

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

Miracle Street UK

(A company limited by guarantee)

Charity registration number: 1123158

Company registration number: 06483627

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

MIRACLE STREET UK

CONTENTS

Legal and Administrative Information	1
Trustees' Report	2 to 4
Independent Examiner's Report	5
Statement of Financial Activities	6
Balance Sheet	7
Notes to the Financial Statements	8 to 13

MIRACLE STREET UK

LEGAL AND ADMINISTRATIVE INFORMATION

Charity Registration Number	1123158
Company Registration Number	06483627
Trustees	Mr G Stupple Mr P F Kelly Dr T Maschio Dr N A Osborne Mr S Dugdale Mr W R Kennedy
Registered address	Middle Brook Centre Middle Brook Street Winchester Hampshire SO23 8DQ
Bankers	Barclays Bank plc 1 Churchill Place London E14 5HP
Independent Examiner	G W Schulz ACMA Independent Examiners Ltd 2 Broadbridge Business Centre Delling Lane Bosham Chichester West Sussex PO18 8NF

MIRACLE STREET UK

TRUSTEES' REPORT

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the year ended 31 March 2021.

Structure, governance and management

Nature of governing document

The company was incorporated on 25 January 2008, is registered as a charity and is constituted as a company limited by guarantee and is therefore governed by a Memorandum and Articles of Association.

Recruitment and appointment of trustees

Appointment of the Directors is governed by the Articles of Association of the Company. The Board of Directors is authorised to appoint new directors according to the agreed guidelines for the appointment of new trustees. A new trustee would receive a copy of the previous year's annual report and accounts and a copy of the Charity Commission leaflet 'The Essential Trustee: What You Need to Know'.

Organisational structure

The Board of Trustees meets quarterly to administer the charity. The trustees are also the directors of the company for charity purposes. The trustees carry the responsibility for the charity in terms of financial stability and the implementation of the charitable aims and objectives.

The board have also appointed Steve Lee who is retained on a professional basis to oversee the outworking of the charity's activities.

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 our exposure to the major risks.

Objectives and activities

Objects and aims

The objects of the company are:

(a) to advance the Christian faith in accordance with the statement of beliefs appearing in the schedule to the articles hereto attached in such parts of the United Kingdom or the world as the trustees may, from time to time, think fit and other such purposes which are exclusively charitable according to the law of England & Wales and are connected with the charitable work of the charity.

(b) To promote local communities by associating with the local authorities, voluntary organisations and inhabitants in order to advance education and provide facilities in the interests of the social welfare for recreation and leisure time occupation with the object of improving the condition of life for the said inhabitants in such parts of the United Kingdom and the world as the trustees may, from time to time, determine.

MIRACLE STREET UK

TRUSTEES' REPORT

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.

Achievements and performance

Review of activities

Over recent months we have developed the online element of our ministry significantly. We now produce evangelistic short films of various links that are used by many churches and promoted across Social Media.

The COVID-19 pandemic has presented the church with its greatest challenge and greatest opportunity in decades and Miracle Street has been well positioned to meet the opportunity.

It is envisaged that over the next year we will return to elements of the work that were suspended by the lockdown whilst continuing to grow the areas that have flourished throughout this crisis.

In addition to the media side of our work, we run regular events for men called Terrain which are focused around the battlefield sites of World War II in southern England and northern France. The gatherings create opportunities to get men together to discuss issues of 'Life, God & Faith' in a unique environment.

Financial review

Income for the year amounted to £84,257 (2020 - £84,162) and expenditure £69,826 (2020 - £75,078). The surplus of £14,431 was added to funds brought forward, resulting in a year end unrestricted fund balance of £26,913.

Policy on reserves

We remain committed in trying to create a reserve equal to 3 months of the running expenses of the charity and are making inroads into that plan.

Principal funding sources

There are three main sources of income:

- (a) General donations: These are from individuals, churches and businesses that believe in and support the work.
- (b) Events donations: These are specific donations that are made from churches that relate to events we run alongside them.
- (c) Stage hire income: These are amounts we invoice for the hire of the stages that help us underwrite the costs of running the charity's work.

The money that is donated to us and we generate from income covers the costs of running our various events and the funding the costs of our media production.

MIRACLE STREET UK

TRUSTEES' REPORT

Investment policy and objectives

The Memorandum and Articles of Association give authority for the directors/trustees to hold property and securities on behalf of the charity, including such assets as were acquired from the unincorporated charity as referred to in the accounts.

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 (who are also the directors of Miracle Street UK for the purposes of company law) 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.

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK 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 charitable company will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company 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 17 November 2021 and signed on its behalf by:

.....
Mr S Dugdale
Trustee

MIRACLE STREET UK

INDEPENDENT EXAMINER'S REPORT

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 March 2021 which are set out on pages 6 to 13.

Respective responsibilities of trustees and examiner

As the charity's trustees of Miracle Street UK (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of Miracle Street UK are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of Miracle Street UK as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act 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; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

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
Bosham
Chichester
West Sussex
PO18 8NF

17 November 2021

MIRACLE STREET UK

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2021

	Note	Unrestricted funds £	Total 2021 £	Total 2020 £
Income and Endowments from:				
Donations and legacies	3	<u>84,257</u>	<u>84,257</u>	<u>84,162</u>
Total income		<u>84,257</u>	<u>84,257</u>	<u>84,162</u>
Expenditure on:				
Charitable activities	4	<u>69,826</u>	<u>69,826</u>	<u>75,078</u>
Total expenditure		<u>69,826</u>	<u>69,826</u>	<u>75,078</u>
Net income		<u>14,431</u>	<u>14,431</u>	<u>9,084</u>
Net movement in funds		14,431	14,431	9,084
Reconciliation of funds				
Total funds brought forward		<u>12,482</u>	<u>12,482</u>	<u>3,398</u>
Total funds carried forward	9	<u><u>26,913</u></u>	<u><u>26,913</u></u>	<u><u>12,482</u></u>

The notes on pages 8 to 13 form an integral part of these financial statements.

