

REGISTERED CHARITY NUMBER: 1050451

**REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR
ENDED 31 MARCH 2021
FOR
MILLBROOK CHRISTIAN CENTRE**

MILLBROOK CHRISTIAN CENTRE

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MILLBROOK CHRISTIAN CENTRE

REPORT OF THE TRUSTEES for the Year Ended 31 March 2021

The trustees present their report with the financial statements of the charity for the year ended 31 March 2021. The trustees have adopted the provisions of the current Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities'.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

1050451

Principal address

51a Wimpson Lane
Millbrook
Southampton
Hampshire
SO16 4QF

Trustees

Rev M Starbuck
Mrs F Finch
Mrs A Starbuck
Mr A Boston
Mrs R Boston
Mrs S Maritz
Mr P Sass

Chairman
Treasurer
Admin Team Leader

Also Trustee of ICEJ

Independent Examiner

Mary Wallbank DChA, FCA, FCIE
Charity Management Services
19 Stinchar Drive
Chandlers Ford
Eastleigh
Hampshire
SO53 4QJ

Bankers

National Westminster Bank plc
27 Market Place
Romsey
Hampshire
SO51 8ZH

Solicitors

Robinsons Solicitors
3 - 5 Mundy Street
Heanor
Derbyshire
DE25 7EB

Advisers

Assemblies of God
National Ministry Centre
Mattersey
Doncaster
DN10 5HD

MILLBROOK CHRISTIAN CENTRE

REPORT OF THE TRUSTEES for the Year Ended 31 March 2021

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is constituted under the Assemblies of God Model Trust Deed, dated July 2008. The charity is constituted as a Trust.

Recruitment and appointment of new trustees

Trustees are recruited and appointed by the current trustees, after consultation with the church leadership. New trustees are provided with a copy of the Trust Deed and other key documents. Trustees are appointed from within the church membership, which also gives them some existing knowledge of how the charity is run and its aims and objectives.

Organisational structure

The trustees, known as the Church Council, delegate the day to day running and management of the charity to the church ministry team and the nursery management committee. Key decisions are then referred back to the Church Council. The main staff members to whom day to day running of the church and nursery are delegated to are the senior minister and the nursery manager.

Wider network

The charity is a recognised member of the Assemblies of God Churches, adopting their model Trust Deed and subscribing to their doctrine.

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

OBJECTIVES AND ACTIVITIES

Objectives and aims

The objectives of the Church ("the objectives") are for the benefit of the public:

- a) to advance the Christian faith in accordance with the Statement in such ways and in such parts of the United Kingdom or the world as the Church Council from time to time may think fit;
- b) to relieve sickness and financial hardship and to promote and preserve good health by the provision of funds, goods or services of any kind including through the provision of counselling and support in such parts of the United Kingdom or the world as the Church Council from time to time think fit; and
- c) to advance education in such ways and in such parts of the United Kingdom or the world as the Church Council from time to time may think fit.

The trustees confirm they have had due regard to the Charity Commission's guidance on public benefit in planning their activities. The objectives and aims of the Charity (Millbrook Christian Centre) benefit the public in the SO16 area in the following ways:

The objectives and aims of the Charity (Millbrook Christian Centre) benefit the public in the SO16 area in the following ways:

1) By being a place of public worship within the community. One of our key charitable objectives is the advancement of the Christian faith and we believe that benefits the Community in a number of ways. For example, Millbrook Christian Centre (MCC) is a church community where all are welcome and where individuals and families can be part of a friendly, engaging group of people. As a Church we believe that spirituality and spiritual health are vital elements of living a well-balanced, fulfilling life. It is our experience that a sincere, personal faith enables individuals to cope more effectively with the mental, emotional and social challenges of life. Much of our sharing and teaching within the Church promotes moral values, socially responsible lifestyles, and involvement within the local community. It is our genuine conviction that the Christian faith promotes both personal and community uplift.

