---------------------------|---------------|----------|---------------|---------------|
| Insurance | 949 | | 949 | 1,287 |
| Taxation | 3,731 | | 3,731 | 3,707 |
| HP Payments | 2,933 | | 2,933 | 3,188 |
| Bank Charges | 264 | | 264 | 30 |
| Legal & Professional fees | 2,048 | | 2,048 | 3,444 |
| Independent Examiners Fee | 452 | | 452 | 723 |
| Depreciation | 7,452 | | 7,452 | 5,570 |
| | 17,829 | 0 | 17,829 | 17,949 |

5. RESTRICTED FUNDS

| | Balance 01-Apr-05 £ | Income £ | Expenditure £ | Balance 31-Mar-06 £ |
|-----------------------------|---------------------------|---------------|------------------|---------------------------|
| Total for Visiting Speakers | 0 | 6,659 | 6,659 | 0 |
| Total for Conference | 0 | 700 | 700 | 0 |
| Total for Pledges | 0 | 17,085 | 17,085 | 0 |
| | 0 | 24,444 | 24,444 | 0 |

Visiting Speakers is love offerings taken for revival preachers. These are separate from normal offerings.
Conference is money given specifically toward our summer and winter London Bible Conferences.
Pledges were monies given specifically for world evangelism and support for our new churches.

The restricted funds are wholly represented by cash reserves of the charity

POTTERS HOUSE CHRISTIAN CENTRE NORWICH

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31ST MARCH 2006**

6. CASH AT BANK AND IN HAND

| | 31-Mar-06 | 31-Mar-05 |
|------------------|--------------|---------------|
| | £ | £ |
| Lloyds Account 1 | 4,268 | 7,124 |
| Lloyds Account 2 | 27 | 27 |
| Barclays Account | 606 | 42,392 |
| Petty Cash | 307 | 428 |
| | <u>5,208</u> | <u>49,971</u> |

7. DEBTORS AND PREPAYMENTS

| | 31-Mar-06 | 31-Mar-05 |
|-----------------|--------------|--------------|
| | £ | £ |
| Prepayments | 2,229 | 825 |
| Tax Recoverable | 1,112 | 2,173 |
| | <u>3,341</u> | <u>2,998</u> |

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 31-Mar-06 | 31-Mar-05 |
|----------------------------|--------------|--------------|
| | £ | £ |
| Accruals | 6,460 | 3,974 |
| Independent Examiners Fees | 452 | 723 |
| | <u>6,912</u> | <u>4,697</u> |

10. STAFF COSTS AND NUMBERS

A PAYE Scheme is run by the charity with the following payments made:

| | 2005/2006 | 2004/2005 |
|-------------------------------------|---------------|---------------|
| | £ | £ |
| Gross Wages and Salaries | 40,731 | 26,810 |
| Employer's National Insurance Costs | 2,478 | 2,495 |
| Pension Contributions | 0 | 0 |
| | <u>43,209</u> | <u>29,305</u> |

Employees who were engaged in each of the following activities (Full time equivalent):

| | 2005/2006 | 2004/2005 |
|---|-----------|-----------|
| | TOTAL | TOTAL |
| Activities in furtherance of organisation's objects | 3 | 2 |

The charity operate a PAYE scheme to pay all employed members of staff and no employees received emoluments of over £50,000. (2004/2005: None)

POTTERS HOUSE CHRISTIAN CENTRE NORWICH

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31ST MARCH 2006

11. TRUSTEES AND OTHER RELATED PARTIES

Trustee Allen Jenkins, and his wife Sarah received remuneration totalling £28,704 in their roles as Pastors of Potters House Christian Fellowship, Norwich in furthering the Charity's objects.

Carol Diane Galt (Wife of Trustee John Galt) received £5,262 in salary payments in furthering the Charity's objects.

Trustee John Galt received £6,766 in salary payments in his role as evangelist in furthering the Charity's objects.

No other payments were made to trustees or any persons connected with them during this financial period. No material transaction took place between the organisation and a trustee or any person connected with them.

12. RISK ASSESSMENT

The trustees actively review the major risks which the charity faces on a regular basis and believe that maintaining the free reserves stated combined with the annual review of the controls over key financial systems carried out on an annual basis will provide sufficient resources in the event of adverse conditions. The trustees have also examined other operational and business risks which they face and confirm that they have established systems to mitigate the significant risks.

13. RESERVES POLICY

The trustees have considered the level of reserves they wish to retain, appropriate to the charity's needs. This is based on the charity's size and the level of financial commitments held. The trustees aim to ensure the charity will be able to continue to fulfil its charitable objectives even if there is a temporary shortfall in income or unexpected expenditure. The trustees will endeavour not to set aside funds unnecessarily.