MIRACLE STREET UK
REGISTERED NUMBER: 06483627

BALANCE SHEET
AS AT 31 MARCH 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	6	3,487	497
Current assets			
Debtors	7	218	441
Cash at bank and in hand		<u>24,048</u>	<u>12,384</u>
		24,266	12,825
Creditors: Amounts falling due within one year	8	<u>(840)</u>	<u>(840)</u>
Net current assets		<u>23,426</u>	<u>11,985</u>
Net assets		<u>26,913</u>	<u>12,482</u>
Funds of the charity:			
Unrestricted income funds			
Unrestricted funds		<u>26,913</u>	<u>12,482</u>
Total funds	9	<u>26,913</u>	<u>12,482</u>

For the financial year ending 31 March 2021 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements on pages 6 to 13 were approved by the trustees, and authorised for issue on 17 November 2021 and signed on their behalf by:

.....
Mr S Dugdale
Trustee

The notes on pages 8 to 13 form an integral part of these financial statements.

MIRACLE STREET UK

NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 31 MARCH 2021

1 Charity status

The charity is limited by guarantee, incorporated in England, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

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). They also comply with the Companies Act 2006 and Charities Act 2011.

Basis of preparation

Miracle Street UK 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 nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

Income and endowments

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of the income receivable can be measured reliably.

MIRACLE STREET UK

NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 31 MARCH 2021

Donations and legacies

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

Gift aid

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

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.

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.

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	Depreciation method and rate
Furniture and equipment	25% on cost
Main stage	25% on cost
Mobile stage	10% on cost

MIRACLE STREET UK

NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 31 MARCH 2021

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.

Liabilities

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 company 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.

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.

Financial instruments

The company 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.

3 Income from donations and legacies

	Unrestricted funds General £	Total 2021 £	Total 2020 £
Donations and legacies;			
Donations from companies, trusts and similar proceeds	81,499	81,499	80,432
Gift aid reclaimed	2,758	2,758	3,730
	<u>84,257</u>	<u>84,257</u>	<u>84,162</u>

MIRACLE STREET UK

NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 31 MARCH 2021

4 Expenditure on charitable activities

	Unrestricted funds General £	Total 2021 £	Total 2020 £
Events and activities	48,000	48,000	48,891
Stage costs	8,389	8,389	6,676
Travel costs	996	996	8,949
Office and premises	9,942	9,942	8,507
Trustee meetings	-	-	206
Independent examination	840	840	840
Depreciation, amortisation and other similar costs	1,659	1,659	1,009
	<u>69,826</u>	<u>69,826</u>	<u>75,078</u>

5 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.

MIRACLE STREET UK

NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 31 MARCH 2021

6 Tangible fixed assets

	Furniture and equipment £	Main stage £	Mobile stage £	Total £
Cost				
At 1 April 2020	38,761	150,000	20,000	208,761
Additions	<u>4,649</u>	<u>-</u>	<u>-</u>	<u>4,649</u>
At 31 March 2021	<u>43,410</u>	<u>150,000</u>	<u>20,000</u>	<u>213,410</u>
Depreciation				
At 1 April 2020	38,264	150,000	20,000	208,264
Charge for the year	<u>1,659</u>	<u>-</u>	<u>-</u>	<u>1,659</u>
At 31 March 2021	<u>39,923</u>	<u>150,000</u>	<u>20,000</u>	<u>209,923</u>
Net book value				
At 31 March 2021	<u>3,487</u>	<u>-</u>	<u>-</u>	<u>3,487</u>
At 31 March 2020	<u>497</u>	<u>-</u>	<u>-</u>	<u>497</u>

7 Debtors

	2021 £	2020 £
Accrued income	<u>218</u>	<u>441</u>

8 Creditors: amounts falling due within one year

	2021 £	2020 £
Accruals	<u>840</u>	<u>840</u>

MIRACLE STREET UK

NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 31 MARCH 2021

9 Funds

	Balance at 1 April 2020 £	Incoming resources £	Resources expended £	Balance at 31 March 2021 £
Unrestricted funds				
General	<u>12,482</u>	<u>84,257</u>	<u>(69,826)</u>	<u>26,913</u>
	Balance at 1 April 2019 £	Incoming resources £	Resources expended £	Balance at 31 March 2020 £
Unrestricted funds				
General	<u>3,398</u>	<u>84,162</u>	<u>(75,078)</u>	<u>12,482</u>

10 Analysis of net assets between funds

	Unrestricted funds General £	Total funds at 31 March 2021 £
Tangible fixed assets	3,487	3,487
Current assets	24,266	24,266
Current liabilities	<u>(840)</u>	<u>(840)</u>
Total net assets	<u>26,913</u>	<u>26,913</u>
	Unrestricted funds General £	Total funds at 31 March 2020 £
Tangible fixed assets	497	497
Current assets	12,825	12,825
Current liabilities	<u>(840)</u>	<u>(840)</u>
Total net assets	<u>12,482</u>	<u>12,482</u>