MILLBROOK CHRISTIAN CENTRE

REPORT OF THE TRUSTEES for the Year Ended 31 March 2021

2) **By relieving financial hardship as and where we can.** There are a number of MCC activities that are aimed specifically at those who may be needing help or support. E.g. Our SAIL Community Cafe (S-Serving the community; A-Assisting those in need; I-Informing those with questions; L-Listening to people) and our CONNECT Seniors Lunch Club. These are two regular events where meals, advice and access to community information are made available to those who attend. Last year we added another monthly meeting to our Seniors programme called 'CONNECT Tea'. This fun-filled afternoon includes games, quizzes and various interactive activities, has been running successfully with a dozen or more in attendance at all the events. Another aspect of MCC's assistance and support is Learningland - our children's nursery - which provides 2-4yr old Funding. A significant percentage of the children within the nursery who access this provision are from lower income families within the local community.

3) **By providing Childcare and Educational Services to the Community.** There is an element of instruction and education in almost all that we do. For example, we read and use the English language, English culture and etiquette are often referenced, and Biblical history and geography are frequently taught. There are also regular programmes hosted at MCC with a view to teaching on Relationships, Money, Technology, Health, Creative Arts, as well as various craft activities. Learningland is our children's Nursery and it provides a safe, good educational environment for 1 - 5 year olds. During its 25 years of operation, Learningland has made a valued and appreciated contribution to families within the community and to the development of their children.

ACHIEVEMENT AND PERFORMANCE **Charitable Activities**

This year's Church & Charity activities were significantly affected by the Covid19 pandemic. We list the main areas of impact below but will also give a bit more detail in a few subsequent paragraphs.

- Members of staff were caught in national lockdowns overseas; other staff members were furloughed.
- Worship services of the Church were closed for 9 out of the 12 months.
- Learningland had to operate with reduced staff and children numbers.
- Administration and financial processes had to be moved online.
- Pastoral and congregational operations became digital and dependent on digital delivery systems.
- All of our community and social assistance programmes were suspended.

Navigating through uncharted waters.

This was a totally new experience for all of us in this situation. Not only was the virus new, but its consequences were also new. To date we have never faced a lockdown that had also closed churches and limited any gathering for worship. Learningland was also affected with lower children numbers and with challenges of protecting and retaining staff. To mitigate the inevitable financial impact, certain lead staff members took reductions in their salary packages, while others were placed on furlough using the government furlough scheme.

There was at first a genuine concern that the Charity as a whole would incur a significant and substantial financial setback. Thankfully, this did not happen to the degree that we thought it could. At the close of the financial year the accounts do reflect some diminishing of income, especially on the Church side, however, taken as a whole we can be very thankful and appreciative of the commitment of staff and members to getting us through this time.

MILLBROOK CHRISTIAN CENTRE

REPORT OF THE TRUSTEES for the Year Ended 31 March 2021

One of the challenges that we faced immediately the lockdown was implemented, was 'How do we continue to serve and care for the Church?' In response to this we started recording and uploading 'service programmes' so that members could watch from the safety of their homes. When the second lockdown was declared we began to also use Zoom for our Sunday services and mid-week meetings to provide a more interactive way of doing church. While at first these were new skills and methods, they are now very much part of our delivery system and we are sure will remain in some way once church is fully open.

Pre-covid, most of the income given into the Church was by way of the offerings taken during our Church services. Now as a result of the pandemic, most of the giving to the church is done by way of online banking. There are some exceptions to this with some of our older members still preferring to give directly and so they pop an envelope through the Church door.

At first all of our kids, youth and seniors activities were suspended. We now have kids and youth breakaway options during the Sunday morning Zoom service and a number of our members are involved with that. The Connect and SAIL activities were also suspended, mainly due to health and vulnerability risks. These departments are now considering their options, and looking to a possible restart in the autumn. Annual events like the "Live Life Beautifully" conference were held via Zoom, the same was true of Christmas events and Vision Sunday.

Management Team meetings, Church Council and Leadership meetings have continued during the course of the year using Zoom or Skype. The business and administration of the Charity, the Church, and Learningland have not been significantly affected by Covid and all appropriate minutes and decisions have been recorded and kept.

We sense that the general mood is 'let's get through this'. There is a strong hope and desire that we will be able to get back some normality in the near future. It's going to take some time to assess what the impact of the last twelve months has been on our members, especially the older ones. However, we are confident that the Charity came through this year in reasonable shape and that we will be able to grow and develop during the coming year.

FINANCIAL REVIEW

The charity continues to be funded mainly through income from the day nursery, plus gifts and donations from members of the charity.

Despite the Covid-19 pandemic in 2020 with a combination of: Southampton City Council maintaining Nursery Funding at pre-Covid levels for much of the year; The government Furlough scheme; and generous donations by members has meant this has been a positive financial year. However the pandemic has affected many things and 2021-22 is expected to be equally challenging.

Reserves Policy

The trustees have set a Reserves policy which is based on a combination of salary and support costs required to continue in the short-term should funding drop significantly. This Reserves Policy requires reserves of £62,020 based on costs in the current financial year (2019/20 £62,909). At the 31st March 2021 total funds amounted to £1,489,622 of which £76,676 is freely available as the balance is invested in either fixed assets, or is restricted/designated for a particular purpose. The reserves policy is regularly reviewed by the trustees.

ON BEHALF OF THE TRUSTEES:


.....
A. Starbuck - Trustee

Date: 26th July 2021

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF MILLBROOK CHRISTIAN CENTRE

I report on the accounts for the year ended 31 March 2021 which comprise the following Statement of Financial Activities, Balance Sheet and Supporting Notes..

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under Section 144 of the Charities Act 2011 (the Charities Act) and that an independent examination is required. The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of The Association of Independent Examiners.

It is my responsibility to:

- examine the accounts under Section 145 of the Charities Act
- to follow the procedures laid down in the General Directions given by the Charity Commission (under Section 145(5)(b) of the Charities Act); and
- to state whether particular matters have come to my attention.

Basis of the independent examiner's report

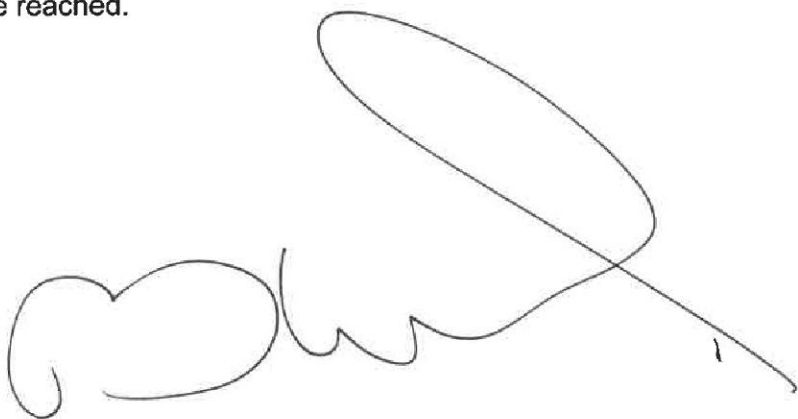
My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. 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 statements below.

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 130 of the Charities Act; and
 - to prepare accounts which accord with the accounting records and to comply with the accounting requirements of the Charities Act have 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.

Mary Wallbank DChA, FCA, FCIE
Charity Management Services
19 Stinchar Drive
Chandlers Ford
Eastleigh
Hampshire
SO53 4QJ



Date: 2nd August 2021.

MILLBROOK CHRISTIAN CENTRE

STATEMENT OF FINANCIAL ACTIVITIES
for the Year Ended 31 March 2021

		2020/21			2019/20		
		<u>Unrestricted</u>	<u>Restricted</u>	<u>Total</u>	<u>Unrestricted</u>	<u>Restricted</u>	<u>Total</u>
	Notes						
Incoming Resources							
Voluntary Income							
Gifts and Donations		70032		70032	73857		73857
Missionary Offering		961	960	1921	686	2755	3441
Investment Income (Bank Interest)		32		32	120		120
		<u>71025</u>	<u>960</u>	<u>71985</u>	<u>74663</u>	<u>2755</u>	<u>77418</u>
Income from Charitable Activities							
Nursery		281716		281716	279170		279170
Church Events		6749		6749	5000		5000
Total Incoming Resources	2	<u>359490</u>	<u>960</u>	<u>360450</u>	<u>358833</u>	<u>2755</u>	<u>361588</u>
Expenditure							
Nursery Costs	3	235023		235023	238811		238811
Ministry Costs	4	37830		37830	45479		45479
Mission Costs	5	13172	3792	16964	20746	2861	23607
Support Costs	6	51200		51200	51760		51760
Total Expenditure		<u>337225</u>	<u>3792</u>	<u>341017</u>	<u>356796</u>	<u>2861</u>	<u>359657</u>
Net Income/Expenditure		<u>22265</u>	<u>-2832</u>	<u>19433</u>	<u>2037</u>	<u>-106</u>	<u>1931</u>
Net Movement in Funds		<u>22265</u>	<u>-2832</u>	<u>19433</u>	<u>2037</u>	<u>-106</u>	<u>1931</u>
Transfers		0		0	0		0
Funds Brought Forward	15	1464758	5431	1470189	1462721	5537	1468258
Funds Carried Forward		<u>1487023</u>	<u>2599</u>	<u>1489622</u>	<u>1464758</u>	<u>5431</u>	<u>1470189</u>

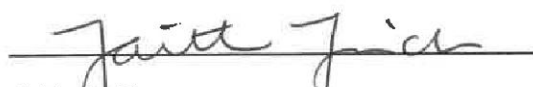
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BALANCE SHEET

for the Year Ended 31 March 2021

	Notes	2020/21 Total	2019/20 Total
Fixed Assets			
Tangible Assets	10	<u>1522006</u>	<u>1531465</u>
Current Assets			
Debtors (due within 1yr)	11	5157	4592
Cash at Bank		<u>85311</u>	<u>65517</u>
		<u>90468</u>	<u>70109</u>
Creditors			
Amounts due within 1yr	12	-18928	-28194
Net Current Assets		<u>71540</u>	<u>41915</u>
Total Assets less Current Liabilities		1593546	1573380
Creditors			
Amounts due after more than 1 yr	13	-103924	-103191
Net Assets		<u><u>1489622</u></u>	<u><u>1470189</u></u>
Funds	15		
Unrestricted Funds		1487023	1464758
Restricted Funds		<u>2599</u>	<u>5431</u>
Total Funds		<u><u>1489622</u></u>	<u><u>1470189</u></u>

The financial statements were approved by the Board of Trustees on 26th July 2021 and were signed on its behalf by:


F. Finch - Treasurer

MILLBROOK CHRISTIAN CENTRE

NOTES TO THE FINANCIAL STATEMENTS for the Year Ended 31 March 2021

1 ACCOUNTING POLICIES

The principal accounting policies adopted, judgements and key sources of estimation and uncertainty in the preparation of the financial statements are as follows.

a) Basis of preparation

The accounts are prepared in accordance with the accounting regulations set out under the Charities Act 2011, and with Accounting and Reporting by Charities: Statement of Recommended Practice (SORP2015), issued by the Charity Commission, and the Financial Reporting Standard (FRS102). The trustees have reasonable expectation that the charity can continue as a going concern for the foreseeable future and accordingly these accounts have been prepared on that basis. Assets and liabilities are initially recognised at historical cost or transaction value, unless otherwise stated below.

b) Funds

Restricted funds are funds which must be used in accordance with specific restrictions imposed by the donor or the terms of a specific appeal. Expenditure which meets this criteria is drawn from the fund.

Unrestricted funds are those funds which can be used for any purpose in furtherance of the charitable objects.

Unrestricted funds include designated funds where the trustees have, at their discretion, temporarily set aside resources for a specific purpose.

c) Income

Income is included in the accounts once the charity has entitlement, the amount can be measured with sufficient reliability and there is the probability of receipt.

Earned income is included in the period in which the service is provided, if any performance conditions attached have been met or are fully within the control of the charity.

Donations are included when given, together with an estimate of the related gift aid due thereon.

Legacies are included when the date of probate is ascertained and the amount receivable can be reliably estimated.

d) Expenditure

Expenditure is included on an accruals basis when incurred, that is, when a legal or constructive obligation arises, and includes related irrecoverable VAT.

Future liabilities are included at the best estimate of the amount required to settle them.

MILLBROOK CHRISTIAN CENTRE

NOTES TO THE FINANCIAL STATEMENTS for the Year Ended 31 March 2021

e) Fixed assets

Individual assets with a cost of more than £200 and an expected useful life of more than two years are capitalised.

Fixed assets are stated at cost less accumulated depreciation.

Depreciation is charged on a straight line basis at rates estimated to write-off the value of the assets over their useful lives:-

Equipment, fixtures and fittings	20-30%
Buildings	2.00%

f) Pensions

The charity makes contributions to the government's NEST pension scheme for all eligible employees, and makes additional contributions to individual pension schemes in accordance with employment contracts. Contributions are included in the accounts as expenditure when they become payable.

g) Accounting for donated services including volunteers

We recognise the important work of volunteers in the work and provision of all the charity does. However, placing a monetary value on their contribution presents significant difficulties. These factors, together with the lack of a market comparator price for general volunteers, make it impractical for their contribution to be measured reliably as income for accounting purposes. Given the absence of a reliable measurement basis, the contribution of volunteers is not included as income in charity accounts.

MILLBROOK CHRISTIAN CENTRE

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED for the Year Ended 31 March 2021

Note	2020/21			2019/20
	Unrestricted	Restricted	Total	Total
2 Income				
General Offering	60900		60900	65380
Gift Aid Refunds	8940	192	9132	8477
Missionary Giving	1153	768	1921	3441
Learningland Nursery	281716		281716	279170
Church Activities & Misc	6749		6749	5000
Premises Hire			0	0
Bank Interest Received	32		32	120
Total Income	359490	960	360450	361588
3 Direct Charitable Activities Expenditure				
Nursery Costs				
Staff Costs & Salaries	209839		209839	207472
Food and Activities	13403		13403	19970
Premises Expenditure	5949		5949	7226
Administration Cost	3896		3896	2310
Depreciation	1936		1936	1833
Total Nursery Costs	235023	0	235023	238811
4 Ministry Costs				
Stipends, Wages & Pensions	34027		34027	40803
Manse Costs	2689		2689	2032
Ministry Training	120		120	440
Administration & Expenses	994		994	2204
Total Church Costs	37830	0	37830	45479
5 Mission Costs				
Mission Donations (see Note 7)	12846	3792	16638	16442
Mission - Community			0	841
Outreach - Youth & Other	51		51	1370
Outreach - Conferences & Other	275		275	4954
Total Mission Costs	13172	3792	16964	23607
Total Direct Charitable Expenditure	286025	3792	289817	307897
6 Support Costs				
Premises Costs	8156		8156	9109
Printing, Stationery & Telephone	2865		2865	4278
Equipment Maintenance	1578		1578	519
Premises Maintenance	775		775	1638
Insurance & General Expenses	3203		3203	3326
Bank Charges & Interest	7062		7062	7268
Depreciation	10487		10487	10326
Admin Salaries & Other Costs	9866		9866	10017
Legal & Professional Fees	25		25	60
Bookkeeping	5965		5965	4369
Independent Examination	1218		1218	850
Total Support Costs	51200	0	51200	51760

MILLBROOK CHRISTIAN CENTRE

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED for the Year Ended 31 March 2021

Note		2020/21	2019/20
7	Mission Donations		
	Alberti	600	600
	AOG	2,646	2,110
	C. Francis - Clean Slate	1,100	350
	Evangelical Action Brazil	3,402	3,591
	International Bible Training Institute	600	600
	ICEJ	1,200	1,200
	Sedgley International Christian Ministries (G. Malan)	600	900
	Southampton City Mission	1,920	2,170
	Southampton Street Pastors	720	970
	Marion Rashleigh	2,550	2,400
	N Maddock - E-Quiparts	1,100	0
	Other Sundry Donations	200	1,551
	Total Mission Donations	16,638	16,442

8	Staff Costs		
	Wages, Salaries and Stipends	224,610	230,193
	Employers NI Cost	15,557	16,577
	Pension Costs	4,095	4,465
		244,262	251,235

The average number of employees during the year was 15 (2019/20 - 15)
No employees received remuneration in excess of £60,000 during the year.

9	Trustees' Remuneration and Benefits	
	No sums were reimbursed to the trustees for their work as trustees. Under provisions included within the Trust Deed, two trustees received remuneration for Ministry service provided to the charity. The manse benefit is the estimated open market rental value of the house occupied by the ministers, split 50/50.	

	Stipend	Pension Contribution	Manse Benefit	Total	Previous Year Total
Mark Starbuck	25124	564	5700	31388	34823
Ann Starbuck	15555	280	5700	21535	22500
				52923	57323

Trustees' Expenses
Payments totalling £524 were reimbursed to four trustees in respect of travel, conference fees and other reimbursed expenses during the year (2019/20 - £2,337).

10	Tangible Fixed Assets	2020/21			2019/20
		Freehold property	Fixtures & Fittings	Totals	
	Cost/Valuation				
	At 1st April	1547932	18894	1566826	1564489
	Additions		2965	2965	4378
	Revaluation 2019				
	Disposals			0	0
	At 31st March	1547932	21859	1569791	1568867
	Depreciation				
	At 1st April	27143	8219	35362	25244
	Disposals				
	Charge for Year	8306	4117	12423	12158
	At 31st March	35449	12336	47785	37402
	Net Book Value				
	At 31st March	1512483	9523	1522006	1531465

A revaluation of the church premises at 51a Wimpson Lane, was carried out by Robin Howe - FRICS, ARVA, MCABE of Robin Howe Associates in January 2019; based on a Market Valuation in conjunction with the Charities Act 1993. Advice from Robin Howe valued the buildings at Wimpson Lane at £650,000. The total manse building and land at Maybush Rd was valued at £197,932. For depreciation purposes as FRS102 the building only was valued at £65,318. Depreciation of the buildings at Maybush Rd is currently provided at 2% on a straight line basis. All other values are based on the historical cost convention.

MILLBROOK CHRISTIAN CENTRE

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED for the Year Ended 31st March 2021

Note		2020/21	2019/20			
11	Debtors: Amounts Falling Due within one year					
	Nursery Fees due	0	2440			
	Gift-Aid Refunds due from AOG	1861	998			
	Furlough Payment due	3296	0			
	Prepayments	0	1154			
	Total	5157	4592			
12	Creditors: Amounts Falling Due within one year					
	HMRC PAYE	4850	3924			
	Pension	836	1778			
	Accrued Expenses	2435	850			
	Deferred Income *	0	10374			
	Mortgage Capital	4757	5489			
	Nursery Deposits	1125	1988			
	Holiday Accruals	4344	3601			
	Nursery Fee overpayment	81				
	Other Creditors	500	190			
		18928	28194			
	(* = Advance payment by SCC, the whole of deferred income has been released to income in the following year)					
13	Creditors: Amount Falling Due more than one year					
	Mortgage 1-2 years	6711	5857			
	Mortgage 2-5 years	22885	20015			
	Mortgage more than 5 years	74328	77319			
		103924	103191			
14	Secured Debts					
	The following secured debts are included within creditors					
	Mortgage secured on church property	108680	108680			
15	Movement in Funds					
		At 1/4/20	Income	Expenditure	Revaluation	At 31/3/21
	Unrestricted Funds					
	General Funds (ii)	1464758	359490	337225		1487023
	Restricted Funds					
	Missions (i)	5431	960	3792		2599
	Youth Restricted Donation					0
		5431	960	3792	0	2599
	Total Funds	1470189	360450	341017	0	1489622

(i) = Funds donated for work of missions as detailed in note 8
All restricted funds are held as bank balances

16 Related Party Transactions

There were no related party transactions during the year (2019/20: None)